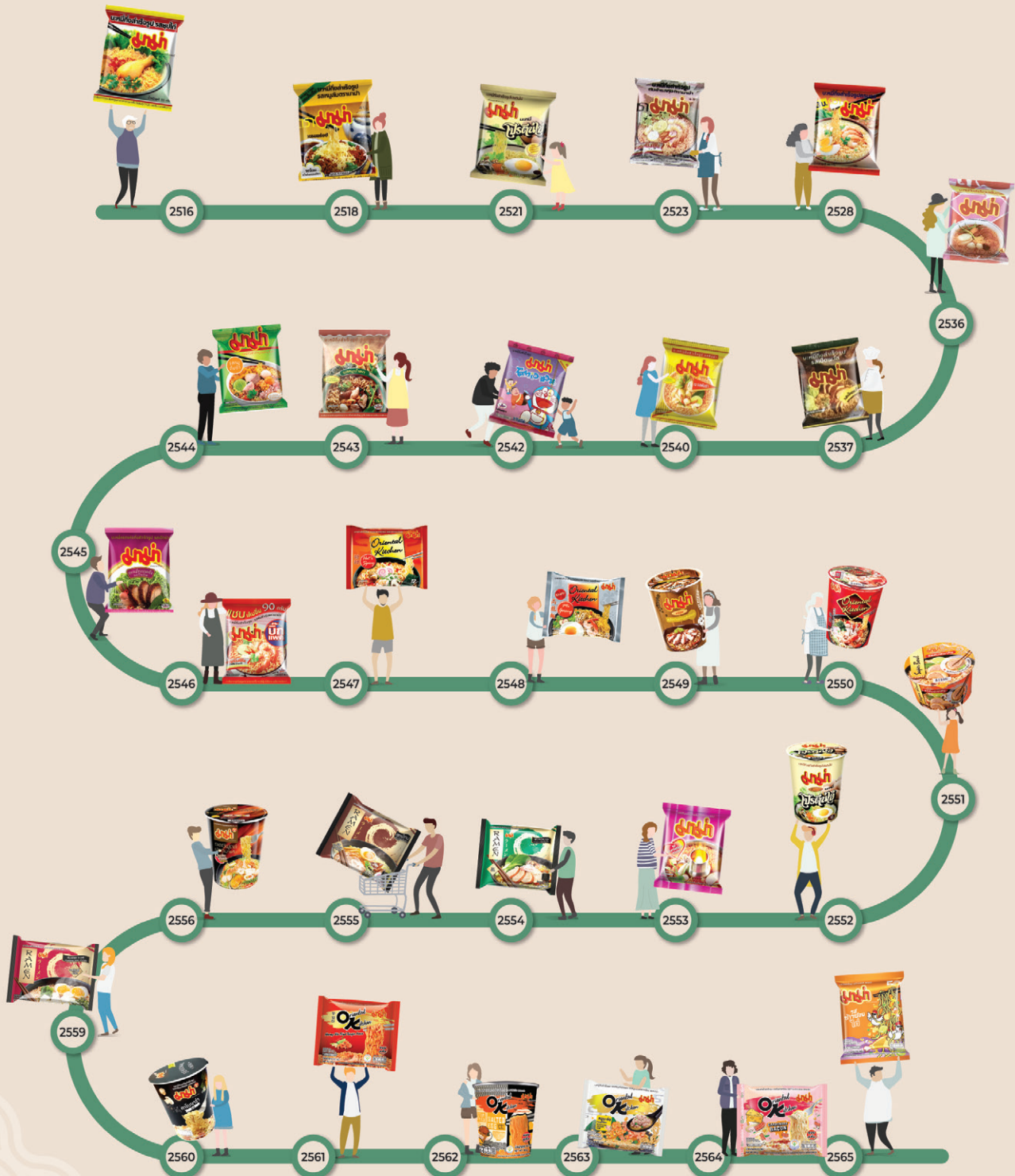




Thai President Foods Public Company Limited.

# FOOD FAMILY



Annual Report 2021  
(56-1 One Report)



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### Attachment

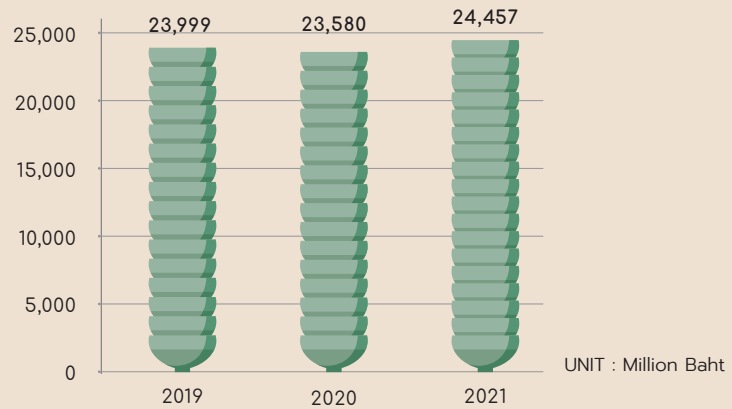
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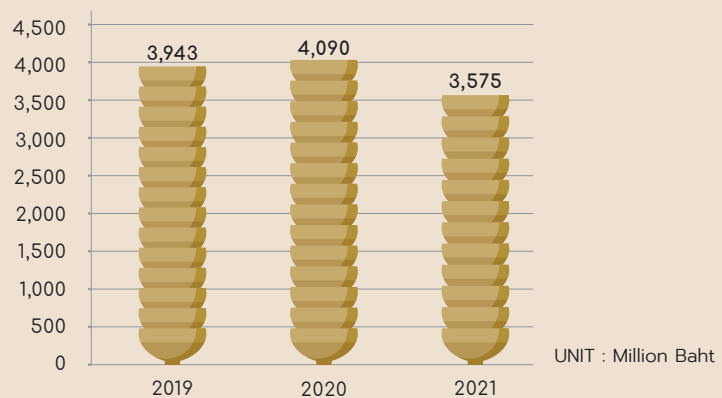
*"This 2021 Annual Report (56-1 One Report) referred to the information disclosed on the Company's website [www.mama.co.th](http://www.mama.co.th), which is an integral part of the 56-1 One Report. The Board of Directors certifies the correctness and completeness of such referred information."*

Sale Revenues

24,457

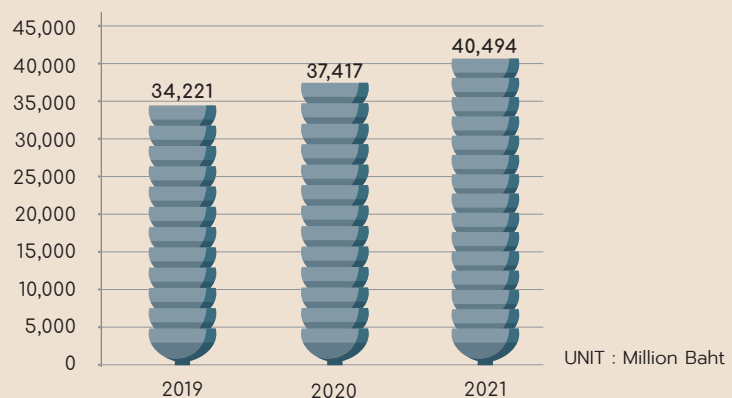
Net Profit of  
Equity Holders  
of the Company

3,575



Total Assets

40,494



## Highlights of the year

Consolidated	2021	Change	2020	Change	2019
<b>Performance (Million Baht)</b>					
Sales	24,457	3.72%	23,580	-1.74%	23,999
Total Revenues*	25,410	3.96%	24,442	-2.27%	25,009
Net Profit of Equity Holders of the Company	3,575	-12.60%	4,090	3.73%	3,943
Total Assets	40,494	8.22%	37,417	9.34%	34,221
Total Liabilities	4,271	6.11%	4,025	-4.36%	4,209
Total Shareholders' Equity	36,223	8.48%	33,391	11.26%	30,012
<b>Per Share Data (Baht)</b>					
Earnings per Share	10.84	-12.64%	12.41	3.76%	11.96
Dividend Per Share	4.08**	- 14.47%	4.77	6.95%	4.46
Book Value per Share	109.86	8.48%	101.28	11.26%	91.03
<b>Financial Ratio</b>					
Current Ratio (times)	5.48	-0.04	5.52	0.89	4.63
Average Collection Period (Days)	51	-2	53	-2	55
Return on Assets (%)	13.89	-2.81	16.70	-1.37	18.07
Debt to Equity (times)	0.15	0.00	0.15	-0.03	0.18
Times Interest Earned (times)	1,868.19	-244.07	2,112.26	933.49	1,178.77
<b>Rate of Return</b>					
Gross Profit Margin (%)	34.06	-2.96	37.02	0.77	36.25
Net Profit Margin (%)	14.07	-2.66	16.73	0.97	15.77
Return on Equity (%)	13.20	-3.38	16.58	-1.24	17.82

\* Included the Share of profit from investments in associates and Finance Income

\*\* May be changed by approved from the general meeting of shareholders.





## Message from the Board of Directors



**Mr. Boonsithi Chokwatana**  
Chairman of the Board



**Mr. Pipat Paniangvait**  
Vice Chairman of the Board /  
Chief Executive Officer

“ The company has adjusted and developed business strategies in accordance with the situation, by following the principles of good governance under the good corporate governance policy, anti-corruption policy, social and environmental responsibility, and becoming aware of the potential and importance of personnel along with generating good operating results continuously in order to become stable and sustainable. ”

In 2021, the epidemic crisis and the mutation of the COVID-19 virus still continues, which has resulted in worldwide issues to the economy, the society, and the environment. This has led to a new normal lifestyle (New Normal) in all societies across the world, including in Thailand. Despite the foreign market, which accounts for 20% of the total sales revenue, had been affected by international logistics problems and container shortages in the first half of the year, the sales of the affiliated groups of the company, which the majority are consumer goods manufacturing businesses, had increased. During the second half of 2021, the situation began to improve, and have helped the company's sales revenue to grow by 3.72%

In addition, throughout 2021, the company has been affected by the increasing price of palm oil, which is the main raw material used in instant noodles production. This resulted in a higher cost of goods sold, which is an uncontrollable factor. As for the controllable factors, the company has managed to increase the revenue and reduce expenses by increasing production efficiency and closely controlling costs. Moreover, the board of directors has established an investment committee to manage cash in order to maximize benefits. As a result, the company has net profit attributable to shareholders of the Company amounting to 3,574.64 million baht, representing a net profit margin of 14.07% of total revenues.

The company has adjusted and developed business strategies in accordance with the situation, by following the principles of good governance under the good corporate governance policy, anti-corruption policy, social and environmental responsibility, and becoming aware of the potential and importance of personnel along with generating good operating results continuously in order to become stable and sustainable. This resulted in the company receiving the following awards:

- The Marketeer No.1 Brand Thailand 2020-2021 award, from the results of a nationwide public opinion poll by Kadence International (Thailand) and Marketing Move Co., Ltd.
- The Prime Minister's Export Award 2021 in the category of Best Exporter or Best Business Exporter and in the category of Best Thai Brand or Best Thai Brand from the Department of International Trade Promotion Ministry of Commerce.
- A badge and certificate of Model Industrial Estate for Good Labor Practices.
- An assessment of the Annual General Meeting of Shareholders 2021 (AGM 2021) with a score of 98 out of 100 points from the Thai Investors Association.
- An assessment of corporate governance of listed companies in the Stock Exchange of Thailand for the year 2021 (CGR 2021) at the level of "Excellent" from the Thai Institute of Directors Association.
- Selected to be on the Thailand Sustainability Investment (THSI) list for the year 2021 from the Stock Exchange of Thailand.
- The Sustainability Disclosure Award for the year 2021 from the Thaipat Institute.

For the action plans for the next 3 years, the affiliated groups of the company continue to strive towards the goals. The company plans to generate the revenue from sales of 30 billion Baht by developing new products that add nutritional value, develop a production system to maintain product quality according to international standards, and enhance quality personnel to be the key force in driving the business towards its goals.

On this occasion, the board of directors would like to express our sincerest gratitude to all the shareholders, business partners, customers, and to all the groups of stakeholders, who have always given great support to the company's operations, as well as, all the company's employees who have helped pushing the company to thrive in every crisis.



## Board of Directors



**Mr. Boonsithi Chokwatana**  
Chairman of the Board/  
Chairman of the Nomination and  
Remuneration Committee



**Mr. Pipat Paniangvait**  
Vice Chairman of the Board/  
Chief Executive Officer/Nomination  
and Remuneration Committee



**Mr. Suchai Ratanajiaroen**  
Vice Chairman of the Board/  
Corporate Governance  
and Risk Management Committee



**Dr. Poj Paniangvait**  
President/Corporate Governance  
and Risk Management Committee



**Mr. Kamthorn Tatiyakavee**  
Director



**Mr. Apichart Thammanomai**  
Director



**Mr. Boonchai Chokwatana**  
Director



**Mr. Vathit Chokwatana**  
Director



**Miss Pojjana Paniangvait**  
Director/Corporate Governance  
and Risk Management Committee

## Board of Directors



**Mrs. Orathai Thongmeearkom**  
Director



**Dr. Kulpatra Sirodom**  
Independent Director/  
Chairman of the Audit Committee



**Mr. Kanich Punyashtiti**  
Independent Director/Audit Committee/  
Nomination and Remuneration Committee



**Professor Dr. Suwimon Keeratipibul**  
Independent Director/  
Chairman of the Corporate Governance  
and Risk Management Committee



**Mrs. Tongurai Limpiti**  
Independent Director/  
Chairman of the Investment Committee/  
Corporate Governance  
and Risk Management Committee



**Mr. Kalin Sarasin**  
Independent Director/Audit Committee





## Audit Committee



**Dr. Kulpatra Sirodom**  
Chairman of the Audit Committee



**Mr. Kanich Punyashtiti**  
Audit Committee



**Mr. Kalin Sarasin**  
Audit Committee

## Nomination and Remuneration Committee



**Mr. Boonsithi Chokwatana**  
Chairman of the Nomination  
and Remuneration Committee



**Mr. Pipat Paniangvait**  
Nomination and  
Remuneration Committee



**Mr. Kanich Punyashtithi**  
Nomination and  
Remuneration Committee





## Corporate Governance and Risk Management Committee



**Professor Dr. Suwimon Keeratipibul**  
Chairman of the Corporate Governance  
and Risk Management Committee



**Mrs. Tongurai Limpiti**  
Corporate Governance  
and Risk Management Committee



**Mr. Suchai Ratanajajaroen**  
Corporate Governance  
and Risk Management Committee



**Dr. Poj Paniangvait**  
Corporate Governance  
and Risk Management Committee



**Miss Pojjana Paniangvait**  
Corporate Governance  
and Risk Management Committee



**Miss Hatairat Kwangchit-Aree**  
Corporate Governance  
and Risk Management Committee

## Investment Committee



**Mrs. Tongurai Limpiti**  
Chairman of the Investment Committee



**Mr. Pun Paniangvait**  
Investment Committee



**Mr. Wasan Boonsampankit**  
Investment Committee



**Ms. Vimol Techakosol**  
Investment Committee



**Mrs. Chalairat Sorasuchart**  
Investment Committee



## Management Team



**Mr. Pipat Paniangvait**  
Chief Executive Office



**Dr. Poj Paniangvait**  
President



**Dr. Pojjanee Paniangvait**  
Vice President



**Mrs. Sodsai Hanchana**  
Assistant Vice President



**Miss Hatairat Kwangchit-Aree**  
Assistant Vice President



**Mrs. Suchada Paniangvait**  
Assistant Vice President  
(Production)/  
Lamphun Factory, Manager



**Mr. Pun Paniangvait**  
Presidents Office,  
Manager



**Miss Sararath Tangsirimongkol**  
Accounting Department,  
Manager/Company Secretary



**Mr. Wasan Boonsampankit**  
Finance and Investment  
Department, Manager (CFO)



**Mr. Ittiphon Khouharat**  
Business Development,  
Manager



**Miss Prapin Lawanprasert**  
Sourcing Department,  
Manager

## Management Team



**Mr. Sorayut Raksasri**  
Human Resource Management  
and Administration Department,  
Manager



**Miss Ariya Tangcheevinsirikul**  
Internal Audit Department,  
Manager



**Mr. Chumpol Temiyasathit**  
Research Development  
Department, Manager



**Miss Sawita Sakulthanasombat**  
Quality Assurance  
Department, Manager



**Mr. Nirun Poothong**  
Sriracha Factory, Manager



**Miss Nimol Kijkhan**  
Rayong Factory, Manager



**Mr. Chatchaphon Boonterm**  
Human Resources  
Organization Development  
Department, Manager



**Mr. Kidpaiboon Kongsupapsiri**  
Intelligence Production Manager





## Section 1

# Business Operations and Performance



# 1. Structure and Business Corporations of TFMAMA



## 1.1 Business Policy and Overview

Thai President Foods Public Company Limited was founded on 16 October 2017 as a result of merger between Thai President Foods Public Company Limited ("TF") and President Rice Products Public Company Limited ("PR") as a new entity under the original name of "TF". This merger follows Sahapat Group's restructuring plan to have a flagship company carrying out food business reducing complexity in shareholding structure. This new company has legally transferred assets, liability, duties and obligations of both companies with registered capital of 329,704,014 Baht. The company was registered as listed company in the Security Exchange of Thailand with the stock symbol "TFMAMA". On 18 October 2017. The major shareholder of the Company is Saha Pathana Inter-Holding PCL.. The Company manufactures and distributes food product. For example, Instant Noodles and Semi-finished Food Bakery, Biscuit, Fruit Juice and Packaging.

Registered Capital 329,704,014 Baht, issued and fully paid, comprising 329,704,014 Ordinary Shares, Par Value at 1 Baht per share

### 1.1.1 Vision and Mission

#### (1) Vision

“To be a world leading food producer and brand name that are well-accepted and recognized by consumers of all household for our safe and international standard products under creative and innovative management with responsibilities to social and environment for the long-term sustainability”

#### (2) Mission

- 1) Maximize the consumer's benefit with safe, quality and nutritious convenient food products at reasonable price.
- 2) Develop capabilities of our human resources leading the company to be learning organization for everyone.
- 3) To enhance production efficiency with modern technology, and support research and development to initiate foods innovation as well as effective management system based on the Big Data information.
- 4) Search for marketing opportunity and channel for continuously growth of our business around the world.
- 5) Build trust among stakeholders with emphasis on social responsibility as well as protections of natural resource and environment using good governance for sustainable development.

#### (3) Core Values : Powers





## 1.1.2 Key Changes and Developments

### • 2019

1) Increased an investment in President Interfood Company Limited in accordance with the resolution of the Board of Directors' Meeting No. 6/2019 dated 19 June 2019 by purchasing additional ordinary shares from Saha Pathana Inter Holding Public Company Limited, which is the majority shareholder of the company (Related Party), making the company hold 59.67 percent of registered shares (The company has previously held 8.67 percent of shares) and President Interfood Company Limited became the company's subsidiary.

2) Co-invested with Sahapat Group in establishing a new company in accordance with the resolution of the Board of Directors' Meeting No. 9/2019 dated 18 September 2019 named Saha Capital Tower Company Limited, operating the real estate development business. The company invested 15 percent of the registered shares of the new company.

3) Launched several items of new products for domestic sale and export. These include:

- Instant noodle line, including Mama Oriental Kitchen Instant Dried Noodles, consisting of 2 flavors which are Korean Spice and Hot and Spicy, and Mama Oriental Kitchen Instant Noodles, consisting of 2 flavors which are Hot Korean and Stir-fried Salted Egg.
- Rice noodle line and instant congee and rice porridge of Mama Brand, including Mama Pad Thai Flavored Instant Rice Noodle, Mama Baby Clam Stir-fried and Crab Soup Flavored Instant Small Rice Noodle, Mama Salted Egg Flavored Instant Congee Cup, Mama Seaweed with Egg Soup, Spicy Pork Rib Soup, Fired Shrimp with Garlic Flavored Instant Rice Porridge.
- Bread line, including Bissin Butter Garlic, Origano, Spicy Shrimp Soup Flavored Biscuits, and Bissin Stir-fried Salted Egg Cream and Spicy Stir-fried Salted Egg Cream Flavored Wafers.

### • 2020

1) Co-invested with Sahapat Group in establishing a new company in accordance with the resolution of the Board of Directors' Meeting No. 7/2020 dated 15 July 2020 named XET Company Limited, operating the international school business under the name King's College International School Bangkok ("KCSB"). The company invested 2.17 percent of the registered shares of the new company.

2) Launched several items of new products for domestic sale and export. These include:

- Instant noodle line, including Mama Spicy Carbonara Flavored Instant Noodles and Mama Oriental Kitchen Fine Seasoned Ground Pork Flavored Instant Noodles, Ruski Siracha Sauce Flavored Instant Noodles
- Rice noodle line and instant congee and rice porridge of Mama Brand, including Mama Chicken and Abalone Flavored Instant Rice Noodles, Mama Fish Flavored Instant Rice Porridge, Mama Spicy Pork Rib, Fired Shrimp with Garlic and Seaweed with Egg Soup Flavored Instant Rice Porridge

### • 2021

1) Invested in the ordinary shares of Saha Pathanapibul Public Company Limited in accordance with the resolution of the Board of Directors' Meeting No. 9/2021 dated 15 September 2021. The investment proportion is 0.55 percent of the registered shares.

2) Launched several items of new products for domestic sale and export. These include:

- Instant noodle line, including Mama Oriental Kitchen Carbonara Bacon Flavored Instant Noodles
- Instant food line, including Kimchi Fried Rice and Bibimbap
- Bread line, including Biscuits, Wafers and Cookies, tally 12 items

### 1.1.3 Use of proceeds from debentures offering

- None

### 1.1.4 Commitments stipulated in the debenture registration statements

- None

### 1.1.5 Company Profile

- **Name** : Thai President Foods Public Company Limited
- **Trading Abbreviation** : “TFMAMA”
- **Main Business** : Foods Manufacturer
- **Registered No. Bor. Mor. Jor** : 0107560000397
- **Registered Capital** : 329,704,014 Baht, issued and fully paid, comprising 329,704,104 Ordinary Shares, Par Value at 1 Baht per share
- **Head Office** : 304 Srinakarin Rd., Huamark, Bangkok, Thailand. 10240
- **Telephone** : 02 374 4730
- **FAX** : 02 374 7743
- **Website** : [www.mama.co.th](http://www.mama.co.th)
- **E-mail** : [tf@mama.co.th](mailto:tf@mama.co.th)

- **The company operates total of 5 factories location**

#### Branch 00001

(Cholburi Factory) : 601 Moo 11 Sukhapiban 8 Rd., Nongkam, Sri Racha, Cholburi, Thailand 20230 Tel. 0-3848-0502 Fax. 0-3848-0184

#### Branch 00002

(Lamphun Factory) : 99/9 Moo 5, Lumphun-Pa Sang Rd., Phasak, Muang Lamphun, Lamphun, Thailand. 51000 Tel. 0-5358-4088 Fax. 0-5358-4086

#### Branch 00003

(Rayong Factory ) : 43/244 Moo 4, Huayprab-Pluakdaeng Rd., Mabyoangporn, Pluakdaeng, Rayong, Thailand. 21140 Tel. 0-3310-1500-9 Fax : 0-3310-1599

#### Branch 00004

(Ratchaburi Factory 1) : 115 Moo 15, Songpol Rd., Pakrad, Banpong, Ratchaburi, Thailand. 70110 Tel. 0-3220-1503-4 Fax : 0-3220-1248

#### Branch 00005

(Ratchaburi Factory 2) : 158 Moo 15, Songpol Rd., Pakrad, Banpong, Ratchaburi, Thailand. 70110 Tel. 0-3271-9599 Fax : 0-3271-9555



## 1.2 Nature of Business

### 1.2.1 Revenue Structure

The company operates in the business of food production and distribution. The total revenue structure is as follows:

Product Line	Business Group	Operated by	% Shareholding	Sales Revenue					
				Year ended					
				Dec 31, 2021		Dec 31, 2020		Dec 31, 2019	
				Million Baht	%	Million Baht	%	Million Baht	%
Instant Noodles and Semi-finished food	Food	Thai President Foods Plc (TFMAMA)	-						
		Kallol Thai President Foods (BD) Ltd.	55.00						
		Thai President Foods (Hungary) Kft.	65.00	14,225	55.98	13,499	55.23	13,126	52.49
		President Kourakuen Co., Ltd.	70.00						
		Ayeyarwaddy Success Venture Foods Co., Ltd.	51.00						
Bakery	Food	President Bakery Plc.	51.99	7,160	28.18	7,143	29.22	7,744	30.96
Biscuit	Food	Thai President Foods Plc (TFMAMA)	-	875	3.44	840	3.44	856	3.42
Fruit Juice	Food	Taisun Foods Co., Ltd.	52.08	881	3.47	870	3.56	1,013	4.05
Packaging	Packaging	Thai Anbao Paper Products Co., Ltd.	51.00	1,067	4.20	1,046	4.28	1,076	4.30
		Dai-Ichi Packaging Co.,Ltd.	50.10						
Others	Raw material	President Flour Mill Co.,Ltd.	60.00	249	0.98	182	0.75	184	0.74
	Investing	President D Venture Co.,Ltd.	70.00						
	Agent	President Interfood Co.,Ltd.	59.67						
Sales				24,457	96.25	23,580	96.48	23,999	95.96
Total other income*				715	2.81	566	2.31	736	2.94
Share of profit from investments in associates and joint venture				238	0.94	296	1.21	274	1.10
Total revenues				25,410	100	24,442	100	25,009	100

\* Total other income : including Dividend income and Finance income



## Trademarks

The company has the key trademarks registered domestically and internationally including MAMA, HOMEY MAMA, RUSKI, BAMEE, HOMEMY, BISSIN, PAMA, PAPA, MAMY, PRESIDENT RICE, and HANDI RICE.

As of 31 December 2021, the company has 200 trademarks registered in Thailand and 311 trademarks registered abroad. These trademarks are valid for 10 years from the registration date and may be renewed once every 10 years.

## 1.2.2 Product Information

### (1) Products and Services and Innovation

#### • Instant Noodles and Semi-finished Food

The Company manufactures and distributes instant noodles and semi-finished food product to domestic and foreign market, and shall classify into product groups as following,

##### 1) Semi-finished products manufactured from wheat flour as major raw material

For example, Instant Noodles under “Mama” brand which has been well-known and accepted among consumers for over 49 years and gained over 47% of market shares in domestic market. The Company has also been hired to produce instant noodle for several leading manufacturers in Europe, the United States and Australia for exporting. The Company operates with the production capacity of around 6,000,000 pack/day.

##### 2) Semi-finished products manufactured from rice as major raw material

###### - Ready-to-eat Products

For example, Instant Rice Vermicelli, Instant Rice Noodle, Instant Flat Noodle, Instant Rice Porridge, Pre-cooked Rice which are the products of noodle and rice with flavor under “Mama” brand and the international brand, such as MAMY, PAPA, PAMA, HANDI RICE, and PRESIDENT RICE, etc.

###### - Noodle Products

For example, Rice Vermicelli, Rice Noodle, to be used for cooking for consumers with several package sizes to serve small or large family, restaurant, school, under the brand of MAMA MAMY, PAPA, PAMA, HANDI RICE และ PRESIDENT RICE, etc.

##### 3) Semi-finished products manufactured from other raw materials

For example, Instant Bean Vermicelli, etc.



## • Bakery

President Bakery PCL., which is the Subsidiary of TFMAMA, manufactures and distributes bread and bakery products under its own brand, mostly being sold in domestic market, shall classify into product groups as following,

### 1) Wholesale Bakery Products

For example, Sliced Bread, Burger Buns & Hot Dog Buns, Snack Bread such as Filled Bread, Sandwich, Cake, and so on, which are distributed through modern trade retail shop and traditional trade retail shop under the brand of “Farmhouse”.

### 2) Retail Bakery Products

For example, Bakery Products, which are distributed through retail shop of the Company such as Deliya, Madame Marco, and Franchise Bakery Business of “Good Morning Farmhouse”, and Vending Machine of bread and bakery

### 3) Fast Food & Catering Products

For example, Burger Bun, Hot Dog Bun, Sliced Bread, French Bread, Croissant, Crouton, and Par-Baked Pizza which are sold to fast food shops, such as McDonald’s, KFC, Pizza Hut, Burger King, etc., and Fried Products such as Bread Crumbs

## • Biscuit

Biscuit products under the brand of “Bissin”, and “Homey”, including biscuit, cracker and wafers of several flavor, such as Butter Coconuts, Butter Coconuts Orange Flavoured Cream, Butter Coconuts Cocoa Topped, Whole Wheat Crackers, Lemonia Cookies, and Wafer of Cocoa, Coffee, Coconut, Strawberry, Blueberry, Blackcurrant Flavour, and Cracker of Sesame, Chicken, Cheese, Coconut Flavour

## • Fruit Juice

Fruit Juice products under the brand of “Green Mate”, “Kelly”, “Thai Sun” in can or PET bottle of several flavors such as orange, lychee, grass jelly, and tamarind which are well responded in the Southern Region

## • Packaging

Packaging Material for foods, and Paper Cups

## • Others

- 1) Wheat flour manufacturing
- 2) Real estate investment
- 3) Exporting Agent



## Investment Benefits

The company and the subsidiaries have been granted the tax privileges from the investment promotion under Investment Promotion Act, B.E. 2520 (1977) upon approval of the Board of Investment under the determined terms and conditions. The tax privileges have been declared in the Notes to Financial Statements. 27. Promotional privileges

No.	Details	Date	Promotional privileges	Start	Finish	Remark
1)	60-1169-0-00-1-2	16 October 2017	Instant noodles	1 July 2015	30 June 2023	The Company
2)	60-1167-0-00-1-2	16 October 2017	Manufacturing of wafers with stuff	1 October 2016	30 September 2024	The Company
3)	60-1168-0-00-1-2	16 October 2017	Instant noodles	1 November 2019	31 October 2027	The Company
4)	60-1171-0-00-1-2	16 October 2017	Instant noodles	1 September 2016	31 August 2024	The Company
5)	60-1172-0-00-1-2	16 October 2017	Instant noodles	1 February 2016	31 January 2024	The Company
6)	60-1173-0-00-1-2	16 October 2017	Manufacturing of semi-instant noodles and dried noodles	7 May 2016	6 May 2024	The Company
7)	61-0769-1-00-1-0	3 July 2018	Manufacturing of instant foods	3 January 2020	5 years	The Company
8)	64-0246-1-04-1-0	5 March 2021	Manufacturing of rice product	6 March 2021	3 years	The Company
9)	2438(2)/2556	15 October 2013	Manufacturing of pulp or paper material	2 April 2019	3 years	A subsidiary
10)	1855(2)/2555	6 July 2012	Manufacturing of plastic product, or coated plastic	30 June 2014	7 years	A subsidiary
11)	62-0295-1-04-1-0	22 March 2019	Manufacturing of plastic product, or coated plastic	Not yet commenced	3 years	A subsidiary
12)	1343(2)/2555	22 March 2012	Manufacture of bakery products	1 June 2017	8 years	A subsidiary
13)	2218(2)/2557	25 September 2014	Manufacture of whole grain products	1 October 2014	8 years	A subsidiary





## Research and Development Policy

The company realizes that research and development and innovations are the main factors to foster the growth of business as they enhance the corporate competitiveness. All parties should take part in developing and creating innovations on annual basis.

## Criteria of Research and Development and Innovation

- **Products** : The company is determined to continuously create and develop the products that satisfy customers and respond to the rapidly changing needs of consumers to increase the marketability. Therefore, the company has been developing value-added products and healthy products as options for consumers.
- **Manufacturing process** : The company encourages improvement, development, and creation of innovations in terms of manufacturing, including application of new technology to increase productivity, reduce energy and natural resources consumption.
- **Environment** : Research and development of the products and manufacturing process should be conducted while taking account of environmental impacts and climate change.
- **Personnel** : Improve capability of researchers while developing academic competence to ensure sustainable self-reliance.

Unit : Thousand Baht

	2021	2020	2019
Reserch and Development Costs	6,112.07	12,266.22	12,592.69



อร่อย



เส้นหมานุ่ม อร่อยเหนียวแน่น





## (2) Marketing and Competition

### Domestic market

The overall market of instant noodles in 2021 (source: Nielsen (Thailand): November, 2021) has decreased by 3.4% with the total market value of approximately 16,637 million Baht, which is categorized by types of product as follows:

- **Instant noodles market**

In 2021, the overall situation of the domestic instant noodles market in Thailand has a lower growth rate of 3.0% compared to the previous year, with a total market value of approximately 15,720 million Baht. The brand, Mama, still remains in the top position of the market from about 4 competitors with a total market share of 47.1%, which is classified by bag products and cup products with market shares of 46.2% and 50.6% respectively. For the marketing policy of instant noodles products under the Mama brand this year, the company has developed new flavors under the OK Series,



a premium category that has received positive feedback from consumers. In 2021, we have released a very successful OK Series Carbonara Bacon flavor, which currently is in the third position of the bag product group of the OK Series after the Hot Korean and Salted Egg flavors after only 7 months from the release. Moreover, the products under OK Series have increased in sales proportion within the traditional trade stores, which prior, the majority of the sales are made mainly within the modern trade group. This resulted in the expansion of the group of consumers, and the growth rate of the products under the OK Series has increased 31% compared to the sales value of the same products last year. The company has planned to produce more products with a variety of flavors under the OK Series in order to cover all target groups, which will help stimulate the sales of the brand, Mama. The company has implemented all forms of marketing and public relations strategies, and emphasized on both online and offline promotional plans for the OK Series by focusing on creating awareness for consumers to have access to OK Series bag products, along with continually organizing various campaigns.

The overview of the company's entire group of instant noodle product developments in 2022: Mama brand plans to continuously develop new flavor products to the market in all product groups to create a variety of products and reach consumers with different product needs as well as developing new products for consumers who see the importance in wellness and health as well, in order to stimulate sales and to provide more options for the consumers.

- **Market of instant rice noodles, noodles, and vermicelli**

In 2021, the overall situation of the market of instant rice noodles, noodles, and vermicelli in Thailand has a total value of 917 million Baht. Despite the decrease of 9.8%, the Mama brand is still able to maintain its market share in the number one position from about 3 competitors at the rate of 64.0%, which in 2020, the company had the market share of 70.1%.

As for the distribution of the company in 2021, the company's sales of Mama instant rice noodles, noodles, and vermicelli had decreased from the previous by 28.26%, which was a lower decrease than the decline of the total market. Due to the situation of COVID19, the sales volume of the products had decreased significantly.

- **Market of instant porridge and instant boiled rice**

In 2021, the market for instant porridge in the country had a total value of 1,602 million Baht, which is a 9.9% decrease when compared to last year. The Mama brand had the market share of 4.1%, from about 3 competitors which was a decrease from 5.6% the previous year. The distribution of the company in 2021, Mama instant porridge had a 25.56% decrease in the total sale.

The overall situation of the market for instant boiled rice in the country had a total value of 155 million Baht in 2021, and the market had a growth of 31.0%. Mama brand had a 54.3% share of the market, which was a decline of 96.4% of the market share from the year 2020.

Due to the decrease in sales of the products in the porridge and instant boiled rice group this year, the company has expanded the production of innovative products within the premium group to the market. These products include the OK instant rice, which initially has a Korean theme, consisting of two flavors, Kimchi and Bibimbap.

- **Biscuit Market**

The total market value of the biscuit market in 2021, which is divided into products in the group of crack, wafer, and cookie, is 11,777 million baht. The group of crackers had the market value of 4,734 million Baht, the group of wafers had 3,922 million Baht, and cookies had 3,121 million Baht, with a growth of 2.0% when compared to 2020.

In terms of the company's distribution in 2021, the products in the Biscuit group had an increase of 6.07% in growth when compared to 2020. It is divided into Cracker, which had a 6.46% increase in growth, Wafer, which had an increase of 3.86%, and Cookie, which had an increase of 35.58%. The Bissin brand had an increase of 0.24%, and the Homey brand had an increase of 10.75% when compared to 2020.

In 2021, there was a significant growth of the products under the 2 brands in the biscuit group. This was the result of the development of 12 new product SKUs under the category of crackers, wafers, and cookies. Moreover, in 2022, the company has plans to develop 11 more SKUs products for both brands in order to increase sales in the Biscuit group and to create a variety of products in order to continuously reach the different needs of consumers in all groups.

## International Market

The inevitable impact of the Covid-19 epidemic has resulted in the shortage of industrial labor, increases in raw material prices, problems in logistics, container shortages, and the increase in freight charges causing the surge in production costs and product prices at the destination. Our selling agents in some countries needed to postpone their orders, which directly affected the company. However, the company is determined to drive business growth in a positive direction through strategic adjustments in many countries, such as the restructuring of distributors in China for offline marketing in order to cover sales nationwide. Furthermore, the company had accelerated online marketing by supporting distributors in promoting on E-commerce platforms. By doing so, the content of the products and brands could be seen by the consumers on China's leading social media and websites, which includes Weibo, Ctrip, Mafengwo, Sohu, etc. The company has created content on various social media platforms, such as Facebook, Instagram, Twitter, Tiktok, and also collaborated with foreign influencers such as in the USA, UK, and Singapore in order to promote new cooking styles to the consumers.

Despite the fact that the market is unstable, the company committed to develop products according to the market mechanisms, and produce products that are in line with the global trend. Healthy products are considered to be one of the most important food trends in the present day. The company has released non-fried products mixed with vegetables to add more nutritional value, and also promoting products that are modified to use rice bran oil instead of palm oil in many European countries in order to meet the market's demand and decrease the use of palm oil to reduce the environmental impact.

The preliminary data is just one part of the strategy that helps the company drive sales through the crisis among the instability caused by uncontrollable factors. The company gives importance and emphasizes on adapting changes rapidly. This resulted in receiving the prestigious PM Awards 2021 in two categories, which are "Best Thai Brand" and "Best Export". It is one of the pride of all of our employees who have developed quality products for the world and society.



## Domestic and Foreign market breakdown

In 2021, the company has a proportion of revenue from domestic sales to exports to sell abroad. and exporting countries as follows:

Product Line	Business	Market	Sales Revenue					
			As of 31 - Dec - 21		As of 31 - Dec - 20		As of 31 - Dec - 19	
			Mil.Baht	%	Mil.Baht	%	Mil.Baht	%
Instant food	Food	Domestic	9,654	39.47	9,218	39.09	9,076	37.82
		Foreign	4,572	18.69	4,281	18.16	4,050	16.88
Bakery	Food	Domestic	7,160	29.28	7,143	30.29	7,744	32.27
		Foreign	-	-	-	-	-	-
Confectionery	Food	Domestic	842	3.44	810	3.43	810	3.37
		Foreign	33	0.13	30	0.13	46	0.19
Fruit Juice	Food	Domestic	202	0.83	202	0.86	293	1.22
		Foreign	679	2.78	668	2.83	720	3.00
Packaging	Package	Domestic	1,053	4.31	1,044	4.43	1,073	4.47
		Foreign	14	0.06	2	0.01	3	0.01
Others	Raw	Domestic	248	1.01	182	0.77	184	0.77
	Material	Foreign	-	-	-	-	-	-
Total		Domestic	19,159	78.34	18,599	78.87	19,180	79.92
		Foreign	5,298	21.66	4,981	21.13	4,819	20.08
Total			24,457	100	23,580	100	23,999	100

### Export Market\*

Market	2021	2020	2019
Asia	52%	50%	51%
Australia	4%	4%	3%
Europe	25%	23%	28%
Canada	4%	4%	3%
America	15%	19%	15%

\* From the separate financial statements only



### (3) Procurement of products and services

The company has 5 manufacturing plants which are: Chonburi Factory and Lumpun Factory which instant noodles production. Rayong Factory which instant noodles production and biscuits. Ratchaburi 1 and Ratchaburi 2 which semi-finished products processed from rice production. The production capacity is as follows:

Factory	Instant food Products (Tons/Day)			Biscuits (Tons/Day)		
	Full Capacity <sup>(1)</sup>	Actual	(%)	Full Capacity	Actual	(%)
<b>Chonburi</b>						
Year 2021	261.53	291.90	111.61	-	-	-
Year 2020	254.84	283.22	111.14	-	-	-
<b>Lamphun</b>						
Year 2021	107.57	129.65	120.53	-	-	-
Year 2020	84.24	105.29	124.99	-	-	-
<b>Rayong</b>						
Year 2021	94.01	82.93	88.21	49.35	33.79	68.47
Year 2020	84.26	84.28	100.02	45.00	31.58	70.18
<b>Ratchaburi 1 and Ratchaburi 2</b>						
Year 2021*	58.68	40.84	69.60	-	-	-
Year 2020	59.76	49.97	83.62	-	-	-
<b>Total</b>						
Year 2021	521.79	545.32	104.51	49.35	33.79	68.47
Year 2021	483.10	522.76	108.21	45.00	31.58	70.18

Note: (1) Calculate at 2 Shifts per day less 10% machine maintenance period and running 300 days per year  
\*Ratchaburi 2 is lost 14 days in June, causing the output to disappear and the workforce during the 3rd quarter to the present is missing about 250 people.

Since most of the raw materials used for manufacturing of our products are agricultural materials such as wheat flours, rice and palm oil which can be purchased domestically and internationally from Australia, Malaysia and Japan, we do not have any problems about sourcing the raw material sources and lack of raw materials for the plants. In addition, we have a variety of suppliers for raw materials and materials to minimize the risks of raw material sourcing in case of the loss of any of them and it enables us to negotiate the prices and select the best quality of raw materials.

Furthermore, not any supplier has more than 30 percent of the overall purchase value. For certain types of the main raw materials we used such as wheat flours and palm oil, we make the futures contracts with some suppliers to reduce the risks of prices and delivered quantity. The contracts indicate the quantities, prices and deliver periods and will be made quarterly and annually. However, upon consideration of the raw material costs, it was found that not any item of raw material has been used in the proportion of more than 50 percent.

Proportion of value of the domestic and international purchase of raw materials is 97:3.

#### (4) Assets Used for Business Operation

As of 31 December 2021, the company and the subsidiary have the key fixed assets in the category of lands, buildings, machines, utility system and other equipment which have been used for business operation as follows:

Type/Nature of Assets	Value (Million Baht)	Nature of Ownership	Encumbrance
1) Land and Land Improvements	1,618.73	Owned	None
2) Buildings and Structures	2,558.74	Owned	None
3) Machines and Other Equipment	3,783.98	Owned	None
4) Assets under Installation and Construction	633.47	Owned	None
<b>Total Net Book Value of the Fixed Assets</b>	<b>8,594.92</b>	<b>Million Baht</b>	

#### Policy on Investment in Subsidiaries and Associates

The company has the investment policy which emphasizes the business growth of the existing business based on the Vertical Integration Strategy, meaning the ownership or control over the input, process or channels that lead to the output, and business expansion to the suppliers or sellers and make it return to the company's current business. This strategy is useful because it helps with the complete expansion of the business. In addition, the investment return may be gained in the form of dividends that increase the company's income.

As of 31 December 2021, the company has invested 4,249.92 million Baht in the subsidiaries and associates.

#### (5) Undelivered Works

The company sells through dealers who are required to place the purchase order one month in advance. Then, the company will manufacture the products according to the purchase orders without maintaining long stocks. Regarding the exported goods, foreign customers will also notify the required quantities and the date and time of shipment in advance. Therefore, the company can manufacture the instant products and deliver them from the plant immediately without having to keep inventories for undelivered goods.



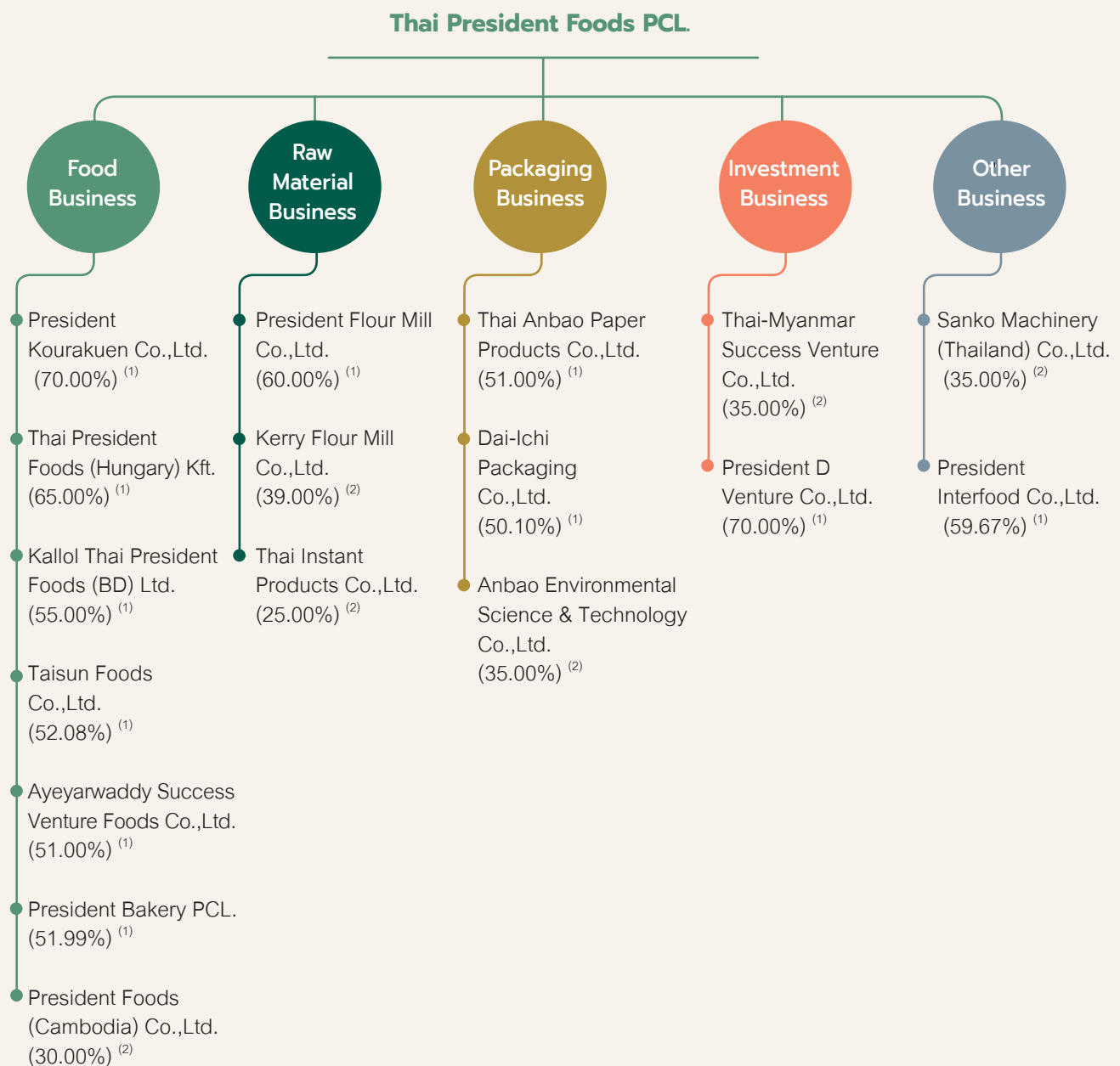
## 1.3 Shareholding structure of the company



### 1.3.1 Shareholding structure of the company

#### (1) Policy for dividing the operations of companies in the group

The Company consists of 11 Subsidiaries and 6 Associated Companies, operating the business of Food, Raw Material, Packaging, Investment, and Other as per the Company Structure as of Dec 31, 2021 as below,



Remark : (1) Subsidiaries (2) Associated companies

## (2) Report of Directors and Executives's shareholding

Board of Directors and Executives including spouses and underage children Holding shares of the Company as of December 31, 2021, totaling 14.97%, which is not more than 25% of the issued and paid-up shares as follows:

Name	Shares Dec 31,2021	Shares Dec 31,2020	Change	% Shareholding 2021
1 Mr. Boonsithi Chokwatana	3,126,794	3,126,794	-	0.95
2 Mr. Pipat Paniangvait	23,861,860	23,861,860	-	7.24
3 Mr. Suchai Ratanajajaroen	-	-	-	0.00
4 Dr. Poj Paniangvait	3,058,552	3,058,552	-	0.93
5 Mr. Kamthorn Tatiyakavee	8,424,453	8,424,453	-	2.56
6 Mr. Apichart Thammanomai	158,972	158,972	-	0.05
7 Mr. Boonchai Chokwatana	76,264	76,264	-	0.02
8 Mr. Vathit Chokwatana	888	888	-	0.00
9 Miss Pojjana Paniangvait	3,066,189	3,066,189	-	0.93
10 Mrs. Orathai Thongmeearkom	1,016,838	1,016,838	-	0.31
11 Dr. Kulpatra Sirodorn	150,147	150,147	-	0.05
12 Mr. Kanich Punyashthiti	-	-	-	0.00
13 Prof.Dr. Suwimon Keeratipibul	-	-	-	0.00
14 Mrs. Tongurai Limpiti	27,426	27,426	-	0.01
15 Mr. Kalin Sarasin	-	-	-	0.00
16 Dr. Pojjanee Paniangvait	3,110,923	3,110,923	-	0.94
17 Mrs. Sodsai Hanchana	25,574	25,574	-	0.01
18 Miss Hatairat Kwangchit-Aree	51,144	51,144	-	0.02
19 Mrs. Suchada Paniangvait	52,918	52,918	-	0.02
20 Mr. Pun Paniangvait	3,068,551	3,074,051	(5,500)	0.93
21 Miss Sararath Tangsirimongkol	-	-	-	0.00
22 Mr. Wasan Boonsampankit	-	-	-	0.00
23 Mr. Ittiphon Khouharat	-	-	-	0.00
24 Miss Prapin Lawanprasert	32,297	32,297	-	0.01
25 Mr. Sorayut Raksasri	-	-	-	0.00
26 Miss Ariya Tangcheevinsirikul	-	-	-	0.00
27 Mr. Chumpol Temiyasathit	430	430	-	0.00
28 Miss Sawita Sakulthanasombat	-	-	-	0.00
29 Mr. Nirun Poothong	60,628	60,628	-	0.02
30 Miss Nimol Kijkhan	-	-	-	0.00
31 Mr. Chatchaphon Boonterm	-	-	-	0.00
32 Mr.Kidpaiboon Kongsupapsiri	-	-	-	0.00
33 Mrs. Chalairat Sorasuchart	-	-	-	0.00
34 Miss Vimol Techakosol	-	-	-	0.00
<b>Total</b>	<b>49,370,848</b>	<b>49,376,348</b>	<b>(5,500)</b>	<b>14.97</b>

## (3) Information of Subsidiaries, Associated and Other Investments

Company Name	Main Business	Address	Telephone/Fax	Paid up Capital	% Shareholding
1) Taisun Foods Co.,Ltd.	Manufacture and distribution of fruit juice and distribution of biscuit products	304 TF Building Srinakarin Rd., Huamark, Bangkok	02-731-7250 / 02-731-7256	Baht 50 million	52.08
2) Thai Anbao Paper Products Company Limited	Manufacture and distribution of paper packaging	11 Soi Ma Charoen 1 Yaek 3-2, Nong Khang Phlu, Nong Khaem, Bangkok	02-420-9184 / 02-420-1346	Baht 20 million	51.00
3) Dai-Ichi Packaging Company Limited	Manufacture and distribution of packaging printing products and provide packaging service for consumable products	139 Moo 5, Bangna-Trad Road 36th Km., Bang-Samak, Bang-Pakong, Chachoengsao	038-545-888 / 038-545-898	Baht 150 million	50.10
4) President Flour Mills Company Limited	Manufacture and distribution of wheat flour related products	43/244 Moo 4 Huayprab-Pluak-daeng Rd., Mabyoangporn, Pluak-daeng, Rayong	033-012-041 / 033-102-046	Baht 600 million	60.00
5) President Kourakuen Company Limited	Restaurant and drink	304 TF Building Srinakarin Rd., Huamark, Bangkok	02-374-4730 / 02-375-3185	Baht 25 million	70.00
6) President Interfood Company Limited	Agent	304 TF Building Srinakarin Rd., Huamark, Bangkok	02-731-7247 / 02-374-7738	Baht 3 million	59.67
7) President Bakery Public Company Limited	Manufacture and distribution of bakery products	121/84 - 85 RS Tower Building 29th Floor, Ratchadapisek Road, Dindaeng, Bangkok	02-209-3000 / 02-209-3091	Baht 450 million	51.99
8) President D Venture Company Limited	Investing and/or lending in real estate business	304 TF Building Srinakarin Rd., Huamark, Bangkok	02-374-4730	Baht 1,105 million	70.00
9) Kerry Flour Mills Company Limited	Manufacture of wheat flour	121 Moo 2 Soi Watkae, Suk-sawad Rd., Pakklongbangplakod, Prasamuthjaedee, Samuthprakarn	02-425-9780 / 02-424-8826	Baht 200 million	39.00
10) Thai-Myanmar Success Venture Company Limited	Investment holding	304 TF Building Srinakarin Rd., Huamark, Bangkok	02-374-4730 / 02-374-3173	Baht 100 million	35.00
11) Sanko Machinery (Thailand) Company Limited	Assembly of automatic packaging machines	13 Soi Ma Charoen 1 Yaek 3-2, Nong Khang Phlu, Nong Khaem, Bangkok	02-420-9610 / 02-420-2060	Baht 15 million	35.00
12) Thai Instant Products Company Limited	Manufacturing and sales of products from tapioca, corn and other agriculture crops	41/7 Moo 8 Hemaraj Chonburi Ind. Est., CIE 1 Rd., T.Bowin, A.Sriracha, Chonburi	0-3834-6277 / 0-3834-6276	Baht 240 million	25.00
13) Kewpie (Thailand) Company Limited	Manufacture of sauce and dried vegetables	55 M.6 Tumbon Lumdin Ampur Maung, Ratchaburi	02-476-5742 / 02-476-8674	Baht 263 million	10.00
14) Saha Capital Tower Company Limited	Property rental and development business	530 Soi Sathupradit 58, Bangpongpan, Yannawa, Bangkok	-	Baht 1,600 million	15.00

Company Name	Main Business	Address	Telephone/Fax	Paid up Capital	% Shareholding
15) Kallol Thai President Foods (BD) Limited	Manufacture and distribution of instant noodles	199 TEJGAON INDUSTRIAL AREA, DHAKA-1208, Bangladesh	880-2-8816004 / 880-2-8826268	Taka 630 million	55.00
16) Thai President Foods (Hungary) Kft.	Manufacture and distribution of instant noodles	2500 ERZTERGOM, RUBIK ERUO UTCA, (IPARI PARK) 20377/9 Hungary	-	Forint 2,350 million	65.00
17) Anbao Environmental Science & Technology Company Limited	Manufacture of paper products	No. 70, Lvcheng Avenue, Xipeng Town, Jiulongpo District, Chongqing City Postal Code 401326 P.R.China	023-65259592	RMB 50 million	35.00
18) President Foods (Cambodia) Company Limited	Manufacture of instant noodles	Phum Mor ,Chamkar Doung Road, Sangkat Dongkor, Khan Dangkor Phnom Penh, Cambodia	855-232-10919	USD 1.5 million	30.00
19) Ayeyarwaddy Success Venture Foods Company Limited	Manufacture of instant noodles	Holding No.56/2 56/3 57,58 Kwin No-4- Kha Tabatswal, Holding No. 86/10 Kwin No.5, Tatmyhaw, Tabatswal Village Tract Singaing Township, Kyaukse District, Mandalay Region., Myanmar,	-	USD 10 million	51.00

### 1.3.2 Person who may have conflict of interest holds more than 10% in subsidiaries or associates

- None

### 1.3.3 Relationship with the business group of major shareholder

- None



### 1.3.4 Shareholders

#### (1) Top ten major shareholders of the Company

Including the holding by related persons according to the Section 258 of the Securities and Exchange Act B.E.2535 as registered on Book Closing of the Company as of December 2021, are summarized as following.

Major Shareholders <sup>(1)</sup>		Shares	% holding
1	Saha PathanaInter-Holding PCL	85,654,153	25.98
2	NISSIN FOODS HOLDINGS CO., LTD. (2)	55,534,253	16.84
3	Punsak-Udomsin Group (3)	51,893,995	15.74
3.1	Mr. Veeraphat Punsak-Udomsin	21,862,034	6.63
3.2	UNI CENTRAL CO., LTD.	7,602,387	2.31
3.3	UNIVERSE BEAUTY CO., LTD.	5,521,076	1.67
3.4	UNIFUNDS CO., LTD.	3,161,166	0.96
3.5	UNIWELTH CO., LTD.	3,027,820	0.92
3.6	UNICHAMP CO., LTD.	2,927,128	0.89
3.7	U.B. CHEMICAL INDUSTRIES CO., LTD.	1,992,248	0.60
3.8	Miss Pawinee Punsak-Udomsin	1,018,538	0.31
3.9	Mr. Orapin Punsak-Udomsin	1,016,838	0.31
3.10	Mrs. Orathai Thongmeearkom	1,016,838	0.31
3.11	Mr. Thanapol Punsak-Udomsin	913,938	0.28
3.12	Miss Ratiporn Punsak-Udomsin	573,055	0.17
3.13	Mrs. Malee Punsak-Udomsin	554,000	0.17
3.14	Mr. Atthapol Punsak-Udomsin	166,500	0.05
3.15	Mr. Chonlawit Punsak-Udomsin	166,300	0.05
3.16	Miss Yanida Punsak-Udomsin	166,300	0.05
3.17	Mr. Jakkaphum Punsak-Udomsin	166,300	0.05
3.18	THAI ARCHE COSMETICES CO., LTD.	23,364	0.01
3.19	UNIQUE FASHION CO., LTD.	13,113	0.00
3.20	UNIFILLD CO., LTD.	2,538	0.00
3.21	UNISOY CO., LTD.	1,331	0.00
3.22	BORNEO WORLD CO., LTD.	1,183	0.00
4.	Paniangvait Group (3)	47,708,925	14.47
4.1	Mr. Pipat Paniangvait	22,202,905	6.73
4.2	Miss Pojjanee Paniangvait	3,110,923	0.94
4.3	Mr. Pun Paniangvait	3,068,551	0.93
4.4	Mr. Petch Paniangvait	3,078,246	0.93
4.5	Miss Pojjana Paniangvait	3,063,710	0.93
4.6	Mr. Poj Paniangvait	3,058,552	0.93
4.7	Miss Pojjanard Paniangvait	3,058,551	0.93



Major Shareholders <sup>(1)</sup>		Shares	% holding
4.8	Mrs.Wantanee Jaroensedsin	3,058,551	0.93
4.9	Mrs. Rattana Paniangvait	1,658,955	0.50
4.10	Jims Group Co.,Ltd.	1,174,175	0.36
4.11	Miss Pennapa Peechaphat	1,061,750	0.32
4.12	Mrs. Benjawan Paniangvait	53,467	0.02
4.13	Mrs. Suchada Paniangvait	52,918	0.02
4.14	Mr. Kawin Lerdprapong	4,000	0.00
4.15	Mr. Wiroj Lerdprapong	2,479	0.00
4.16	Miss Pannipa Paniangvait	1,192	0.00
<b>5.</b>	<b>Tatiyakavee Group (3)</b>	<b>28,621,488</b>	<b>8.68</b>
5.1	Mr. Kamthorn Tatiyakavee	5,792,527	1.76
5.2	Mr. Kampol Tatiyakavee	3,831,432	1.16
5.3	Mrs. Supawadee Tatiyakavee	2,631,926	0.80
5.4	Mr. Kamjon Tatiyakavee	2,409,824	0.73
5.5	Mrs. Wiratchada Tatiyakavee	2,339,149	0.71
5.6	Mrs. Mayuree Tatiyakavee	2,032,075	0.62
5.7	Mrs. Wannee Tatiyakavee	1,522,944	0.46
5.8	Mr. Kritsada Tatiyakavee	1,274,784	0.39
5.9	Mr. Kittimate Tatiyakavee	1,274,784	0.39
5.10	Miss Piradee Tatiyakavee	1,274,702	0.39
5.11	Mr. Kittituch Tatiyakavee	1,176,917	0.36
5.12	Mrs. Pissamai Chutima	979,521	0.30
5.13	Miss Nongyao Tatiyakavee	950,000	0.29
5.14	Mrs. Putsadee Aussamonkolkul	930,757	0.28
5.15	Miss Somruthai Rojlerdjanya	199,702	0.06
5.16	Mr.Saruntorn Chutima	444	0.00
<b>6</b>	<b>NOMURA SECURITIES CO LTD-CLIENT A/C</b>	<b>10,470,274</b>	<b>3.18</b>
<b>7</b>	<b>Chokwatana Group (3)</b>	<b>7,483,033</b>	<b>2.27</b>
7.1	Chokwatana Co.,Ltd.	4,062,643	1.23
7.2	Mr. Boonsithi Chokwatana	3,004,301	0.91
7.3	Miss Thanintorn Chokwatana	59,500	0.02
7.4	Hlanpu Co.Ltd.	91,860	0.03
7.5	Mr. Boonchai Chokwatana	76,264	0.02
7.6	Watsadoramai Co.,Ltd.	73,964	0.02
7.7	Boonwatanachok Co.,Ltd.	53,311	0.02
7.8	I.D.F. Co.,Ltd.	48,529	0.01
7.9	Mr. Boonkiet Chokwatana	8,469	0.00
7.10	Mr. Pipob Chokwatana	2,959	0.00

Major Shareholders <sup>(1)</sup>		Shares	% holding
7.11	Mr. Vathit Chokwatana	888	0.00
7.12	Mr. Peeranard Chokwatana	345	0.00
8	Sahapatanapibul Public Company Limited	6,431,151	1.95
9	I.C.C. International Public Company Limited	4,135,628	1.25
10	Osathanugrah Group (3)	3,489,168	1.06
10.1	Mr. Niti Osathanugrah	3,334,336	1.01
10.2	Bangkok Rinvest Co., Ltd.	118,342	0.04
10.3	Mrs. Somporn Osathanugrah	36,490	0.01
Total		301,422,168	91.42

Remark : (1) Excluding the shareholding of Thai NVDR Co., Ltd. in amount of 317,484 shares, or 0.10% of paid-up capital.  
 (2) NISSIN FOODS HOLDINGS CO., LTD (Tokyo Stock Exchange, Inc., "TSE") Ticker Code: 2897. Top five major shareholders of the Company as registered on Book Closing of the Company as of March 2021, are summarized as following.

Major Shareholders NISSIN FOODS HOLDINGS CO., LTD		Shares	% holding
Ando Foundation		79,043	7.58
Mitsubishi Corp.		78,000	7.48
The Master Trust Bank of Japan, Ltd. (Account in Trust)		65,393	6.27
ITOCHU Corp.		54,000	5.18
Ando International Y.K.		39,455	3.78

(3) Grouping shareholders by the persons using the same family name and their close relatives, such as father, mother, spouse, and the juristic person to be held the shares of more than 50% by aforementioned persons.

## (2) Shareholding Structure

Shareholding Structure of the Company as of latest Book Closing on December 31, 2021

Type of Shareholder	Number of Shareholders	Number of Shares	%
Juristic Person			
- Thai Nationality	45	128,884,870	39.09%
- Non-Resident	26	68,739,942	20.85%
Subtotal	71	197,624,812	59.94%
Natural Person			
- Thai Nationality	2,241	131,834,588	39.99%
- Non-Resident	9	244,614	0.07%
Subtotal	2,250	132,079,202	40.06%
Total	2,321	329,704,014	100.00%

### (3) Institutional Investor Shares

Institutional Investor shares on 31 December 2021 (The company's last book closing date)

Institutional Investor Shares	Shares	%
NOMURA SECURITIES CO LTD-CLIENT A/C	10,470,274	3.18%
Institutional investor group 21 list (each shareholder < 0.50%)	3,762,624	1.14%
Total	14,232,898	4.32%

### (4) Cross Shareholding

The company is cross-holding the shares with a majority shareholder. The cross-holding proportion shall not exceed the following criteria:

(a) Another company holds more than 25 percent but not exceeding 50 percent of the company's shares,  
The company shall not cross-hold more than 10 percent of another company's shares -None-

(b) The company holds more than 25 percent but not exceeding 50 percent of another company's shares,  
Another company shall not cross-hold more than 10 percent of the company's shares -None-

Cross-shareholding information as of December 31, 2021

Share (%)	Name	
	The Company holds shares in other companies.	Other companies hold shares in the company.
Saha Pathana Inter-Holding Public Co.,Ltd.	1.23	25.98

### (5) Majority Shareholders' Agreement

- None

## 1.4 Registered and Paid-up Capital as of December 31, 2021

### 1.4.1 Ordinary share

The company has one class of shares which is ordinary share entered the holder's name and shall be of equal par value, Baht 1 per share. Registered and Paid-up Capital : Baht 329,704,014 comprising of 329,704,014 shares.

### 1.4.2 Other share

- None

### 1.4.3 Stocks or convertible securities of underlying securities in the issuance of investment units of mutual funds for foreign investors

- None



## 1.5 Other Securities

### 1.5.1 Convertible Securities

- None

### 1.5.2 Fixed Income Securities

- None

## 1.6 Dividend Policy

### (1) Dividend Payment Policy of the Company TFMAMA

The Company stipulated the dividend payment policy to pay the dividend of no less than 50% of its net profit according to the separate financial statement

Historical Dividend Payment

Year	2018	2019	2020
Earning Per Share (Baht/share)	7.83	8.90	9.52
Dividend Per Share (Baht/share)	3.92	4.46	4.77
Dividend Payout Ratio (%)	50.05	50.10	50.10

In 2021, the company has made the interim paid for 2.18 Baht/share on Oct 14,2021

### (2) Dividend Payment Policy of Subsidiary which has been the Listed Company (President Bakery PCL)

The Company stipulated the dividend payment policy to pay the dividend of no less than 50% of its net profit after tax and reserver requirement (including additional conditions)

Other Subsidiaries will consider the dividend payment from the remaining cash flow compared to the capacity expansion plans of the subsidiaries. If the cash flow of the subsidiary is sufficient and the legal reserve has been set. Such subsidiaries will consider paying dividends on a case by case basis.



## 2. Risk Management

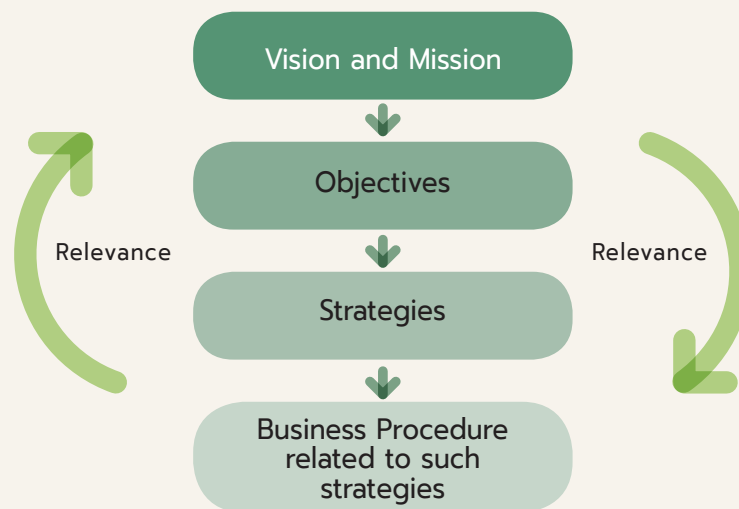


### 2.1 Risk Management Policy and Risk management plan

#### (1) Risk Management Policy

Thai President Foods Public Company Limited is committed to implementing an integrated internal risk management system, in compliance with the Company's visions and missions to search for, evaluate, and manage risks in a systematic manner. This is to be able to achieve the Company's objectives with efficiency in all areas.

#### (2) Risk management plan



The Company has set the risk management framework of the organization to follow the vision and mission of the organization, to plan strategic goals clearly and appropriately. The risk assessments in various areas are set out as follows.

#### 1) Strategic Risk

Strategic Risk Risks arising from the formulation of strategic plans, operational plans and implementation of the organization that affect the operations in order to achieve organizational objectives.

#### 2) Operational Risk

Operational Risk Risks related to efficiency, effectiveness, or performance within the organization that affect the efficiency of the work processes and the achievement of the organizational objectives.

#### 3) Financial Risk

Financial Risk Risks associated with the organization's budget and financial management which may affect corruption, financial management, and make the use of budget mismatch the objectives of the budget.

#### 4) Compliance Risk

Compliance Risk Risks related to compliance to the rules and regulations, as well as the ambiguity and the out-of-date laws or regulations in which the Company assesses the relevant risks and the food legislation requirements of the trading partners. This will affect the reputation and image of the organization.



## 2.2 Risk Factors of the Company's Business Operation

### (1) Risk of price and availability of raw materials

In the previous year, there were problems about supply chain worldwide owing to the pandemic which has not been completely resolved. Governments imposed different lockdown measures, causing unbalance between demand and supply that affected the price and delivery period. The company encountered the risk of main raw materials of the company, including wheat, rice and palm oil, as well as secondary raw materials and processed agricultural products used as additives, which have been in short around the globe. Demand and climate change also led to the risk of shortage of raw materials and price fluctuation, which affected the company's costs of sale, especially the instant noodle products which have been under the price control measures of Department of Internal Trade. Thus, the company could not increase the price to compensate such impacts without permission from the above agency.

However, the company managed the risk of prices by implementing the futures contracts for purchasing rice and palm oil when the prices were lower and closely monitored the effects on the prices. In addition, the company purchased a huge quantity of raw materials from several distributors to minimize the risk of raw material shortage and to maintain the power to negotiate with distributors.

### (2) Risk of Distribution Channel

#### 1) Risk of Dependency to Major Distributor of Instant Noodles, Semi-finished Foods, and Biscuit Product

Domestic Sales of Instant Noodles and Biscuit Product of the Company, both of which was accounted to be the major proportion of total Sales, was sold to SPC, which was the large distributors of consumer products in the country, as high as more than half of total domestic sales of the Company. However, SPC is major shareholder of the Company and has established business relationship with the Company for a long time, thus ensuring to carry on business volume with the Company. However in order to reduce the risk of dependency to major domestic distributor, the Company has put effort to increase exporting proportion, and established the working panel to expand the other distribution through our Subsidiaries.

#### 2) Risk of Dependency to Major Distributor of Bakery Product

The Company sold high volume of bakery product to CP All PLC., which was the large operator of convenience store in the country, inclusively accounting for 40% of total income from bakery product of the Company. As a result, the sales revenue of the Company shall be affected if losing business volume with this major distributor. Moreover, this distributor has also been the manufacturer of bakery product to distribute through its own convenience store. However the bakery product of Company, compared with bakery product of its own or the other brand, is higher quality product and gains preference from general consumers, thus currently making high income to the convenience store. As a result, the Company has been confident to maintain business with this major distributor because of mutual benefit at both parties.

### (3) Risk of Exchange Rate

Because the Company exported the products to the foreign countries, and received revenue in foreign currency, thus incurring the risk of exchange rate fluctuation. However the Company had no liability of foreign loan and participated in foreign exchange forward contract for hedging exchange rate risk, but not for speculation. In addition, the Company managed foreign exchange by balancing foreign income of exporting and expenditure of importing raw material, machine, and equipment from foreign countries.

#### (4) Risk of Major Shareholder holding more than 25% of total shares

As of December 31, 2021 the major shareholder of the Company, Saha Pathana Inter-Holding PCL., held total of 85,654,153 shares or 25.98% of paid-up capital, thus being dominating factor to make decision in the shareholders' meeting and incurring the risk to the other shareholders to accumulate shareholders to oppose to the opinion proposed by such major shareholder.

The Company recognized the importance of checking and balance principle, and established the corporate governance policy to protect the right of shareholders and perform equitable treatment to the shareholders, such as "One or several shareholders holding shares amounting to not less than 5 per cent of total number of issued shares of the Company may, by subscribing their names, propose the agenda to be discussed in the shareholders' meeting or nominate the person to be selected to be the Director of the Company prior to the annual shareholders' meeting." In addition, the Board of Directors has approved the regulation to monitor trading agreement between the Company and Directors, Executives, or connected persons in compliance with the rules and regulations of Securities and Exchange Commission and Stock Exchange of Thailand. The Company has also appointed the Audit Committee to perform duty with independence in common with the Board of Directors to ascertain the transparency and encourage trust from the shareholders in the internal control and checking and balance procedure in the Company to support best benefit for the Company and every shareholder.

#### (5) Environment Risk

The Company pays attention to environment, so an environmental working team was established to be responsible for supervising, evaluating the environmental impact and the climate change effect such as drought which would affected to the shortage or insufficiency of raw materials. The Company has a project to correctly sorting waste according to the environmental management system and wastewater system that meet the standard. Apart from that, the Company uses steam-electric power from natural gas (NG) as an alternate power of fuel oil, so the environmental impact is decreased. In addition, the coal is also used as a fuel with effective air pollution treatment system, resulting in the air quality that meets standard as specified by law.

#### (6) Products' quality Risk

The Company is aware of and pay attention to one of the important missions of the Company, which is to consistently create good quality and safe product. As a food manufacturing company, it is necessary for the Company to provide special attention to consider on the cleanliness and safety in every production process. Therefore, the Company has developed the manufacturing process that is certified by international standard, i.e. GMP, HACCP and BRC etc., from the raw material selection to the transportation of finished goods, so that the goods are safe for the consumer. Apart from that, the Company also invested in the research in manufacturing process and machine to obtain product quality that is consistent and accurate. In addition, the Company also provide a channel to get customer's complaint in order to acknowledge the problem and provide explanation. These processes strengthens the customer's confidence and provide maximum satisfaction to the product.

#### (7) Risk from the Change of Customer's Behavior

Economic changes, social value, communication and technology makes the product consumption changes rapidly which will affect the business growth of the Company. Therefore, the Company is determined to consistently develop the product of Company to catch up with the changes. The Company has conducted a study to follow up the customers' behavior and satisfaction, domestically and internationally, in order to use the information to develop the product in compliance with the market need and to impress the customers. Apart from that, new products are launched to the market to reduce such risk and to be able to response to consumers' need and satisfaction at all time.

## (8) Risk of climate change

World Climate Risk Index 2017 ranks Thailand as one of the top 10 countries which would be most affected by the climate change, especially in terms of water resources. In the past years, all sectors have collaborated in adjusting strategies and rules related to environment and Water Resources Act has been enforced for national water resources management, including allocation, recovery and conservation of water resources. Water Resources Act classifies public water resources users into 3 groups where industrial users or users of high volume of water are required to obtain water usage license and water management plan. They are also required to comply with the water usage conditions to prevent damage to public water sources or deal with water crisis and pay water bills according to the amount of groundwater they actually use. This act might come into effect in the year 2021 and may affect the costs of operation and public water usage in the future. The company uses raw water from underground water sources at the plant area for Lamphun Plant, Ratchaburi Plants 1 and 2. However, the level of water consumption of the plants is normally deeper than the level of community's water consumption. In addition, the company controls the amount of water pump to align with "Underground Water Act, B.E. 2520 (1977)". Water quality is monitored annually. It was found that the water quality is stable and no problem of drought was found in relation to climate change.

## (9) Cyber risks

Changes have occurred as a result of development and implementation of technology and innovations to enhance production efficiency, reduce the number of workers to save the business's costs in the long run, and to support the changing consumers' demands. These include the use of technology to trace the origin of food products and raw material quality to ensure food safety and reduce food waste. Artificial Intelligence (AI) has been used to inspect food safety through censorship, sort raw materials prior to production and processing, and control production standard and cleanliness within the plants. Changes in technology and innovations can be the risks that affect the company's business in terms of products, business models, and distribution channels. Industrial competition is also getting tougher thanks to implementation of new technology and innovations. If the company fails to adjust itself to accommodate the changes to address the changing needs and behaviors of consumers, the growth of income, marketing shares, and MAMA brand value may be impacted. The company has managed to develop information system and digital technology to enhance efficiency and effectiveness of operations to support the business expansion plan. Furthermore, the company has developed innovative manufacturing process that emphasizes the use of technology to maximize the production capacity and competitiveness, along with monitoring and analysis of the changing trends of digital technology to meet the needs and lifestyle of consumers of all age ranges at all times.

## (10) Emerging risks

The company has assessed emerging risks which may affect its business operation due to the anti-deforestation movement protesting against forest intrusion for palm planting in South East Asia. The EU countries have issued the law to cancel the use of palm oil as raw materials for fuel production, and people in the EU have fostered the refusal to consume palm oil. These situations cause the world's leading palm oil manufacturers, including Indonesia and Malaysia, to export less amount of palm oil to the EU. This caused the excessive amount of palm oil production which needed to be released to other countries at lower prices, leading to the low price of palm oil in Thailand. If this situation continues into the future, farmers may shift to other plants that allow them to earn more, and the raw material instability may occur to the food industry where palm oil is used as a main raw material.

In this case, the company has conducted research on using rice bran oil to replace palm oil without any effect on the product quality, and the products have been expected to some Scandinavian countries. Moreover, the company has invented the instant noodles that can be cooked with hot air instead of being fired with palm oil as another alternative for consumers.

## 3. Sustainable Business Development Roadmap

### 3.1 Sustainability Management Policy and Goal

The company is determined to operate and create sustainable business growth under the corporate governance principles throughout the value chain by taking account of effects on stakeholders, society and environment. Therefore, the company has determined sustainability policy and guidelines (See additional details in Sustainability Report 2021 on the company's website: [www.mama.co.th](http://www.mama.co.th)).

### 3.2 Management of Effects on Stakeholders in the Value Chain of the Business

The company places importance in effective business operation from upstream to downstream and aims at reducing social and environmental effects of the business processes, focuses on development of quality products and create satisfaction of the company's stakeholders (See additional details in Sustainability Report 2021 on the company's website: [www.mama.co.th](http://www.mama.co.th)).

### 3.3 Sustainability Management in the Environmental Aspect

The company has determined environmental policy and guidelines which cover purchasing and procurement issues, usage and disposal of waste (See additional details in Sustainability Report 2021 on the company's website: [www.mama.co.th](http://www.mama.co.th)).

### 3.4 Sustainability Management in the Social Aspect

The company has determined human right policy, including the policy related to treatment of employees, customers, and society. Also, the company emphasizes the development of employees' potentials to align with the business changes while ensuring employees' well-being and quality living (See additional details in Sustainability Report 2021 on the company's website: [www.mama.co.th](http://www.mama.co.th)).



## 4. Management Discussion and Analysis

### 4.1 Analysis Of Financial Position and Operating Results

#### 4.1.1 Business Overview

The pandemic of COVID-19 has a continuous impact, not only on the economy in Thailand, but in the global world. Many nations around the world have to go into lockdown, and use drastic measures to control the virus from spreading, which have resulted in a halt in the economic activities. Later in the year, the level of lockdown measures was reduced due to the ability to control the outbreak. The government also has issued measures to aid and compensate those who were affected, which includes the spending stimulation in order to stimulate the economy. However, the domestic economy is still unable to fully recover. The noodles and instant noodles market in 2021 (source Nielsen (Thailand): November 2021) had decreased by 3.4%, with a total market value of approximately 16,637 million Baht. From this, the Mama brand is still able to maintain the leadership position with the total market share of 48%.

In 2021, the company was affected by the lockdown measures in the country. Most of the sales came from buying and donating to people who were in need and affected by the COVID-19 epidemic and the floods that occurred in many areas of Thailand. Furthermore, the raw material costs and oil costs that had gradually increased since the beginning of the year, the shortage of international shipping containers, and the increase in freight costs had drastically impacted the cost of the company. As a result, the company's net profit in 2021 has decreased by 515.36 million Baht or 12.60% when compared to the previous year.

Regardless of how the situations were in 2022, the company continues to operate its business with price risk management and closely monitor the factors that affect the price. In addition, the company sees the importance of product development and constantly adding new flavors to its products. Healthy food will be more focused in order to produce product choices with tastes that satisfy the consumers.

#### 4.1.2 Operating Results

For the operating result of ended December 31, 2021 with the Statement of Comprehensive Income presented as below.

Unit : Million Baht

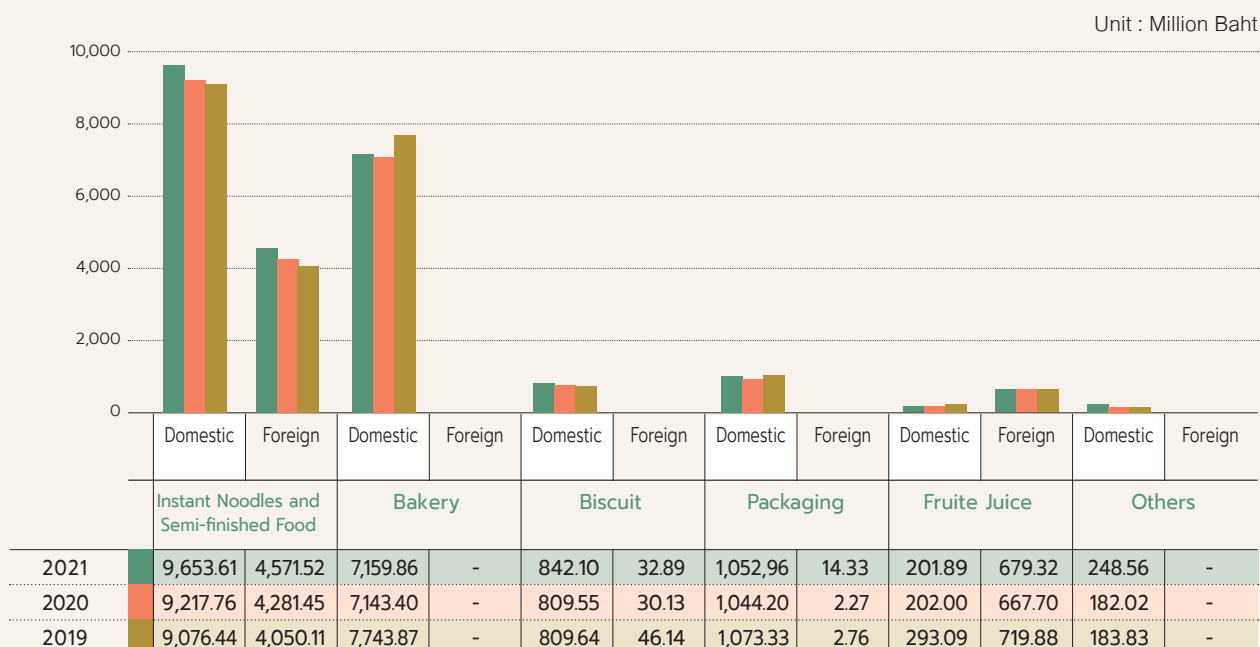
Performance (Million Baht)	2021	2020	Change	%
Total Revenues*	25,410.23	24,441.69	968.54	3.96
Sales	24,457.04	23,580.48	876.56	3.72
Cost of sales	16,126.93	14,849.96	1,276.97	8.60
Cost of sales to sales revenue ratio	65.94%	62.98%	2.96%	
Selling and Administrative expenses	3,873.73	3,611.08	262.65	7.27
Selling and administrative expenses to sales revenue ratio	15.84%	15.31%	0.53%	
Share of profit from investments in associates and joint venture	237.73	294.98	(57.25)	(19.41)
Net Profit of Equity Holders of the Company	3,574.64	4,090.00	(515.36)	(12.60)
Net Profit Margin (%)	14.07%	16.73%	(2.67%)	
Earnings per Share	10.84	12.41	(1.57)	(12.65)

\* Total revenues included the Share of profit from investments in associates and joint venture and Finance Income



## • Sales Revenue

The Company achieves total sales income for the year 2021 at the amount of Baht 24,457.04 million, increasing by Baht 876.56 million or 3.72% as compared to the same period of the year 2020. The sales volume for the Company only (TFMAMA) has an increasing growth from the same period of the previous year by 5.19%.



### Instant Noodles and Semi-finished Food

#### Domestic Market

The growth rate for the year ended on December 31st, 2021, at 4.73% when compared to the previous year, in which instant noodles had increased 8.06%. This is due to the fact that the products are in demand during the new wave of outbreaks and also the need to buy products to donate to the victims of the flood. Moreover, the company has developed various types of products and continually releasing new products, which has been well received by consumers. The sales of white rice noodles, congee, and porridge had decreased by 25.29%, resulting in a decrease in the overall market size of this product group due to the impact of the COVID-19 epidemic.

#### International Market

The growth rate for the year ended on December 31st, 2021, at 6.78% when compared to the previous year, in which instant noodles had increased by 8.00%. The sales in the Asian market had the highest percentage of all sales, while the European zone had a growth rate due to the company having a production base in Hungary. Therefore, it is not affected by the problems of the international transportation system. The sales of white noodles, congee, and porridge had a 1.36% increase in sales, which was not much. The reason was because of the impact of the lack of production capacity during the Covid-19 period, and labor shortages during the third quarter of the year.

### Other Products

The sales of Bakery products for the year ended on December 31st, 2021, with an increase of 0.23% when compared to the previous year. The sales of biscuits products had increased by 4.21% due to the adjustment of marketing plans and the production of more OEM products. Packaging products had an increase in sales of 1.99% due to expansion of the market to more foreign countries. Furthermore, the sales of fruit juice products had increased 1.32%, which is mainly from the increase in sales in neighboring countries.

### • Cost of Sales

Cost of sales for the year 2021 accumulated to 16,126.93 million Baht, which is an increase of 1,276.97 million Baht or 8.60% when compared to the same period of the previous year. The reason is because the price of the main raw material, especially palm oil prices, had increased significantly. In addition, the price of wheat flour has also increased at the end of the year, when compared as a proportion of cost of sales to revenue from sales equal to 65.94%, which is 2.96% higher than the previous year.

### • Selling and Administrative Expenses

Selling and administrative expenses sum up to 3,873.73 million Baht, an increase of 262.65 million Baht or 7.27% when compared to the previous year. The increase in expenses was mainly caused by the export costs due to the shortage of shipping containers, the increase in freight rates. In addition, there were accounting costs from revaluation of financial assets and the amortization of goodwill of the subsidiary when compared to the proportion of selling and administrative expenses to sales revenue for the year 2021 and 2020 equal to 15.84% and 15.31% respectively.

### • Share of profit from investments in associates and joint venture

In 2021, the company received a share of profit from investments in associates and joint ventures under the equity method of 237.73 million Baht, a decrease of 57.25 million Baht from 2020, or 19.41%. Due to COVID-19 epidemic, the price of the main raw materials used in the production of goods and operating costs are higher.

### • Net Profit

The net profit, in the part of shareholders' equity of the Company, for the year stood at Baht 3,574.64 million, decreasing by Baht 515.36 million or by 12.60% from the previous year. The Company maintained the profit margin at 14.07% of total income. Meanwhile, The net profit for the Company only (TFMAMA) stood at Baht 2,686.50 million, decreasing by 14.41%, which resulted from higher cost of goods sold and selling expenses.



### 4.1.3 Financial Position

For statement of financial as at December 31, 2021, changes as compared the previous year are as followed:

Unit : Million Baht

Financial Position	31-Dec-2021	31-Dec-2020	Change	%	Proportion
Trade and other receivables	3,649.02	3,237.73	411.29	12.70	9.01
Inventories	1,907.40	1,420.94	486.46	34.24	4.71
Financial assets	18,269.82	16,227.45	2,042.37	12.59	45.12
Other assets	16,667.44	16,530.45	136.99	0.83	41.16
<b>Total assets</b>	<b>40,493.68</b>	<b>37,416.57</b>	<b>3,077.11</b>	<b>8.22</b>	<b>100.00</b>
Current Liabilities	3,235.69	2,938.24	297.45	10.12	75.76
Other non-Current Liabilities	1,035.45	1,086.88	(51.43)	(4.73)	24.24
<b>Total Liabilities</b>	<b>4,271.14</b>	<b>4,025.12</b>	<b>246.02</b>	<b>6.11</b>	<b>100.00</b>
<b>Shareholders' equity</b>	<b>36,222.54</b>	<b>33,391.45</b>	<b>2,831.09</b>	<b>8.48</b>	<b>100.00</b>
Book value per Share	109.86	101.28	8.58	8.48	

#### • Assets

The total assets of the company as of December 31, 2021 are 40,493.68 million Baht, an increase of 3,077.11 million Baht or 8.22% from the end of the previous year. These consist of the current assets of 17,728.09 million Baht or 43.78% of total assets, and non-current assets 22,765.59 million Baht or 56.22% of total assets. The main items added were from other financial assets, which was recorded according to the accounting standards. Furthermore, during the year, the company had entered into an asset repurchase agreement of 500 million Baht with a company.

The trade and other account receivable of the Company in 2021 stood at Baht 3,649.02 million, accounting for 9.01% of total assets and increasing by 12.70% from the previous. The major trade account receivable from domestic market of the Company was due from Sahapathanapibul PCL, whereas the average debt collection period was at 51 days, or decreasing by 2 day from the previous year. In addition, the Company had set aside the allowance for doubtful accounts by Baht 3.08 million, which was sufficient to cover the account receivable due longer than 3 months. In overall, the trade account receivable of the Company was mostly paid on schedule. Although a few foreign accounts were paid overdue, such delayed payment constituted an insignificant portion, when compared with total trade accounts.

The inventory of the Company in 2021 amounted to Baht 1,907.40 million, accounting for 4.71% of total assets and increasing by 34.23% from a year earlier. In addition, the average shelf life of instant noodles products stood at 180 days, whereas the average days sales was at 38 days.



## • Liability

Total liability of the Company as of December 31, 2021 amounted to Baht 4,271.14 million, increasing by Baht 246.02 million or by 6.11% from the end of 2020 as a result of increasing amount of account payable outstanding liability and accrued expenses. In 2021, account payable turnover was stood at 8.37 times and the average payment period was 44 days which in line with the previous year. However, most liability of the Company was current liability, whereas the long-term liability was accounted for 24.24% of total liabilities. Meanwhile the debt to equity ratio of the Company was at 0.15 time.

## • Shareholders' Equity

The shareholders' equity of the Company as of December 31, 2021 amounted to Baht 36,222.54 million, increasing by Baht 2,831.09 million or by 8.48% from the end of 2020 because of net profit in the period. In 2021, the Company recorded the dividend payment for the second half-year of 2020 at Baht 682.49 million, and the interim dividend payment for the period ended on June 30, 2021 at Baht 718.75 million. In addition, the book value of the Company increased by 8.58 Baht per share from 101.28 Baht per share to 109.86 Baht per share, or rising by 8.48% from the preceding year.

## 4.1.4 Liquidity Position and Suitability of Capital Structure

### • Liquidity Position

Cash flow statement for the period ended December 31, 2021, details as follow:

Unit : Million Baht

Financial statement	2021	2020
Net cash flows operating activities	4,654.92	5,928.11
Net cash flows used in investing activities	(3,314.71)	(3,920.05)
Net cash flows used in financing activities	(1,440.72)	(1,642.65)
Increase (decrease) in translation adjustments	(6.32)	9.77
Net Increase (decrease) in cash and cash equivalents	(106.83)	375.18
cash and cash equivalents at beginning of year	3,695.42	3,320.23
cash and cash equivalents at end of year	3,588.59	3,695.41



The net cash from operating activities of the Company in 2021 amounted to Baht 4,654.92 million, whereas the net cash used for investing and financing activities amounted to Baht 3,314.71 million and Baht 1,440.72 million, respectively. The Company, as of December 31, 2021, recorded net cash and cash equivalent of Baht 3,588.59 million, decreasing by Baht 106.83 million from 2020. The important details were summarized as follows,

The cash inflow from operating activities totaled to Baht 4,654.92 million, mainly due to the operating profit before tax of Baht 5,406.67 million. The Company used Baht 3,314.71 million for investing activities, mostly in other non-current financial assets, entering into an asset repurchase agreement, and also purchased additional machinery and equipment. In addition, the cash paid for financing activities was at Baht 1,440.72 million, mainly due to the dividend payment of Baht 1,401.06 million. However, the Company was able to maintain strong liquidity ratio. The current ratio and the quick ratio of the Company in 2021 stood at 5.48 and 4.86 times respectively, decreasing from the ratio in the previous year. Meanwhile, the cash cycle of the Company was at 45 days.

#### • Suitability of Capital Structure

The Company had strong financial position. As of December 31, 2021, the debt to shareholders' equity ratio was at 0.15 times. The consolidated interest-bearing liabilities were Baht 84.42 million. Thus, the interest-bearing debt ratio was considerably low at 0.003 times, reflecting the stability of capital structure and strong capability of debt service of the Company.

## 4.2 Major factors and influences that may affect operations or financial position in the future

The epidemic of the COVID-19 virus has a great impact on the world's economy and has created a significant change in the supply chain in the process of production. The shortage of containers in international shipping, the increase in the costs of sanitation in factories, and the increase in commodity prices, especially prices of palm oil and wheat flour, which are the main raw materials for the productions of the company's products, have a direct effect on the company's past performance. To this, the company has given importance to the sanitation in the production process and the health of the employees in all levels by complying with international standard regulations. Therefore, the company has not had any significant problems in the production line. In addition, the company has accustomed its cost and expense management strategy as well as efficiently controlling the investment budget. The company strongly believes that the cost of production per unit will be reduced to normal once the situation of the COVID-19 epidemic improves.





## 4.3 Key Financial Information

### • Consolidated Statement of Financial Position

Unit : Baht

Consolidated financial statement	As of December 31		
	2021	2020	2019
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3,588,586,370	3,695,417,204	3,320,231,441
Current investments	-	-	5,932,175,252
Trade and other receivables	3,649,020,062	3,237,726,603	3,554,338,707
Short-term loan to related parties	-	-	1,000,000
Inventories	1,907,395,771	1,420,942,930	1,454,719,309
Other current financial assets	8,484,454,624	7,766,743,541	-
Other current assets	98,635,529	104,360,698	104,880,605
<b>Total current assets</b>	<b>17,728,092,356</b>	<b>16,225,190,976</b>	<b>14,367,345,314</b>
<b>Non-current assets</b>			
Bank deposits with collateral	-	-	36,348,041
Long-term loan to related party	8,000,000	8,000,000	-
Account receivable under repurchase agreement	500,000,000	-	-
Investments in associates	3,269,268,291	3,018,630,055	2,984,018,204
Investments in joint venture	31,346,410	29,819,188	28,424,125
Investments in other companies	-	-	191,955,294
Other long term investments	-	-	7,695,457,783
Other non-current financial assets	9,785,366,623	8,460,702,257	-
Investment properties	406,403,397	406,403,397	101,882,400
Property, plant and equipment	8,594,919,979	9,051,885,097	8,488,192,384
Right-of-use assets	84,035,577	93,360,402	-
Downpayment for purchase of machinery	5,246,901	542,149	135,533,146
Intangible assets	21,584,212	24,078,888	29,908,269
Leasehold rights	-	-	450,820
Goodwill	1,219,147	42,006,719	42,052,990
Deferred tax assets	41,855,372	40,816,357	82,116,412
Other non-current assets	16,340,615	15,131,747	37,418,445
<b>Total non-current assets</b>	<b>22,765,586,524</b>	<b>21,191,376,256</b>	<b>19,853,758,313</b>
<b>Total assets</b>	<b>40,493,678,880</b>	<b>37,416,567,232</b>	<b>34,221,103,627</b>

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

Unit : Baht

Consolidated financial statement (cont.)	As of December 31		
	2021	2020	2019
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Trade and other payables	2,070,894,559	1,781,038,449	1,813,245,905
Current portion of liabilities under finance lease agreements	-	-	35,455,065
Current portion of long-term lease liabilities	35,480,073	36,628,973	-
Income tax payable	370,699,730	321,181,735	389,867,243
Accrued bonus	340,829,133	368,515,339	356,608,497
Other accrued expenses	342,280,356	335,797,585	345,701,535
Other current liabilities	75,502,260	95,080,747	162,365,429
<b>Total current liabilities</b>	<b>3,235,686,111</b>	<b>2,938,242,828</b>	<b>3,103,243,674</b>
<b>Non-current liabilities</b>			
Liabilities under finance lease agreements net of current portion	-	-	54,645,733
Long-term lease liabilities net of current portion	48,944,122	57,239,639	-
Provision for long-term employee benefits	982,520,085	1,005,079,183	989,629,325
Deferred tax liabilities	-	20,723,341	-
Other non-current liabilities	3,989,512	3,830,402	61,170,477
<b>Total non-current liabilities</b>	<b>1,035,453,719</b>	<b>1,086,872,565</b>	<b>1,105,445,535</b>
<b>Total liabilities</b>	<b>4,271,139,830</b>	<b>4,025,115,393</b>	<b>4,208,689,209</b>
			<b>Unit : Baht</b>
Share capital			
Registered share capital			
329,704,014 ordinary shares of Baht 1 each	329,704,014	329,704,014	329,704,014
Issued and fully paid-up share capital			
329,704,014 ordinary shares of Baht 1 each	329,704,014	329,704,014	329,704,014
Share premium	712,962,638	712,962,638	712,962,638
Surplus of investment over fair value of net assets of subsidiary	(1,378,557,237)	(1,377,594,707)	(1,377,594,707)
Retained earnings			
Appropriated - statutory reserve	39,000,000	39,000,000	39,000,000
Unappropriated	28,106,865,737	25,884,952,495	23,433,741,122
Other components of shareholders' equity	366,849,815	386,385,956	221,827,334
Equity attributable to owners of the Company	28,176,824,967	25,975,410,396	23,359,640,401
Non-controlling interests of the subsidiaries	8,045,714,083	7,416,041,443	6,652,774,017
<b>Total shareholders' equity</b>	<b>36,222,539,050</b>	<b>33,391,451,839</b>	<b>30,012,414,418</b>
<b>Total liabilities and shareholders' equity</b>	<b>40,493,678,880</b>	<b>37,416,567,232</b>	<b>34,221,103,627</b>

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

• Consolidated Statement of Comprehensive Income

Unit : Baht

Consolidated statement of comprehensive income	For the year ended 31 December		
	2021	2020	2019
<b>Revenues</b>			
Sales	24,457,039,812	23,580,478,011	23,999,084,453
Dividend income	72,401,673	74,901,434	128,095,767
Total other income	304,915,160	215,429,213	384,611,574
<b>Total revenues</b>	<b>24,834,356,645</b>	<b>23,870,808,658</b>	<b>24,511,791,794</b>
<b>Expenses</b>			
Cost of sales	16,126,932,039	14,849,957,443	15,300,601,117
Selling and distribution expenses	1,934,589,992	1,749,082,790	1,734,191,658
Administrative expenses	1,939,136,522	1,861,997,240	2,096,681,249
<b>Total expenses</b>	<b>20,000,658,553</b>	<b>18,461,037,473</b>	<b>19,131,474,024</b>
<b>Profit from operating activities</b>	<b>4,833,698,092</b>	<b>5,409,771,185</b>	<b>5,380,317,770</b>
Share of profit from investments in associates and joint venture	237,729,102	294,978,578	274,164,869
Finance income	338,139,334	275,901,741	222,776,992
Finance cost	(2,895,615)	(2,831,397)	(4,985,906)
Profit before income tax expenses	5,406,670,913	5,977,820,107	5,872,273,725
Income tax expenses	(681,408,867)	(725,686,491)	(728,868,052)
<b>Profit for the year</b>	<b>4,725,262,046</b>	<b>5,252,133,616</b>	<b>5,143,405,673</b>
<b>Other comprehensive income for the year</b>	<b>28,188,288</b>	<b>(154,472,146)</b>	<b>(61,242,347)</b>
<b>Total comprehensive income for the year</b>	<b>4,753,450,334</b>	<b>5,097,661,470</b>	<b>5,082,163,326</b>
<b>Profit attributable to:</b>			
Equity holders of the Company	3,574,644,358	4,090,005,921	3,943,065,724
Non-controlling interests of the subsidiaries	1,150,617,688	1,162,127,695	1,200,339,949
	<b>4,725,262,046</b>	<b>5,252,133,616</b>	<b>5,143,405,673</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company	3,603,383,810	3,944,738,307	3,900,300,523
Non-controlling interests of the subsidiaries	1,150,066,524	1,152,923,163	1,181,862,803
	<b>4,753,450,334</b>	<b>5,097,661,470</b>	<b>5,082,163,326</b>
<b>Earnings per share</b>			
Basic earnings per share			
Profit attributable to equity holders of the Company	<b>10.84</b>	<b>12.41</b>	<b>11.96</b>

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



• Consolidated Statement of Cash Flows

Unit : Baht

Consolidated financial statement	For the year ended 31 December		
	2021	2020	2019
Net cash flows from operating activities	4,654,916,048	5,928,114,682	5,543,244,714
Net cash flows used in investing activities	(3,314,709,660)	(3,920,047,595)	(3,945,655,745)
Net cash flows used in financing activities	(1,440,717,867)	(1,642,652,749)	(1,593,952,362)
Increase (decrease) in translation adjustments	(6,319,355)	9,771,425	(27,979,340)
Net increase (decrease) in cash and cash equivalents	(106,830,834)	375,185,763	(24,342,733)
Cash and cash equivalents at beginning of year	3,695,417,204	3,320,231,441	3,344,574,174
Cash and cash equivalents at end of year	3,588,586,370	3,695,417,204	3,320,231,441

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



## • Financial ratios

	2021	2020	2019
<b>Liquidity Ratio</b>			
1. <u>Current Ratio (Times)</u> =Total current assets / Total current liabilities	5.48	5.52	4.63
2. <u>Quick Ratio (Times)</u> =(Cash and cash equivalents+Current investments+Trade and other receivables+Short-term loan to related parties+Other current financial assets) / Total current liabilities	4.86	5.00	4.13
3. <u>Cash Flow Liquidity Ratio (Times)</u> = Net cash provided by operating activities / Average current liabilities	1.51	1.96	1.82
4. <u>Account Receivable Turnover (Times)</u> = Net sales / Average accounts receivable - trade and others	7.10	6.94	6.6
5. <u>Average Collection Period (day)</u> = 365 / Accounts receivable turnover	51	53	5
6. <u>Inventory turnover (Times)</u> = Cost of sale of goods / Average inventory	9.69	10.33	10.81
7. <u>Average Inventory Period (day)</u> = 365 / Inventory turnover ratio	37.67	35.34	33.7
8. <u>Account Payable Turnover Ratio (Times)</u> = Cost of sale of goods / Average accounts payable	8.37	8.26	8.17
9. <u>Average Payment Period (day)</u> = 365 / Accounts payable turnover	43.59	44.17	44.69
10. <u>Cash cycle (days)</u> = Average collection period + Inventory turnover M Payable period	45.46	43.74	44.19
<b>Profitability Ratio</b>			
11. <u>Gross profit margin (%)</u> =(Sales - Cost of sales) x 100/ Sales	34.06	37.02	36.25
12. <u>Operating profit margin (%)</u> = Operating Profit x100 / Net sales	18.22	21.71	20.28
13. <u>Other Profit Margin (%)</u> = Non-operating profitx100 / Total revenues*	3.75	3.52	4.04
14. <u>Cash to Profit Margin (%)</u> = Cash flow from operationx100 / operating profit	104.46	115.80	113.88
15. <u>Net Profit Margin (%)</u> =Profit attributable to Equity holders of the Company x100/Total revenues*	14.07	16.73	15.77
16. <u>Return On Equity (%)</u> =Profit attributable to Equity holders of the Company x 100 / Equity attributable to owners of the Company (Average)	13.20	16.58	17.82
<b>EFFICIENCY RATIO</b>			
17. <u>Return on Assets (%)</u> =Profit before finance cost and Income tax expense x100 / Total Assets (Average)	13.89	16.70	18.07
18. <u>Return On fixed Assets (%)</u> = (Net profit+Depreciation)x100 / Property, plant and equipment (Average)	66.88	73.22	74.30
19. <u>Total Asset Turnover (Times)</u> =Total revenues* /Total assets (Average)	0.65	0.68	0.77
<b>FINANCIAL POLICY RATIO</b>			
20. <u>Debt to Equity Ratio (Times)</u> =Total liabilities / Equity attributable to owners of the Company	0.15	0.15	0.18
21. <u>Interest Coverage Ratio (Times)</u> =Profit before finance cost and Income tax expense / Finance cost	1,868.19	2,112.26	1,178.77
22. <u>interest bearing debt to EBITDA ratio (Times)</u> =(Current portion of liabilities under finance lease agreements+Liabilities under finance lease agreements - net of current portion)/Profit before finance cost and Income tax expense	0.02	0.02	0.02
23. <u>Commitment coverage ratio (Times)</u> = Profit before finance cost and Income tax expense /(debt matured in 1 year and interest expense)	64.08	63.71	65.23
24. <u>Dividend Payout Ratio (%)</u> = (Dividend paidx100) / Net profit **	50.07***	50.10	50.10

\*Total revenues included the Share of profit from investments in associates and joint venture and Finance Income

\*\*Dividend Payout Ratio calculated by Net profit from Separate financial statements

\*\*\*Subject to change Must seek approval from the general meeting of shareholders

## 5. General Information



### 5.1 Company Information

Share Registrar	:	Thailand Securities Depository Co., Ltd.
	:	93 Ratchadaphisek road, Dindaeng, Bangkok 10400 Thailand
	:	Telephone number 0-2009-9000 Facsimile number 0-2009-9992
Auditor	:	Mrs. Saifon Inkaew C.P.A. (Thailand) No. 4434
	:	Miss Sathida Rattananuruk C.P.A. (Thailand) No. 4753
	:	Miss Siriwan Nitdamrong C.P.A. (Thailand) No. 5906
	:	EY Office Limited
	:	33rd Floor, Lake Rajada Office Complex 193/136-137 New Ratchadapisek Rd., Klongtoey, Bangkok, Thailand 10110
	:	Telephone number 0-2264-0777
Legal Consultant	:	Chompoo & Associates Co., Ltd.
	:	5 Boonsiri Rd., Sanchaophorseue, Pranakorn, Bangkok, Thailand 10200
	:	Telephone number 0-2221-8111-3 Facsimile number 0-2224-1997

### 5.2 Other Information

Details by topic 1.3 Shareholding structure of the company

### 5.3 Legal Disputes

- None

### 5.4 Secondary market

- None

### 5.5 Financial Institutions with Regular Contacts

Banks	:	Bangkok Bank Public Company Limited, Bank of Ayudhya Public Company Limited Citibank, N.A, Government Housing Bank, Mizuho Bank, Ltd., Kasikorn Bank Public Company Limited, CIMB Thai Bank Public Company Limited, TMBThanachart Bank Public Company Limited, EXIM Bank of Thailand, The Siam Commercial Bank Public Company Limited, TISCO Bank Public Co., Ltd., Kiatnakin Bank Public Company Limited, Land and Houses Bank Public Company Limited
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## Section 2

# Corporate Governance



## 6. Corporate Governance Policy



The Board of Directors realizes the benefits and importance of good corporate governance in the company for creating the transparency, build the confidence for shareholders, investors, related parties, and stakeholders with the business as well as creating the value for the company sustainably. The good corporate governance principles of the Company consist of good corporate governance policies, good corporate governance principles, 8 business ethic codes of conduct for the company's directors, executives and employees. The Company determines to review the appropriateness on a yearly basis. In order for all departments to participate in enhancing good governance in the operation of the Company in accordance with the principles of good corporate governance altogether, the Company has, therefore, published the principles of good corporate governance on the Company's website at [www.mama.co.th](http://www.mama.co.th) (investor relations topic) and has prepared good corporate governance information to be publicized and communicates to the Company's directors, executives and employees so that all directors, executives and employees are informed and can be adhered as the principles for the same practice in business operation.

### 6.1 Overview of Corporate Governance Policies and Practices

The operations of corporate governance of the Company is done continuously and systematically by Corporate Governance and Risk Management Committee which consists of a Independent Director as the chairman of the committee, Board of Directors, and the management of the company, participating in driving corporate governance of the Company. The meetings to discuss, review and make recommendations on the management of the structure, principles and policies were arranged. In this regard, 11 clauses of corporate governance policies have been established as management guidelines. The Board of Directors is responsible for setting the direction, goals and make decisions that will benefit the Company and stakeholders in long term with comprehensive risk management, responsibility, operational transparency, and compliance to corporate governance. Apart from that, all executives and employees are encouraged and supported to understand and be aware of the corporate governance policy, compliance with laws and regulations correctly and strictly.

- 1) All directors, executives and employees are committed to implement the principles of corporate governance, business ethics and the code of conduct for directors, executives and employees for the Company's operations.
- 2) All directors, executives and employees must perform their duties responsibly, carefully, honestly by compliance with the laws, the Company' articles of association and relevant announcements.
- 3) Taking action so that the management structure of the Company clearly establishes the authority, duties and responsibilities of each committee and the executives.
- 4) Ensuring the available systems for internal control and risk management to be in appropriate level, including the available system for accounting and financial reporting that is accurate, reliable.
- 5) Arranging for sufficient, reliable and timely disclosure of important information as long as it does not affect the rightful interests of the Company.

- 6) Recognizing and respecting the rights of ownership of shareholders, equal treatment of shareholders.
- 7) Operations by taking into account responsibility to shareholders, stakeholders, communities, society and the environment.
- 8) Commitment to excellence in business operations with adherence to creating satisfaction for customers by hearing and reviewing oneself so as to increase the capabilities of managing and creating the best things always.
- 9) Cultivating morality, ethics, creating good consciousness, treating employees with fairness as well as striving for continuous development and enhancement of personnel's capabilities.
- 10) Anti-corruption, no violation of intellectual property, respect for the laws and human rights.
- 11) Dealing with conflicts of interests with prudence and rationality based on the Company's benefits primarily.

### 6.1.1 Policies and Practices Relating to Board of Directors

The Board of Directors has prepared the manual of "Good corporate governance principles, 1st edition" in accordance with Corporate Governance Code for listed Companies 2017 defining the codes of practices for the Board of Directors to adhere appropriately as the leader of the organization and the highest responsible person of the organization. It consists of 8 main codes of conduct as follows:

Code 1	Recognize the roles and responsibilities of the Board of Directors as the organization leader that creates value for the business sustainably.
Code 2	Determine the objectives and main goals of the business for the benefits of sustainability.
Code 3	Strengthen the efficient Board of Directors
Code 4	Recruitment and development of senior management and personnel management
Code 5	Promote responsible innovation and business operations
Code 6	Ensure that there is a risk management system and suitable internal control
Code 7	Maintain financial credibility and information disclosure
Code 8	Encourage participation and communication with shareholders

#### (1) Responsibilities of the Board of Directors

The Board of Directors is responsible to supervise business operation of the Company to be in compliance with the relevant laws, business objectives, Articles of Association of the Company, resolution of shareholder' meeting, and oversea Managements to perform their duties in an effective manner for best benefit of the Company.

The Board of Director has clearly established the scope of duty and responsibility of each Committee, and has appointed the Executive Committee to direct business operation of the Company in order to meet business objectives in compliance with business policy of the Board of Directors.

## (2) Roles of the Chairman of the Board

The Chairman of the Board of Directors acts to chair the Board of Directors meeting, takes responsibility as leader of the Board of Directors for supervising and monitoring the works of the Board of Directors and Sub-committees. As for voting in the case of equal votes, the Chairman of the Board of Directors must have an additional vote as the deciding vote. The responsibilities include convening the meeting of the Board of Directors or probably assigning another person to act instead, chairing the shareholders' meeting and performing any other acts according to the resolutions of the Board of Directors meeting.

## (3) Independence of the Board of Directors from the Management

The Board of Director has clearly established the scope of duty and responsibility of each Committee, and has appointed the Executive Committee to direct business operation of the Company in order to meet business objectives in compliance with business policy of the Board of Directors.

The Executive Committee, as the Management of the Company, shall be responsible to manage business operation of the Company as assigned by the Board of Directors, and shall perform duty with prudence and integrity in the same business manner as normal reasonable person shall perform under the similar situation upon the ordinary negotiating power without taking any advantage of having Executive Position.

## (4) Nomination Procedure of Director and Top Executive

The Nomination and Remuneration Committee shall select and nominate the qualified persons to be the Director and Top Executive of the Company, taking into account of knowledge, ability, experience, expertise from various backgrounds, leadership, vision, ethic, transparent working, and without prohibited qualifications as per Public Company Act. The Nomination and Remuneration Committee will propose the nominated person to the shareholders' meeting for approval. In case of vacating Director during the year, the Nomination and Remuneration Committee shall select appropriate person to propose to the Board of Directors, and the substituting Director will hold office only for the remaining term of the vacating Member.

For Independent Director, the Nomination and Remuneration Committee shall select the qualified persons to be suitable with knowledge, not being a staff or employee receiving regular salaries from the Company or any other companies in the Group, not involving in regular management, being independent from major shareholders, holding shares of the Company not exceeding 1% of total voting shares, capability to protect benefit of shareholders, qualifications as required by the Securities and Exchange Commission to propose to the Board of Directors and shareholders' meeting.

## (5) Having Director Position in the other companies of the Directors and Executives

The Board of Directors shall consider the business type of the company on which the Director having director position, and the necessity of having representative of the Company to involve in management. If necessary, the Company will send the person with suitable knowledge, ability, expertise in such business operation to be the Director in such company.



## (6) Appointment of the sub-committees

For shareholders to be confident in the Company's operations with transparency, the people to screen, review and provide the advices carefully, the Board of Directors has appointed various Sub-committees so as to perform the duties of responsibility and report the results to the Board of Directors. At present, the Sub-committees consist of the Audit Committee, the Nomination and Remuneration Committee and the Corporate Governance and Risk Management Committee.

1) The Audit Committee is composed of 3 independent directors with each tenure of 1 year. The authority and responsibilities are based on the scope of authority and duties pursuant to the Audit Committee Charter. Moreover, a meeting must be held at least 3 months per time and additional meetings may be convened as necessary.

The Company has not specified the number of longest consecutive terms in office of the Audit Committee, depending on consideration of the Nomination and Remuneration Committee and the Board of Directors by looking at the working history and the works in the previous year.

2) The Nomination and Remuneration Committee consists of 3 members. There are 1 independent director, 1 director who is the highest level executive (Chief Executive Officer) and 1 non-executive director acting as the Chairman of the Nomination and Remuneration Committee with each tenure of office for 1 year. The authority and responsibilities are based on the scope of authority and duties pursuant to the Nomination and Remuneration Committee Charter. The meetings must be held at least 2 times a year and additional meetings may be convened as necessary.

3) The Corporate Governance and Risk Management Committee consists of 6 directors who have knowledge and understanding of the Company's business with each tenure of 1 year. The authority and responsibilities are based on the scope of authority, duties pursuant to the Corporate Governance and Risk Management Committee Charter. Furthermore, additional meetings may be convened as necessary.

4) The Investment Committee consists of 5 members. who have knowledge and understanding of the Company's business with each tenure of 1 year. The authority and responsibilities are based on the scope of authority, duties pursuant to the Investment Committee Charter.

## (7) Appointment of the Company Secretary

The Company has appointed Miss Sararath Tangsiramongkol, Manager of Accounting Dept and having suitable knowledge and experience, to be the Company Secretary of the Company to support business operation in an effective manner and in compliance with Good Corporate Governance (as per details in Section Company Secretary) (Details of duties and responsibilities are in the attachment 1.2 Duties and Responsibilities of the Secretary)



## (8) Board of Directors meeting

The Board of Directors of the Company recognizes the importance of the Board's meeting and is responsible to attend the meeting to obtain information and participate in making decision about the operation of the Company. The Board of Directors' meeting is scheduled in advance throughout the year. The meeting is usually held on the third Wednesday of each month. The Secretary of the Company shall send the invitation letter along with the relevant documents including meeting agenda, minutes of the previous meeting, etc. to the Board's Member no less-than 7 days prior to the meeting date.

The Board of Directors may propose the additional agendas to be discussed in the Board's Meeting in an open manner. The Company Secretary is responsible to prepare and keep the certified minute of the Board's meeting to be verifiable. In each agenda of the Board's meeting, the Chairman of the Board will open for all Directors to express their opinions freely. After the meeting, the Secretary of the Company shall prepare the minutes of the Board's meeting and send it to the President and Chief Executive Officer to sign their name to certify the documents. Then, the minutes will be proposed to be certified by the Board at next meeting. However, all Directors are allowed to express opinions or correct any details to ascertain the accuracy and completeness of the minutes. The finalized minute of the Meeting will be presented to Chairman of the Board to be certified. The Secretary of the Company is responsible to collect the original document of the certified minutes of the Board's meeting together with the relevant documents at the office of the Company to be easily recalled for future verification.

The minutes of the meeting approved by the meeting will be systematically stored at the Company office and kept in the form of original document, together with attachments to various agendas of the meeting for easy reference search.

In addition, the Board of Directors also has a policy to allow non-executive directors to meet among themselves as necessary and report the meeting results to the Board of Directors meeting for acknowledgment.

## (9) Self-assessment of the Board of Directors and Sub-Committee

Each Direction shall evaluate performance of the Board as a whole in a scrutinizing and independent manner by filling out the assessment form as issued by the Stock Exchange of Thailand. Such assessment is aimed at,

- 1) Reviewing performance results and analyzing the problems and difficulty in the past year
- 2) Encouraging effective operation due to explicit acknowledgement of responsibility
- 3) Improving relationship between the Board of Directors and Managements

## (10) Remuneration for Directors and Executives

The Nominating and Remuneration Committee is responsible to consider the appropriate amount of remuneration of the Directors and proposes it to the shareholders' meeting for approval. The remuneration for the Directors of the Company is paid at the rate comparable to those paid in the same industry or by the same business-size organization, and shall be appealing enough to attract and retain the quality Directors to work for the Company.



## (11) Development for Directors and Managements

The Company supports and facilitates training and educating for the Directors and the Managements. The Board recognizes the importance of attending the director courses for improving management competency. The Company supports the Directors and the Managements to attend the training course namely Director Accreditation Program(DAP), Director Certification Program(DCP), Audit Committee Program(ACP), Understanding the Fundamental of Financial Statements(UFS) and Finance for Non-Finance Director(FND), as arranged by Thai Institute of Directors(IOD) as well as the other short training courses as deemed appropriate to the operation of the Directors and any other courses which will be arranged by IOD in the future.

## (12) Succession Planning

The Board recognizes to establish succession planning, thus reviewing current working environment and improving for future operation continuously. The Company also considered the salary structure of the Company to be suitable with the comparable market rate. The Company will promote potential subordinated employee to receive progressive training to fill up higher-level position from generation to generation. The Company has performed succession planning as following,

- Distribute authority of making decision or ordering payment along with the organization level as per the limit approved by the Board of Directors
- Encourage Junior Executive to work closely with High-level Executives
- Develop suitable career path for potential Junior Executive
- Assign task or project requiring the use of knowledge and capability to develop management skill
- Determine clear level of organization

## (13) Supervising the operations of subsidiaries and associate company

The Board of Directors is responsible for managing the business and the operations of the Company as well as supervising work management of subsidiaries and associate company according to the goals, operational plan and strategies of the Company under the laws, objectives and articles of association of the Company. Additionally, the Board of Directors has considered the organizational structure and the management of subsidiaries and associate company to be effective and favorable to business conditions. The purposes are to focus on developing the management of subsidiaries and associate company to have corporate governance system, good risk management and participation in signing the declaration of the intent of Private Sector Collective Action Coalition Against Corruption with the Company and to have the ability to compete in the industry for future growth. The Company will receive the reports on operational results from the subsidiaries and associate company regularly. Also, the operating results are always examined so as to plan the works and the targets for further operations.

The Company receives financial statements from subsidiaries and associates on a monthly basis so that the company can track and acknowledge the operating performance of the subsidiaries and associates and can present the operating performance to the Board of Directors for acknowledgment every month as same as the report of the Company's performance.

## 6.1.2 Policies and Practices Relating to Shareholders and Stakeholders

### (1) Treatment of shareholders

#### • Rights of shareholders

The Company recognizes the legitimate rights of shareholders, encourages their right execution, and prevents any acts that may infringe or curtail their rights, especially with respect to the primary rights of shareholders; namely the right of purchasing and transferring shares, profit sharing, receiving sufficient information, attending shareholders' meeting to express their opinions or to make voting on such important issues as election to the Board, determination of the remuneration for the Board, approval for important matters, appointment of external auditors, etc.

In addition to aforementioned primary right of the shareholders, the Company has supported and facilitated the use of right for the shareholders as below,

**Right to receive information** The shareholders shall be provided with equitable information. To this end, apart from the communication on SET's public news board, the Company discloses information on official website of the Company <http://www.mama.co.th> in Thai and English version to provide sufficient information to the shareholders, particular to the information that may affect their decision making; e.g. quarterly and annually result of performance, information of connected transaction, acquisition and disposition of asset, top ten major shareholders of the Company on latest book closing (latest information as of Dec 31, 2021), shareholding of Non-Controlling Interest, the annual report within 14 days after the meeting date, and any other important information that may affect decision making of the shareholders.

**Right to attend shareholders' meeting** The Company has a policy to promote, support and facilitate all types of shareholders, including institutional investors, to attend the annual shareholder meeting with the Company. The Company has scheduled an Annual General Meeting of shareholders within 4 months from the end of the fiscal year of the company. (The accounting period of the Company is January 1 - December 31). The Board of Directors of Thai President Foods Public Company Limited has resolved to set the date of the Annual General Meeting of shareholders No.4/2021 on Wednesday, 28 April 2021 at 9:00 a.m. to consider important issues according to the information disclosed via the Stock Exchange of Thailand on 17 March 2021. However, due to the situation of the coronavirus 2019 outbreak (COVID-19) in Thailand which has been spreading continuously and more widely, the government has announced the state of emergency in all areas throughout the country on 25 March 2021.

As the severity of COVID-19 pandemic has been on the rise and to ensure compliance with the rules issued under Section 9 of Emergency Decree on Public Administration in Emergency Situations, B.E. 2548 (2005) (No. 20), it is necessary for us to limit the number of participants to 50 persons, including the company directors and employees.

Then, Bangkok Metropolitan Administration issued the Announcement on Temporary Closure of Premises (No. 25) dated 25 April 2021. Therefore, we hereby inform you of the change in the venue of the Shareholders' Meeting No. 4/2021 to Tam Yum Kung room, 3rd Floor, TF Building, No. 304 Srinakarin Road, Hua Mak Sub-district, Bang Kapi District, Bangkok Metropolis 10240. The date and time of the meeting remain the same, and the maximum number of participants will be 50, including the company directors and employees.

The Company has improved information system of registration procedure and of vote counting to disclose the result transparently, such as previous counting can be updated to handle disagreement opinion from the shareholders, or previous counting of the past agenda can be displayed upon shareholders' request. In addition, the Company shall conduct the meeting on each individual agenda separately in order to open for the shareholders not attending the meeting since beginning to be able to cast the vote.

**Treatment of shareholders before the shareholders' meeting date:** The Company notified a resolution on the scheduled meeting of shareholders at least 5 weeks in advance of the meeting date, i.e. on 17 March 2021 so that the shareholders could arrange time to attend the meeting and schedule the dissemination of written notice of scheduled meeting, along with all documents for the meeting with the same information as information sent by the Company to shareholders in the form of document via the Company's website 34 days in advance for the shareholders to study beforehand. The Company assigned Thailand Securities Depository Co., Ltd. for Depositors as the Company's share registrar to deliver such documentation to the shareholders 21 days in advance of the meeting. The announcement was also put in the newspaper advertisement for 3 consecutive days and 7 days before the meeting date, i.e. on 20,21,22 April 2021. Each agenda included the facts and reasons, including the opinions of the Board of Directors, together with the meeting documents such as annual report, power of attorney Form B, history of nominated persons to be elected as directors, map of the meeting venue, explanations of documents and evidence to be presented by the shareholders for attending the meeting, the Company's articles of association relating to the shareholders' meeting and the procedure for attending the meeting. In addition, the shareholders could download the power of attorney prepared in compliance with the announcement of the Commerce Ministry, which includes 3 types, viz. Form A, Form B and Form C. Any one of the power of attorney forms could be chosen at the Company's website [www.mama.co.th](http://www.mama.co.th).

The Company has given the right of the shareholders to propose agenda and/to nominate candidates to be elected as Director in the General Meeting of Shareholder 4/2021 by sending the letter to the Company Secretary during Dec 1 – Dec 30, 2020 and the Company has disclosed the Principle as aforementioned in Thai and English version in SET's public news board and on the Company's website (<http://www.mama.co.th>) on November 18, 2020. After the giving period, there is one shareholder proposing an issue to be included in the agenda.

Additionally, the Company allowed the shareholders to send questions in advance relating to the agendas of the general meeting of shareholders No. 4/2021 on 28 April 2021 via E-mail: [Sararath.t@mama.co.th](mailto:Sararath.t@mama.co.th) or by registered mail to Miss Sararath Tangsiramongkol (Company secretary), Thai President Foods Public Company Limited, No. 304 Srinakarin Road, Hua Mak Sub-district, Bang Kapi District, Bangkok 10240 or Fax 0-2374-7743 before the meeting date as notified by the Company in written notice of the scheduled general meeting of shareholders. It appeared that no shareholder sent the questions in advance to the Company. The Company notified such information to the general meeting of shareholders for acknowledgment before proceeding with the meeting according to the agendas.

**Shareholders Treatment at the Annual General Meeting of Shareholders No.4/2021** on 28 April 2021 Under the coronavirus 2019 (Covid-19) outbreak to reduce the risk of epidemic and public health, the Company requested the shareholders to give proxy to the Company's independent directors to attend the meeting and vote instead of attending the meeting in person, according to the list of independent directors specified in the delivered proxy form to reduce the crowded of meeting attendees in the meeting area. The seats in the meeting room were arranged to be able to accommodate shareholders and/or proxies ("attendees") approximately 50 seats including the company directors and employees. All attendees are required to comply with the guidelines for organizing the annual general meeting of shareholders of the Company strictly to prevent and reduce the risk of spreading the COVID-19 virus,

such as wearing a mask, getting body temperature measurement, filling in a disease screening form, and giving opportunity for shareholders to inquire about the Company's operation by writing questions on paper in advance for each agenda and send to the staff to hand over to the Chairman of the meeting.

The shareholders are open to register to attend the meeting not less than 2 hours before the meeting started. However, the shareholders still reserved their right to attend the meeting after the meeting started and were eligible to do voting on the remaining agenda and would be deemed as a quorum of the meeting since they exercised their voting right. The Company shall prepare adequate staff to perform registration procedure, provide the Stamp Duty to be posted on the proxy form, and distribute the voting card. The Company will improve barcode system in registration procedure and to count the vote in a timely and transparent manner. Additionally, the voting result will be verifiable after the meeting in case of any doubt or objection of the shareholders.

In the general meeting of shareholders No. 4/2021 on 28 April 2021, 2 independent directors of the Company as proxies were namely:

- |                                  |   |
|----------------------------------|---|
| 1. Prof. Dr. Suwimon Keratipibul | Independent Director / Chairman of Corporate Governance and Risk Management Committee |
| 2. Mrs. Tongurai Limpiti         | Independent Director / Member of Corporate Governance and Risk Management Committee   |

The Board of Directors has recognized the importance of the general meeting of shareholders, which is considered a duty to attend the meeting except for sickness or being busy with important mission. In the general meeting of shareholders No. 4/2021 on 28 April 2021, 12 directors attended the meeting, representing 80 percent. The Chairman of the Board of Directors, Chairman of the Audit Committee, Chairman of the Nomination and Remuneration Committee and Chairman of the Corporate Governance and Risk Management Committee attended the meeting. Moreover, there were Accounting Manager (The person supervising accounting), Financial and Investment Manager (CFO), Certified Public Accountant from EY Office Co., Ltd. for enabling the shareholders to ask questions about financial statements. Also, arrangements were made for the votes-counting Inspector that was an external legal consultant from Chompoo and Associates Co., Ltd. To act in order to ensure that the shareholders' meeting went transparently, correctly according to the laws and the Company's articles of association.

The Company has realized the importance of organizing the annual general meeting of shareholders for allowing the shareholders to exercise their right to know the operating results, along with analysis results and explanations of the management department (MD&A), the implementation of anti-corruption measures, dividend payment rate, consideration and voting on various matters as required by law and Company's articles of association. When the scheduled time came at 9.00 am., the meeting was opened by the Chairman of the Board of Directors who chaired the shareholders' meeting. The President announced the number / proportion of shareholders attending the meeting, introduced the directors, executives, auditor and vote-counting Inspector. The Company secretary notified various rules used in the meeting, voting procedure and vote -counting rules, including votes for, against, abstentions and voided ballot (if any). The meeting was conducted according to the order of the agendas. No agenda was added or no important information was changed without prior notice to the shareholders. Also, the voting results were concluded from the use of Barcode system to count the votes of each agenda and the voting results were displayed via Projector for the shareholders' acknowledgement of each resolution. The important agendas of the general meeting of shareholders were as follows.



**1) Appointment of the Board of Directors :** The Company allowed the shareholders to exercise their right to elect the directors individually. Detailed information of the persons nominated to be elected was available, consisting of [name, surname, age, nationality, type of director proposed for appointment, education, director training course, current position, term of directorship, holding the position of director or executive in other listed companies / other parties / business that is competitive or related to the Company business, 5 years past experience, prohibited qualifications, shareholding in the Company and attendance at the meeting in 2020] as shown by written notice of the scheduled general meeting of shareholders sent by the Company to the shareholders in advance of the meeting. Besides, in the shareholders' meeting, the Company announced the positions held in the companies running business with the same condition and competing with the Company's business again for the shareholders' acknowledgement and compliance with the Company's articles of association. Each director had passed the screening process by the Nomination Committee that considered the appropriateness in terms of qualifications, experience and expertise from various professions, including the performance as director in the past period. Examination of the directors having completed the term each year will be presented to the Board of Directors meeting. The Board of Directors has the authority to consider the selection of qualified persons from the list presented by the Nomination and Remuneration Committee according to the number required so as to propose the appointment of directors to the general meeting of shareholders No. 4/2021 on 28 April 2021.

In addition, at the general meeting of shareholders No. 4/2021 on 28 April 2021, the Company increased the right for shareholders to propose the persons to be elected as the Company's directors in advance of the general meeting of shareholders No. 4/2021 by making the letter of specified form sent to the Company secretary from 1 December to 30 December 2020 for presentation to the Nomination and Remuneration Committee, publishing in both Thai and English through the channels of the Stock Exchange of Thailand and the Company's website [www.mama.co.th](http://www.mama.co.th) to consider proceeding with the next steps. In this shareholders' meeting, before considering electing the Company directors, the Company informed again that the Company gave such right to the shareholders, it appeared that no shareholder nominated the person to be elected as the Company director by the specified period.

**2) Remuneration for the Board of Directors :** The Company has proposed the amount of remuneration for the Company's directors to the Annual General Meeting of Shareholders for approval at the Annual General Meeting of Shareholders No. 4/2021 on 28 April 2021 in the total amount not more than 20 million bahts, in order to be appropriated and match their duties and responsibilities. The Board of Directors has approved in accordance with the consideration of the Recruitment and Remuneration Committee of the Company that has screened the suitability including the performance and business expansion of the Company and compare with the remuneration of directors in the same business group. Additionally, the Company announced the approval amount of remuneration for the Board of Directors and the amount actually paid in the past year, consisting of pension, meeting allowance, remuneration for the Audit Committee, remuneration for the Nomination and Remuneration Committee, remuneration for the Corporate Governance and Risk Management Committee (not including remuneration or welfare benefits received by the directors as the Company's staff or employees).

**3) Appointment of auditor and determination of the audit fee:** The Company provided information of the certified public accountant as follows: name of certified public accountant, audit office, independence, number of years of acting as auditor for the Company, the audit fee during the current year and other charges for services received from the audit office of the auditor's affiliation. Such information was considered by the Audit Committee of the Company.

**4) Dividend payment :** According to the policy on payment of dividend, the dividend shall be "allocated from the net profit on the specific financial statement at not less than 50 percent". The company state the details of the profit allocation, rate of the dividend to be paid and the reason and comparative information on the payment of dividend in the previous years. In 2021 the dividend payment for the performance of 2020 is at the rate of 4.77 baht per share, at the amount of 1,572.69 Million Baht, equal to the ratio of payment of dividend at 50.10 percent which is in accordance with the policy on payment of dividend stated by the company.

**Treatment of shareholders after the shareholders' meeting date:** The Company prepared the detailed minutes of the general meeting of shareholders with the names of the Company's directors attending / not attending the meeting and the causes of leave, important explanations, questions and answers or summary comments.

The Company has completely recorded the shareholders' questions that were not answered in the meeting, with the answers in the minutes of the meeting. The voting results for each agenda were reported by separated the votes and proportion, percentage of votes in each resolution, viz. votes for, against, abstentions and voided ballot. The minutes of the meeting were signed by the Chairman of the Board of Directors and were delivered by the Company to the Stock Exchange of Thailand as well as the Securities and Exchange Commission. Moreover, information and photographing of the general meeting of shareholders throughout the meeting period were disseminated in the form of video media and published as clip file on the Company's website [www.mama.co.th](http://www.mama.co.th) within 14 days from the date of the general meeting of shareholders in both Thai and English to be the channel for enabling the shareholders to check information with no need to wait for the next general meeting of shareholders. The Company also sent the minutes to the Ministry of Commerce within the time prescribed by law. The company has published the minutes both in Thai and English through company website [www.mama.co.th](http://www.mama.co.th) since 5 May 2021 and also reveal the recording of the meeting throughout the meeting in the pattern of Video and publish it as a clip file to be another channel for the shareholders to verify the information without waiting for the next meeting.

**Distribution of ordinary shareholding of the Company** The Company determined the list of shareholders (Record Date: RD) entitled to attend the general meeting of shareholders No. 4/2021 on 31 March 2021 with information in the form of shares distribution report consisting of directors, managers and executives as well as related parties and people having a relationship, holding a total of 19.03% ordinary shares of the Company of paid-up capital (with a proportion of not more than 25%). The shareholders who held more than 5% ordinary shares, accounted for 56.44% and small ordinary shareholders represented 24.52 percent (% free float).

### • Equitable treatment of shareholders

The Company recognizes the importance of rights and equitable treatment of shareholders with regard to shareholders' meeting, inside information, trading shares of the Company, and connected transaction.

**Shareholders' meeting** : The Company opens for the shareholders, who cannot attend the meeting in person, to attend the meeting by proxy or by Independent Director. The Company provides the proxy form in the format that the shareholders can specify their voting objective and notifies the shareholders to submit the necessary evidence to appoint their proxy. In the Annual Shareholders' Meeting No. 4/2021 on 28 April 2021, the Company shall propose 2 Independent Directors to be the proxy holders to cast the vote on behalf of the shareholders. With respect to the voting in the shareholders' meeting as prescribed in the Article 41 of the Article of Association, each shareholder shall have the number of votes equal to the number of shares held (one vote for one share). To ascertain transparency and accountability, the Company has introduced electronic ballot to facilitate vote counting by the computer system for every agenda; thus easier for the shareholders to verify the voting result in case of any future argument. And on the agenda to appoint the Directors, the Company opens for the shareholders to select the Director individually.

- On 25 March 2021, the Company disseminated written notice of the scheduled general shareholders meeting, along with all documents for the meeting with the same information to be sent by the Company to shareholders in the form of document on the Company's website 34 days in advance of the meeting date on 28 April 2021. Besides, Thailand Securities Depository Company Limited for Depositors as the Company's share registrar, was assigned to deliver to the shareholders 21 days in advance of the meeting date. The announcement was also put in the newspaper ads for 3 consecutive days on 20, 21, 22 April 2021, 7 days before the meeting.



- For foreign shareholders, written notice of the scheduled general meeting of shareholders, including supporting documents for the meeting and the minutes of the meeting were translated by the Company into English and sent via Thailand Securities Depository Co., Ltd. for Depositors and delivered to the Stock Exchange of Thailand and the SEC. All information can be viewed from the Company's website [www.mama.co.th](http://www.mama.co.th) of both Thai and English versions.

- For the shareholders' inability to attend the meeting, any person who is an independent director or any audit committee member of the Company could be authorized to attend the meeting instead for preserving their right. The Company provided the names, type of director, age, nationality, addresses and interest in the meeting agendas of the 2 independent directors in written notice of the scheduled meeting. (However, for the independent director leaving according to the term in any year, that director will not be proposed to avoid interest). To choose the audit committee member or independent director as a proxy, the shareholders could view other information related to the Audit Committee or 2 independent directors in the annual report sent together with the scheduled meeting letter by using the power of attorney attached by the Company to the scheduled meeting letter, i.e. Form B to encourage the shareholders to use the power of attorney with possible determination of the voting direction. Or it was possible to download the power of attorney prepared in compliance with the announcement of the Commerce Ministry from the Company's website, which includes 3 types, i.e. Form A, Form B and Form C. (Form C was used only in case of the shareholder being a foreign investor and appointing a custodian in Thailand to be a custodian and take care of shares). Any one of the power of attorney forms could be chosen. Besides, the Company provided stamp duty to accommodate the authorizing shareholders.

In the Annual General Meeting No. 4/2021 on 28 April 2021, there are 18 shareholders, holding the total of 20,678,359 shares has assign the independence director that the company proposed to be the proxy and cast the vote on behalf of the shareholder. Therefore, on such Annual General Meeting date, there are shareholders who attend the meeting by themselves 27 people, holding 48,042,779 shares and the proxy of the shareholders 53 people, holding 226,584,156 shares. The total number of shareholders and proxy attended the meeting are 80 people, with total shareholding of 274,626,935 shares, equal to 83.29 percent of the issued and paid up shares.

Determination of voting right in the meeting was in accordance with the number of shares held by the shareholders. One share was the right equal to one vote.

The Company conducted the meeting according to the order of 8 agendas without switching the agendas and no additional agenda or change of important information without informing the shareholders in advance.

Voting for each agenda was done openly by Barcode system. The scoreboards and voting ballots were prepared for shareholders on every agenda. For the counting of votes, only people who did not agree and / or abstained would be counted, which would be deducted from the total votes attending the meeting. The rest would be considered as the votes for. Therefore, if any shareholder was against or abstained from voting on each agenda, the scoreboards received upon registration would be lifted up. Such scoreboards had the names of the attendees at the meeting, the number of shares held or authorized. For Barcode, the Company's staff would scan Barcode from the scoreboards. The voting results would be displayed on the screen in the meeting room immediately for transparency and verification. Thus, all shareholders could know the votes on each agenda as to the number of votes for, against and abstentions at the same time immediately. The shareholders must sign the ballots for keeping as evidence. In addition, the program has supported the back vote recording for greater flexibility in case of the shareholders' request or to look at past votes on the previous agendas.

**Supervision of the internal information usage and Confidentiality** : The company has the measure to supervise the internal information usage by including in the business ethics that shall be conducted between the company and the beneficiary and include in the Code of Conduct for the Directors, managements and employees to perform their task with honesty, responsibility, discipline and good consciousness to the public and oneself; not use the

position to seek benefit for oneself and/or others dishonestly; maintain the benefit and asset of the company; not using the information and asset of the Company for one's/others' benefit and not taking any action that support any other people to run a competitive business against the company. The company has distributed the Manual of Good Corporate Governance, consists of: Good Corporate Governance Policy, 8 Good Corporate Governance, business ethics and Code of conduct for Directors, managements and employees to the Directors, managements and employees. Such manual was published through IT system on both intranet system and the website of the company, [www.mama.co.th](http://www.mama.co.th). Apart from that, the QR code for such manual was generated to be put on the announcement thoroughly to be the instruction for business operation and work rules for Directors, managements and employees.

Apart from that, the company has a policy to take action on the confidentiality. There is a data storage system for keeping the business secret which is considered as controlled document that is accessible by the relevant person only and not allowed to be copied. There will be the assignment of the person in charge of such data storage.

The company has set the measure to supervise such matter in the work regulations of the company and the worst punishment is to terminate the employment.

**Determination of the trade in securities of the Company** : Determination of the trade in securities of the Company : The Directors, Executives, and staffs who can access significant inside information are prohibited to purchase/sell the shares of the Company during the period of 1 month prior to the disclosure of financial statements to the public. In addition, the Company has notified the Board of Directors and Managements to report any changes in their shareholding status to the SEC, as specified in Section 59 of Securities and Exchange Act B.E. 2535, and send the copy to the Secretary of the Company to report to the Board's meeting on the agenda of the shareholding of Directors and Managements. The Board's meeting found none of prohibitive transactions from our Executives in 2021.

In 2021 there are 1 executive who change the company's stock holding by reporting through electronic system to the Office of the Securities and Exchange Commission (SET) according to the stipulated timeline in order to report the acquisition/ sale of the company's stock. Apart from the Directors and managements according to the criteria of SET Office and to comply with the measure to protect the internal information usage, the company has set the policy that the managements from manager level and higher must show the change of company's stock holding too and in the Board of Work performances monthly meeting. Company Secretary will be responsible for reporting the stock holding of all Director and managements to the Board of Work performances for acknowledgement and record in the minutes of meeting.

**Dealing with connected transactions or transactions that may have conflicts of interest** : The Company conducts business with prudence and rationality for maximum benefits to the Company. Any connected transactions shall be undertaken with identical conditions as applied to the transactions with any other counterparties, and must represent or support normal business undertaking. To this end, the Director assumed to have related interests shall not participate in the approval of such transactions in order to encourage the other Directors to fully express their opinions and independently make decision. Furthermore, the Company has obligation to disclose name, detail of relationship to the related person, price setting policy, amount of transaction, and opinion of the Board on the news board of SET in both Thai and English version, and on the Company's website "<http://www.mama.co.th>".

In 2021, the Company had not a related transaction.

In addition, the directors and executives are responsible for reporting changes in interests of the directors and executives to the Company secretary within 1 month from the change date. The Company secretary is also charged with sending such report to the Chairman of the Board and Chairman of the Audit Committee within 7 working days from the date of receiving this report under Section 89/14 of the Securities and Stock Exchange Act (No. 4) 2008.

In 2021, the Company secretary was informed about changes in interests from 4 directors and 3 executive.

## (2) Stakeholders awareness

The Board of Directors has recognized and paid attention to the rights and benefits of various groups of stakeholders; inside and outside the organization, government sector and related agencies as well as responsibility to the community, society and environment in conformity with social responsibility standards, including the commitment to develop the Company for stable and sustainable growth with the ability to generate returns for shareholders appropriately. Therefore, the Company has established the business ethics and code of conduct for directors, executives and employees in writing through dissemination by training all employees and organizing an orientation session for new employees and communication via the INTRANET system and the Company's website at [www.mama.co.th](http://www.mama.co.th). The purpose is to be guidelines for the conduct of directors, executives and employees at all levels in performing the duties based on the Company's missions with good consciousness, adherence to as practices of responsibility to various groups of stakeholders, viz. shareholders, customers, employees, business partners, creditors, competitors, government sector and environment.

As a result, in the year 2021, the Company was selected to be listed in "Thailand Sustainability Investment (THSI) 2021" from the Stock Exchange of Thailand as a listed company on the Stock Exchange of Thailand with sustainability assessment scores that pass all three dimensions, including economic dimensions, environmental dimensions And social dimensions, Honorable Mention: Sustainability Disclosure Recognition in disclosing sustainability information to the public and related stakeholders from Thaipat Institute

**Towards customers** : The Company runs business based on integrity, fairness, providing accurate information to customers and free competition according to market mechanisms by taking into account the needs and maximum satisfaction of the customers mainly, responsibility to customers and protection of trade secrets of customers, ncluding new innovations and increasing production efficiency so as to control the costs for competitiveness. The focus is on producing goods of quality standards according to international standards. So, the Company has strived to develop its food factories to be accredited by food standard agencies and received the international standard certificates as follows,

- |                  |   |
|------------------|---|
| • BRC            | Global Standard for Food Safety                   |
| • GMP            | Good hygiene management in production standards   |
| • HACCP          | Food safety management standards                  |
| • HALAL          | Halal product standards                           |
| • KOSHER         | Kosher product standards                          |
| • TISI - TIS 271 | Industrial product standards                      |
| • Fair Trade     | Product standards                                 |
| • Organic        | Product or organic agricultural product standards |

The Company provides various channels to listen to opinions, feedback and complaints from customers or consumers and respond to complaints quickly and efficiently for further improving and developing the system by providing customer relations service through the Company's website [www.mama.co.th](http://www.mama.co.th) and Call Center system, telephone 02-3747955.

In 2021, The company receiving awards The Marketeer No.1 Brand Thailand 2020-2021 award, from the results of a nationwide public opinion poll by Kadence International (Thailand) and Marketing Move Co., Ltd.

**Towards employees** : The Company recognizes the importance of personnel, which is a key and valuable resource to lead the Company to achieve the set goals. Therefore, emphasis is put on employees at all levels, no matter which part of working, department is without discrimination. Care is equally provided, including compliance with the labor protection law as well as the requirements of occupational safety, health and working environment management standards. As a result, the Company has been accredited according to Thai labor standards TLS 8001 (Workplace Conditions Assessment (WCA)).

The company provided fair remuneration, which are salary, bonus, overtime payment and provident fund. There are also other good welfare to support and pay attention to good quality of life of the employees in addition to the regular remuneration, which are annual medical checkup, medical payment, uniform, diligent allowance, annual reward, payment for working duration for employees who has been worked for 10 years, 20 years and 30 years. There is welfare about housing loan, gift for the child of employee, annual party, etc. Apart from that the education payment is provided to potential employees.

The supports are given every year. The company focuses on supporting the potential in the employees by arranging the training that matches with the work in each field that can be applied to the job. In addition, the company concerns about the life safety and health of employees, such as arranging the training for managements and employees development, training on increasing the efficiency and cost reduction for the manufacturing by using the automatic manufacturing technology. There is a project to develop the potential of health management team to reduce the risk of chronic disease of the insured person in the company, Basic Fire Fighting, fire drilling, and the use of necessary equipment. Apart from that, the work environment is created to encourage the teamwork among employees by arranging activities to strengthen the relationship and to help each other like family.

In 2021, the company sees the importance of taking care of employees' health. Therefore, the Company has conducted the following activities to make the employees knowledgeable and initially pay attention to their own good health:

- Communicate and publicize to educate about the disease and how to stay away from the coronavirus (COVID-19) on public relations board and E-Mail.
- Promote and arrange for vaccination against Coronavirus (COVID-19) for all employees.
- Arrange annual medical checkup for the employees.

Personnel development and training in 2021: The Company has a policy to focus on promoting knowledge and understanding to enhance the capabilities of employees to be able to perform their duties of responsibility efficiently, to carry out the activities of the organization to achieve the goals in the specified direction for achieving success together and realize the performance of duties to maintain the international standard systems of the Company accredited for better development. Besides, preparations were also made for the rules and regulations relating to the export of goods to foreign markets, e.g. the United States Food Safety Modernization Act (FSMA) by managing the Company's Food Safety Plan system correctly, appropriately on the basis of assessment of various risks, including preparation for changes in various standards of each country that are likely to occur each year. Emphases are placed on analysis of the organization's context, understanding of the necessity and the expectations of stakeholders and application of the risk concept to work planning for continuous improvement. The Company has organized training sub-courses for employees to increase knowledge and capacity to learn, develop the works continuously, including sending employees to get trained in various courses related to the professional lines of each department, consisting of professional development courses, executive development course, capacity enhancement course, courses related to the environmental laws, standards, and requirements and courses on anti-corruption measures.

In 2021 the company has supported the employee by arranging training for the employees both internal and external and course. The total training duration is 12,717.55 hours or at the average of 16.56 hours/person/year.

In 2021 The company receiving A badge and certificate of Model Industrial Estate for Good Labor Practices.

**Towards Trading Partners** : The Company commits to any trading agreements, and behaves to the trading partners with fairness. We have never received or asked for any asset outside trading agreement. The Company supports free and fair competition by mutually respect the right of trading partners, develops close relationship, and visit our partners occasionally to evaluate their operational performance. The Company has informed our partners about accepted practice to work together. The Company realizes the importance of procurement to improve the quality of raw material with controllable cost, thus focusing on transparent and accountable purchasing and hiring process for best benefit of the Company. The Company has never defaulted on terms and conditions agreed with the counterparties. In addition, the Company reviewed our working procedures to comply with the standards of sustainable supply of raw material, such as Unilever (Unilever Responsible Sourcing Audit - URSA) to evaluate the risk of human right violation arising in the countries of suppliers to serve our end customers who pay attention to Responsible Business Partner Policy, and so on.

In 2021, There is no case of non-performance of the contract with the partner.

**Towards creditors** : Most of the Company's payables are trade accounts payables with the clear conditions and arrangements for goods delivery and payment. The Company has complied with the conditions, agreements and made payments on schedule. Throughout the past period, the Company has never had any disputes with regard to the default on debt repayment. The Company has paid all creditors according to the conditions of payment agreed beforehand and has assisted the creditors by using the bank transfer method in Paylink system.

**Towards Competitors** : The Company conducts business under the laws and fair competition, maintaining best practice to avoid any acts that may violate or access to confidential information of competitors by dishonest method. The Company has never encountered to any dispute with our trading competitors so far.

**Towards Government Sector** : The company run the business by complying to the regulations of the government sector and set up the policy and procedure with the government sector in business ethics. Apart from that, the company has set the tax policy to show our determination to comply with the relevant laws, as we as the use of tax privilege and tax management correctly according to the law.

In 2021, the company has completely paid the tax on time and in compliance with the law provision, both for the withholding tax, corporate income tax, value added tax, special business tax, customs duty, signboard tax, property tax, as well as stamp duty, and also the regulations related to the factory, such as food manufacturing law, energy and environment law, labour law, occupational safety and health, etc.

**Towards Social and Community** : The Company provides ongoing support to the community service, and promotes social contribution in the Company. We regularly provide assistance to the victims in many disaster incidents.

**Toward the environment** : The Company has taken responsibility and attached great importance to the environment by strictly complying with the laws and regulations of relevant agencies and emphasis on environmental protection in every operational step as well as adhering to ISO-14001 international standards of the environmental management system, including training employees at all levels to understand the importance of the environment correctly.

The Company is aware of the environmental impact arising from production processes, which may result in damage to the community and business. Consequently, various measures have been established to control waste from production before release to the environment by regularly preventing and monitoring potential risks such as wastewater treatment measures to be recycled for use in the factories, measures for treating air from combustion of fuel before release into the atmosphere, measures for preventing furnace oil chemical from leaking out into the environment, placing purchase orders for coal packed with Big Bag to reduce the spread of coal dust, etc.

Furthermore, the implementation of such measures, together with the commitment to develop the Company's food factories to meet international standards have resulted in accreditation from various international standards agencies by issuing international standard certificates for the Company, e.g. ISO 14001 Environmental Management System Standard and Carbon Footprint Label Standard.

**Promotion of the efficient use of resources** : The Company encourages employees to use resources efficiently by controlling the consumption of electric energy, water supply, fuel oil, supporting the use of documents and electronic forms to reduce the use of paper and having a monthly energy meeting to control the use of each energy type, including organizing environmental week activities within the factories relating to environmental conservation regularly, continuously every year. As a result, the Company received a certificate of energy conservation standard from the Ministry of Energy.

**No violation of intellectual property** : The Company commits to our business ethics to not violate any intellectual property, meanwhile the Company has determined to develop our own food innovations by utilizing moder technology together with enhancement of our staff's knowledge and skill in order to serve needs of our customers. For the time being, the Company has never been prosecuted against the violation of intellectual property.

**No violation of Human Rights** : The Company respects the rights of person, thus honoring and offering fair practices to all staff in an equitable manner. The Company encourages personal safety and suitable right in workplace, and prohibits any forms of harassment. For the time being, the Company has never found the case of prosecution against the violation of human rights. The Company has also reviewed internal regulation concerning safety in factory to avoid any potential violation of human rights, such as the use of CCTV, vehicle check before passing factory gate, etc.

**Safety and hygienic workplace** : The Company recognizes to improve safety an hygienic working environment for our employees, thus establishing the rule, procedure, working standard, and safety evaluation process in order to protect any loss to life or property of our staff, partners, and any related parties.

The Company is aware that the business operations must be accompanied by an awareness of safety and occupational health as a priority. The safety policy is one of the main policies of the Company to control the operation safely and to make the operation more efficient at every stage, as well as to prevent and reduce losses from accidents that may occur to employees under Occupational Safety, Health and Environment Act.





The Company cultivates the awareness of safety and occupational health in all personnel in the Company. All personnel must be aware of taking care of the health and work safety. In addition, the Company's partners must strictly adhere to the requirements of the occupational health and safety program and to make the safety operation efficient in every process. Moreover, Occupational Safety, Health and Environment Committee was appointed, consisted of 103 executives and employees representing 1.80 percent of the total personnel. The objective of the Committee is to set standards and implement policies for efficient operation, and to ensure safety and to control the loss from work accidents.

The Company's Occupational Safety, Health and Environment Committee have assessed the health risks of the Company's personnel as well as regularly monitor the working environment to find a way to prevent and correct the issues properly. The Company's personnel who has to work in an environment that is at risk from work, accidents and illness caused by work are as follows:

Job description	Risk of illness / Danger from work	Mitigation
Production Line	<ul style="list-style-type: none"> <li>• Accidents from work</li> </ul>	<ul style="list-style-type: none"> <li>• Organize activities KYT</li> <li>• Organize activities safety course</li> <li>• Organize activities SHEE&amp;Q</li> </ul>
Office work	<ul style="list-style-type: none"> <li>• Office Syndrome</li> </ul>	<ul style="list-style-type: none"> <li>• Organize relaxation massage activities</li> </ul>

In 2021, the company has statistics of accidents due to work, calculated according to TCIR, equal to 1.03 cases per 100 employees per year. The safety standard (TCIR: Total Case Incident Rate is the number of accidents from work. Calculated averaged at 100 employees over a 1-year period, with a good safety standard TCIR of 1.0 or lower.)

### Employees Health and Safety Guidelines

- 1) Conduct Workplace Risk Assessment of the plants and all operation areas to eliminate or minimize the risks at the place of origin such as reduction of noise, improvement of machine safety, operation related to fire risks, transportation within the plants, broken electrical wires, machines without ground cables, holes on the ground, product storage, and usage of work process documents to ensure work safety.
- 2) Operations upon incidents and accidents, making work process documents, preparing reports, analyzing, following up the correction and improvement
- 3) Provide necessary and sufficient health & safety training before operating machines and equipment or performing risked work, as well as providing refresher training as required by the law and/or indicators. Employee orientation shall contain information related to health and safety at work on daily basis, rights and duties in terms of occupational safety and health as required by the law. Training details and records shall be kept in compliance with the rules and regulations on consideration of needs and training arrangement.
- 4) All machinery and other equipment used for production and operation shall be safe for use, and necessary safety equipment shall be installed to prevent accidents and injuries. Other machines and equipment such as forklifts, cranes/lift shall be inspected and certificates shall be issued by the competent officers or licensed persons or authorized persons by the law. Rules and regulations of monitoring, inspection, measurement, and assessment of conformity and surveillance shall be complied with.

- 5) The company shall make safety information and/or warning signs which are plainly visible at the risky areas and in the way that employees understand (using images or image signs written the understandable language for employees).
- 6) The company shall make the documents showing Safe Working Routines to minimize the risks of injuries and illnesses from risky work.
- 7) Personal Protective Equipment (PPE) and appropriate protective gears are provided free of charge to employees and visitors to the plants to wear when they enter dangerous or risky areas. Signs are clearly made to indicate that PPE is required in the designated areas.
- 8) The company shall provide necessary first aid equipment for employees while working at each shift in the plants. Employees can access to the equipment in case of accidents. It is stored in the nursing room during the time when a registered nurse is on duty and at the guardhouse on holidays and after the nurse's working hours. First aid boxes are regularly checked to make sure it is ready for use.
- 9) The company shall determine appropriate First Aid Trained Persons for working hours and all shifts. They shall be formed as the first aid team. The First Aid Trained Persons are required to hold medical certificates or nursing certificates as required by the law. Trainings shall also be recorded.
- 10) Workplace condition: The company shall provide maintenance and inspection of the workplace to maintain good condition in accordance with the law. This includes air, light, sound, dust, and heat to ensure that employees worked in appropriate environment.
- 11) Ergonomics of the workplace shall be assessed and the plan shall be made to reduce working in the same position with the same posture and gesture which may cause long-term injuries.
- 12) Drinking water: The company shall provide clean drinking water to all employees without any charge. Water dispensers are regularly maintained in good condition. Installation positions are properly far away from the work site.
- 13) Housekeeping and Hygiene: The workplace shall be tidied to ensure hygienic and safe condition for employees. Cleaning the entire plants shall be planned. Sings and toilets shall be appropriately provided.
- 14) Break Areas: The company shall prepare sufficient areas for employees to take a break and have their meals. The areas shall be clean, in good condition and separated from the production areas having noise and dust. There shall be sufficient tables and chairs for employees. Cleaning of the areas and equipment shall be appropriately planned.
- 15) Alcohol and Drugs: The company prohibits employees from drinking alcohol or taking drugs of all kinds in the company's areas, workplace during and outside working hours. The aim is to prevent them from working in an intoxicated condition or under the influence of drugs or substances that prevent them from working safely and effectively. This policy is communicated to all employees.



**Quality, Food Safety, Occupational Health and Environment Policy**

The company is committed to producing quality products. and safety in accordance with the laws and regulations and customer requirements Without affecting the environment Occupational health and safety of employees and those involved to create maximum satisfaction for customers All employees at all levels must be responsible for quality improvement continuously and sustainably.

**(3) Information Disclosures and Transparency**

The Board of Directors establishes the policy to disclose accurate, complete and timely information of the Company, both financial and non-financial information, to ensure that the stakeholders and investors can easily obtain equitable information. The Company commits to provides any important information as required by the relevant laws and regulations as follows,

- 1) Information to be disclosed by book closing period, e.g., 3 Quarterly Financial Statements, Annual Financial Statement including Management Discussion and Analysis, Form to report annual registration statement (Form 56-1), annual report (Form 56-2) and (Form 56-1 One Report)
- 2) Information to be disclosed by occurrence of events, e.g. purchasing / selling of asset, related party transactions, investment plan, dividend payment, approval of granting financial assistance.

The Company disseminates such information via SET community portal of the Stock Exchange of Thailand and discloses information on the website <http://www.mama.co.th> in both Thai and English version.

**To maintain reliability of financial information and information disclosure**

- The Board of Directors performs systematic financial reporting and information disclosure by specifying authorized persons to handle important information related to financial statement and financial report, i.e. Accounting Manager (to control accounting information), Finance and Investment Manager(to be top supervisor on finance and accounting), Internal Audit Manager (to be responsible for information disclosure), and any other persons as assigned by the Board such as Managing Director, Investor Relation staff, and Company's Secretary (the aforesaid persons are qualified, knowledgeable, and suitable with the duties as per detail in the Section of Management Team Details).

- The Board of Director organizes the Board's meeting on monthly basis including the agenda of monthly operating performance to follow up and analyze continuous Company's performance, as well as to monitor financial and liquidity status of the Company. On this regards, the Company has maintained good liquidity ratio, strong debt service coverage ratio, and has no long-term debt obligation requiring early repayment.

- The Board of Directors discloses the report of responsibility of the Board concerning to the correct financial statements in the Opinion to the Financial Statement of the Company as of Dec 31, 2021 in compliance with the Code of Best Practices for Directors of listed companies as prescribed by the Stock Exchange of Thailand. Such management report on preparing financial statement is disclosed together with the report of external auditor in the annual report to express responsibility of the Company to provide accurate, complete and transparent financial information; thus enhancing the reliability of our financial reports for all stakeholders.

- In 2021, the Company has prepared the correct and transparent financial statement according to the financial reporting standard, as audited by the certified public accountant in the Unqualified Auditor' Report stating that the Company's financial statements present fairly, in all material respects, the financial position of the Company in accordance with the generally accepted accounting principles (GAAP). On this regards, the Company has never been accused by the Security and Exchange Commission of Thailand or the Stock Exchange of Thailand on the matter of information disclosure which does not comply with the regulatory requirement, or never been ordered to correct the financial statement. The Company has disclosed the Quarterly and Annually Financial Statement including Management Discussion and Analysis prior to the ordinary schedule, thus providing continuous information of operating performance for the shareholders and investors.

- In 2021, the company suspended the activity "Analysts and Investors Meet Sahapat Group" due to COVID-19 pandemic. However, analysts and investors had a chance to meet our Chief Financial Executive (CFO) through online platform and phone where they were provided with the operating results information, as well as the factors affecting the operation. This activity was well-attended by analysts on quarterly basis.

#### Anti-Corruption

The Company is aware of the importance and commitment in conducting business with transparency and honesty by adopting the principles of corporate governance, cultivate as a foundation for the operation of employees and executives at all levels, which is one of the Company's missions concerning "Building trust among stakeholders and pay close attention to social responsibility, conservation of natural resources and the environment by using good governance principles for sustainable development." Therefore, the Corporate Governance and Risk Management Committee has approved the anti-corruption policy. It is applicable to the board of directors, executives, employees, and all business partners, as well as encourage personnel to adhere to a concrete practice guideline. In addition, the anti-corruption policy is reviewed annually to keep the Company's operations free from corruption throughout the supply chain.

#### Anti-Corruption Policy

The Company has set a policy to comply with anti-corruption laws in order to meet the intention and corporate social responsibility as a whole, as well as to comply with the policies set out in the Company's good corporate governance principles, which prohibit directors, executives and employees from accepting or supporting all forms of corruption both directly and indirect. The details are as follows:

- 1) The Company does not commit and/or support bribery. If there is a donation to charity, donation to political parties, including business gift giving, the Company will operate with transparency, explainable and auditability.
- 2) Promote the creation of anti-corruption awareness and values for directors, executives and employees to comply with relevant laws, announcements and regulations by preparing documents as a guideline.
- 3) Directors, executives and employees are prohibited from doing anything or acting as an intermediary in requesting for any property or benefit from government agencies or private agencies to persuade or violate the law, including the use of the Company's position and/or use of the Company information for the benefit of oneself or others.



4) Provide a financial reporting mechanism that is transparent and accurate. There is an efficient and effective internal control system. There is an appropriate check and balance of power to prevent fraud or involvement in corruption.

5) The anti-corruption policy is regularly reviewed, as well as reviewing the practice guidelines and requirements of operation to comply with the changes of business, relevant laws and regulations.

6) Provide communication channels for the whistleblower to report suspicious clues by ensuring that whistleblowers will be protected.

The anti-corruption policy and compliance with anti-corruption policy the entire edition was disclosed on the company's website. [www.mama.co.th](http://www.mama.co.th).

**Stakeholders' participation in whistleblowing** : The Company has provided the channels for enabling the shareholders and stakeholders to communicate, express opinions about the Company, including employees or stakeholders that have seen or have evidence or have a doubt about involvement of the employees or the persons acting on behalf of the Company in giving bribes or corruption directly or indirectly, offenses, violation of the Company's rules, regulations and policies, non-compliance with the code of conduct for directors, executives and employees, not receiving fairness in working, whistle-blowing, notification of complaints about such acts can be done through the following,

- 1) Complaining directly verbally or making a letter to the complaint receiver
  - Complaint receiver: Head office Tel : 0-2374-4730
    - Chairman of the Audit Committee
    - President
    - Internal Audit Manager
    - Human Resources and Administration Manager
    - Finance and Investment Manager (Investor Relations)
    - Company Secretary
  - Complaint receiver: Factory branches (Provinces of Chonburi, Rayong, Lamphun and Ratchaburi)  
Tel : (038) 480-502, (033) 101-500, (053) 584-088, (032) 719-599, respectively
    - Managers of 4 factories
    - Supervisor of Personnel Management Department at 4 factories
- 2) Via E-mail of the complaint receiver
- 3) Comment box
- 4) Via registered mail to the complaint receiver :  
Thai President Foods Public Company Limited  
No. 304 Srinakarin Road, Huamark Sub-district, Bangkapi District, Bangkok 10240, Thailand
- 5) In the event that the complainant chooses to remain anonymous, the details, facts or evidence must be specified clearly enough to show a believable reason for involvement in giving bribes or corruption.

The Company will keep relevant information as confidential and take into account the safety of complainants except in cases where disclosure is required by law.

#### Processes of receiving complaints or whistle-blowing

The Company will investigate the complaints according to the rules carefully without affecting the complainants or whistle-blowers. The complaints already considered will be reported to the senior management so as to report to the Corporate Governance and Risk Management Committee, the Audit Committee and the Board of Directors.

The Company has established a policy to protect the complainants or whistle-blowers as well as related persons for the complainants to be confident that employees will receive fairness and safety in case of whistle-blowing, e.g. neither termination of employment nor transfer of job positions. As to information notified, including the names of informers and related persons, the Company will keep such information confidential and take into account the safety of whistle-blowers except for the cases where disclosure is required by law only.

### Whistleblower Protective Measures

1. Whistleblowers can choose not to reveal their identity if they see that such revelation may put them in danger or cause them damage.

2. The company will collect relevant confidential information and take account of whistleblower's safety by determining whistleblower protective measures. The person who collaborates in fact investigation will also be protected from unfair treatments due to whistleblowing, which includes work disturbance, demotion, dismissal, and so on.

### Guidelines for practice

1. The above whistleblowing channels are confidential. All complaints or suggestions will be kept as confidential information of the company. The names of complainants or whistleblowers will not be disclosed.

2. All complaints or suggestions will be collected at least once a month for factual review and determination of solutions and preventions appropriately and fairly.

3. The persons in charge of inspection of complaints or suggestions will comply with the whistleblower protective measures specified in the Code of Conduct of Directors, Executives and Employees.

In 2021, the Company did not receive any complaints. About non-compliance with the Anti-Corruption Policy.





## 6.2 Ethics in business operations

The corporate governance in business ethics of the Company has been defined as a good business practice for all directors, executives and employees to observe as a guideline by focusing on treating stakeholders with equality and fairness including taking into account the responsibility to all stakeholders. The Board of Directors and executives realize the importance of performing duties with responsibility, carefulness, honesty, transparency and accountability.

Key components of the business ethics are compliance to the law and anti-corruption. The Board of Work performances is aware of the importance to run the business in compliance with Good Governance. Therefore, there is a distinct policy and procedure stipulated on 16 October 2017 in the Board of Work performances' meeting which approved the Anti-corruption Policy and Anti-corruption Policy Compliance, First revision revised no.4. In 2021 the policy was reviewed and approved by the the Board of Work performances' meeting No. 11/2021 on 17 November 2021. To comply with the current situation for all work performance, managements and employees have been complying to the policy and pass it on to other people outside the company, such as subsidiaries, joint company, partner and all related parties, as well as communicate through Company website, [www.mama.co.th](http://www.mama.co.th).

## 6.3 Milestone Development on the CG Policy, Guidelines and System During the Year

In 2021 Board of Directors Review of important matters of the corporate governance system and resolved to approve the amendment of the charter of the Board of Directors to be up-to-date and cover corporate governance in anti-corruption.

### (1) Compliance with the principles of good corporate governance in other matters

The Board of Directors has realized the importance and the benefits of good corporate governance. The purpose is to allow the Company to have an effective, transparent, auditable management system that helps build confidence of shareholders, investors, stakeholders and all related parties for leading the organization to sustainable growth.

**The good corporate governance policy** has promoted the systems of work administration, internal control and risk management for better and continuous efficiency as follows.

- Administration system : Commitment to creating added value for the Company with prudence and caution, management with adequate competence and efficiency in order to maximize the benefits for shareholders, the formulated appropriate management guidelines, the regulations that determine the separation of powers of the Board of Directors and the management department clearly in writing. Also, action must be taken to ensure that the accounting system, financial reports and auditing are reliable.

- Internal control and risk management by maintaining the internal audit and risk assessment control system with neither specificity nor focus on specific internal control, but being comprehensive for correctness, integrity, fairness and safety of business confidential information for maximum benefit of the Company, monitoring and supervising the management of resolving conflicts of interests and connected transactions.

- Operations with transparency and clarity without discrimination by specifying good practices whereby the executives and staff at all levels should have a good spirit toward shareholders, customers, partner companies and society with ethics, anti- corruption, no violation of intellectual property, respect for the laws and human rights.

In 2021, the Company received the following evaluation results on Corporate Governance:

- An assessment of the Annual General Meeting of Shareholders 2021 (AGM 2021) with a score of 98 out of 100 points from the Thai Investors Association.
- An assessment of corporate governance of listed companies in the Stock Exchange of Thailand for the year 2021 (CGR 2021) at the level of “Excellent” from the Thai Institute of Directors Association.
- The Company received an award for achievement in social responsibility. With a commitment to doing business with due regard to the impact on the community and the environment including the interests of the stakeholders as important continually, resulting in the Company Received various awards in 2021 as follows:
  - Selected to be on the Thailand Sustainability Investment (THSI) list for the year 2021 from the Stock Exchange of Thailand.
  - The Sustainability Disclosure Award for the year 2021 from the Thaipat Institute.

## (2) Compliance with good corporate governance principles on the matters not yet implemented

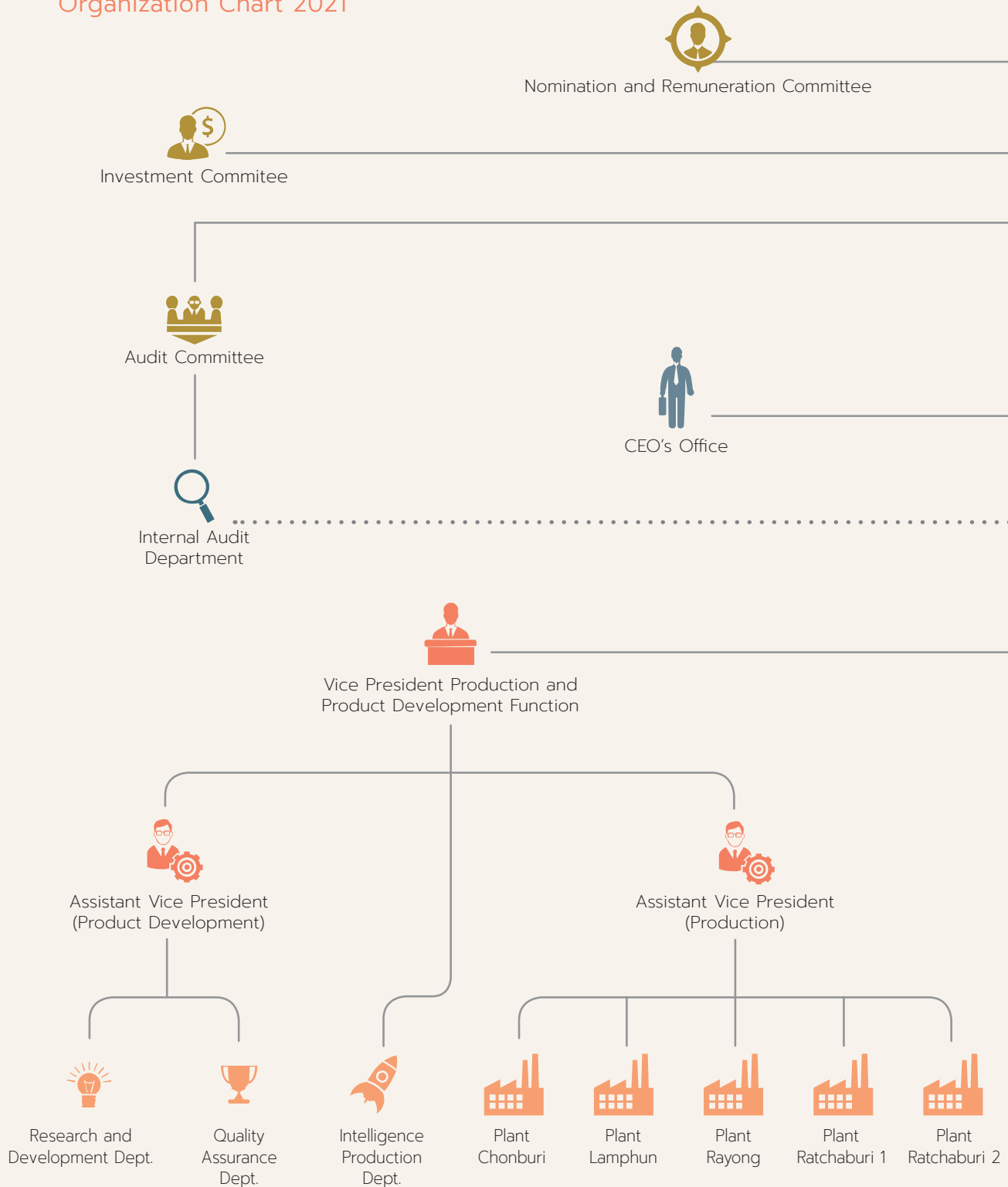
Concerning the part that the Company has not yet complied with the principles of good corporate governance for listed companies, the Company will use this as guidelines for further appropriate deployment.

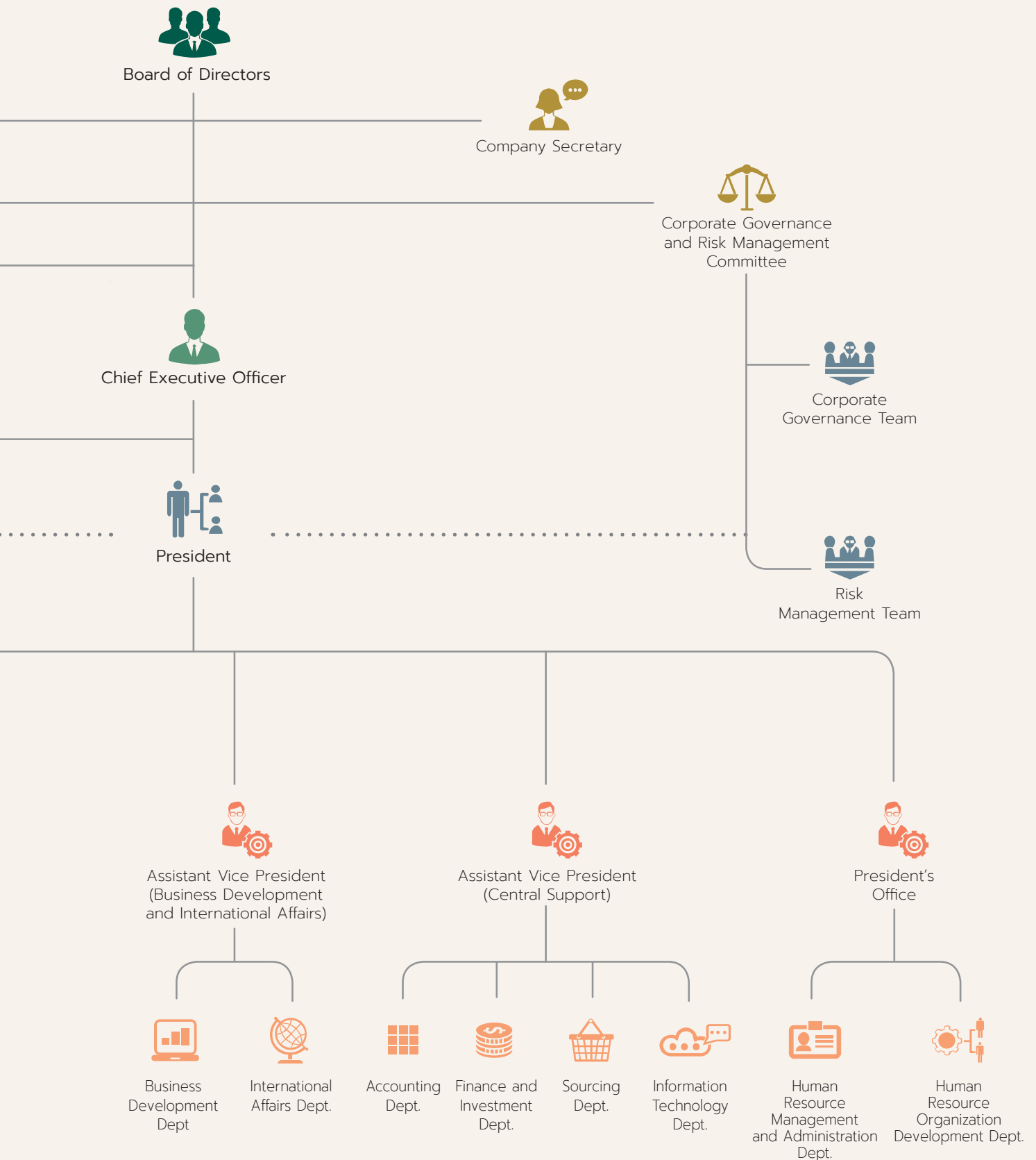
Clause of not having been implemented yet	Reason
1. The Board of Directors has not determined a policy to limit the number of years in holding office of independent directors for up to 9 years.	The Company believes that the Company's independent directors are fully qualified persons according to the definition of independent directors and can perform their duties independently by using knowledge, abilities and experience accumulated to help develop the Company with a good understanding of the Company's business. In 2020, no independent director of the Company had held office for over 9 years.
2. The Chairman of the Board is not an independent director.	The evaluation of the works in the form of the entire Board of Directors and the evaluation of the sub-committees' performance can reflect the overall performance, which can be used by each director for self- development in each subject well.
3. The Chairman of the Nomination and Remuneration is not an independent director.	The Chairman of the Nomination and Remuneration is not the executive because he is knowledgeable, capable, experienced in and understand the business of the company, as well as performing with responsibility.
4. The Board of Directors consists of more than 5 -12 directors.	The Company's Board of Directors includes 15 members. The composition of the Board of Directors consists of 3 groups: independent directors, non-executive directors and executive directors to counterbalance the administration and conform to the Company's articles of association that require at least 5 directors. The Company has considered the number of directors by taking into account the suitability and consistency with the size of the business.

## 7. Governance Structure and Key Data on the Board of Directors, Specific Committees, Management, Employees and Others

### 7.1 Governance Structure

#### Organization Chart 2021





## 7.2 Board of Directors

The Board of Directors consists of the persons with diverse knowledge, abilities and experience, specific capabilities beneficial to the Company, understanding of the roles, responsibilities, leadership, determination of clear vision of the Company, freedom to express opinions and make decisions, supervision of the Company's business in accordance with the specified objectives and goals to ensure maximum benefits for the Company and shareholders.

The Board of Directors' duties and responsibilities include determining the direction, goals and business policies of the Company, approving the annual plans and budgets, including supervising the operations of the management department in compliance with the prescribed laws, policies and plans effectively and efficiently and encouraging the establishment of good corporate governance policy, written morality and business ethics to be used by the directors, executives and employees as practice guidelines for conducting business and monitoring to ensure strict compliance so as to add value to the business and shareholders sustainably. The Board of Directors has appointed the Nomination and Remuneration Committee, deals with the process of selecting the persons to be directors transparently. The Company also allows the shareholders to have the right to appoint the directors. When there are the new directors, the Company has provided an orientation session for new directors with a briefing about the characteristics and guidelines for business operations of the Company. Also, the important and necessary information documents for the performance of duties of directors are given, including listed company director manual, roles of listed company directors and observations on the duties of listed company directors by the Thai Institute of Directors (IOD). For the roles, duties and responsibilities of the Board of Directors and the management department, the Company has clearly separated the structure and the performance of duties.

The power of attorney has been created, which specified the clear scope for executives. Also, the operational power level in each field has been clearly specified, including regularly communicating such roles, duties and responsibilities to relevant persons.

### 1) Leadership and vision

The Board of Directors focuses on recognizing the roles and responsibilities as organizational leader in order to safeguard the interests of shareholders and stakeholders by setting the strategies and business directions both at present and in the long term, determining the audit process and supervising the business operations of the Company to be transparent so as to create added value for the organization toward sustainability.

### 2) Good Corporate Governance

The Board of Directors recognizes the importance and benefit of good corporate governance, thus establishing Corporate Governance Policy, Business Ethic, Code of Conduct for Directors, Executives, and Staffs in written document. The Board of Directors has approved Good Corporate Governance Policy in the Board of Directors' meeting No. 3/2021 on 17 March 2021 to be the operational guideline for the Directors, Executives, and all Staffs to perform duties with transparency, integrity, and ethic.

### 3) Conflict of Interest

The Board of Directors recognizes the importance of control system to handle conflict of interest and to perform connected transaction with prudent, fair, transparent treatment, thus including the procedure to handle conflict of interest in the Corporate Governance Policy. When performing connected transaction, the Director with related interest shall not take any parts in voting procedure, and the Company shall disclose complete information as required by the Securities Exchange Commission and the Stock Exchange of Thailand. In this regard, the Company has disclosed the information in Thai and English via communication channel of SET and on the Company's website([www.mama.co.th](http://www.mama.co.th)) In addition, the information of connected transaction has been disclosed in the annual report under the Section of Connected Transaction as displayed in the Notes to Financial Statement and in annual registration statement(Form 56-1).

### 4) Internal Control and Risk Management

The Board of Directors recognizes the importance of control system to monitor business operation, to prepare financial report, and to comply with relevant rules, regulation, and policy. To encourage effective control system, the Company set up Internal Audit Dept to be independent unit to monitor, evaluate, provide recommendation to improve effectiveness of risk management, internal control, internal audit according to International Standard for the Professional Process of Internal Auditing. In this regard, Internal Audit Dept shall report directly to Audit Committee.

Miss Ariya Tangcheevinsirikul has been the manager of Internal Audit Dept. to perform internal audit duty and conduct the meeting with related internal department to discuss the auditing result, search for practical solution, and report to the Audit Committee on regular basis. In addition, Internal Audit Dept has conducted meeting with the external auditor to review the quarterly, and annually financial statement. The Internal Audit has reported that the Company has prepared the financial statement correctly and performed internal control to be suitable with the nature of business.

### 5) Risk Management

The Board of Directors shall establish Risk Management to avoid potential risk which may impede business objective, thus appointing Corporate Governance and Risk Management Committee to formulate Risk Management Policy and Framework to encourage effective risk management of the Company. The Risk Management Committee is responsible to monitor significant risk to the Company continuously to be handled in an effective manner. However, every internal unit of the Company shall recognize their own responsibility to control internal risk within the acceptable level. In this regard, Risk Management Committee has submitted the Report of Risk Management Committee to the Board of Directors on regular basis in compliance with COSO Enterprise Risk Management: Integrating with Strategy and Performance 2017(as per detail in the Section of Internal Control and Risk Management)





## 7.2.1 Composition of the Board

The Board of Directors of 15 persons, diverse in skills, knowledge, experience, gender and age, is an important factor in determining the composition of the Board of Directors to achieve effective performance and diversity of ideas.

The Structure of Directors of the Board	Amount	The percentage of all directors. (%)
Independent Director	5 persons	33.33
Non-Executive Directors	8 persons	53.34
Executive Directors	2 persons	13.33
<b>Total</b>	<b>15 persons</b>	<b>100</b>
Male Directors	10 persons	66.67
Female Directors	5 persons	33.33
<b>Total</b>	<b>15 persons</b>	<b>100</b>

## 7.2.2 The Current Board of Directors

The Board of Directors of 15 persons, on December 31, 2021

Board of Director	Position	Type of Director
1. Mr. Boonsithi Chokwatana	- Chairman of the Board - Chairman of the Nomination and Remuneration Committee	Non-Executive Director
2. Mr. Pipat Paniangvait	- Vice Chairman of the Board - Nomination and Remuneration Committee - Chief Executive Officer	Executive Director
3. Mr. Suchai Ratanajajaroen	- Vice Chairman of the Board - Corporate Governance and Risk Management Committee	Non-Executive Director
4. Dr. Poj Paniangvait	- President - Corporate Governance and Risk Management Committee	Executive Director
5. Mr. Kamthorn Tatiyakavee	- Director	Non-Executive Director
6. Mr. Apichart Thammanomai	- Director	Non-Executive Director
7. Mr. Boonchai Chokwatana	- Director	Non-Executive Director
8. Mr. Vathit Chokwatana	- Director	Non-Executive Director
9. Miss Pojjana Paniangvait	- Director - Corporate Governance and Risk Management Committee	Non-Executive Director
10. Mrs. Orathai Thongmeearkom	- Director	Non-Executive Director
11. Dr. Kulpatra Sirodom	- Director - Chairman of the Audit Committee	Independent Director

Board of Director	Position	Type of Director
12. Mr. Kanich Punyashthiti	- Director - Audit Committee - Nomination and Remuneration Committee	Independent Director
13. Prof. Dr. Suwimon Keeratipibul	- Director - Chairman of the Corporate Governance and Risk Management Committee	Independent Director
14. Mrs. Tongurai Limpiti	- Director - Chairman of the Investment Committee - Corporate Governance and Risk Management Committee	Independent Director
15. Mr. Kalin Sarasin	- Director - Audit Committee	Independent Director

**Remark :** Mr. Kalin Sarasin was appointed on March 17, 2021 to replace Mr. Chaiwat Maraprygsavan , who resigned.

[List of directors and positions as detailed in attachment 1]

Authorized Signatory of the Company : Two Directors, other than Independent Director namely Dr. Kulpatra Sirodom, Mr.Kanich Punyashthiti, Prof. Dr. Suwimon Keeratipibul, Mrs. Tongurai Limpiti and Mr. Kalin Sarasin shall jointly sign his/her name with the Company's seal affixed to bind the Company.

### Merging or separation of the positions

The Company has a policy to separate the duties and responsibilities of the Chairman of the Board of Directors, the Chief Executive Officer and the President that must be people with appropriate knowledge, capabilities, experience and qualifications and must not be the same persons for a balance of power. The regulations stipulate and separate the authority of the Board of Directors and the management department. There is written Charter for each committee to clearly separate the duties of supervision and work management from each other for verifiability and transparent management.

**The Chairman of the Board** is not an executive and is not the same person as the Chief Executive Officer. The Chairman is independent from the management department with divided duties to set the policies of supervision and routine management clearly separated from each other. The Chairman of the Board of Directors acts to chair the Board of Directors meeting, takes responsibility as leader of the Board of Directors for supervising and monitoring the works of the Board of Directors and Sub-committees. As for voting in the case of equal votes, the Chairman of the Board of Directors must have an additional vote as the deciding vote. The responsibilities include convening the meeting of the Board of Directors or probably assigning another person to act instead, chairing the shareholders' meeting and performing any other acts according to the resolutions of the Board of Directors meeting.

**The Chief Executive Officer** is the supreme executive in the management department to oversee the administration of the Company in accordance with the vision, mission, corporate values and policies of the Board of Directors with the monitoring of the operations of the management department. The Executive Committee meeting must be held every week to report progress of each department's operating results and the monthly business profits of the Company every month. There is the decentralization of power to the management group in each job position by stipulating the roles, responsibilities and financial amounts approved.



**President** is not the same person as the Chief Executive Officer, which is considered as the senior executive in the management department and is charged with formulating the strategies for managing the work and determining business investment policies systematically, including formulating the strategies to manage and control the overall risks of the Company, analyzing, making decisions and presenting the policies, business plans to the Board of Directors for approval, laying down the marketing strategies and creating business opportunities as well as customer management and long-term engagement with customers, formulating the personnel strategies and supporting personnel development in a systematic manner, monitoring, controlling work management in various departments and formulating the policy to create a sustainable corporate culture for the Company, supporting and promoting new innovations for organizational management.

## 7.2.3 Authorities, Duties and Responsibilities of the Board

### (1) Scope of Duties and Responsibilities

- 1) To determine the business directions, goals and policies of the Company.
- 2) To approve the annual business plan and budget and to oversee the management to operate in accordance with the laws or the predetermined policy and plan in an efficient and effective way.
- 3) To encourage to establish the Corporate Governance Policy and the Code of Conduct in writing to be the guideline for the Directors, executives, employees, and to follow up their operations to be in strict compliance with these standards.
- 4) To establish policies and supervise effective anti-corruption systems to ensure that management recognizes the importance of combating corruption and cultivates it as an organizational culture.
- 5) To establish an adequate and suitable internal control system to ensure that all relevant transactions are approved by the authorized persons and are recorded accurately, and that the relevant systems to prevent improper use of Company's asset are operating.
- 6) To consider with due care the participation of the transactions with conflict of interest. In this regard, the best benefit of the Company and the shareholders must be taken into account. Additionally, the decision making on these transactions shall not be done by the interested persons and shall follow the regulations relating to the connected transactions and the disclosure of information.
- 7) To give opinion on the financial statements which have been audited and/or certified by the auditors and been considered by the Audit Committee.
- 8) To be responsible to the shareholders with the equitable treatments and to disclose the accurate, standardized, and transparent information to the shareholders and investors.
- 9) To acknowledge the operational report of the Executive Committee.
- 10) To call for the shareholders' meeting by specifying the date, time, place, meeting agenda, dividend payment (if any), and opinion of the Board of Directors on the proposed matters. In this regard, the registration of the share transfer may be closed between 21 days before the meeting and the Company must notify to the shareholders at the Head and Branch Office not less than 14 days prior to the deadline of the share transfer. The company will fix the Record Date (RD) to ascertain the list of shareholders and fix the closing date of share register book on next working day after the Record Date to list the shareholders to be entitled to have the right to attend the meeting and to receive the dividend.
- 11) To prepare reports "Report of the Board of Director's responsibilities on the Financial Report" and disclosed in 56-1 One Report
- 12) To follow up the document submitted to the related regulators to ensure that the reported details are accurate and similar to the information shown in the accounting book, registration, or other documents of the Company.
- 13) To approve the Charter of Board of Directors and/or the Charter of the other Committee.

- 14) To perform other tasks exceeding the authority of the Executive Board or any other tasks as deemed appropriate by the Board.

## (2) Authority

- 1) To appoint, dismiss, empower the advisor of the Board and/or the other Committee to perform their duty
- 2) To approve the lending to the other company which has the business relationship as the shareholder of the Company, or to the other company which is the trading partner of the Company, or to the other company when the amount of money exceeding the financial limit to be approved by the Executive Committee.
- 3) To approve to guarantee the credit line of the other company which has the business relationship as the shareholder of the Company, or of the other company which is the trading partner of the Company, or of the other company when the amount of money exceeding the financial limit to be approved by the Executive Committee.
- 4) To approve to enter in the legal act which is non-financial transaction when the related amount of money exceeding the financial limit to be approved by the Executive Committee.
- 5) To approve to agree or cancel the credit line when the related amount of money exceeding the financial limit to be approved by the Executive Committee.
- 6) To approve to invest in or unwind the purchase of common stock and/or other securities when the related amount of money exceeding the financial limit to be approved by the Executive Committee.
- 7) To approve to invest in or procure the fixed asset when the related amount of money exceeding the financial limit to be approved by the Executive Committee.
- 8) To approve to sell or transfer the fixed asset when the related amount of money exceeding the financial limit to be approved by the Executive Committee.
- 9) To approve to recondition, destroy, liquidate the fixed asset or intangible asset which has been out of service, lost, damaging, obsolete, or in unusable conditions when the collective book value exceeding the financial limit to be approved by the Executive Committee.
- 10) To approve to reappraise, destroy the raw material and/or inventory which has been damaging or obsolete when the depreciation in book value of such matter exceeding the financial limit to be approved by the Executive Committee.
- 11) To approve to compromise or to solve the dispute by the arbitrator panel, to handle complaint, legal action and or to follow up the prosecution on behalf of the Company for an unordinary and/or ordinary business matter when the value of the case exceeding the financial limit to be approved by the Executive Committee. When necessary to perform urgent operation, the Managing Director is empowered to approve such operation, and propose to Board of Director for acknowledgement.
- 12) The authority of the Board of Directors with regard to the acquisition or disposal of assets, and to the report of connected transaction shall comply with the Notification of the Capital Market Supervisory Board.
- 13) To propose to the shareholders the capital increase or decrease, the change in share value, the amendment of the Memorandum of Association, Articles of Association, and/or objectives of the Company.
- 14) To approve the setting up, merger, dissolution of the subsidiary.
- 15) To empower the Chairman of the Board or the Management to determine the guideline of authority.
- 16) To empower the management, executive or any person to perform duty on behalf of the Board in the case prescribed by the regulation of the Company.
- 17) To be authorized to invite the management, executive and involved staff to clarify, give opinion, attend the meeting or submit the documents as deemed necessary.
- 18) To consult the expert or the advisor of the Company (if any) or to hire the external expert or advisor at the cost of the Company's expense when necessary.
- 19) To appoint and dismiss the Secretary of the Company.

### (3) Roles of the Chairman of the Board of Directors

The Chairman of the Board of Directors has a leading role of the Board of Directors with at least a comprehensive role in the following areas:

- 1) To be President over the shareholders' meeting
- 2) To be President over the Board of Directors' meeting.
- 3) To be the decisive voter in case the vote is equal.
- 4) To call the Board of Directors' meeting and set the agenda of the Board of Directors' meetings with the Managing Director, and the measures that oversee important matters were put on the agenda.
- 5) To supervise, monitor, ensure that the performance of the Board of Directors is effective.
- 6) To ensure that all directors are involved in promoting an ethical corporate culture and good corporate governance.
- 7) To set aside enough time for management to propose matters and enough for directors to discuss important issues carefully. Encourage directors to exercise discretion, give opinions freely.
- 8) To strengthen strong relationships between executive directors and non-executive directors and between the Board of Directors and management.

The Company has defined the roles of the Board of Directors in the charter of the entire Board of Directors disclosed on the Company's website [www.mama.co.th](http://www.mama.co.th).

## 7.3 Specific Committees

The Board of Directors has appointed 4 sub-committees consisting of the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance and Risk Management Committee and the Investment Committee so as to support and promote the management of each department of the organization for effective operations in consistency with the principles of good corporate governance.

### (1) Audit Committee

The Audit Committee of the Company consists of no less than 3 Independent Directors and at least one of those shall have sufficient knowledge, understanding, and experience in finance and accounting to audit the reliability of financial statement. The Board of Directors has appointed 3 Independent Directors having the qualification as required by the notification of the Capital Markets Supervisory Board and 1 Secretary of the Committee. The Audit Committee and the Secretary of the Committee, having the service term of 1 year, are named as following,

1. Dr. Kulpatra	Sirodom	Chairman of Audit Committee (Independent Director) (with experience in Accounting and Finance)
2. Mr. Kanich	Punyashtiti	Member of Audit Committee (Independent Director)
3. Mr. Kalin	Sarasin	Member of Audit Committee (Independent Director) (with experience in Accounting and Finance)
4. Miss Ariya	Tangcheevinsirikul	Secretary of Audit Committee

Remark : Mr. Kalin Sarasin was appointed on March 17, 2021 to replace Mr. Chaiwat Maraprygsavan , who resigned.

The Audit Committee is independent in its operations. In addition to reviewing the financial statements, it also reviewed the operation according to the policies and regulations. Laws, regulations and requirements of the Dulae Regulatory Authority include reviewing good internal control systems, internal audit systems and tightening risk management systems. Consultations are held with independent external auditors for comment on financial statements and internal controls, and reports on performance summaries and recommendations to the Board of Directors on a quarterly basis. The recommendations from the Audit Committee and external auditors have been immediately updated and the updated results will be reported to the Board of Directors at the next meeting. In addition, representatives of the Good Governance and Risk Management Committee will report on the important risk management to consider at least 1 year.

The Company's internal audit manager is Ms. Ariya Tangcheevinsirikul. Acting as secretary of the Audit Committee with the approval of the Audit Committee in the review. The support agency is the internal audit department, which is independent of the management department, responsible for assessing the adequacy and effectiveness of the internal control system and conducting internal audits by reporting directly to the audit committee on a quarterly basis.

### Duties and Responsibilities:

- (1) Verify the company to have correct and adequate financial reporting.
- (2) Verify the company to have appropriate and effective Internal Control and Internal Audit. Consider the independence of the internal auditor, as well as approve the appointment, relocation, promotion and employment termination and also evaluation on the performance of the Head of internal auditor or other relevant department in charge of the internal audit.
- (3) Verify the company to be in compliance to the law concerning security and stock market, the regulations of the Securities Exchange of Thailand and other laws related to the business of the company.
- (4) Consider, select, propose the assignment of an independent party to be the Company's Auditor and propose the remuneration of such person, as well as terminate the employment of the Company's Auditor, attend the meeting with the auditor without the Administration Department at least once a year.
- (5) Consider the items that relates or items that may have conflict of interest to be in accordance to the laws and regulations of the Securities Exchange of Thailand. In this regard, this is to endure that such items are reasonable and provide a maximum interest for the company.
- (6) Prepare the report of Audit Committee by including in the Annual Report of the company. Such report must be signed by Chairman of the Audit Committee and must include at least the following information:
  - (a) Comments on the correctness, completeness and reliability of Financial Report of the Company.
  - (b) Comments on the adequacy of the company's internal control.
  - (c) Comments on the compliance to the law, concerning security and stock market, the regulations of the Securities Exchange of Thailand and other laws related to the business of the company.
  - (d) Comments on the appropriateness of the auditor.
  - (e) Comments on the items that may have conflict of interest
  - (f) Number of Audit Committee Meeting and the attendance of each member of the Audit Committee
  - (g) Comments or remarks in over all that the Audit Committee received from the compliance to the Charter.
  - (h) Other items that the shareholders and the investor in general should know under the scope, roles and responsibilities assigned by the Board of Work performances.



- (7) During the operation of the Audit Committee, if it is found or suspected that there is any item or actions as follows which may significantly impact the financial status and performance of the company, the Audit Committee must report to the Board of Work performances for revision within the due date that Audit Committee sees appropriate.
  - (a) Items with conflict of interest.
  - (b) Important fraud or abnormality or error in internal control system.
  - (c) The violation against the law, concerning security and stock market, the regulations of the Securities Exchange of Thailand and other laws related to the business of the company. If the Board of Work performances or the managements do not make revision within the timeline, one of any auditor may report such item or action to the Securities Exchange of Thailand.
- (8) Support and follow up the company to have efficient risk management system.
- (9) Improve and revise the Audit Committee Charter, and propose to the Board of Work performances for approval.
- (10) Other operation as assigned by the Board of Work performances with agreement from the Audit Committee, using the authorization under the company regulations and the laws.
- (11) Consider the Anti-corruption Policy or review the appropriateness of the change to the Anticorruption Policy to fit the characteristic of the business and propose to The Board of Work performances for approval.
- (12) Verify the risk assessment concerning corruption to ensure that the risk that the corruption that will affect the financial status and company performance is minimized and fit the characteristic of the company business.
- (13) Accept the notification of the trace of corruption activity that the company personnel has participated and verify the fact as notified and propose to the Board of Work performances for consideration on the punishment or solution to such problem.

To perform the duty as specified above, Audit Committee is responsible for the Board of Work performances directly and the Board of Work performances is responsible for the operation of the company to the outsider. The Audit Committee has the period to be in the position for 1 year from the date of the assignment resolution.

The Audit Committee held 5 meetings in 2021, as per details in the Report of the The Audit Committee 2021.

However, the whole Audit Committee Charter has been published on the company's website: [www.mama.co.th](http://www.mama.co.th).



## (2) Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of 3 Directors, one of which shall be Independent Director and 1 Secretary of the Committee. The Nomination and Remuneration Committee, having the service term of 1 year, are named as following,

1. Mr. Boonsithi	Chokwatana	Chairman of Nomination and Remuneration Committee
2. Mr. Pipat	Paniangvait	Member of Nomination and Remuneration Committee
3. Mr. Kanich	Punyashthiti	Member of Nomination and Remuneration Committee (Independent Director)
4. Miss Sararath	Tangsirimongkol	Secretary of Nomination and Remuneration Committee

Remark : Mr. Kanich Punyashthiti was appointed on March 17, 2021 to replace Mr. Chaiwat Maraprygsavan, who resigned.

### Duties and Responsibilities :

#### The Nomination

- 1) To select and nominate the qualified persons to be the Director of the Company.
- 2) To verify the profile of the nominated person to ensure that the Director of the Company is proven with knowledge, ability, experience, expertise from various backgrounds, and qualifications.
- 3) To provide the opinions or suggestions to be used for the consideration.
- 4) To propose the nominated persons to the Board of Directors for approval.
- 5) To review and amend the Charter of the Nomination and Remuneration Committee and propose for approval to the Board of Directors.
- 6) To perform any other tasks as assigned by the Board of Directors.

#### The Remuneration

- 1) To evaluate the performance of the Board of Directors annually.
- 2) To consider and determine the amount of the remuneration for the Board of Directors by taking into account the performance results of the Company, the amount approved by the shareholders' meeting, and the amount actually paid to the Board in the past year and to propose the remuneration to the Board of Directors and the shareholders' meeting for approval respectively.
- 3) To consider and allocate the remuneration for the Directors in proportion to the performance, duty, responsibility, and the amount of the remuneration approved by the shareholders, and to propose the suitable remuneration to the Board of Directors for approval.
- 4) To consider and allocate the remuneration for the Member of the Nomination and Remuneration Committee (who is not the Director of the Company) in proportion to the performance, duty, and responsibility, and to propose the suitable remuneration to the Board of Directors for approval.
- 5) To review and amend the Charter of the Nomination and Remuneration Committee and propose for approval to the Board of Directors.
- 6) To perform any other tasks as assigned by the Board of Directors.

The Nomination and Remuneration Committee held 3 meetings in 2021, as per details in the Report of the Nomination and Remuneration Committee 2021.

However, the whole Nomination and Remuneration Committee Charter has been published on the company's website: [www.mama.co.th](http://www.mama.co.th).

### (3) Corporate Governance and Risk Management Committee

Corporate Governance and Risk Management Committee consists of 6 members, 3 directors, 1 managements and 2 Independence work performance shall be Chairman of Corporate Governance and Risk Management Committee and there shall be one secretary of the Corporate Governance and Risk Management Committee having the period of 1 years:

1. Prof. Dr. Suwimon Keeratipiboon	Chairman of Corporate Governance and Risk Management Committee (Independent Director)
2. Mrs. Tongurai Limpiti	Member of Corporate Governance and Risk Management Committee (Independent Director)
3. Mr. Suchai Ratanajajaroen	Member of Corporate Governance and Risk Management Committee
4. Dr. Poj Paniangvait	Member of Corporate Governance and Risk Management Committee
5. Miss Pojjana Paniangvait	Member of Corporate Governance and Risk Management Committee
6. Miss Hatairat Kwangchit-Aree	Member of Corporate Governance and Risk Management Committee
7. Miss Piyada Disawat	Secretary of Corporate Governance and Risk Management Committee

#### Duties and Responsibilities :

##### Good Governance

- 1) Set, review and improve the Corporate Governance policy, the Corporate Governance business ethics, ethic of director, managements and employees Anti-corruption Policy and regulation to match with the change of business, rules, notification, regulations and relevant laws consistently.
- 2) Set the procedure according to Corporate Governance Anti-corruption Policy and follow up and evaluate the work performance.
- 3) Encourage and support the Directors, managements and employees to comply with Corporate Governance and Anti-corruption Policy.
- 4) Review and revise the Corporate Governance and Risk Management Committee Charter and propose to the Board of Work performances for approval.
- 5) Perform other actions as assigned by the Board of Work performances.

##### Risk Management

- 1) To review and propose Risk Management Policy and Framework to the Board of Directors for approval.
- 2) To formulate Risk Appetite Limit and propose to the Board of Directors for acknowledge, and report risk status and risk management on significant matters to the Board on regular basis.
- 3) To oversee overall risk management to be in line with Risk Management Policy and Framework continuously to ensure effective and constant risk management for the whole organization.
- 4) To review risk management report and monitor significant risks to be handled in an adequate and appropriate manner.
- 5) To cooperate with the Audit Committee on significant risks and oversee Internal Audit Department to ensure that internal control system is adequate and risk management is implemented properly and constantly for the whole organization.

- 6) To provide advice and recommendation to Risk Management Team on risk management issues that needed to be improved, and to appoint Sub-committee to be able to conduct risk management in an effective manner.
- 7) To perform the other duties as assigned by the Board of Directors.

The Corporate Governance and Risk Management Committee held 4 meeting in 2021, as per details in the Report from Corporate Governance and Risk Management Committee 2021.

However, the whole Corporate Governance and Risk Management Committee Charter has been published on the company's website: [www.mama.co.th](http://www.mama.co.th).

#### (4) Investment Committee

Investment Committee consists of 5 members, 1 Independence director work performance shall be Chairman, 3 executives, 1 outsider and there shall be one secretary of the Investment Committee having the period of 1 years:

1. Mrs. Tongurai Limpiti	Chairman of Investment Committee (Independent Director)
2. Mr. Pun Paniangvait	Member of Investment Committee
3. Mr. Wasan Boonsampankit	Member of Investment Committee
4. Miss Vimol Techakosol	Member of Investment Committee
5. Mrs. Chalairat Sorasuchat	Member of Investment Committee
6. Mrs. Wanwisa Pongsin	Secretary of Investment Committee

Remark : Mrs. Chalairat Sorasuchat appointed 27 October 2021

#### Duties and Responsibilities

- 1) Make the framework of investment policy for approval of the Board of Directors.
- 2) Consider the investment plan to make sure it conforms with the framework of the investment policy approved by the Board of Directors and the overall risk management policy
- 3) Consider determining the guidelines for investment risk management.
- 4) Consider making the protocols on the company's investment.
- 5) Supervise the company's investment to conform to the framework of the investment policy, investment plan, investment protocols, and risk management policy which have been approved by the company.
- 6) Review and revise the framework of the investment policy and the investment plan to suit the changing situations and propose the revised framework of the investment policy to the Board of Directors for approval.
- 7) Perform other duties as assigned by the Board of Directors.

In the year 2021 (Jan-Dec 2021), the Investment Committee had 7 meetings as detailed in the Report of the Investment Committee.

However, the whole Investment Committee Charter has been published on the company's website: [www.mama.co.th](http://www.mama.co.th)



## 7.4 Management

The management structure of Thai President Foods Public Company Limited is reported in Section 7.1 Governance Structure

### 7.4.1 Management Team

As of December 31, 2021, the Company has 19 executives including: Executive Director and Executive Director as announced by the Board of Directors SEC Assign 6 persons and managerial or higher or equivalent 13 persons as follows:

Name		Position
1. Mr. Pipat	Paniangvait *	Chief Executive Officer
2. Dr. Poj	Paniangvait *	President
3. Dr. Pojjanee	Paniangvait *	Vice President
4. Mrs. Sodsai	Hanchana *	Assistant Vice President
5. Miss Hatairat	Kwangchit-Aree *	Assistant Vice President
6. Mrs. Suchada	Paniangvait *	Assistant Vice President Lamphun Factory, Manager
7. Mr. Pun	Paniangvait	Presidents Office, Manager
8. Miss Sararath	Tangsirimongkol	Accounting Department, Manager/Company Secretary
9. Mr. Wasan	Boonsampankit	Finance and Investment Department, Manager (CFO)
10. Mr. Ittiphon	Khouharat	Business Development, Manager
11. Miss Prapin	Lawanprasert	Sourcing Department, Manager
12. Mr. Sorayut	Raksasri	Human Resource Management and Administration Department, Manager
13. Miss Ariya	Tangcheevinsirikul	Internal Audit Department, Manager
14. Mr. Chumpol	Temiyasathit	Research Development Department, Manager
15. Miss Sawita	Sakulthanasombat	Quality Assurance Department, Manager
16. Mr. Nirun	Poothong	Sriracha Factory, Manager
17. Miss Nimol	Kijkhan	Rayong Factory, Manager
18. Mr. Chatchaphon Boonterm		Human Resources Organization Development Department, Manager
19. Mr. Kidpaiboon	Kongsupapsiri	Intelligence Production Manager

Remark : \* Company's executives According to the definition of the Notification of the Securities and Exchange Commission (SEC) stipulates (Attachment 1 Information of the Board of Directors, Executives, Chief Financial Officer, Controlling Persons and Company Secretary)

#### Duties and Responsibilities of Executive Committee

- 1) To propose the annual business goals, policies, plans, and budget to the Board of Directors.
- 2) To be responsible to manage the business operation in accordance with the directions, goals, and policies of the Company.
- 3) To be responsible to strengthen the competitiveness of the Company, and to support ongoing innovation development.
- 4) To be responsible to conduct the operation of the Company in compliance with the laws, objectives, Articles of Association, resolutions of the Board and the shareholders' meeting, and any other related regulations.

- 5) The Executive Committee may allocate the whole responsibilities to each individual Member. In this regard, each Member must report his/her own operational result to the meeting of the Executive Committee for acknowledgement.
- 6) To follow up the preparation of the financial statements of the Company to be audited and/or certified by the auditor and to propose the financial statements to the Audit Committee and the Board of Directors subsequently.
- 7) To consider the specific matters before submission to the Board of Directors for their consideration or approval.
- 8) To review and amend the Charter of the Executive Committee and propose for approval to the Board of Directors.
- 9) To perform any other tasks as assigned by the Board of Directors.

#### Authority of Executive Committee

- 1) To appoint, dismiss, rotate, evaluate performance, and determine the remuneration or other benefits for the employees of different levels.
- 2) To appoint and dismiss a working group to perform management function of the Company.
- 3) To issue the regulation and notification regarding to the operation and to empower a Member of the Executive Committee and/or an employee at the management level to be the authorized person to sign his/her name to grant the request to use the asset of the Company.
- 4) To approve the lending to the other company which has the business relationship as the shareholder of the Company, or to the other company which is the trading partner of the Company, or to the other company when the amount of money not exceeding Baht 50 million.
- 5) To approve to guarantee the credit line of the other company which has the business relationship as the shareholder of the Company, or of the other company which is the trading partner of the Company, or of the other company when the amount of money not exceeding Baht 50 million.
- 6) To approve to enter in the legal act which is non-financial transaction when the related amount of money not exceeding Baht 50 million.
- 7) To approve to agree or cancel the credit line when the related amount of money not exceeding Baht 50 million.
- 8) To approve to invest in or unwind the purchase of common stock and/or other securities when the related amount of money not exceeding Baht 50 million.
- 9) To approve to invest in or procure the fixed asset when the related amount of money not exceeding Baht 50 million.
- 10) To approve to sell or transfer the fixed asset when the related amount of money not exceeding Baht 50 million.
- 11) To approve to recondition, destroy, liquidate the fixed asset or intangible asset which has been out of service, lost, damaging, obsolete, or in unusable conditions when the collective book value not exceeding Baht 50 million.
- 12) To approve to reappraise, destroy the raw material and/or inventory which has been damaging or obsolete when the depreciation in book value of such matter not exceeding Baht 50 million.
- 13) To approve to compromise or to solve the dispute by the arbitrator panel, to handle complaint, legal action and/or to follow up the prosecution on behalf of the Company for an unordinary business matter when the value of the case not exceeding Baht 2 million and/or for an ordinary business matter when the value of the case not exceeding Baht 50 million. When necessary to perform urgent operation, the Managing Director is empowered to approve such operation, and propose to Board of Director for acknowledgement.
- 14) The authority of the Executive Committee with regard to the acquisition or disposal of assets, and to the report of connected transaction shall comply with the Notification of the Capital Market Supervisory Board
- 15) To empower the executive or any person to perform duty on behalf of the Committee.
- 16) To be authorized to invite the management, executive and involved staff to clarify, give opinion, attend the meeting or submit the documents as deemed necessary.
- 17) To consult the expert or the advisor of the Company (if any) or to hire the external expert or advisor at the cost of the Company's expense when necessary.
- 18) To issue any other regulations regarding to the operation as deemed appropriate.



## Powers and Authorities of the Chief Executive Officer

The Chief Executive Officer is the top executive of the Board who is responsible for supervising the company management in conformity with the vision, mission, corporate value, and policy of the Board of Directors. The Chairman will follow up the management's performance through the weekly executive meetings where the progress of performance of each department will be reported. The company's operating results will also be reported monthly. Powers are delegated to the executive in each position by determining roles, duties, responsibilities, and limits of approval.

The Executive Committee Schedule weekly executive meetings. by sending the schedule of the annual meeting in advance to the executives in advance In order to monitor operating results in accordance with the objectives and goals set by the Board of Directors, for the year 2021 (January - December 2021), 50 meetings of the Executive Committee were held.

### 7.4.2 Monetary Remuneration of the Executive

Refers to Executive Director and the managements according to the definitions in the announcement of SEC and the management at Manager Level or higher or at other equivalent level that receive the remuneration and other remunerations as the managements, as follows:

Unit : Baht

Remuneration	2021	2020
Amount	19 persons	20 persons
Total Salaries	74,128,212	73,024,423
Total Bonus	37,482,355	37,276,140
Provident Fund	1,960,788	1,959,989
<b>Total</b>	<b>113,571,355</b>	<b>112,260,552</b>

Non-monetary remuneration i.e. office car for Executive Director and the management

## 7.5 Employees

As of December 31, 2021, The company has a total of 5,706 employees with a total compensation of 1,762.14 million baht. The compensation includes salary, overtime pay, living allowance, bonus, social security payment, provident fund contributions employee welfare and employee benefits.

	2021	2020	2019
Head Office	160 persons	162 persons	158 persons
Cholburi Factory	2,010 persons	1,995 persons	2,052 persons
Lamphun Factory	775 persons	659 persons	582 persons
Rayoug Factory	1,545 persons	1,502 persons	1,494 persons
Ratchaburi 1,2 Factory	1,216 persons	1,459 persons	1,494 persons
<b>Total amount</b>	<b>5,706 persons</b>	<b>5,777 persons</b>	<b>5,780 persons</b>
<b>Total compensation</b>	<b>1,762.14 Million Baht</b>	<b>1,799.22 Million Baht</b>	<b>1,766.39 Million Baht</b>

Since the company Opened for operations until now, the company has never had a problem in labor disputes. and no significant change in the number of employees.

## 7.6 Other important information

### (1) Person Supervising Accounting

The person assigned to be directly in charge of the company's accounting is Miss Sararath Tangsirimongkol, Accounting Manager, who has qualifications and meets requirements as an accountant as prescribed in Notification of Department of Business Development, Ministry of Commerce. (the qualification of The Person Supervising Accounting detailed in the Attachment 1).

### (2) Company Secretary

According to the Board's meeting No. 4/2021, held on April 28, 2021 the Board resolved to appoint Miss Sararath Tangsirimongkol, Manager of Accounting Department who has passed "Company Secretary Program (CSP) No. 42/2011" and Board Reporting Program (BRP) NO. 31/2019 and Asean CG Scorecard Coaching Program arranged by Thai Institute of Directors, to be the Company Secretary with the service term of 1 year (the qualification of Company Secretary as detailed in the Attachment 1).

### (3) Head of Internal Audit

The Company has assigned Miss Ariya Tangcheevinsirikul to take the position of Internal Audit Manager. To oversee the compliance with the rules of the official departments governing the company's business operations (the qualification of Head of Internal Audit as detailed in the Attachment 3).

### (4) Investor Relation

Communication with the shareholders and investors to represent the policy to open for the shareholders and investors to obtain important information for the clear understanding of business operation of the Company. The Company has appointed Investor Relation as the representative of the Company to communicate with the shareholders, and to facilitate the investors and security analyst to access information of the Company on fairly basis via the communication as below,

Investor Relation :	Mr. Wasan Boonsampankit
	Finance and Investment Department, Manager (CFO)
Telephone :	02-3744730 Ext no. 1025
E-mail :	wasan.b@mama.co.th

The Company also disclosed the names of persons and his/her communication channel in the Investor Relations on the Company's website [www.mama.co.th](http://www.mama.co.th).



## (5) Auditor and Auditor remuneration

Audit Committee of the Company has scrutinized the appropriateness to select EY Office Company Limited as the Company's audit firm for the year 2021 by considering the performance of duties with responsibility. be independent Compensation rates are appropriate to the extent of the audit. have qualifications in accordance with the Company's regulations and the Securities and Exchange Commission by appointing one of the certified public accountants to be the Company's auditors as follows:

- 1) Mrs. Saifon Inkaew C.P.A. (Thailand) No. 4434
- 2) Miss Sathida Rattananuruk C.P.A. (Thailand) No. 4753
- 3) Miss Siriwan Nitdamrong C.P.A. (Thailand) No. 5906

In this regard, EY Office Company Limited and the auditor no relationship or interest in the company/subsidiary /executive/major shareholder or those related to such persons.

In 2021, Remuneration for the audit and other service fees of the Company and the subsidiaries, which were paid to EY Office Co., Ltd. as the same audit office with the Company can be summarized as follows.

### Information on the auditor's remuneration

Details	2021	2020
1. Specific remuneration of the Company		
- Remuneration for the audit	2,900,000 Baht	2,900,000 Baht
- Other service fees	560,000 Baht	740,000 Baht
<b>Total</b>	<b>3,460,000 Baht</b>	<b>3,640,000 Baht</b>
2. Remuneration of 3 subsidiaries		
- Remuneration for the audit	2,282,540 Baht	2,310,807 Baht
- Other service fees	405,000 Baht	325,000 Baht
<b>Total</b>	<b>2,687,540 Baht</b>	<b>2,635,807 Baht</b>
<b>Total amount</b>	<b>6,147,540 Baht</b>	<b>6,275,807 Baht</b>



## 8. Corporate Governance Milestones

### 8.1 Performance of the Board of Directors in 2021

#### 8.1.1 Nomination, Development and Performance Assessment of the Board

##### (1) Nomination of Directors and the President & CEO

The Company has appointed sub-committee, the Nominating and Remuneration Committee, to perform the duties in considering the selection of persons to be nominated for the position of directors and senior executive which the Recruitment and Remuneration Committee has set the criteria for consideration as follows:

##### Criteria for selecting the Company's directors

- 1) Be qualified according to the Public Company Act, Securities and Exchange Act, rules of the Securities and Exchange Commission, and rules of the Stock Exchange of Thailand.
- 2) Be qualified and have skills of the Board of Directors according to the elements in creating the Board Skill Matrix to be in line with the business direction.
- 3) Have knowledge, competence, and experience in various fields corresponding to the food industry business and related industries as well as supporting various investment business plans that increase growth opportunities for the Company in the future to enhance benefits and add value to the Company.
- 4) Possessing of leadership, vision, morality and ethics, having a transparent work history.
- 5) Nomination of independent directors with qualifications according to the rules of the Capital Market Supervisory Board.

##### Process for nomination of the directors

- 1) The Nomination and Remuneration Committee is responsible for nominating suitably qualified experts to be the directors by proposing to the Board of Directors meeting for consideration before presentation to the annual general meeting of shareholders for election with a majority vote of the shareholders at tending the meeting and voting except the case of not leaving at the end of the term and the remaining term of not less than 2 months. The Board of Directors meeting shall select the person nominated by the Nomination and Remuneration Committee for the post of director with a vote of not less than three-fourths of the number of remaining directors. Such person who is appointed as director will have a term of office equal to the remaining term of the director replaced. This is in accordance with the Company's articles of association.
- 2) The Nomination and Remuneration Committee takes action according to the Company's articles of association, Article 17 ". At every annual general meeting of shareholders, the ratio of 1 in 3 directors must vacate office. If the number of directors to leave cannot be divided into exactly 3 parts, the number closest to 1 in 3 parts must leave. The outgoing directors under paragraph one can be rightfully reappointed as directors if having been selected by the meeting to hold the position again." Therefore, in the annual general meeting of shareholders, the Nomination and Remuneration Committee will take action based on the nomination process for the directors having completed their term according to the above rules of the Company's articles of association so as to nominate such directors to the Board of Directors' meeting for consideration before presentation to the annual general meeting of shareholders for election.
- 3) About nominating the persons for the post of independent director, the Nomination and Remuneration Committee will consider the independent director's qualifications determined by the Company, which conform to the rules of the Capital Market Supervisory Board as follows.

## Qualifications of independent directors of the Company

The independent directors of the Company must have qualifications according to the rule of the Capital Market Supervisory Board as follows:

- 1) Holding shares not more than 1% of the total number of shares with voting rights of the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company, including shareholding of related party of that independent director.
- 2) Neither being nor having formerly been a director involved in work management, employee, consultant receiving a regular salary or control authority of the Company, parent company, subsidiary, associate company, same-level subsidiary, major shareholder or of control authority of the Company except having been excluded from such characteristics for not less than 2 years before the date of appointment as independent director. Such prohibited characteristic do not include the case that an independent director used to be a government official or a consultant of government agencies which are major shareholders or the control authorities of the Company.
- 3) Not being a person with blood relationship or by legal registration in the forms of being father, mother, spouse, sibling and child, including spouse of the child of another director, executive, major shareholder, control authority or the person to be nominated as director, executive or control authority of the Company or subsidiaries.
- 4) Neither having nor having formerly had business relationship with the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company in a manner that may hinder the use of independent judgment, including neither being nor having formerly been a significant shareholder or control authority of the person having business relationship with the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company except having been excluded from such characteristics for not less than 2 years before the date of appointment as independent director.

Business relations under paragraph one include normal commercial transactions for business operations, renting or renting real estate out, transactions related to assets or services or giving or receiving financial assistance by accepting or giving loans, guaranteeing, providing assets as collateral for debts, including other similar circumstances, resulting in the Company or the contract party's debt obligation to pay to the other party from 3% of net tangible assets of the Company or from 20 million baht or more, whichever amount will be lower. Calculation of such debt burden shall be based on the method of calculating the value of connected transactions according to the announcement of the Capital Market Supervisory Board on the rules for connected transactions *mutatis mutandis*. However, consideration of such debt burden must include the debt burden incurred during 1 year before the date of business relationship with the same person.

- 5) Neither being nor having formerly been an auditor of the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company and not being a significant shareholder, control authority or a partner of the audit office having the auditor of the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company being affiliated with, except having been excluded from such characteristics for not less than 2 years before the date of appointment as independent director.
- 6) Neither being nor having formerly been any professional service provider, including serving as a legal advisor or financial advisor receiving service fee of more than 2 million baht per year from the Company, parent company, subsidiary, associate company, major shareholder or control authority of the Company and not being a significant shareholder, control authority or a partner of that professional service provider, except having been excluded from such characteristics for not less than 2 years before the date of appointment as independent director.

- 7) Not being a director appointed to be a representative of the director of the Company, major shareholder or shareholder related to major shareholder.
- 8) Neither operating a business having the same conditions and significantly competing with the business of the Company or subsidiary nor being a significant partner in the partnership nor being a director involved in work management, employee, consultant receiving a regular salary or holding more than 1% of the total number of shares with voting rights of another company running business with the same conditions and significantly competing with the business of the Company or subsidiaries.
- 9) Not having any other characteristics that cause the inability to give independent opinions on the operations of the Company.

In case of the Capital Market Supervisory Board's announcement on changes in qualifications of independent directors, the Company's independent directors must have qualifications according to the announcement on changes in all respects.

After having been appointed as independent directors with characteristics according to (1) to (9), the independent directors may be assigned by the Board of Directors to decide on business operations of the Company, parent company, subsidiaries, associate company, same-level subsidiary, major shareholder or control authority of the Company by decision-making in the form of Collective decision.

In 2021, the Company's independent directors neither had business relationship nor provided professional service, or were the persons appointed as independent directors without business relationship or providing professional service in value exceeding the criteria according to the announcement of the Capital Market Supervisory Board and the Company's above rules.

### Entitling minor shareholders to nominate the persons to be elected as directors

The Company recognizes the rights and equality of shareholders according to the principles of good corporate governance. Therefore, the Company allows shareholders to nominate the persons to be elected as directors of the Company in advance of the annual general meeting of shareholders pursuant to the Company's rules. More details can be viewed from the Company's website [www.mama.co.th](http://www.mama.co.th) under the topic: "Investor Relation / Annual Shareholders Meeting".

In 2021, the Company granted the opportunity for the shareholders to nominate the persons to be elected as the Company's directors in advance prior to the Annual General Meeting of Shareholders for the year 2021 from December 1 - December 30, 2020, with the following consideration criteria:

- 1) The Company secretary will initially consider and screen. The complete information and documents will be presented to the Nomination and Remuneration Committee to consider qualifications of the persons, which will also be presented to the Board of Directors for consideration. The decision of the Board of Directors is final.
- 2) The persons approved by the Board of Directors will be named at the annual general meeting of shareholders for the year 2020 in written notice of the scheduled meeting, together with opinions of the Board of Directors.
- 3) For the persons not approved by the Board of Directors, the Company will give notification in the general meeting of shareholders with specified reasons.

In addition, at the end of the specified period, the Company has announced the results of the shareholders' opportunity to nominate persons to be elected as the Company's Directors at the Annual General Meeting of shareholders by publicize the news via the Stock Exchange of Thailand. For the year 2021, on 24 February 2021, the Company has published the news about the conclusion that no shareholder proposing an issue to be included in the agenda, and nominate the person to be selected to be the Director of the Company in the Annual General Meeting of shareholders No. 4/2021.

## Rules for electing the Company's directors at the annual general meeting of shareholders

The Company has determined the voting for electing the directors at the annual general meeting of shareholders according to the Company's articles of association, Article 16, requiring the shareholders' meeting to elect the directors pursuant to the following criteria and methods.

- 1) One shareholder has a vote equal to 1 share.
- 2) Each shareholder can use all available votes under (1) to elect one person or several persons as directors, but cannot divide the votes for any person in any number.
- 3) The persons receiving the highest votes in descending order are elected as directors equaling the required number of directors at that time. If the persons elected in the next descending order have equal votes more than the number of directors required at that time, the Chairman must have the deciding vote.

In the year 2021, the Company holds the Annual General Meeting of shareholders No. 4/2021. Pursuant to Article 17 of the Company's Articles of Association, in every Annual General Meeting of Shareholders one-third of the director must retire from their position. If the number of directors cannot be divided into three, the number of directors closest to one-third shall retire and such retiring directors may be re-elect. There are 5 directors who have to retire by rotation, namely:

1. Dr. Poj	Paniangvait	President / Member of the Corporate Governance and Risk Management Committee
2. Mr. Vathit	Chokwatana	Director
3. Miss Pojjana	Paniangvait	Director / Member of the Corporate Governance and Risk Management Committee
4. Dr. Kulpatra	Sirodom	Independent Director / Chairman of the Audit Committee
5. Mr. Kanich	Punyashtiti	Independent Director / Member of the Audit Committee / Member of the Corporate Governance and Risk Management Committee

In this regard, the Annual General Meeting of Shareholders No. 4/2021 passed a resolution with a majority vote of the total number of votes of the shareholders who attend the meeting and have voting rights that the directors who are due to retire by rotation were elected to resume their positions for another term.

## Nomination of the top management

The Company nominates the top management of the Company from current executives or other people with appropriate qualifications, knowledge, capability, experience and good understanding of the Company's business and ability to manage the organization in order to achieve the objectives and goals as specified by the Board of Directors.

The top executives of the Company are the directors of the Company, who have been selected by the Nomination and Remuneration Committee and the Board of Directors meeting will continue to consider suitability for appointment of the executive positions.





## (2) Development for Directors and Managements

Training Record of 15 Directors is summarized as following

Board of Directors		Program
1. Mr. Boonsithi	Chokwatana	- Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005
2. Mr. Pipat	Paniangvait	- Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 39/2004
3. Mr. Suchai	Ratanajijaroen	- Director Certification Program (DCP) 45/2004
4. Dr. Poj	Paniangvait	- Directors Accreditation Program (DAP) 20/2004 - Director Certification Program (DCP) 72/2006 - Risk Management Program for Corporate Leaders (RCL 21/2020)
5. Mr. Kamthorn	Tatiyakavee	- Audit Committee Program (ACP) 12/2006 - Directors Certification Program (DCP) 46/2004 - Directors Accreditation Program (DAP) 3/2003 - IT Governance and Cyber Resilience Program (ITG) 7/2018
6. Mr. Apichart	Thammanomai	- Director Certification Program (DCP) 68/2005 - Director Accreditation Program (DAP) 2003
7. Mr. Boonchai	Chokwatana	- Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005
8. Mr. Vathit	Chokwatana	- Director Accreditation Program (DAP) 75/2008 - Director Certification Program (DCP) 251/2018
9. Miss Pojjana	Paniangvait	- Directors Certification Program (DCP 212/2015) - Successful Formulation & Execution the Strategy (SFE 29/2017) - Risk Management Program for Corporation Leaders (RCL 8/2017)
10. Mrs. Orathai	Thongmeearkom	- Director Certification Program (DCP) 227/2019 - Boards That Make a Difference (BMD) 10/2020
11. Dr. Kulpatra	Sirodom	- Director Certification Program (DCP) 1/2000 - Audit Committee Program
12. Mr. Kanich	Punyashthiti	- Director Accreditation Program (DAP) 164/2019
13. Prof. Dr. Suwimon	Keeratipibul	- Director Accreditation Program (DAP) 97/201 - Risk Management Program for Corporate Leaders (RCL 21/2020)
14. Mrs. Tongurai	Limpiti	- Director Certification Program (DCP) 8/2001 - Director Certification Program Update (DCPU) 5/2015
15. Mr. Kalin	Sarasin	- Director Accreditation Program (DAP) 105/2556

In addition, The Company has supported each individual Director to improve knowledge continuously in order to encourage his/her directing performance to perform duty in the Sub-Committee for best benefit of the Company.

During the year 2021, the Company's executives attended trainings and seminars to earn knowledge and understanding of roles and obligations of executives in the supervision and management for efficiency as follows:

Training Course	Executives (person)
Cannabis & Modern Cannabis Kitchen	1
L & D Transformation Scholarship	1
Powerful Pitching for HR	1
RSPO Supply Chain Certification Standard :SCC Version 2020	1
Transformative Accounting RPA,AI and OCR	1
Broadcast of Implementation of a project to report and monitor and evaluate the greenhouse gas reduction	1
Standardization GHPs & HACCP System Re.2020	1
Auditors self-evaluate maintenance activities.	1
Agile Internal Audit	1
CFO Refresher Course (Online Class)	1
Corruption Risk & Control : Technical Update (CRC)	1
OKRs (Objective and Key Results) Session 2	1
PDPA to implementation	1
RSPO Supply Chain Certification Standard : SCC Version 2020	1
Thailand Learning & Development Forum 2021	1
Monthly and Quarterly Reports	1
Preparation of data for Halal audit for the year 2022	1
Advanced human resource management	1
Operation of TPM 4 Pillars (AM FI PM ET),Management Audit TPM Step1	1
Halal operators and organizers Halal Rayong Awards for 2021	1
Preparation of data for annual halal audit 2022	2
How to use HR e-slip	2
Energy Management and Energy Savings in Small and Medium Enterprises	2
Workshop Project Thailand I4.0 Index	3
Standardization GHPs & HACCP System Re.2020	3
Guidelines for reducing corruption in the business sector	7
BCG Model	14

## Orientation for New Director

The Company has a policy to organize an orientation session for new directors. When the new directors are appointed, the Nomination Committee assigns the management department to coordinate various fields in order to prepare for performing the duties of directors, who can also perform the duties immediately when assuming the position as follows.

1. Arrangements for an introduction to explain detailed information of the Company and the responsibilities of the directors of the Company to hold office and sub-committees (if any), including providing the documents relating to the Charter of directors related, the memorandum of association, the articles of association, good corporate governance manual, annual registration statement (Form 56-1), annual report and answering the questions to create mutual understanding.
2. Arrangements for meeting the Chairman of the Board of Directors, Board of Directors, Sub- committees, Chief Executive Officer and the President to acknowledge the policies, corporate culture and information about the Company's business operations.
3. The opportunity is provided to visit the factories of the Company for the new directors to have better understanding of the Company's business operations as well as listening to suggestions from you.

In 2021, the general meeting of shareholders No. 4/2021 on 28 April 2021 resolved to elect 5 directors. All directors have been knowledgeable and understood the Company's business and have received information documents related to the duties of directors from the Company already.

## (3) Evaluation of the performance of the directors

### Process and criteria for assessment

- The Nomination and Remuneration Committee arranges a review of the performance evaluation form of the Board of Directors every year for consistency and appropriateness, being updated.
- The performance evaluation form of the Company includes a total of 6 copies, the performance evaluation form for the Board of Directors 1 copy, namely 1 copy and 4 copies for 4 sub-committees (Audit Committee, Nomination and Remuneration Committee Corporate Governance and Risk Management Committee and Investment Committee).
- The timetable is scheduled for the end of the annual operations. The secretary of each group is responsible for submitting the performance evaluation form to all directors. After the directors have completed the evaluation form, it must be returned to the secretary to collect the scores.
- Report the average score in each subject of evaluation with a summary of the overall average score. The secretary of each group reports to the meeting of each committee for acknowledgement and records information in the minutes of the meeting.
- Performance evaluation criteria with the rules for calculating and measuring the scores of the performance evaluation form as follows



## 1) Scoring criteria in the performance evaluation form of each group

Level of opinion	Score
- Agree in the highest level	Getting 5 points
- Agree in high level	Getting 4 points
- Agree in average level	Getting 3 points
- Agree in low level	Getting 2 points
- Agree in the lowest level	Getting 1 points

## 2) Evaluation criteria summarizing the overall average scores of the performance assessment

Criteria	Average score (Percent)
- Excellent	More than 90 percent up
- Good	More than 70 percent up
- Fair	More than 50 percent up
- Improvement recommended	Equal to or less than 50 percent

- **The self-assessment result of the Board of Directors**

In the Board's Meeting No. 12/2021 on Dec 15, 2021, the Directors has performed self-assessment in 3 areas as following,

- 1) Role, Duty, and Responsibility of the Board
- 2) Independence of the Director
- 3) Relationship with Management Team and Stakeholders

The assessment result of the Board of Directors as a whole is average at 85.43% or at "Good" level

- **The Individual self-assessment result**

In the Board's Meeting No. 12/2021 on Dec 15, 2021, each director has done the work performance assessment for individual member of the Board of Director. The assessment is divided into 3 aspects as follows:

- 1) Roles, obligations and responsibility of the directors
- 2) Duty of the directors
- 3) Self-development of the directors

Result of the self-assessment of the individual member of the Board of Directors shows the average score of 84.87% which is in a good level



- **The self-assessment result of the Sub-Committee**

The Company has conducted self-assessment of the Sub-Committee in annual basis. In 2021, each Member performed self-assessment in 3 areas as following

- 1) Role, Duty, and Responsibility of the Board
- 2) Performance of the Director
- 3) Self-development of the Director

The assessment result of Sub-Committee is summarized as following,

Sub-Committee	Avg Point	Level
Audit Committee	83.96	Good
Nomination and Remuneration Committee	72.31	Good
Corporate Governance and Risk Management Committee	88.67	Good
Investment Committee	87.69	Good

## 8.1.2 Meeting of the Board of Directors and Remuneration of Company Directors

### (1) Meeting of the Board of Directors

The Board of Directors shall conduct the meeting on regular basis, at least once a month. The Board of Directors has held the meeting on every third Wednesday of the month, and may call for the additional meeting as deemed necessary. In every meeting, the meeting's agenda will be determined in advance, and the Company Secretary shall send the invitation notice of the Board's meeting together with supporting documents no less than 7 days prior to the meeting date. The meeting of the Board of Directors normally takes around 1.30-2 hours.

### (2) Meeting of the Non-Executive Director

Balance of Power of Non-Executive Director, The Company determined the appropriate number of Directors to be no less than 5 persons with the qualifications as required by the Public Company Act as following,

- 1) Being natural parson
- 2) Being sui juris (full age)
- 3) Not being bankrupt, incompetent, or quasi-incompetent
- 4) Never been sentenced by a final judgment to imprisonment for an offense pertaining to property committed in dishonesty
- 5) Never been dismissed from a government service or state organization or agency for dishonesty on duty
- 6) No restriction for being the shareholder of the Company

The Board of Directors also has a policy to allow non-executive directors to meet among themselves as necessary and report the meeting results to the Board of Directors meeting for acknowledgment. In 2021, on 15 December 2021, the Company arranged the meeting agenda without executive directors and reported the meeting results to the Board of Directors meeting on 19 January 2022 to enhance the efficiency of management and development of the Company to be able to grow sustainably.

### (3) Participation to the Meeting

The Board of Directors held 12 meetings in 2021. The participation of the meeting of the Board of directors and Sub-committee are summarized on the Directors' Meeting allowance and remuneration table.

Name of Directors	Meeting Attended / Total Meetings (Times)						The general meeting of shareholders No. 4/2021
	Board of Directors	Audit committee	Nomination and Remuneration committee	Corporate Governance and Risk Management committee	Investment committee		
	12 Times/Year	5 Times/Year	3 Times/Year	4 Times/Year	7 Times/Year		
1. Mr. Boonsithi Chokwatana	12/12	-	3/3	-	-	-	attended the meeting
2. Mr. Pipat Paniangvait	12/12	-	3/3	-	-	-	attended the meeting
3. Mr. Suchai Ratanajijaroen	12/12	-	-	4/4	-	-	attended the meeting
4. Dr. Poj Paniangvait	12/12	-	-	4/4	-	-	attended the meeting
5. Mr. Kamthorn Tatiyakavee	12/12	-	-	-	-	-	attended the meeting
6. Mr. Apichart Thammanomai	12/12	-	-	-	-	-	attended the meeting
7. Mr. Boonchai Chokwatana	10/12	-	-	-	-	-	Leave the meeting
8. Mr. Vathit Chokwatana	11/12	-	-	-	-	-	attended the meeting
9. Miss Pojjana Paniangvait	12/12	-	-	4/4	-	-	attended the meeting
10. Mrs. Orathai Thongmeearkom	12/12	-	-		-	-	attended the meeting
11. Dr. Kulpatra Sirodom	12/12	5/5	-	-	-	-	attended the meeting
12. Mr. Kanich Punyashthiti	12/12	5/5	1/1	-	-	-	attended the meeting
13. Professor Dr.Suwimon Keeratipibul	12/12	-	-	4/4	-	-	attended the meeting
14. Mrs.Tongurai Limpiti	12/12	-	-	4/4	7/7	-	Leave the meeting
15. Mr. Kalin Sarasin	8/9	2/3	-	-	-	-	Leave the meeting
Mr. Chaiwat Maraprygsavan	3/3	2/2	2/2	-	-	-	-
Percentage of meeting attendance	98	92	100	100	100		

Remark : Mr. Kalin Sarasin appointed on March 17,2021 Instead of Mr. Chaiwat Maraprygsavan who resigned

The Board of directors has considered the suitability of number of listed companies on which the Director having director position and number of consecutive terms of being Director. Each individual Director recognizes his/her responsibility upon business operation of the Company, appropriate time allocation of being Director in the other listed companies, and compliance with Good Corporate Governance Practice, thus the Director of the Company shall have Director Position in the listed companies totaling not more than 5 listed companies. The information of having Director position in the listed companies of the Directors as of Dec 31, 2021 is detailed as following,

No.	Board of Directors		Number of listed companies having Director Position
1	Mr. Boonsithi	Chokwatana	2 companies
2	Mr. Pipat	Paniangvait	2 companies
3	Mr. Suchai	Ratanajajaroen	-
4	Dr. Poj	Paniangvait	-
5	Mr. Kamthorn	Tatayakavee	1 company
6	Mr. Apichart	Thammanomai	1 company
7	Mr. Boonchai	Chokwatana	4 companies
8	Mr. Vathit	Chokwatana	2 companies
9	Miss Pojjana	Paniangvait	-
10	Mrs. Orathai	Thongmeearkom	-
11	Dr. Kulpatra	Sirodom	4 companies
12	Mr. Kanich	Punyashthiti	2 companies
13	Prof. Dr. Suwimon	Keeratipibul	1 company
14	Mrs. Tongurai	Limpiti	2 companies
15	Mr. Kalin	Sarasin	1 company

The Company discloses information about Director Position in the other listed companies hold by each Director in Attachment No. 1 of 56- One Report. According to information of 15 Directors in 2021, 2 Directors have Director Positions in maximum number of 4 listed companies, and the President of the Company do not have Director Position in the other listed companies. Therefore, the Company is confident in the directing performance of the Company because each individual Director has fully dedicated his/her time and efforts to the Company, regularly attended the meetings, and provided substantial contribution to the Company for the time being.





#### (4) Remuneration of Company Directors

According to the Company's Articles of Association Article 34. have the right to receive compensation for the performance of their duties, including salary, reward, meeting allowance, pension, bonus or other benefits as the Articles of Association or the shareholders' meeting will consider The directors' remuneration should be appropriate to the director's level of responsibility. It should also be close to the rate of remuneration for directors in the same business group.

The Company has proposed the amount of remuneration for the Company's directors to the Annual General Meeting of Shareholders for approval at the Annual General Meeting of Shareholders No.4/2021 on 28 April 2021 in the total amount not more than 20 million baht, in order to be appropriate and match their duties and responsibilities. The Board of Directors has approved in accordance with the consideration of the Recruitment and Remuneration Committee of the Company that has screened the suitability including the performance and business expansion of the Company and compare with the remuneration of directors in the same business group follows:

- 1) Meeting allowance: Make payment to the Directors, Nomination and Remuneration Committee and Corporate Governance and Risk Management Committee, only for the meeting attendees, at the amount of 12,000 baht/person/time for the Chairman and 10,000 baht/person/time for the members of the Committee.
- 2) Quarterly meeting allowance: Make payment to the Audit Committee, at the amount of 60,000 baht/ person /quarter for the Chairman and 30,000 baht/person/quarter for the members of the Committee
- 3) Annual commission: Nomination and Remuneration Committee take to consider allocation and offer the Board of Directors for approval.
- 4) Position Allowance: Make payment to Chairman of the Board at the amount of 200,000 baht/month
- 5) Other reward: None

In this regard, the remuneration or the benefits that the Company Directors receives as the officer or the employee of the Company are not included.

Monetary Remuneration of Company Directors and Sub-committee consists of meeting allowance of the directors, annual commission and the Position Allowance of the Chairman of the Board of Directors with the information about the remuneration in year 2021 as follows:

Name of Directors	Remuneration					
	Board of Directors	Audit committee	Nomination and Remuneration committee	Corporate Governance and Risk Management committee	Investment committee	Total (Baht)
1. Mr. Boonsithi Chokwatana	3,544,000	-	36,000	-	-	3,580,000
2. Mr. Pipat Paniangvait	1,120,000	-	30,000	-	-	1,150,000
3. Mr. Suchai Ratanajiaroen	920,000	-	-	40,000	-	960,000
4. Dr. Poj Paniangvait	920,000	-	-	40,000	-	960,000
5. Mr. Kamthorn Tatiyakavee	820,000	-	-	-	-	820,000
6. Mr. Apichart Thammanomai	920,000	-	-	-	-	920,000

Name of Directors	Remuneration					Total (Baht)
	Board of Directors	Audit committee	Nomination and Remuneration committee	Corporate Governance and Risk Management committee	Investment committee	
7. Mr. Boonchai Chokwatana	800,000	-	-	-	-	800,000
8. Mr. Vathit Chokwatana	810,000	-	-	-	-	810,000
9. Miss Pojjana Paniangvait	920,000	-	-	40,000	-	960,000
10. Mrs. Orathai Thongmeearkom	820,000	-	-	-	-	820,000
11. Dr. Kulpatra Sirodom	820,000	240,000	-	-	-	1,060,000
12. Mr. Kanich Punyashtiti	820,000	120,000	10,000	-	-	950,000
13. Prof. Dr. Suwimon Keeratipibul	820,000	-	-	48,000	-	868,000
14. Mrs. Tongurai Limpiti	820,000	-	-	40,000	84,000	944,000
15. Mr. Kalin Sarasin	780,000	90,000	-	-	-	870,000
Mr. Chaiwat Maraprygsavan	30,000	30,000	20,000	-	-	80,000
<b>Total</b>	<b>15,684,000</b>	<b>480,000</b>	<b>96,000</b>	<b>208,000</b>	<b>84,000</b>	<b>16,552,000</b>

Remark: Mr. Kalin Sarasin appointed on March 17, 2021 Instead of Mr. Chaiwat Maraprygsavan who resigned

### 8.1.3 Supervising the operations of subsidiaries and associate company

The Board of Directors is responsible for managing the business and the operations of the Company as well as supervising work management of subsidiaries and associate company according to the goals, operational plan and strategies of the Company under the laws, objectives and articles of association of the Company. Additionally, the Board of Directors has considered the organizational structure and the management of subsidiaries and associate company to be effective and favorable to business conditions. The purposes are to focus on developing the management of subsidiaries and associate company to have corporate governance system, good risk management and participation in signing the declaration of the intent of Private Sector Collective Action Coalition Against Corruption with the Company and to have the ability to compete in the industry for future growth. The Company will receive the reports on operational results from the subsidiaries and associate company regularly. Also, the operating results are always examined so as to plan the works and the targets for further operations.

The Company receives financial statements from subsidiaries and associates on a monthly basis so that the company can track and acknowledge the operating performance of the subsidiaries and associates and can present the operating performance to the Board of Directors for acknowledgment every month as same as the report of the Company's performance.

In addition, there are 3 major subsidiaries with assets valued at 40% of total assets. In 2021, they use the same auditing office as the Company. To build confidence in the preparation of financial reports in a timely manner.

## 8.1.4 Corporate Governance Policy and Guideline Compliance Control

### (1) Dealing with connected transactions or transactions that may have conflicts of interest

The Company conducts business with prudence and rationality for maximum benefits to the Company. Any connected transactions shall be undertaken with identical conditions as applied to the transactions with any other counterparties and must represent or support normal business undertaking. To this end, the Director assumed to have related interests shall not participate in the approval of such transactions in order to encourage the other Directors to fully express their opinions and independently make decision. Furthermore, the Company has obligation to disclose name, detail of relationship to the related person, price setting policy, amount of transaction, and opinion of the Board on the news board of SET in both Thai and English version, and on the Company's website "<http://www.mama.co.th>".

In addition, the directors and executives are responsible for reporting changes in interests of the directors and executives to the Company secretary within 1 month from the change date. The Company secretary is also charged with sending such report to the Chairman of the Board and Chairman of the Audit Committee within 7 working days from the date of receiving this report under Section 89/14 of the Securities and Stock Exchange Act (No. 4) 2008.

In 2021, the Company secretary was informed about changes in interests from 7 directors and 3 executive.

### (2) To Control the Use of Inside Information

The company has a measure to supervise the internal information usage by including in the business ethics and Code of Conduct for the Directors, managements and employees, concerning conflict of interest and the use of the company's information for person benefits, as follows:

- Directors and managements must report their interest and the related persons according to the criteria
- Directors, managements and employees which are in the organization that know the internal information are prohibited from trading company's stock in the period of 1 month before the financial status is revealed to the public and after the financial statement is revealed for 24 hours. In this regard, the Company Secretary who is responsible for sending official letters to all Directors and managements will know the period that is prohibited for trading the company stock before the disclosure of quarterly financial statement and annual financial statement through the news distribution channels of the Securities Exchange of Thailand.
- The Directors, managements, their spouse and the minor child are responsible to report the stock holding and the change to the company's stock holding to the Securities and Exchange Commission and inform the Company Secretary to report to the Board of Work performances in the following meeting of the Board of Work performances.
- Do not reveal or pass the information or secret of the company that one known or have known to the outsider or the irrelevant person.
- The information disclosure must be done by the authorized employees of the company. There may be a level of the confidential information according to the importance of the information and the use of information must be in the scope of the assigned roles and responsibility.
- The company has set the policy for the Directors and high level managements to report to the Chairman of the Board of Directors about the company stock trading at least 1 day before the trading.

- The punishment measure of the company stated on the employment regulation and the worst punishment is to terminate the employment.

In this regard, the company has put up the notification of the Instruction on business ethics and Code of conduct for Directors, managements and employees for acknowledgment, as well as announcing through Intranet system and the website of the company, [www.mama.co.th](http://www.mama.co.th).

In 2021, the Company's secretary reported to the Board of Directors meeting to know the schedule of period for prohibiting the trading of the Company's securities before publishing the financial statements of each quarter for 3 quarters, 3 times and 1 annual financial statement. The formal notification letter were sent to the directors and all executives for a total of 4 times.

### (3) Anti-Corruption

The Company is aware of the importance and commitment in conducting business with transparency and honesty by adopting the principles of corporate governance, cultivate as a foundation for the operation of employees and executives at all levels, which is one of the Company's missions concerning "Building trust among stakeholders and pay close attention to social responsibility, conservation of natural resources and the environment by using good governance principles for sustainable development." Therefore, the Corporate Governance and Risk Management Committee has approved the anti-corruption policy. It is applicable to the board of directors, executives, employees, and all business partners, as well as encourage personnel to adhere to a concrete practice guideline. In addition, the anti-corruption policy is reviewed annually to keep the Company's operations free from corruption throughout the supply chain.

The company has announced the intention and determination in continuously performing the anti-corruption policy. We were accepted to be a member of Thai Private Sector Collective Action Against Corruption on 22 July 2016 and the membership was renewed for the first time on 21 May 2019. In 2021, the company still performed the anti-corruption policy and applied for the 2nd certification of the membership.

The Board of Directors resolved on approval of the anti-corruption policy and guidelines for anti-corruption, gift-giving and acceptance, entertainment, funding, and donation for the directors, executives, and employees to strictly comply with under the anti-corruption policy to foster the transparent and ethical corporate culture. Directors, executives and employees shall not get involved in the corruption of any form, directly or indirectly, and shall not ignore any corruption related to the company. To provide knowledge and understanding of the anti-corruption measures, the company has disseminated the anti-corruption policy regarding communication, public relation and training, as well as the disciplinary punishment to directors, executives and employees. Training has also been provided to new employees to ensure they are aware of the policy and guidelines, as well as determining the methods of follow-up and assessment of the results of anti-corruption policy compliance.

However, the company has determined the guidelines for acceptance of gifts/souvenirs and guidelines for gifts/souvenirs management according to the traditional practices during festivals for the executives and employees to appropriately follow under the anti-corruption policy. The guidelines have been communicated in the form of circulars and announcements throughout the organization. To express our intention to comply with the requirements of the supervisory bodies and the government agencies, we have requested collaborations of our executives and employees to refrain from accepting gifts and sent letters to partner companies and persons related to the company to refrain from giving gifts to out executives and employees in any festivals. Moreover, we have communicated through internal and external information systems, including the company's website: [www.mama.co.th](http://www.mama.co.th), to raise awareness and create the norm of good corporate governance.

## Operational activities/ Communication and training of employee/business partners about anti-corruption

The Company has initiated training programs for the Board of Directors, executives, and employees of all levels on the anti-corruption policy. The objective is to create knowledge and understanding for the Board of Directors, executives, and employees of all levels to acknowledge the compliance with the rules and regulations, take responsibility and participate in all forms of anti-corruption. The anti-corruption course covers any action which is a malpractice, policy implementation method. So that the personnel are aware of the impact of corruption and understand how to act as a responsible business citizen.

In 2021, the company still expressed its determination to perform the anti-corruption by providing training to all new employees and continuously providing training to employees in each department in accordance with the annual training plan. In addition, the following key activities have been conducted during the year:

In 2021, the company still expressed its determination to perform the anti-corruption by providing training to all new employees and continuously providing training to employees in each department in accordance with the annual training plan. In addition, the following key activities have been conducted during the year:

19 February 2021	Invited partners to attend the special lecture on “How to minimize corruption in business sector” by Mr. Phana Rattanabunnangkun, Director of Thai Private Sector Collective Action Against Corruption (CAC), Thai Institute of Directors (IOD)
25 February 2021	Mr. Surayud Raksasri, Human Resources and Administration Manager, attended the Corporation Risk and Control Workshop (CRC Batch 8/2020 online) arranged by Thai Private Sector Collective Action Against Corruption (CAC).
22 November 2021	It has been the 4th consecutive year that the company announced the No Gift Policy through public media, including our website: <a href="http://www.mama.co.th">www.mama.co.th</a> and the intranet and issued letters to partner companies to refrain from giving gifts. This is to express our intention and promotion of no gift policy during the New Year’s Day and other festivals.
15 December 2021	The Board of Director’s Meeting No. 12/2564 approved the Self-assessment Form for Development of Anti-corruption System of the company for the 2nd renewal. The self-assessment form was sent to CAC on 27 December 2021.

The Company has prepared guidelines for accepting the gifts / souvenirs and managing the gifts / souvenirs according to traditional practices during the festivals so that the executives and employees comply with the anti-corruption policy correctly by communication via circular letter and announcement for information throughout the organization. However, the Company expressed its intention to conform with regulatory agencies and government organizations to announce a request for cooperation of the executives and employees in refraining from accepting the gifts. Written notice was also sent to partner companies and persons related to the Company to request cooperation in refraining from giving the gifts to the Company’s executives and employees for all festivals as well. Besides, there was communication, publicity via information system inside and outside the organization. Announcement on the Company’s website at [www.mama.co.th](http://www.mama.co.th) was aimed at promoting awareness and creating a norm for good corporate governance.

## (4) Whistleblowing

In addition to the anti-corruption measures which may curb the opportunity of corruption, the company has also determined the communication channels where stakeholders and related persons, including directors, executives and employees can file complaints or reports on corruption and any unfair treatment cases. The company places importance in confidentiality of the complainants and whistleblowers. Their information will be known by the assigned persons and relevant persons only. Complaints and corruption reports, including actions which are against the business ethics, laws, rules and regulations, or any inappropriate behaviors of directors, executives and employees of the company and subsidiaries, may be filed through the whistleblowing channels in all workplaces of the Company. Many channels for complaints are also available such as directly verbally, making a letter, notification via E-mail to the complaint receiver directly, comment box and registered mail as shown in detailed information disseminated by the Company throughout the organization and on the Company's website at [www.mama.co.th](http://www.mama.co.th). In this regard, the Company has clearly established measures to protect the informers or whistleblowers for allowing the informers or whistleblowers to be confident of receiving fairness and safety.

In 2021 No complaints About non-compliance with anti-corruption policy.

## 8.2 Report of the Audit Committee for 2021

### (1) The Audit Committee

#### Report of the Audit Committee 2021

The Audit Committee of Thai President Foods Public Company Limited consists of 3 independent directors whose qualifications and duties are in accordance with the requirements of the Stock Exchange of Thailand to ensure that they can perform their duties independently within the scope determined in the Audit Committee Charter which has been reviewed to be up-to-date and approved by the Board of Directors annually. The Audit Committee held 5 meetings in 2021, as detailed below.

Name		Position	Meeting Attendance/ Total Meeting
1	Dr. Kulpatra Sirodom *	Chairman of the Audit Committee	5/5
2.	Mr. Kanich Punyashthiti	Member of the Audit Committee	5/5
3.	Mr. Kalin Sarasin *	Member of the Audit Committee	2/3
	Mr.Chaiwat Maraprygsavan	Member of the Audit Committee	2/2

\* Have knowledge and experience in accounting and finance and can perform the duty of reviewing the reliability of the financial statements

Remark: Mr. Kalin Sarasin appointed on March 17,2021 Instead of Mr. Chaiwat Maraprygsavan who resigned



The term of the Audit Committee is one year. Miss Ariya Tangcheevinsirikul is the Secretary of the Audit Committee. To comply with the corporate governance principles, at the end of each year, the Audit Committee shall assess the overall performance of the Audit Committee by itself, including the structure and qualifications, performance in the meeting and expression of opinions, roles and responsibilities, and propose the report of the Audit Committee to the Board of Directors as can be summarized as follows:

**1. Audit the financial statements of the company and subsidiaries.** In 2021, the statements have been audited and reviewed by the auditor to make sure that the financial statements of the company and subsidiaries have been made correctly, completely and sufficient key information has been disclosed in a reliable manner as required by the law and the changing financial and accounting reporting standards. The Audit Committee could perform their duties independently to make sure that the financial statements of the company and subsidiaries were materially correct under the financial and accounting reporting standards. There was at least one meeting with the auditor without the presence of the company's executives to independently discuss the acquisition of data, examine key data for making of the financial statements and disclosure of data under financial reporting standards in the way that benefits the financial statements users.

**2. Review effectiveness of Internal Control of the Company.** The Audit Committee has worked with Head of Internal Audit Department to evaluate the sufficiency of Internal Control System on key operations, and resource utilization of the Company on annual basis. In addition, the Audit Committee has also reviewed Internal Control of the Company with regard to Accounting and Financial matters, protection of Company's asset, compliance with relevant laws and regulations according to the principle of Checking and Balance Principle to safeguard benefit of stakeholders efficiently to ensure our business achievement.

**3. Appoint the External Auditors of the Company.** The Audit Committee shall select the qualified External Auditors and consider their remuneration by taking into account of their knowledge, professional competency, independence, past auditing performance, and the suitable audit fee. The Audit Committee proposes to the Board of Directors to appoint the auditors from E Y Company Limited to be the External Auditor of the Company for the year 2021, and the appointment of External Auditors has been approved by the General Shareholders' Meeting.

**4. Review Connected Transactions and Conflict of Interest.** The Audit Committee has reviewed connected transactions of the Company to be taken in compliance with the Regulations of Stock Exchange Thailand and Securities and Exchange Commission, and these transactions are made for best benefits of the Company. The connected transactions must be conducted under normal commercial condition by considering the benefits of all related stakeholders to prevent the possible conflict of interest. The Audit Committee shall monitor the Company to disclose accurate and complete information of Connected Transactions. The Audit Committee is of the opinion that such transactions represent normal business undertaking and comply with the relevant rules and regulations.

**5. Internal control supervision:** The Audit Committee has considered the Audit Committee Charter and Internal Audit Charter annually and approved the annual internal audit plan prepared by the internal Audit Department by assessing the key basic risks in the company's business together with the issues found in the previous years. Also, the results of internal audit have been reviewed quarterly. The Audit Committee has provided advice and followed up the correction of significant issues found in the report to ensure effectiveness of the corporate governance and internal control system. They also considered independence of the Internal Audit Department and approved appointment, transfer, promotion, and dismissal, as well as assessing performance of the Head of Internal Audit Department.



**6. Support and monitor the Company to have an effective risk management system** by reviewing the corporate risk management and having a meeting with the Corporate Governance and Risk Management Committee and the risk management working team in order to review the efficiency and appropriateness of the risk management process and make recommendations for improvement.

**7. Encourage good corporate governance principles in the Company.** The Audit Committee has reviewed the corporate governance policy of the Company to be in line with the guidelines given by the Stock Exchange of Thailand and Securities and Exchange Commission. In addition, The Audit Committee has performed their duties and responsibilities as prescribed in the Charter of the Company with carefulness and sufficient independence.

**8. Review business operations to be in compliance with the Securities and Exchange Act,** rules and regulations of Stock Exchange of Thailand and Securities and Exchange Commission, and other relevant laws in accordance with the principles of good corporate governance.

**9. Supervise anti-corruption measures** by focusing on improving the internal control system of the Company to ensure that the company has a good internal control system and there is no risk that may lead to corruption. The company has announced the intention and received the certificate for being certified by the Private Sector Collective Action Coalition Against Corruption Committee (CAC).

**10. Audit the investigation of complaints and whistleblowing:** The company has made the complaint and whistleblowing system for both employees and outsiders. Outsiders may file their complaints through the company's website verbally, by phone or email to the President of Audit Committee or other channels of the company. In 2021, there was no complaint filed by outsiders and employees regarding the offences due to failure to comply with the anti-corruption policy of the company.

The Audit Committee has performed duties as prescribed in the scope of duties and responsibilities and has opinion that financial statements of the Company in 2020 are accurate, reliable, and in compliance with generally accepted accounting standards. The Company has conducted appropriate Risk Management and efficient Internal Control to be suitable to nature of business, The Company has disclosed adequate information of Connected Transactions which may cause conflict of interest and comply with the regulations of Stock Exchange of Thailand and any other relevant laws. The Audit Committee has fulfilled duties and responsibilities as prescribed in the Charter of the Audit Committee and found no significant deficiency or any abnormal matters.



Dr. Kulpatra Sirodom

Chairman of The Audit Committee

18 February 2022

## 8.3 Report of the Specific Committees for 2021



### 1. The Nomination and Remuneration Committee

#### Report of the Nomination and Remuneration Committee 2021

To the Shareholders of Thai President Foods PCL.,

The Board of Directors of Thai President Foods PCL. has appointed the Nomination and Remuneration Committee consisting of 3 Directors and having service term of 1 year and Miss Sararath Tangsirimongkol has been the Secretary of the Committee. The Nomination and Remuneration Committee held 3 meetings in 2021, and attended the meeting as per following details,

Name	Position	Meeting Attendance/ Total Meeting
1. Mr. Boonsithi Chokwatana	Chairman of the Nomination and Remuneration Committee	3/3
2. Mr. Pipat Paniangvait	Member of the Nomination and Remuneration Committee	3/3
3. Mr. Kanich Punyashthiti *	Member of the Nomination and Remuneration Committee	1/1
Mr. Chaiwat Maraprygsavan *	Member of the Nomination and Remuneration Committee	2/2

\*Mr. Kanich Punyashthiti appointed on March 17, 2021 Instead of Mr. Chaiwat Maraprygsavan who resigned

In 2021, the Nomination and Remuneration Committee performed duties as assigned by the Board of Directors as per following details,

#### Nomination

1. To select the Members of the Board of Directors by taking into the consideration of knowledge, abilities, skills, experience, and expertise in various professional areas in compliance with the regulations of the Company, and any other relevant rules and regulations.

2. To propose the qualified person to the Board of Directors for approval

#### Determination of the Remuneration

1. To determine the remuneration for the Members of the Board of Directors, and Sub-Committee by taking into the consideration that such remuneration shall be commensurate with the responsibilities to be assigned, overall performance of the Company, and the comparable remunerations of the other companies in the same business.

2. To propose the appropriate remuneration for the Members of the Board of Directors, and Sub-Committee to the Board of Directors for approval in summary, the Nomination and Remuneration Committee has completely fulfilled duties and responsibilities as prescribed in the Charter of the Nomination and Remuneration Committee.

Mr. Boonsithi Chokwatana

Chairman of the Nomination and Remuneration Committee

15 December 2021

## 2. The Corporate Governance and Risk Management Committee

### Report of the Corporate Governance and Risk Management Committee 2021

To shareholders

The Board of Directors of Thai President Foods Public Company Limited has the resolution to appoint the Corporate Governance and Risk Management Committee consisting of 6 directors, 2 of which are independent directors and there are 4 meetings with the following details:

Name	Position	Attending the meeting/ total meetings (times)
1. Prof.Dr.Suwimon Keeratipibul	Chairman of the Corporate Governance and Risk Management Committee	4/4
2. Mrs. Tongurai Limpiti	Member of the Corporate Governance and Risk Management Committee	4/4
3. Mr. Suchai Ratanajajaroen	Member of the Corporate Governance and Risk Management Committee	4/4
4. Dr. Poj Paniangvait	Member of the Corporate Governance and Risk Management Committee	4/4
5. Miss Pojjana Paniangvait	Member of the Corporate Governance and Risk Management Committee	4/4
6. Miss Hatairat Kwangchit-Aree	Member of the Corporate Governance and Risk Management Committee	3/4

The Corporate Governance and Risk Management Committee has a term of 1 year each term and Miss Piyada Didsawat is the secretary of the Governance and Risk Management Committee performing the duties and responsibilities in accordance with the Charter of the Corporate Governance and Risk Management Committee. The significant contents of performance in the duties can be summarized as follows:

1. Consider the appointment of the Corporate Governance and Risk Management Working Group consisting of knowledgeable personnel representing various departments / factories as appropriate.
2. Define and review the principles of good corporate governance, drive the business for sustainability, perform the anti-corruption operation, and risk management in accordance with the company's vision, mission, and goals.
3. Monitor and evaluate the operation performance of the governance and risk management of the Corporate Governance and Risk Management Working Team with strategy formulation, operation plan, and assessment on the current risk level including advance risk assessment for the company to manage the risks appropriately and efficiently on the continual basis.
4. Develop personnel in the company to have knowledge and understanding about corporate governance and risk management in order to move towards to an organization culture that is always aware of risks.

The Corporate Governance and Risk Management has performed the duties and responsibilities specified in the Corporate Governance and Risk Management Charter approved by the Board of Directors by using knowledge, ability and prudence in corporate governance, development, and policy implementation under the principles of good governance and risk management continuously as well as reporting the results to the Audit Committee and the Board of Directors for acknowledgment.



Prof. Dr. Suwimon Keeratipibul  
Chairman of the Corporate Governance and Risk Management Committee  
10 February 2022

### 3. The Investment Committee

#### Report of the Investment Committee 2021

To the Shareholders of Thai President Foods PCL.,

The Board of Directors of Thai President Foods PCL. has appointed the Investment Committee consisting of 5 Directors and having service term of 1 year and Mrs. Wanwisa Pounsinsin has been the Secretary of the Committee. The Investment Committee held 7 meetings in 2021, and attended the meeting as per following details,

Name	Position	Attendance the Meeting / Total Meetings
1. Mrs. Tongurai Limpiti	Chairman of the Investment Committee	7/7
2. Mr. Pun Paniangvait	Member of the Investment Committee	7/7
3. Mr. Wasan Boonsampankit	Member of the Investment Committee	7/7
4. Miss Vimol Techakosol	Member of the Investment Committee	7/7
5. Mrs. Chalairat Sorasuchart *	Member of the Investment Committee	2/2

\*No. 5 Appointed in October 2021

In 2021, the Investment Committee performed duties as assigned by the Board of Directors as per following details,

1. Preparing investment policy framework and considering investment plans in accordance with the approved investment policy framework.
2. Setting investment risk management practices.
3. Directing the preparation of investment procedures.
4. Supervising the investment in accordance with the investment policy framework and investment plans, and approved investment procedures and risk management policy.
5. Reviewing and adjusting the investment policy framework and investment plans to suit the situations and proposing the revised investment policy framework for consideration and approval.

The Investment Committee has performed the duties and responsibilities that are stated in the Investment Committee Charter at the highest potential. In addition, the Investment Committee provides advice and recommendations to the company's management on matters related to the management of investments and companies in the investment portfolio and reports the results to the Board of Directors for acknowledgment.

( Mrs. Tongurai Limpiti)

Chairman of the Investment Committee

11 February 2022

## 9. Internal Control and Related Transactions

### 9.1 Internal Control

#### (1) The opinion of the Board of Directors on Internal control of the Company

The Board of Directors has evaluated the adequacy and suitability of Internal Control, and summarized as following,

- Financial Statement of the Company complies with the policy of the Company and generally accepted accounting standards including any amendments or changes in accounting standard and has been conducted with faithful discretion to record necessary accounting estimate to represent accurate operating performance.
- The Company has clearly defined the scope of duties in written for all staff level, has separated responsibilities among the persons to approve payment, post account, maintain information system, and handle property to encourage verifiability according to the effective internal control.
- The Company establishes the procedures to protect classified information to prevent any use of information for personal benefits, intention may causing damages to the Company, disclosure of information to customers/selling agents/suppliers/competitors/or external parties, excepting for the use of information in normal business operation or general publicized information.
- The Company establishes the operation procedure for all staffs to prevent any actions which may cause conflict of interest with business of the Company.
- The Company monitors and evaluates up-to-date news or information which may cause risk factors to conduct appropriate risk mitigation measures.

The company has the strategic plan to create sustainable growth and profits, to create value-added products and services for customers and society through quality-focused processes and to develop technologies under the good cooperate governance principles, risk management and efficient and effective internal control system. The company has the reliable information technology to ensure that our business operation is transparent, verifiable and able to minimize or prevent possible damage to the extent that the shareholders and stakeholders can trust our internal control system. Therefore, the Board of Directors has appointed the Audit Committee consisting of 3 independent directors who are fully qualified under the terms and conditions of the Securities and Exchange Commission to audit the financial statements to ensure correctness and reliability, as well as the related-party transactions or transactions that may lead to conflict of interest, to be reasonable and beneficial for the company's business operation. Moreover, the risk management and governance systems are supervised under the Securities and Stock Exchange Act, as well as other laws relevant to the company's business. There is the Internal Audit Department which independently performs their duties and directly reports to the Audit Committee on regular basis. They are also responsible for assessment of the internal control system to see whether it is appropriate, sufficient and effective under applicable laws and rules, as well as taking care of the assets and efficient utilization of resources with reference the internal control framework of the Committee of Sponsoring Organizations of Treadway Commission (COSO) to ensure that the units comply with the determined internal control system as follows:



### 1) On Control Environment

The company promotes and supports good internal control environment under the company's corporate governance and has an organizational structure with an emphasis on clear division of duties including the approval power according to the chain of command. The company also gives importance to good corporate governance by allowing employees at all levels in the organization to be aware of their roles, duties and responsibilities as well as being aware of their responsibilities. The company has the clear intention to perform the operation by adhering to the principles of good corporate governance with honesty practices. We uphold the codes of ethics and business ethics as well as promoting corporate culture that focuses on honesty and ethics to be the good role model. This can encourage good consciousness to allow personnel in various activities of the organization to work with knowledge and ability as well as supporting the duties in every area. It is an important part that helps supporting the organization's operations to achieve the control objectives with limited resources in order to achieve sustainability for the organization.

### 2) On Risk Assessment

The company is aware of the importance of risk management amidst the changes that affect the business from both internal and external factors. Thus, the risk management is conducted throughout the organization. The Board of Directors has appointed the Corporate Governance and Risk Management Committee to be responsible for determining the policy framework as the guidelines for risk management which may impact the company's achievement of the business objectives. The Board of the Company is responsible to establish risk management to handle any potential risks which may disrupt our strategic objectives. The Board shall assign Risk Management Committee to formulate risk management policy and frameworks to effectively oversee risk management practices, and to continuously monitor any significant risks to the organization. On this regards, all internal units shall be responsible to handle and control all potential risks at the acceptable level, and report their risk management performance to the Board of Directors on regular basis.

In addition, the Company has implemented operational risk management as been certified by several international operational standards and foods safety standards, namely ISO 9001 (Quality Management System), ISO 14001 (Environmental Management System), ISO/TEC 17025 (General Requirements for the Competence of Testing and Calibration Laboratories), GMP (Good Manufacturing Practices), HACCP (Hazard Analysis and Critical Control Points), BRC (Global Standard for Food Safety), Kosher (Kosher Foods Manufacturing Standard), Halal(Halal Foods Manufacturing Standard), AEOs (Authorized Economic Operator Standard of Customs Department for Exporters) Corruption risk is considered one of the major risks of the organization. The Company has evaluated and identified such risk management measures including monitoring and reporting the risk status continuously in order to ensure that the Company is able to manage risks promptly and supervise risk management to be at an acceptable level.

Corruption risk is considered one of the major risks of the organization. The Company has evaluated and identified such risk management measures including monitoring and reporting the risk status continuously in order to ensure that the Company is able to manage risks promptly and supervise risk management to be at an acceptable level.

### 3) On Control Activities

The company has determined the clear and appropriate internal control activities for the risks and the business nature and performed audit to ensure that the operations are in accordance with the rules, regulation and work manuals regularly. The Company conducts Control Activities on regular basis to ascertain that all working operations shall be in compliance with Rules, Regulations, and Operational Manual. The Company shall evaluate operational performance for staff at all levels to ensure the achievement of business's objective. The scope of duties and limit of financial The scope of duties and limit of financial approval is clearly defined in written. In addition, the Company

established protection of asset practice to prevent the loss of asset or improper use of asset for personal benefit. The Company also assigned the staff to be responsible for internal control in each operational procedure. The Company strictly complied with the regulation on information disclosure of connected transaction as required by the Securities Exchange Commission, and monitored all operations to ensure compliance with Company's rules and related laws.

#### 4) On Information and Communication System

The company places importance on the information system and communication by providing internal and external communication channels to ensure that the decisions of shareholders, stakeholders, directors, and management of the company are made on the basis of correctness, sufficiency, reliability, and timeliness. Key and general information shall be disclosed in the annual report, annual report form (56-1) on the website: [www.mama.co.th](http://www.mama.co.th) and disclosed through the Stock Exchange of Thailand. The company has the policy to disclose its information and rules in insider information usage, as well as communicating with the employees to allow them to know about the company's policies and rules including other information through the company's channels. There are also the whistleblowing channels where employees can report breaches and corruption safely. The guidelines for dealing with complaints clearly and in timely manner have been determined and notified on the company's website, or employee may report the issues to the Audit Committee or through other channels informed by the company in the annual report on anti-corruption. The Company shall prepare supporting documents for the Board's meeting to provide necessary and sufficient information. Such meeting document has been submitted to the Board's Member in advance as required by the laws. The Company has evaluated efficiency of every Board's meeting. The Company compiles the minute of the Board's meeting which is open for the shareholders to monitor performance of Directors of the Company. The accounting documents are kept by category as required by the laws, and back-up information system has been implemented. The Audit Committee will hold the meeting with external auditor and the Management to discuss about the auditor's report, operational result of the Company, accounting policy, internal control system, and the disclosure of related party transaction, etc.

The Company recognizes the importance of information technology. The Company has continuously improved information system to ensure that effective and efficient information needed for decision making can be communicated throughout the organization. Such important information includes Management's policy, rules and regulations, order of the executive, and compliance information. The employee's information can be delivered from top Management to all staff levels. The effective information safety system has been implemented to safeguard communication channel of the Company. The contingent plan to protect important information when having severe disasters which disrupt our normal operation is also conducted. For external communication, the Company has set up Investor Relation Unit to be the communication channel to provide information and to receive complaint or suggestion from outside persons.

#### 5) On Monitoring Activities System

The Company has followed up the performance result of the Company on monthly basis. Year-on-year performance comparison will be analyzed and led to suitable change in our business strategy. In addition, The company has the process to follow up and assess the appropriateness of internal control system in which the Internal Audit Department which is the independent unit is responsible for building trust, giving consultations, conducting audit, and verify the work under the internal control system to ensure adequate Internal Control, the Company assigns Internal Audit Department to execute annual auditing plan, to evaluate adequacy and suitability of Internal Control System, to follow up auditing result, and directly report to the Audit Committee. The Audit Committee is responsible to report any significant operational error to the Board to find out corrective measure in timely basis.



## (2) The opinion of the Audit Committee

The Board of Directors has reviewed and amended the Charter of the Audit Committee to be in compliance with the regulation related to the Independent Director and Audit Committee as prescribed by Stock Exchange Thailand and Securities and Exchange Commission, as well as included the responsibility of Audit Committee to formulate the anti-corruption policy to be suitable with nature, environment, and culture of the Company and to propose to the Board of Directors for approval. In addition, the Audit Committee has reviewed and evaluated the risk of potential fraud as proposed by Internal Audit Department to ascertain that such fraud risk shall incur minimum impact to the financial position and performance of the Company. The Audit Committee shall investigate the complaint from whistle-blower of any wrongdoing in the organization, and propose to the Board of Directors to determine punishment and corrective measure. The Audit Committee shall perform duties with independence to encourage effective internal audit procedure. On this regard, the Audit Committee may hold the meeting with the external auditor without presence of Executives of the Company.

According to the evaluation of internal control system of the Company in 5 abovementioned areas and quarterly internal audit report, the Audit Committee is of the opinion that the Company has established adequate Internal Control and performed appropriate risk management to support continuous business operation in order to achieve business objective. Although some particular operations required improvement as recommended by internal auditor, the related department has conducted corrective measure to lessen or prevent such potential risk, and such improvement has already been verified by follow-up procedures. Thus the concerning Department should be able to conduct operation to meet business target in a suitable manner. However the effectiveness of internal control of the Company is changeable according to various factors, thus may affecting business operation.

## (3) Internal Audit

The Board of Directors has common opinion with the Independent Director and Audit Committee that: the Company has established appropriate Internal Control to be suitable with current nature of business, and recognized that no matter how much internal control to be performed, the Company is not protected from all sort of error, but having prevented such potential risk in a reasonable manner.

The Internal Audit Department is independent and direct to the Audit Committee. The internal management works directly to the Company's director. The Audit Committee is responsible for approving the appointment, transfer or termination of employment and assess the performance of the head of internal audit. Currently, Miss. Ariya Tangcheevinsirikul is the Internal Audit Manager. The Internal Audit Department is able to access the information needed to verify and assess the adequacy, appropriateness and efficiency of the internal control system of various processes and systems according to the internal audit plan approved by the Audit Committee by the annual internal audit plan prepared in accordance with the risk-based audit Corporate risk, Anti-corruption risk, Inspection issues and report the audit and monitoring results directly to the Audit Committee regularly.

In 2021, no issue about material internal control system faults was found. The company has the appropriate and effective internal control system for business operation, and all business units comply with the determined rules and procedures.

## 9.2 Related Transactions

The related transactions between the company and the associated and related companies were the normal business activities. The price of products and services as well as the terms and conditions under these transactions we reconducted at fair value and were disclosed in Notes 11 to the financial statements. All of the related transactions were summarized as follows:

Related Parties	Relationship	Transactions Details	Consolidated : Transaction Value (Mil. Baht)			Policy and Necessity Of the Transactions
			As of 31 Dec. 2021	As of 31 Dec. 2020	As of 31 Dec. 2019	
1. Kerry Flour Mills Co., Ltd.	Associated Company Through common shareholdings 39%	Purchase of raw material	597	638	612	Approximately market price with reference to purchase volume
		Dividend income	74	78	68	At the announced rate
2. Sanko Machinery (Thailand) Co., Ltd.	Associated Company Through common shareholdings 35%	Purchase of goods	0.7	3	1	Approximately market price with reference to purchase volume
		Purchase of machinery and equipment	2	3	0.9	Agreed price
3. President Foods (Cambodia) Co., Ltd.	Associated Company Through common shareholdings 30%	Sales	92	116	75	Cost Plus margin
		Other Income	9	10	10	Cost Plus margin
4. Thai Instant Product Co., Ltd.	Associated Company Through common shareholdings 25%	Purchase of raw material	14	16	22	Approximately market price with reference to purchase volume
		Interest income	0.4	0.1	0.1	Upon Contract
5. Kewpie (Thailand) Co., Ltd.	Other Company Through common shareholdings 10%	Purchase of raw material	25	30	1	Approximately market price with reference to purchase volume
		Dividend income	7	7	7	At the announced rate
6. Saha Pathana InterHolding Public Co., Ltd. ("SPI")	Through common shareholdings and directorships	Production cost	220	181	212	Approximately market price with reference to purchase volume
		Dividend income	5	5	5	
		Interest income	0.2	0.1	-	At the announced rate
7. Saha Pathanapibul Public Co., Ltd. ("SPC")	Through common shareholdings and directorships	Sales	9,808	9,363	9,222	At the announced rate
		Administrative expenses	1	2	3	Cost Plus margin Contract price
8. Jims Group Co., Ltd.	Through common shareholdings and directorships	Sales	0.9	0.2	4	Cost Plus margin
		Purchase of raw material	134	176	184	Approximately market price with reference to purchase volume
9. Northern Technology Co., Ltd.	Through common shareholdings and directorships	Purchase of machinery and equipment	27	53	59	Agreed price
		Purchase of goods	4	2	2	Cost Plus margin
10. Far East Fame Line DDB Public Co., Ltd.	Through common shareholdings and directorships	Research fee / Advertising expenses	51	79	212	Contract price

## The Necessity and Rationality of the Transactions

The auditor has examined the related transactions and gave the opinion that the related transactions as aforementioned were mainly about the trading of products which was conducted under the terms and conditions upon the jointly agreement of the two parties and was the normal business activities. Moreover, such transactions were reported to the Audit Committee regularly on a quarterly basis.

The Board of Directors resolved to give approval in principle according to the Securities and Stock Exchange Act (No. 4) 2008 (B.E. 2551), Section 89/12 (1), enabling the management department to approve such transactions if those transactions include trade agreements in the same manner that an ordinary person should do with a general contract party in the same situation by the trade bargaining power without the influence of a status as a director, executive or related party.

In 2021, the Audit Committee reported business transactions with related parties that occurred during the period to the Board of Directors for acknowledgement, together with the quarterly financial statements as well as the annual financial statements.

## Comments of the Audit Committee regarding to the transactions

In the case of there is a significant connected transaction, the company has a policy to bring the matter to the Board of Directors' meeting with the approval of the audit committee to consider or give approval to be proposed to the shareholders' meeting according to the size of the transaction.

In the year 2021, the Audit Committee has no objection regarding the connected transactions.

## The Process of Related Transactions

In the conduct of the related transactions, the price of products and services charged in the transactions shall reflect the normal market rate. In the case of no such market rate, the other market price under the comparable terms and conditions shall be applied or the price in the transactions shall be considered on the basis of the report of the independent appraisers appointed by the company or the associated. This is to ensure that the price of products and services charged in such transactions is reasonable and is for the maximum benefits to the company. In addition, the company's audit committee will examine the related transactions and disclose the relevant details of such transactions on quarterly basis in order to avoid any conflicts of interests.

## The Policies of Related Transactions in the Future

The future related transactions, upon the jointly examination of the audit committee and the company, will be conducted with the rationality and with the fair returns. However because the related transactions are mainly on the basis of the normal business activities and because the company retains a policy to support the operations of each other in the Group, the related party transactions will continue in the future but with the framework of the rationality together with the appropriate conditions and the fair price.



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## Section 3

# Financial Report



## Report of the Board of Director's responsibilities on the Financial Report



The Board of Directors is aware of the roles and responsibilities as the Board of Directors of the registered company to be responsible for the financial statement of Thai President Foods Public Company Limited and the subsidiaries. Such financial statement was made in accordance with Thai Financial Report Standard (TFRS) by selecting the suitable accounting policy and consistently applying such standard, as well as using the careful discretion and reasonable estimation for preparing the financial report. The key information is disclosed adequately in the Notes to the Financial Statement and the description and the analysis of the financial status and performance of the Company and the subsidiaries are presented for the benefit of the shareholders and general investors. In this regard, the financial statement has examined and commented without condition by the independent Certified Public Accountant.

Apart from that, the Board of Directors has supported the Company to comply with the Corporate Governance and also provide the efficient and effective risk management system, internal control system to ensure that the accounting is done correctly, completely and adequately for maintaining the assets of the Company and the subsidiaries and also to significantly prevent the fraud or abnormal operation.

In this regard, the Audit Committee of the Company which contains independent directors who is responsible for examination on the quality of the Financial Report and the internal control system for the Audit Committee's opinion is specified in the report of the Audit Committee as shown in the Annual Report 2021 (56-1 One Report).

The Board of Directors has the opinion that, the Corporate Governance, the Risk Management System and internal control system of the Company is adequate and appropriate and they can reasonably ensure the reliability that the financial statement of the Company and the subsidiaries, for the year ended 31 December 2021, has been duly prepared and disclosed, in essence, as appropriate according to the Thai Financial Report Standard.

Mr. Boonsithi Chokwatana  
Chairman of the Board

Mr. Pipat Paniangvait  
Vice Chairman and Chief Executive Officer

## Independent Auditor's Report



To the Shareholders of Thai President Foods Public Company Limited

### Opinion

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

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

### Basis for Opinion

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

### Key Audit Matters

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

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



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

#### *Revenue recognition*

The Group disclosed accounting policies for revenue recognition in Note 4.1 to the financial statements. The group's revenue from sales represented significant amounts in the financial statements, and directly affect profit or loss of the Group. In addition, there are both domestic and export sales with a variety of conditions in the revenue recognition. As a result, there are risks with respect to the amount and timing of revenue recognition. I therefore gave significant attention to the revenue recognition of the Group.

I assessed and tested the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. I applied a sampling method to select sales transactions to assess whether the recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy. On a sampling basis, I examined supporting documents for actual sales transactions occurring during the year and near the end of the accounting period. I also reviewed of credit notes that were issued after the end of accounting period. In addition, I performed analytical procedures of disaggregated data to detect possible irregularities in sales transactions throughout the accounting period, particularly for accounting entries made through journal vouchers.

#### **Other Information**

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

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

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

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

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

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

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

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

#### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

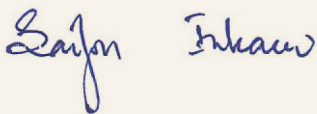
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting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

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

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

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

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



Saifon Inkaew

Certified Public Accountant (Thailand) No. 4434

EY Office Limited

Bangkok: 24 February 2022

# Statement of financial position



Thai President Foods Public Company Limited and its subsidiaries

As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	3,588,586,370	3,695,417,204	1,772,686,372	2,016,174,341
Trade and other receivables	7, 8	3,649,020,062	3,237,726,603	2,374,064,690	2,030,351,780
Inventories	9	1,907,395,771	1,420,942,930	757,348,071	629,416,201
Other current financial assets	10	8,484,454,624	7,766,743,541	3,360,843,298	3,497,685,347
Other current assets		98,635,529	104,360,698	36,262,850	27,364,409
<b>Total current assets</b>		<b>17,728,092,356</b>	<b>16,225,190,976</b>	<b>8,301,205,281</b>	<b>8,200,992,078</b>
<b>Non-current assets</b>					
Long-term loan to related party	8	8,000,000	8,000,000	8,000,000	8,000,000
Account receivable under repurchase agreement	11	500,000,000	-	500,000,000	-
Investments in subsidiaries	12	-	-	3,596,749,005	3,530,249,005
Investments in associates	13	3,269,268,291	3,018,630,055	653,173,729	410,673,729
Investments in joint venture	14	31,346,410	29,819,188	-	-
Other non-current financial assets	10	9,785,366,623	8,460,702,257	6,051,739,483	5,453,412,870
Investment properties	15	406,403,397	406,403,397	427,263,370	427,843,642
Property, plant and equipment	16	8,594,919,979	9,051,885,097	2,951,493,870	3,132,533,203
Right-of-use assets	19	84,035,577	93,360,402	11,074,909	14,895,644
Downpayment for purchase of machinery		5,246,901	542,149	-	-
Intangible assets	17	21,584,212	24,078,888	6,362,424	8,281,141
Goodwill		1,219,147	42,006,719	-	-
Deferred tax assets	26	41,855,372	40,816,357	347,710	-
Other non-current assets		16,340,615	15,131,747	5,195,328	3,752,760
<b>Total non-current assets</b>		<b>22,765,586,524</b>	<b>21,191,376,256</b>	<b>14,211,399,828</b>	<b>12,989,641,994</b>
<b>Total assets</b>		<b>40,493,678,880</b>	<b>37,416,567,232</b>	<b>22,512,605,109</b>	<b>21,190,634,072</b>

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

## Statement of financial position (continued)



Thai President Foods Public Company Limited and its subsidiaries

As at 31 December 2021

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	8, 18	2,070,894,559	1,781,038,449	1,265,212,113	1,167,437,827
Current portion of long-term lease liabilities	8, 19	35,480,073	36,628,973	3,826,861	3,691,022
Income tax payable		370,699,730	321,181,735	158,875,388	163,016,061
Accrued bonus		340,829,133	368,515,339	174,063,130	206,378,160
Other accrued expenses	8	342,280,356	335,797,585	147,290,913	122,637,147
Other current liabilities		75,502,260	95,080,747	41,217,140	48,847,360
<b>Total current liabilities</b>		<b>3,235,686,111</b>	<b>2,938,242,828</b>	<b>1,790,485,545</b>	<b>1,712,007,577</b>
<b>Non-current liabilities</b>					
Long-term lease liabilities,					
net of current portion	8, 19	48,944,122	57,239,639	7,386,863	11,213,724
Provision for long-term employee benefits	20	982,520,085	1,005,079,183	653,324,362	664,062,449
Deferred tax liabilities	26	-	20,723,341	-	19,612,317
Other non-current liabilities		3,989,512	3,830,402	-	-
<b>Total non-current liabilities</b>		<b>1,035,453,719</b>	<b>1,086,872,565</b>	<b>660,711,225</b>	<b>694,888,490</b>
<b>Total liabilities</b>		<b>4,271,139,830</b>	<b>4,025,115,393</b>	<b>2,451,196,770</b>	<b>2,406,896,067</b>

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

## Statement of financial position (continued)

Thai President Foods Public Company Limited and its subsidiaries

As at 31 December 2021

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Registered share capital					
329,704,014 ordinary shares of					
Baht 1 each					
		329,704,014	329,704,014	329,704,014	329,704,014
Issued and fully paid-up share capital					
329,704,014 ordinary shares of					
Baht 1 each					
		329,704,014	329,704,014	329,704,014	329,704,014
Share premium		712,962,638	712,962,638	712,962,638	712,962,638
Surplus of investment over fair value of					
net assets of subsidiary					
		(1,378,557,237)	(1,377,594,707)	-	-
Retained earnings					
Appropriated - statutory reserve					
	21	39,000,000	39,000,000	39,000,000	39,000,000
Unappropriated					
		28,106,865,737	25,884,952,495	18,533,929,211	17,218,807,631
Other components of shareholders' equity					
		366,849,815	386,385,956	445,812,476	483,263,722
Equity attributable to owners of the Company					
		28,176,824,967	25,975,410,396	20,061,408,339	18,783,738,005
Non-controlling interests of the subsidiaries					
		8,045,714,083	7,416,041,443	-	-
Total shareholders' equity		36,222,539,050	33,391,451,839	20,061,408,339	18,783,738,005
Total liabilities and shareholders' equity		40,493,678,880	37,416,567,232	22,512,605,109	21,190,634,072

The accompanying notes are an integral part of the financial statements

# Statement of comprehensive income



Thai President Foods Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales	8, 27, 29	24,457,039,812	23,580,478,011	14,710,701,640	13,985,009,234
Dividend income		72,401,673	74,901,434	726,565,252	768,113,941
Other income					
Exchange gain		65,193,440	22,097,675	47,483,451	12,872,420
Gain on disposals of property, plant and equipment		11,425,599	10,173,113	13,984,428	3,338,513
Others	8	228,296,121	183,158,425	115,462,001	93,973,643
Total other income	22	304,915,160	215,429,213	176,929,880	110,184,576
<b>Total revenues</b>		<b>24,834,356,645</b>	<b>23,870,808,658</b>	<b>15,614,196,772</b>	<b>14,863,307,751</b>
<b>Expenses</b>	25				
Cost of sales	8	16,126,932,039	14,849,957,443	11,133,858,530	10,018,666,977
Selling and distribution expenses	8	1,934,589,992	1,749,082,790	541,189,314	330,848,756
Administrative expenses	8	1,939,136,522	1,861,997,240	1,142,420,448	1,168,511,337
<b>Total expenses</b>		<b>20,000,658,553</b>	<b>18,461,037,473</b>	<b>12,817,468,292</b>	<b>11,518,027,070</b>
<b>Profit from operating activities</b>		<b>4,833,698,092</b>	<b>5,409,771,185</b>	<b>2,796,728,480</b>	<b>3,345,280,681</b>
Share of profit from investments in associates and joint venture	13, 14	237,729,102	294,978,578	-	-
Finance income	23	338,139,334	275,901,741	194,626,921	180,106,798
Finance cost	24	(2,895,615)	(2,831,397)	(480,244)	(610,891)
<b>Profit before income tax expenses</b>		<b>5,406,670,913</b>	<b>5,977,820,107</b>	<b>2,990,875,157</b>	<b>3,524,776,588</b>
Income tax expenses	26	(681,408,867)	(725,686,491)	(304,373,839)	(385,899,193)
<b>Profit for the year</b>		<b>4,725,262,046</b>	<b>5,252,133,616</b>	<b>2,686,501,318</b>	<b>3,138,877,395</b>

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



## Statement of comprehensive income (continued)

Thai President Foods Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	(4,848,882)	19,813,340	-	-
Loss on investments in debt instruments designated at fair value through other comprehensive income - net of income tax	26 (21,585,835)	(27,527,718)	(13,669,226)	(23,119,985)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(26,434,717)	(7,714,378)	(13,669,226)	(23,119,985)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain (loss) - net of income tax	26 196,955	(69,072)	196,955	(61,763)
Gain (loss) on investments in equity instruments designated at fair value through other comprehensive income - net of income tax	54,426,050	(146,688,696)	5,883,347	(112,680,241)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	54,623,005	(146,757,768)	6,080,302	(112,742,004)
<b>Other comprehensive income for the year</b>	28,188,288	(154,472,146)	(7,588,924)	(135,861,989)
<b>Total comprehensive income for the year</b>	4,753,450,334	5,097,661,470	2,678,912,394	3,003,015,406
<b>Profit attributable to:</b>				
Equity holders of the Company	3,574,644,358	4,090,005,921	2,686,501,318	3,138,877,395
Non-controlling interests of the subsidiaries	1,150,617,688	1,162,127,695		
	4,725,262,046	5,252,133,616		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	3,603,383,810	3,944,738,307	2,678,912,394	3,003,015,406
Non-controlling interests of the subsidiaries	1,150,066,524	1,152,923,163		
	4,753,450,334	5,097,661,470		
<b>Earnings per share</b>	28			
Basic earnings per share				
Profit attributable to equity holders of the Company	10.84	12.41	8.15	9.52
Weighted average number of ordinary shares (shares)	329,704,014	329,704,014	329,704,014	329,704,014

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

# Statement of changes in shareholders' equity

Thai President Foods Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit: Baht)

Consolidated financial statements												
	Equity attributable to the parent's shareholders											
	Other components of shareholders' equity											
	Other comprehensive income											
	Exchange differences on translation of financial statements in foreign currency											
	Issued and paid-up share capital	Share premium	Surplus of investment over fair value of net assets of subsidiary	Retained earnings - Appropriated - statutory reserve	Unappropriated reserve	Fair value reserve of financial assets at FVOCI	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity		
Note												
<b>Balance as at 1 January 2020</b>	329,704,014	712,962,638	(1,377,594,707)	39,000,000	23,463,952,006	585,024,332	478,197,807	23,646,221,758	6,651,973,559	30,298,195,317		
Profit for the year	-	-	-	-	4,090,005,921	-	-	4,090,005,921	1,162,127,695	5,252,133,616		
Other comprehensive income for the year	-	-	-	-	(66,527)	(155,128,230)	(145,201,087)	(145,267,614)	(9,204,532)	(154,472,146)		
Total comprehensive income for the year	-	-	-	-	4,089,939,394	9,927,143	(145,201,087)	3,944,738,307	1,152,923,163	5,097,661,470		
Increase in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	153,968,316	153,968,316		
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earnings	-	-	-	-	(53,389,236)	53,389,236	53,389,236	-	-	-		
Dividend paid	-	-	-	-	(1,615,549,669)	-	-	(1,615,549,669)	(542,823,595)	(2,158,373,264)		
<b>Balance as at 31 December 2020</b>	329,704,014	712,962,638	(1,377,594,707)	39,000,000	25,884,952,495	483,285,338	386,385,956	25,975,410,396	7,416,041,443	33,391,451,839		

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

# Statement of changes in shareholders' equity (continued)

Thai President Foods Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit: Baht)

Consolidated financial statements											
	Note	Equity attributable to the parent's shareholders									
		Other components of shareholders' equity									
		Other comprehensive income									
		Exchange differences on translation of financial statements in foreign currency									
		Issued and paid-up share capital	Share premium	Surplus of investment over fair value of net assets of subsidiary	Retained earnings	Unappropriated statutory reserve	Fair value reserve of financial assets at FVOCI	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
<b>Balance as at 1 January 2021</b>		329,704,014	712,962,638	(1,377,594,707)	39,000,000	25,884,952,495	(96,899,382)	483,285,338	25,975,410,396	7,416,041,443	33,391,451,839
Profit for the year		-	-	-	-	3,574,644,358	-	-	3,574,644,358	1,150,617,688	4,725,262,046
Other comprehensive income for the year		-	-	-	-	196,955	15,556,913	12,985,584	28,739,452	(551,164)	28,188,288
Total comprehensive income for the year		-	-	-	-	3,574,841,313	15,556,913	12,985,584	3,603,383,810	1,150,066,524	4,753,450,334
Net decrease in the Company's equity from change in the Company's investment		-	-	(962,530)	-	-	-	-	(962,530)	-	(962,530)
Increase (decrease) in non-controlling interests of the subsidiaries		-	-	-	-	235,351	-	-	235,351	(10,345,801)	(10,110,450)
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earnings		-	-	-	-	48,078,638	-	(48,078,638)	-	-	-
Dividend paid	31	-	-	-	-	(1,401,242,060)	-	-	(1,401,242,060)	(510,048,083)	(1,911,290,143)
<b>Balance as at 31 December 2021</b>		329,704,014	712,962,638	(1,378,557,237)	39,000,000	28,106,865,737	(81,342,469)	448,192,284	28,176,824,967	8,045,714,083	36,222,539,050

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

# Statement of changes in shareholders' equity (continued)

Thai President Foods Public Company Limited and its subsidiaries  
For the year ended 31 December 2021

(Unit: Baht)

Separate financial statements									
	Other components of shareholders' equity								
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Fair value reserve of financial assets at FVOCI	Total other components of shareholders' equity		Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated		Total other components of shareholders' equity		
Balance as at 1 January 2020		329,704,014	712,962,638	39,000,000	15,740,154,951	574,450,665	574,450,665	574,450,665	17,396,272,268
Profit for the year		-	-	-	3,138,877,395	-	-	-	3,138,877,395
Other comprehensive income for the year		-	-	-	(61,763)	(135,800,226)	(135,800,226)	(135,800,226)	(135,861,989)
Total comprehensive income for the year		-	-	-	3,138,815,632	(135,800,226)	(135,800,226)	(135,800,226)	3,003,015,406
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earnings		-	-	-	(44,613,283)	44,613,283	44,613,283	44,613,283	-
Dividend paid	31	-	-	-	(1,615,549,669)	-	-	-	(1,615,549,669)
Balance as at 31 December 2020		329,704,014	712,962,638	39,000,000	17,218,807,631	483,263,722	483,263,722	483,263,722	18,783,738,005
Balance as at 1 January 2021		329,704,014	712,962,638	39,000,000	17,218,807,631	483,263,722	483,263,722	483,263,722	18,783,738,005
Profit for the year		-	-	-	2,686,501,318	-	-	-	2,686,501,318
Other comprehensive income for the year		-	-	-	196,955	(7,785,879)	(7,785,879)	(7,785,879)	(7,588,924)
Total comprehensive income for the year		-	-	-	2,686,698,273	(7,785,879)	(7,785,879)	(7,785,879)	2,678,912,394
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earnings		-	-	-	29,665,367	(29,665,367)	(29,665,367)	(29,665,367)	-
Dividend paid	31	-	-	-	(1,401,242,060)	-	-	-	(1,401,242,060)
Balance as at 31 December 2021		329,704,014	712,962,638	39,000,000	18,533,929,211	445,812,476	445,812,476	445,812,476	20,061,408,339

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

# Statement of cash flows

Thai President Foods Public Company Limited and its subsidiaries  
For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Cash flows from operating activities</b>					
Profit before tax		5,406,670,913	5,977,820,107	2,990,875,157	3,524,776,588
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:					
Depreciation	15, 16, 19	1,213,684,060	1,207,201,652	515,435,428	470,580,431
Amortisation	17	5,846,353	8,860,374	2,472,731	5,253,938
Gain on disposals of property, plant and equipment		(11,425,599)	(10,173,113)	(13,984,428)	(3,338,513)
Gain on disposals of other non-current financial assets		(12,022,144)	(18,130,552)	(5,252,183)	(7,380,527)
Loss from write-off of property, plant and equipment		5,765,730	2,740,359	15,332	430,204
Loss from write-off of intangible assets		-	12,300	-	12,300
Loss from impairment of goodwill		40,787,572	-	-	-
Gain on disposals of investments in associate		(52,904,278)	(26,776,015)	-	-
Allowance for deteriorated inventories (reversal)		773,928	(2,216,773)	-	-
Allowance for impairment of investments in subsidiary company	12.1	-	-	-	54,922,055
Allowance for impairment of investments in associate	13.1	-	-	5,000,000	3,490,313
(Gain) loss on fair value adjustments of financial instruments		42,040,298	(20,096,371)	33,128,536	(11,131,537)
Allowance for expected credit losses (reversal)		(1,743,945)	304,217	-	-
Share of profit from investments in associates	13.1	(234,476,130)	(291,536,015)	-	-
Share of profit from investments in joint venture	14	(3,252,972)	(3,442,563)	-	-
Dividend received from subsidiary companies	12.1	-	-	(586,604,811)	(634,772,427)
Dividend received from associates	13.1	-	-	(90,856,656)	(86,371,979)
Dividend income from non-listed equity investment		(72,401,673)	(74,901,434)	(49,103,785)	(46,969,535)
Interest income		(338,139,334)	(275,901,741)	(194,626,921)	(180,106,798)
Finance cost		2,895,615	2,831,397	480,244	610,891
Provision for long-term employee benefits		82,306,919	83,715,101	50,706,777	52,049,526
Profit from operating activities before changes in operating assets and liabilities		6,074,405,313	6,560,310,930	2,657,685,421	3,142,054,930
Operating assets (increase) decrease					
Trade and other receivables		(362,467,488)	302,571,925	(258,652,205)	82,416,531
Inventories		(487,226,769)	35,993,152	(127,931,870)	(75,531,191)
Other current assets		7,605,717	2,212,026	(8,898,441)	(16,813,223)
Other non-current assets		(1,208,868)	22,286,697	(1,442,568)	1,108,537
Operating liabilities increase (decrease)					
Trade and other payables		209,776,300	(118,335,067)	43,543,852	88,986,446
Other current liabilities		(19,582,319)	24,317,783	(7,630,219)	5,677,048
Other non-current liabilities		159,110	(57,340,075)	-	(57,340,835)
Provision for long-term employee benefits		(104,866,017)	(68,274,380)	(61,444,864)	(48,392,247)
Cash flows from operating activities		5,316,594,979	6,703,742,991	2,235,229,106	3,122,165,996
Cash paid for income tax		(661,678,931)	(775,628,309)	(326,331,115)	(412,767,814)
<b>Net cash flows from operating activities</b>		<b>4,654,916,048</b>	<b>5,928,114,682</b>	<b>1,908,897,991</b>	<b>2,709,398,182</b>

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

## Statement of cash flows (continued)

Thai President Foods Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Cash flows from investing activities</b>				
Decrease in restricted bank deposit	-	36,348,041	-	-
Increase in short-term loan to related party	8.2	(1,000,000)	-	(1,000,000)
Decrease in short-term loan to related parties	8.2	2,000,000	-	2,000,000
Increase in account receivable under repurchase agreement	11	(500,000,000)	(500,000,000)	-
Increase in other current financial assets		(15,798,058,388)	(14,343,026,175)	(7,737,281,028)
Decrease in other current financial assets		15,080,347,305	14,479,868,224	7,147,537,239
Increase in long-term loan to related party	8.2	-	-	(8,000,000)
Increase in other non-current financial assets		(8,537,637,027)	(4,350,681,467)	(3,239,222,456)
Decrease in other non-current financial assets		7,223,502,881	3,714,472,839	3,197,654,485
Increase in investments in subsidiary companies	12.1	-	(66,500,000)	(64,464,000)
Increase in investments in associate	13.1	(412,500,000)	(247,500,000)	(90,000,000)
Proceed received from disposal of investment in associate	13.1	393,940,547	-	-
Dividend received from subsidiary companies	12.1	-	586,604,811	634,772,427
Dividend received from associates	13.1	90,856,656	90,856,656	86,371,979
Dividend received from joint venture	14	1,725,750	-	-
Dividend received from non-listed equity investment		72,388,770	49,090,882	46,905,164
Dividend received by non-controlling interest of subsidiaries		(510,048,083)	-	-
Decrease in leasehold rights		-	-	-
Purchase of property, plant and equipment		(703,998,985)	(320,054,708)	(911,607,110)
Purchase of investment properties		-	-	(304,520,997)
Decrease (increase) in downpayment for purchase of machinery		(4,704,752)	-	-
Proceeds from disposals of property, plant and equipment		12,323,004	4,778,217	5,863,346
Purchase of intangible assets		(3,346,464)	(554,014)	(180,450)
Net increase (decrease) in non-controlling interests of the subsidiary		(10,110,450)	-	-
Decrease in advance receipt of non-controlling interests for investments in a subsidiary		-	-	-
Surplus of investment over book value of subsidiary		(962,530)	-	-
Interest income		291,572,106	155,486,566	181,273,324
<b>Net cash flows used in investing activities</b>		<b>(3,314,709,660)</b>	<b>(747,158,169)</b>	<b>(1,053,898,077)</b>

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

## Statement of cash flows (continued)

Thai President Foods Public Company Limited and its subsidiaries

For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Cash flows from financing activities</b>					
Repayment of liabilities under lease agreements		(36,765,726)	(25,413,819)	(3,691,021)	(3,560,376)
Dividend paid		(1,401,056,526)	(1,614,407,533)	(1,401,056,526)	(1,614,407,533)
Cash paid for interest expenses		(2,895,615)	(2,831,397)	(480,244)	(610,891)
<b>Net cash flows used in financing activities</b>		<b>(1,440,717,867)</b>	<b>(1,642,652,749)</b>	<b>(1,405,227,791)</b>	<b>(1,618,578,800)</b>
Increase (decrease) in translation adjustments		(6,319,355)	9,771,425	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(106,830,834)</b>	<b>375,185,763</b>	<b>(243,487,969)</b>	<b>36,921,305</b>
Cash and cash equivalents at beginning of year		3,695,417,204	3,320,231,441	2,016,174,341	1,979,253,036
<b>Cash and cash equivalents at end of year</b>	<b>6</b>	<b>3,588,586,370</b>	<b>3,695,417,204</b>	<b>1,772,686,372</b>	<b>2,016,174,341</b>

### Supplementary disclosures of cash flows information

#### Non-cash related transactions

Write off trade and other accounts receivable as bad debts	17,658,589	-	17,658,589	-
Dividend receivable	12,903	124,056	12,903	64,371
Dividend payable	185,534	1,142,136	185,534	1,142,136
Transferred advance payment for investment in related party to investments in subsidiary	-	-	-	95,985,491
Other receivables from disposal of property, plant and equipment	-	-	45,634,135	-
Other payables from purchase of property, plant and equipment	58,690,841	86,988,368	46,383,636	59,048,196
Liabilities under lease agreements - net of deferred interest	21,786,329	22,921,764	-	-

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



# Notes of consolidated financial statements

Thai President Foods Public Company Limited and its subsidiaries

For the year ended 31 December 2021

## 1. Corporate information

### 1.1 Corporate information

Thai President Foods Public Company Limited (“the Company”) is a public company incorporated from an amalgamation on 16 October 2017 and domiciled in Thailand. Its major shareholder is Sahapatana Interholding Public Company Limited which is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of instant noodles, semi-instant foods and biscuit products. The registered office and head office of the Company is at No. 304, TF Group Building, Srinakarin Road, Huamark Sub-district, Bangkok District, Bangkok. There are five plants, located at Chonburi Province, Lamphoon Province, Rayong Province and another 2 plants at Ratchaburi Province.

### 1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and has an impact on the environment in which the Group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

## 2. Basis of preparation

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

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

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

## 2.2 Basis of consolidation

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2021</u> (Percent)	<u>2020</u> (Percent)
<b><u>Held by the Company</u></b>				
Thai Sun Foods Company Limited	Manufacture and distribution of fruit juice and distribution of biscuit products	Thailand	52.08	52.08
Thai Anbao Paper Products Company Limited	Manufacture and distribution of paper packaging	Thailand	51.00	51.00
Dai-Ichi Packaging Company Limited	Manufacture and distribution of packaging printing products and provide packaging service for consumable products	Thailand	50.10	50.10
Kallol Thai President Foods (BD) Limited	Manufacture and distribution of instant noodles	Bangladesh	55.00	55.00
President Flour Mills Company Limited	Manufacture and distribution of wheat flour-related products	Thailand	60.00	60.00
Thai President Foods (Hungary) Company Limited	Manufacture and distribution of instant noodles	Hungary	65.00	65.00
President Kourakuen Company Limited	Restaurant and drink	Thailand	70.00	70.00
President Bakery Public Company Limited	Manufacture and distribution of bakery products	Thailand	51.99	51.99
President D Venture Company Limited	Investing and/or lending in real estate business	Thailand	70.00	70.00
Ayeyarwaddy Success Venture Foods Co., Ltd	Manufacture and distribution of instant noodles	Myanmar	51.00	51.00
President Interfood Company Limited	Agent	Thailand	59.67	59.67
<b><u>Held by subsidiaries</u></b>				
Siam Sincere Company Limited	Trading of rice bran	Thailand	99.97	99.97
Aksorn Art Paper Cup and Packaging Company	Printing	Thailand	99.99	99.99
President D Venture Company Limited	Investing and/or lending in real estate business	Thailand	30.00	29.00
President Flour Mills Company Limited	Manufacture and distribution of wheat flour-related products	Thailand	10.00	10.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
  - c) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
  - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
  - e) The assets and liabilities in the financial statements of overseas subsidiaries and associates are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
  - f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
  - g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
  - h) In connection with the acquisition of additional shares of subsidiaries (repurchase of share from non-controlling interests), the excess of the cost of investment over fair value of net asset at the acquisition date has been presented in shareholders' equity under "Surplus of investment over fair value of net assets of subsidiary".
- 2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

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

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

Furthermore, the Group elected to adopt the amendments to TFRS 16, Leases, relating to COVID-19-related rent concessions. These amendments provide a practical expedient that permits a lessee to not assess whether rent concessions are lease modifications. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the conditions are met, i.e., the change in lease payments results in a revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease preceding the change; any reduction in lease payments affects only payments originally due on or before 30 June 2022; and there is no substantive change to other terms and conditions of the lease.

The Group applies the practical expedient to rent concessions that meet the above conditions. The adoption of this practical expedient does not have any significant impact on the Group's financial statements.

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

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

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

## **4. Significant accounting policies**

### **4.1 Revenue and expense recognition**

#### *Sales of goods*

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

When a contract provides a customer with a right to return the goods within a specified period, the Group recognises the amount ultimately expected they will have to return to customers as a refund liability and recognise the right to recover the goods expected to be returned by customers as a right of return asset in the statement of financial position. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

#### *Interest income*

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

#### *Finance cost*

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

#### *Rental income*

Rental income is recognised on an accrual basis in accordance with the terms and conditions specified in the contracts.

#### *Dividend income*

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

### **4.2 Cash and cash equivalents**

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

### **4.3 Inventories**

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

The net realisable value of inventory is estimated from the estimated selling price in the ordinary course of business, less the costs to complete the sale.

Raw materials, supplies, spare parts and factory consumables are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

Allowance for deteriorated inventories will be set up for deteriorated inventories.

### **4.4 Investments in subsidiaries, associates and joint ventures**

Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries, associates and joint ventures are accounted for in the separate financial statements using the cost method.

### **4.5 Investment properties**

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income.

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

### **4.6 Property, plant and equipment and depreciation**

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

Depreciation of plant and equipment is calculated by reference to their costs over the following estimated useful lives as follows:

	The Company		The Subsidiaries
	Since 2004	Before 2004	
	<u>Method</u>	<u>Method</u>	<u>Method</u>
<b><u>Building and equipment</u></b>			
<b><u>acquired before 2001</u></b>			
Building	Straight-line 20 years	Declining 20 years	Straight-line 20 years
Machinery	Straight-line 5 years	Straight-line 5 years	Straight-line 10 years
Tools and equipment	Straight-line 5 years	Declining 5 years	Straight-line 5 years
Furniture and fixtures	Straight-line 5 years	Declining 5 years	Straight-line 5 years
Motor vehicles	Straight-line 5 years	Straight-line 5 years	Straight-line 5 years
<b><u>Building and equipment</u></b>			
<b><u>acquired since 2001</u></b>			
Building	Straight-line 10, 20 years	Straight-line 20 years	Straight-line 20 years
Machinery	Straight-line 5, 10, 15 years	Straight-line 5 years	Straight-line 10 years
Tools and equipment	Straight-line 3, 5, 8, 10, 15 years	Straight-line 5 years	Straight-line 5, 7 years
Furniture and fixtures	Straight-line 5 years	Straight-line 5 years	Straight-line 5, 7 years
Motor vehicles	Straight-line 5 years	Straight-line 5 years	Straight-line 5 years

Depreciation is included in determining income.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.



#### 4.7 Intangible assets

Intangible assets are measured at cost on the date of acquisition. Following the initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

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

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

	<u>Useful lives</u>
Computer software	3 - 10 years

The amortisation is included in determining income.

#### 4.8 Goodwill

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

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

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

#### 4.9 Related party transactions

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

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

#### 4.10 Leases

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

##### **The Group as a lessee**

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

##### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

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

Land	20 years
Warehouse	2 - 3 years
Furniture, fixtures and office equipment	3 - 4 years
Motor vehicles	5 years

In case that ownership of the leased asset will be transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation of right-of-use assets is calculated using the estimated useful life of the asset.

***Lease liabilities***

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

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

***Short-term leases and leases of low-value assets***

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

***The Group as a lessor***

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

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

#### 4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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

Gains and losses on exchange are included in determining income.

#### 4.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

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

#### 4.13 Employee benefits

##### ***Short-term employee benefits***

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

##### ***Post-employment benefits and other long-term employee benefits***

###### *Defined contribution plans*

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

###### *Defined benefit plans and other long-term employee benefits*

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

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

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

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

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

#### 4.14 Provisions

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

#### 4.15 Income tax

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

##### ***Current tax***

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

##### ***Deferred tax***

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

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

At each reporting date, the Group reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

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

#### 4.16 Financial instruments

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

##### **Classification and measurement of financial assets**

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

***Financial assets at amortised cost***

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

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

***Financial assets at FVOCI (debt instruments)***

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

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

***Financial assets designated at FVOCI (equity instruments)***

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

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

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

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



### ***Financial assets at FVTPL***

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

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

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

### **Classification and measurement of financial liabilities**

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

### **Regular way purchases and sales of financial assets**

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the settlement date, i.e., the date on which an asset is delivered.

### **Derecognition of financial instruments**

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

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

### **Impairment of financial assets**

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

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

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

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

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

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

### **Offsetting of financial instruments**

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

#### 4.17 Derivatives

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

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

#### 4.18 Fair value measurement

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

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

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

## **5. Significant accounting judgements and estimates**

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

### **5.1 Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

### **5.2 Investment properties, property, plant and equipment/Depreciation**

In determining depreciation of investment properties, and plant and equipment, the management is required to make estimates of the useful lives and residual values of the investment properties, and plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review investment properties, and property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying cost. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### **5.3 Post-employment benefits under defined benefit plans and other long-term employee benefits**

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## 6. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash in hand	4,766	4,841	1,727	1,434
Bank deposits	3,583,820	3,510,576	1,770,959	1,834,740
Promissory notes and bills of exchange	-	180,000	-	180,000
Total	3,588,586	3,695,417	1,772,686	2,016,174

As at 31 December 2021, bank deposits in savings accounts and fixed accounts carried interests at the rates between 0.01% and 0.5% per annum (2020: savings accounts and fixed accounts, promissory notes and bills of exchange carried interests at the rates between 0.01% and 0.5% per annum).

## 7. Trade and other receivables

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	1,427,762	1,339,298	1,548,238	1,443,816
Past due				
Not over 3 months	72,693	58,634	75,121	65,264
Total trade receivables - related parties	1,500,455	1,397,932	1,623,359	1,509,080
<u>Other receivables - related parties</u>				
Accrued income and interest receivable	970	720	53,270	6,377
Total other receivables - related parties	970	720	53,270	6,377
Total trade and other receivables - related parties (Note 8.2)	1,501,425	1,398,652	1,676,629	1,515,457
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,498,060	1,144,671	534,121	429,839
Past due				
Not over 3 months	587,601	580,928	134,355	76,482
3 - 6 months	492	51,694	376	2,012
6 - 12 months	-	17,913	-	1,785
Over 12 months	1,974	16,432	271	14,693
Total	2,088,127	1,811,638	669,123	524,811
Less: Allowance for expected credit losses	(3,075)	(21,820)	-	(17,001)
Total trade receivables - unrelated parties, net	2,085,052	1,789,818	669,123	507,810
<u>Other receivables - unrelated parties</u>				
Accrued income and interest receivable	62,543	49,257	28,313	7,085
Total other receivables - unrelated parties	62,543	49,257	28,313	7,085
Total trade and other receivables - unrelated parties, net	2,147,595	1,839,075	697,436	514,895
Total trade and other receivables - net	3,649,020	3,237,727	2,374,065	2,030,352

The normal credit term is 30 to 120 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Beginning balance	21,820	21,516	17,001	17,001
Provision for expected credit losses	(1,744)	304	-	-
Amount written off	(17,001)	-	(17,001)	-
Ending balance	3,075	21,820	-	17,001

## 8. Related party transactions

### 8.1 Transactions incurred during the year

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	(Unit: Thousand Baht)				
	Consolidated		Separate		
	financial statements		financial statements		Pricing Policy
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<b>Transactions with subsidiary companies (eliminated from the consolidated financial statements)</b>					
Sales	-	-	517,682	480,167	Cost plus margin
Dividend income	-	-	586,605	634,772	At the announced rate
Rental and other income	-	-	40,369	34,368	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	-	-	3,211,024	2,904,433	Approximately market price with reference to purchase volume
Other expenses (included in selling and administrative expenses)	-	-	146,722	141,702	Agreed price
Sales of equipment	-	-	45,634	1,861	Agreed price

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing Policy
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<b>Transactions with associates</b>					
Sales	92,533	115,683	92,506	115,648	Cost plus margin
Dividend income	-	-	90,857	86,372	At the announced rate
Rental and other income	9,539	10,081	9,521	9,840	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	611,841	657,277	180,762	187,914	Approximately market price with reference to purchase volume
Purchase of machinery and equipment	1,695	3,040	1,695	3,030	Agreed price
<b>Transactions with joint venture</b>					
Sales	1,960	2,472	-	-	Agreed price which approximate the market price
Service income	2,449	3,295	-	-	Agreed price which approximate the market price
Dividend income	1,726	2,048	-	-	At the announced rate
Purchase of raw material	162	271	-	-	Approximately market price with reference to purchase volume
<b>Transactions with related companies</b>					
Sales	9,847,893	9,399,383	9,813,119	9,363,333	Cost plus margin
Dividend income	12,561	11,481	12,561	11,481	At the announced rate
Rental and other income	3,709	5,149	503	204	Contract price
Purchase of goods and raw material, and production cost (included in cost of sales)	395,334	395,719	337,177	296,385	Approximately market price with reference to purchase volume
Commission and other expenses (included in selling and administrative expenses)	61,020	85,772	12,445	6,908	Contract price
Purchase of machinery and equipment	27,156	83,160	27,011	83,066	Agreed price



## 8.2 Outstanding balance at end of year

As at 31 December 2021 and 2020, the balances of the accounts between the Company and those related companies are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2021	2020	2021	2020
<b>Trade and other receivables - related parties (Note 7)</b>				
Subsidiaries	-	-	182,229	121,395
Associates	36,356	24,404	36,069	24,066
Related companies (related by common shareholders)	1,465,069	1,374,248	1,458,331	1,369,996
<b>Total trade and other receivables - related parties</b>	<b>1,501,425</b>	<b>1,398,652</b>	<b>1,676,629</b>	<b>1,515,457</b>
<b>Trade and other payables - related parties (Note 18)</b>				
Subsidiaries	-	-	421,893	389,285
Associates	99,980	141,811	8,593	14,237
Related companies (related by common shareholders)	23,404	20,376	15,492	10,180
<b>Total trade and other payables - related parties</b>	<b>123,384</b>	<b>162,187</b>	<b>445,978</b>	<b>413,702</b>
<b>Liabilities under lease agreements - related parties</b>				
<i>Related companies</i>				
Liabilities under lease agreements	56,977	59,309	-	-
Less: Current portion	(21,041)	(21,067)	-	-
<b>Liabilities under lease agreements - net of current portion</b>	<b>35,936</b>	<b>38,242</b>	<b>-</b>	<b>-</b>
<b>Other accrued expenses - related parties</b>				
<i>Related companies</i>	21,648	15,395	21,648	15,395
<b>Total other accrued expenses - related parties</b>	<b>21,648</b>	<b>15,395</b>	<b>21,648</b>	<b>15,395</b>

### Long-term loans to related party

As at 31 December 2021 and 2020, the balance of long-term loans to related party and the movement are as follows:

Company's name	(Unit: Thousand Baht)			
	Consolidated and Separate financial statements			
	Balance as at	During the year		Balance as at
	31 December 2020	Increase	Decrease	31 December 2021
<b>Associate</b>				
Thai Instant Products Company Limited	8,000	-	-	8,000
<b>Total</b>	<b>8,000</b>	<b>-</b>	<b>-</b>	<b>8,000</b>

### 8.3 Directors and management's remuneration

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses payable to its directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	153	167	53	51
Post-employment benefits and other long-term benefits	6	5	-	-
<b>Total</b>	<b>159</b>	<b>172</b>	<b>53</b>	<b>51</b>

### 9. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduced cost to net realisable value		Inventories-net	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Finished goods	419,369	383,116	(1,285)	(511)	418,084	382,605
Work in process	78,346	39,901	-	-	78,346	39,901
Raw materials	967,842	655,970	-	-	967,842	655,970
Supplies	192,373	183,808	-	-	192,373	183,808
Goods in transit	134,684	62,248	-	-	134,684	62,248
Spare parts and consumables	116,067	96,411	-	-	116,067	96,411
Total	1,908,681	1,421,454	(1,285)	(511)	1,907,396	1,420,943

	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Reduced cost to net realisable value		Inventories-net	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Finished goods	244,965	220,103	-	-	244,965	220,103
Raw materials	280,438	208,540	-	-	280,438	208,540
Supplies	167,727	154,493	-	-	167,727	154,493
Goods in transit	28,084	21,270	-	-	28,084	21,270
Spare parts and consumables	36,134	25,010	-	-	36,134	25,010
Total	757,348	629,416	-	-	757,348	629,416

## 10. Other current financial assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Debt instruments at amortised cost</b>				
Fixed deposit	2,638,735	3,832,582	1,251,299	1,845,887
Corporate bonds, certificate of deposit and notes	2,569,483	3,290,940	313,280	1,545,457
Preferred shares with fixed redemption period	185,416	-	103,086	-
<b>Debt instruments at fair value through OCI</b>				
Bank of Thailand bonds	3,342,073	2,061,145	1,758,526	1,012,944
Corporate bonds, certificate of deposit and notes or debt instruments	3,973,235	2,893,662	2,512,189	1,664,632
<b>Equity instruments at fair value through OCI</b>				
Listed equity instruments				
Sahapatana Interholding Public Company Limited	494,145	497,649	494,145	497,649
Saha Pathanapibul Public Company Limited	114,750	-	114,750	-
Others	1,369,255	902,868	842,778	497,958
Non-listed equity instruments				
Kewpie (Thailand) Company Limited	302,358	375,688	302,358	375,688
Others	71,557	95,642	57,651	71,384
Foreign equity instruments	55,563	32,318	55,563	32,318
Mutual funds and unit trusts				
Digital Telecommunications Infrastructure fund	165,233	144,319	106,245	85,852
CPN Retail Growth Leasehold reit	87,968	33,541	81,367	31,646
Lotus's Retail Growth Freehold and Leasehold Property fund	84,857	-	74,547	-
Others	384,980	311,016	309,379	246,510
<b>Financial assets at fair value through profit or loss</b>				
Open-end funds	452,509	430,399	171,307	147,497
Subordinated bonds	1,877,666	1,205,201	864,112	895,676
Preferred shares	100,010	120,476	-	-
Derivative assets (Note 34)	29	-	-	-
<b>Total</b>	<b>18,269,822</b>	<b>16,227,446</b>	<b>9,412,582</b>	<b>8,951,098</b>
<b>Classified as:</b>				
<b>Other current financial assets</b>	<b>8,484,455</b>	<b>7,766,744</b>	<b>3,360,843</b>	<b>3,497,685</b>
<b>Other non-current financial assets</b>	<b>9,785,367</b>	<b>8,460,702</b>	<b>6,051,739</b>	<b>5,453,413</b>

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Group considers these investments to be strategic in nature.

During the year 2021, the Group sold its equity interest in some listed equity investments. The fair value on the date of sale was Baht 2,039.8 million (2020: Baht 1,388.4 million) and the Company only of Baht 1,156.1 million (2020: Baht 779.4 million) and the accumulated gain recognised in other comprehensive income of Baht 81.9 million (2020: Baht 64.2 million) and the Company only of Baht 37.1 million (2020: Baht 46.8 million) was transferred to retained earnings.

During the year 2021, the Group received dividends in the amount of Baht 67.3 million (2020: Baht 53.4 million) and the Company only of Baht 47.9 million (2020: Baht 40.2 million) from listed equity investments.

As at 31 December 2021, the Group have pledged government bonds with maturity date over 1 year of approximately Baht 45 Million (2020: Baht 45 million) and the Company only of Baht 39 million (2020: Baht 39 million) as a guarantee for electricity and steam use of the Group.

In late March 2020, TMBAM Eastspring announced the dissolution of TMB Ultra-Short Bond Fund (TMBUSB) and TMB Aggregate Bond Fund (TMBABF), in which the subsidiary had the investment of Baht 259.8 million and Baht 24.0 million, respectively, as at a date of dissolution. TMBAM Eastspring repaid amounting to Baht 240.4 million and Baht 23.3 million, respectively during the year 2020. During the third quarter of year 2021, the repayments from TMBAM Eastspring sold all assets of the funds and made final repayment amounting to Baht 19.4 million and Baht 0.9 million, respectively to the subsidiary, resulting in a full refund.

#### **11. Account receivable under repurchase agreement**

In June 2021, the Company and its three related companies ("buyer") entered into an asset repurchase agreement with a company ("seller") amounting to Baht 2,000 million with the Company's portion being Baht 500 million. Such agreement carries an interest at 12 percent per annum which is payable on an annual basis. The seller can redeem the assets within 3 years from the date the asset repurchase is registered with the Land Registry and with other conditions as specified in the agreement. In case of default on payment of interest, the seller shall deliver the assets to the buyer according to the conditions as specified in the agreement. The buyer and the seller registered the asset repurchase with the Land Registry in June 2021.

## 12. Investments in subsidiaries

12.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name (Nature of business)	Paid up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
	2021	2020	2021	2020	2021	2020	2021	2020
			(Percent)	(Percent)				
Thai Sun Foods Company Limited (Manufacture and distribution of fruit juice and distribution of biscuit products)	Baht 50 million	Baht 50 million	52.08	52.08	26,038	26,038	781	781
Thai Anbao Paper Products Company Limited (Manufacture and distribution of paper packaging)	Baht 20 million	Baht 20 million	51.00	51.00	10,200	10,200	20,400	20,400
Dai-Ichi Packaging Company Limited (Manufacture and distribution of packaging printing products and provide packaging service for consumable products)	Baht 150 million	Baht 150 million	50.10	50.10	75,721	75,721	60,120	52,605
Kallol Thai President Foods (BD) Limited (Manufacture and distribution of instant noodles)	Taka 630 million	Taka 630 million	55.00	55.00	142,150	142,150	-	-
President Flour Mills Company Limited (Manufacture and distribution of wheat flour-related products)	Baht 600 million	Baht 600 million	60.00	60.00	360,000	360,000	44,100	28,800
Thai President Foods (Hungary) Company Limited (Manufacture and distribution of instant noodles)	Forint 2,350 million	Forint 2,350 million	65.00	65.00	209,185	209,185	33,017	15,237
President Kourakuen Company Limited (Restaurant and drink)	Baht 25 million	Baht 25 million	70.00	70.00	17,500	17,500	-	-
President Bakery Public Company Limited (Manufacture and distribution of bakery products)	Baht 450 million	Baht 450 million	51.99	51.99	1,925,529	1,925,529	416,452	479,621
President D Venture Company Limited (Investing and/or lending in real estate business)	Baht 1,105 million	Baht 1,010 million	70.00	70.00	773,500	707,000	9,050	34,643
Ayeyarwaddy Success Venture Foods Co., Ltd (Manufacture and distribution of instant noodles)	USD 10 million	USD 10 million	51.00	51.00	160,451	160,451	-	-
President Interfood Company Limited (Agent)	Baht 3 million	Baht 3 million	59.67	59.67	9,622	9,622	2,685	2,685
					3,709,896	3,643,396	586,605	634,772
Less: Allowance for loss on impairment of investments					(113,147)	(113,147)		
Total					3,596,749	3,530,249		

During the year 31 December 2021, the Company has invested in the following subsidiaries:

- a. On 17 November 2021, the meeting of the Board of Directors of the Company No.11/2021 passed a resolution approving Ayeyarwaddy Success Venture Foods Co., Ltd. issued newly ordinary shares of 3,000,000 at par value of USD 1 per share, amounting to USD 3.00 million (equivalent to Baht 117.6 million). Such company fully called the share capital and the Company paid the share subscription of USD 1.5 million (equivalent to Baht 51.3 million) in January 2022 to maintain the same shareholding proportion.
- b. On 22 November 2021, the Company and a subsidiary purchased 1,330,000 and 551,000 newly issued ordinary shares of President D Venture Co., Ltd. at par value of Baht 100 per share, amounting to Baht 133 million and 55.1 million, respectively, to maintain the same shareholding proportion. Such company called up 50 percent of its shares capital, the Company and a subsidiary paid the share subscription of Baht 66.5 million and 27.6 million, respectively, in November 2021.

On 15 December 2021, the meeting of the subsidiary's Board of Directors passed a resolution approving the purchase of the ordinary shares of President D Venture Co., Ltd., of 119,999 shares from former shareholders of Baht 12 million. As a result, the shareholding percentage in such company of the subsidiary changed from 29 percent to 30 percent.

## 12.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	(Percent)	(Percent)						
President Bakery Public Company Limited	48.01	48.01	5,162	4,737	810	806	385	443
Dai-Ichi Packaging Company Limited	49.90	49.90	2,049	1,931	178	192	60	52

### 12.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling

#### Summarised information about financial position

	(Unit: Million Baht)			
	President Bakery Public		Dai-Ichi Packaging	
	Company Limited		Company Limited	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current assets	5,678	5,124	1,953	1,423
Non-current assets	5,556	5,175	2,754	2,891
Current liabilities	979	919	421	322
Non-current liabilities	115	130	131	121

#### Summarised information about comprehensive income

	(Unit: Million Baht)			
	For the years ended 31 December			
	President Bakery Public		Dai-Ichi Packaging	
	Company Limited		Company Limited	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue	7,254	7,186	2,422	2,283
Profit	1,688	1,679	386	408
Other comprehensive income	4	(8)	19	(34)
Total comprehensive income	1,692	1,671	405	374

#### Summarised information about cash flows

	(Unit: Million Baht)			
	For the years ended 31 December			
	President Bakery Public		Dai-Ichi Packaging	
	Company Limited		Company Limited	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash flows from operating activities	1,960	2,190	362	483
Cash flows used in investing activities	(1,127)	(1,243)	(262)	(221)
Cash flows used in financing activities	(812)	(945)	(123)	(106)
Net increase (decrease) in cash and cash equivalents	21	2	(23)	156



### 13. Investments in associates

13.1 Details of investments in associates are as follows:

Company's name (Nature of business)	Country of incorporation	Paid up capital	Consolidated financial statements						Separate financial statements						(Unit: Thousand Baht)
			Shareholding percentage		Carrying amount based on cost method		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the years		Cost		Dividend received during the year		
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020		
(Percent)	(Percent)														
Kerry Flour Mills Company Limited (Manufacture of wheat flour)	Thailand	Baht 200 million	39.00	39.00	92,630	92,630	1,714,613	1,608,822	179,891	200,048	92,630	92,630	74,100	78,000	
Anbao Environmental Science & Technology Company Limited (Manufacture of paper products)	China	RMB 50 million	35.00	35.00	87,324	87,324	221,958	211,202	19,463	35,736	87,324	87,324	8,707	7,847	
Thai-Myanmar Success Venture Company Limited (Investment holding)	Thailand	Baht 100 million	35.00	35.00	35,040	35,040	36,456	42,892	564	771	35,040	35,040	7,000	-	
Sanko Machinery (Thailand) Company Limited (Assembly of automatic packaging machines)	Thailand	Baht 15 million	35.00	35.00	5,587	5,587	82,191	74,725	8,516	9,897	5,587	5,587	1,050	525	
President Foods (Cambodia) Company Limited (Manufacture of instant noodles)	Cambodia	USD 1.5 million	30.00	30.00	19,692	19,692	84,084	78,406	5,678	14,882	19,692	19,692	-	-	

Company's name (Nature of business)	Country of incorporation	Paid up capital	Consolidated financial statements						Separate financial statements						(Unit: Thousand Baht)		
			Shareholding percentage		Carrying amount based on cost method		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the years		Cost		Dividend received during the year				
			<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>			
			(Percent)	(Percent)													
Thai Instant Products Company Limited (Manufacturing and sales of products from tapioca, corn and other agriculture crops)	Thailand	Baht 240 million	25.00	25.00	21,500	21,500	5,102	5,411	(309)	(3,030)	21,500	21,500	-	-	-	-	-
Ideo Mobi Rangnam Company Limited (Real estate development and lending)	Thailand	Baht 795.99 million	49.00	49.00	390,035	390,035	437,516	415,211	22,305	14,644	-	-	-	-	-	-	-
Ideo Q Sukhumvit 36 Company Limited (Real estate development and lending)	Thailand	Baht 664.43 million	-	49.00	-	325,571	-	341,036	-	19,473	-	-	-	-	-	-	-
Saha Capital Tower Company Limited (Property rental and development business)	Thailand	Baht 2,750 million	25.00	25.00	687,500	275,000	685,126	274,258	(1,632)	(885)	412,500	165,000	-	-	-	-	-
					<u>1,339,308</u>	<u>1,252,379</u>	<u>3,267,046</u>	<u>3,051,963</u>	<u>234,476</u>	<u>291,536</u>	<u>674,273</u>	<u>426,773</u>	<u>90,857</u>	<u>86,372</u>			
Less: Allowance for loss on impairment of investments					-	-	-	-	-	-	(21,099)	(16,099)					
Translation adjustments					2,222	(33,333)											
<b>Total investments in associates - net</b>					<b>3,269,268</b>	<b>3,018,630</b>					<b>653,174</b>	<b>410,674</b>					

During the year 2021, allowance for loss on impairment was provided for Thai Instant Products Company Limited amounted to Baht 5 million (2020: Baht 3.5 million).

Share of profit from investments in 4 associates (2020: 3 associates) accounted for under the equity method for the year ended 31 December 2021, totaling approximately Baht 23 million or 0.5% of consolidated net profit for the year (2020: Baht 47 million or 0.9%) was calculated from financial statements which had not been audited by the auditors of these associates.

In September 2019, the meeting of the Board of Directors of the Company and a subsidiary passed a resolution approving the investment in ordinary shares of Saha Capital Tower Co., Ltd., which is engaged in property rental and development business with a registered share capital of Baht 2,000 million. The Company and a subsidiary hold 15 percent interest and 10 percent interest, respectively. This company was incorporated as a limited company with the Ministry of Commerce on 30 September 2019. Subsequently, Saha Capital Tower Co., Ltd. fully called up the share capital and during the period, the Company and a subsidiary made additional payment of share subscription of Baht 135 million and Baht 90 million, respectively so the Company and a subsidiary fully made payment for share subscription in such company in November 2021.

In October 2021, the Company and a subsidiary approved to purchase 4,500,000 and 3,000,000 newly issued ordinary shares of Saha Capital Tower Co., Ltd. at par value of Baht 100 per share, amounting to Baht 450 million and 300 million, respectively, to maintain the same shareholding proportion. Saha Capital Tower Co., Ltd. called up 25 percent of its share capital and the Company and the subsidiary paid the share subscription of Baht 112.5 million and Baht 75 million, respectively, in December 2021.

During the year 2021, the Board of Director's meeting of a subsidiary resolved to dispose of all investments in ordinary shares of IDEO Q Sukhumvit 36 Company limited totaling Baht 393.9 million. The subsidiary recognised gain on disposal of investments in profit or loss for the current year of Baht 52.9 million.

## 13.2 Summarised financial information about material associates

## Summarised information about financial position

	(Unit: Million Baht)	
	Kerry Flour Mills Company Limited	
	<u>2021</u>	<u>2020</u>
Current assets	2,843	2,810
Non-current assets	1,699	1,469
Current liabilities	102	116
Non-current liabilities	24	19
<b>Net assets</b>	<b>4,416</b>	<b>4,144</b>
Shareholding percentage (%)	39	39
<b>Share of net assets</b>	<b>1,722</b>	<b>1,616</b>
Adjustment transactions in consolidated financial statements	(7)	(7)
<b>Carrying amounts of associates based on equity method</b>	<b>1,715</b>	<b>1,609</b>

## Summarised information about comprehensive income

	(Unit: Million Baht)	
	Kerry Flour Mills Company Limited	
	<u>2021</u>	<u>2020</u>
Revenue	3,009	2,845
Profit	461	513
Total comprehensive income	461	513

#### 14. Investment in joint venture

Investment in joint venture represents investment in entity which is jointly controlled by a subsidiary company and other companies. Details of this investment are as follows:

Consolidated financial statements													(Unit: Thousand Baht)	
Joint venture	Nature of business	Paid up capital (Million Baht)	Shareholding percentage		Carrying amount based on cost method		Carrying amount based on equity method		Share of profit from investment in joint venture during the year ended		Share of other comprehensive income from investment in joint venture during the year ended		Dividend received during the year ended	
			2021 (Percent)	2020 (Percent)	2021	2020	2021	2020	2021	2020	2021	2020		
President Green House Foods Co., Ltd.	Operating the Japanese restaurant	15	39	39	5,850	5,850	31,346	29,819	3,253	3,443	-	-	1,726	2,048
Total investment in joint venture					5,850	5,850	31,346	29,819	3,253	3,443	-	-	1,726	2,048

In May 2008, a subsidiary company, together with a foreign company and a local company, jointly established President Green House Foods Company Limited to operate a Japanese restaurant. A subsidiary company had invested in 585,000 ordinary shares of this company at par value Baht 10 per share, amounting to Baht 5.85 million, or equivalent to 39% interest, and has treated this investment as investment in joint venture.

## 15. Investment properties

The net book value of investment properties as at 31 December 2021 and 2020 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Land	Total	Land	Plant	Total
31 December 2021					
Cost	411,948	411,948	432,808	35,300	468,108
<u>Less</u> Accumulated depreciation	-	-	-	(35,300)	(35,300)
<u>Less</u> Allowance for impairment loss	(5,544)	(5,544)	(5,544)	-	(5,544)
Net book value	406,404	406,404	427,264	-	427,264
31 December 2020					
Cost	107,427	107,427	128,287	35,300	163,587
Additions	304,521	304,521	304,521	-	304,521
<u>Less</u> Accumulated depreciation	-	-	-	(34,720)	(34,720)
<u>Less</u> Allowance for impairment loss	(5,544)	(5,544)	(5,544)	-	(5,544)
Net book value	406,404	406,404	427,264	580	427,844

A reconciliation of the net book value of investment properties for the years 2021 and 2020 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Net book value at beginning of year	406,404	101,883	427,844	125,088
Addition	-	304,521	-	304,521
Depreciation charged	-	-	(580)	(1,765)
Net book value at end of year	406,404	406,404	427,264	427,844

Based on the latest valuation performed by an independent valuer, using the market approach, the fair value of an investment properties in respect of land amounted to approximately Baht 520 million. The Company believed that the fair value as at the end of reporting period did not materially differ from the latest valuation. The fair value of an investment property regarding plant held for rent did not materially differ from the book value.

[illegible]



(Unit: Thousand Baht)

Separate financial statements								
	Land	Land improvement	Buildings	Machinery	Tool and plant and office equipment	Motor vehicles	Assets under installation and under construction	Total
<b>Cost:</b>								
1 January 2020	221,191	4,224	1,643,207	3,884,037	2,029,177	93,188	375,327	8,250,351
Additions	-	-	200	2,040	34,056	3,276	931,083	970,655
Disposals	-	-	(3,754)	(44,363)	(40,133)	(15,404)	-	(103,654)
Transfer in (out)	-	-	130,905	603,098	263,702	-	(997,705)	-
Reclassification	-	-	-	-	-	3,471	-	3,471
31 December 2020	221,191	4,224	1,770,558	4,444,812	2,286,802	84,531	308,705	9,120,823
Additions	-	-	-	132	39,221	8,194	318,891	366,438
Disposals	(3,575)	-	-	(99,851)	(29,864)	(20,166)	-	(153,456)
Transfer in (out)	-	-	86,891	106,202	151,623	-	(344,716)	-
31 December 2021	217,616	4,224	1,857,449	4,451,295	2,447,782	72,559	282,880	9,333,805
<b>Accumulated depreciation:</b>								
1 January 2020	-	4,182	1,057,938	2,832,024	1,644,009	82,731	-	5,620,884
Depreciation for the year	-	33	68,091	239,795	152,099	4,616	-	464,634
Depreciation on disposals	-	-	(3,745)	(43,979)	(37,571)	(15,404)	-	(100,699)
Reclassification	-	-	-	-	-	3,471	-	3,471
31 December 2020	-	4,215	1,122,284	3,027,840	1,758,537	75,414	-	5,988,290
Depreciation for the year	-	9	73,190	262,974	170,236	4,624	-	511,033
Depreciation on disposals	-	-	-	(68,431)	(28,451)	(20,130)	-	(117,012)
31 December 2021	-	4,224	1,195,474	3,222,383	1,900,322	59,908	-	6,382,311
<b>Net book value:</b>								
31 December 2020	221,191	9	648,274	1,416,972	528,265	9,117	308,705	3,132,533
31 December 2021	217,616	-	661,975	1,228,912	547,460	12,651	282,880	2,951,494
<b>Depreciation for the year</b>								
2020 (Baht 431 million included in manufacturing cost, and the balance in administrative expenses)								464,634
2021 (Baht 475 million included in manufacturing cost, and the balance in administrative expenses)								511,033

As at 31 December 2021 and 2020, certain machinery and equipment of the Group have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 9,320 million and Baht 8,145 million, respectively (Separate financial statements: Baht 3,825 million and Baht 3,523 million, respectively).

## 17. Intangible assets

Details of intangible assets which are computer software are as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
<b>Cost:</b>		
1 January 2020	120,746	62,741
Additions	3,043	180
Disposals and write-off	(2,095)	(2,095)
31 December 2020	121,694	60,826
Additions	3,346	554
Translation adjustment	5	-
31 December 2021	125,045	61,380
<b>Accumulated amortisation:</b>		
1 January 2020	90,838	49,374
Amortisation for the year	8,860	5,254
Accumulated amortisation on disposals and write-off	(2,083)	(2,083)
31 December 2020	97,615	52,545
Amortisation for the year	5,846	2,473
31 December 2021	103,461	55,018
<b>Net book value:</b>		
31 December 2020	24,079	8,281
31 December 2021	21,584	6,362

A reconciliation of the net book value of intangible asset is presented below.

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Net book value at the beginning of the year	24,079	29,908	8,281	13,367
Additions	3,346	3,043	554	180
Amortisation for the year	(5,846)	(8,860)	(2,473)	(5,254)
Disposals	-	(12)	-	(12)
Translation adjustments	5	-	-	-
Net book value at the end of the year	21,584	24,079	6,362	8,281

## 18. Trade and other payables

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Trade payables - related parties	114,295	159,214	420,946	392,798
Other payables - related parties	9,089	2,973	25,032	20,904
Total trade and other payables - related parties (Note 8.2)	123,384	162,187	445,978	413,702
Trade payables - unrelated parties	1,634,850	1,289,607	664,765	594,428
Other payables - unrelated parties	312,661	329,244	154,469	159,308
Total trade and other payables - unrelated parties	1,947,511	1,618,851	819,234	753,736
Total trade and other payables	2,070,895	1,781,038	1,265,212	1,167,438

## 19. Leases

### The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 6 years.

Lease contracts have restriction that the underlying asset must not be subleased or used by others and several lease contracts specify the option to extend or end the lease terms.

## 19.1 Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Warehouse	Furniture, fixtures and office equipment	Motor vehicles	Total
<b>Net book value as at 1 January 2020</b>	20,941	10,015	78,280	109,236
Additions	1,501	509	23,037	25,047
Reclassification	-	-	(608)	(608)
Disposals	(1,002)	(1,093)	(427)	(2,522)
Depreciation for the year	(8,477)	(4,248)	(25,068)	(37,793)
<b>Net book value as at 31 December 2020</b>	12,963	5,183	75,214	93,360
Additions	9,170	2,030	19,900	31,100
Reclassification	-	-	(1,958)	(1,958)
Disposals	(156)	(777)	-	(933)
Depreciation for the year	(9,773)	(2,933)	(24,828)	(37,534)
<b>Net book value as at 31 December 2021</b>	12,204	3,503	68,328	84,035

(Unit: Thousand Baht)

	Separate financial statements			
	Warehouse	Furniture, fixtures and office equipment	Motor vehicles	Total
<b>Net book value as at 1 January 2020</b>	-	-	19,077	19,077
Depreciation for the year	-	-	(4,181)	(4,181)
<b>Net book value as at 31 December 2020</b>	-	-	14,896	14,896
Depreciation for the year	-	-	(3,821)	(3,821)
<b>Net book value as at 31 December 2021</b>	-	-	11,075	11,075

## 19.2 Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Lease payments	87,633	98,112	11,818	15,990
Less: Deferred interest expenses	(3,209)	(4,243)	(604)	(1,085)
Total	84,424	93,869	11,214	14,905
Less: Portion due within one year	(35,480)	(36,629)	(3,827)	(3,691)
Lease liabilities - net of current portion	48,944	57,240	7,387	11,214

Movements of the lease liability account during the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Balance at beginning of year	93,869	90,101	14,905	18,465
Additions	27,321	29,182	-	-
Accretion of interest	2,895	2,831	480	611
Repayments	(39,661)	(28,245)	(4,171)	(4,171)
Balance at end of year	84,424	93,869	11,214	14,905

A maturity analysis of lease payments is disclosed in Note 34 under the liquidity risk.

### 19.3 Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Depreciation expense of right-of-use assets	37,534	37,793	3,821	4,181
Expense relating to short-term leases	6,525	7,843	3,498	2,332
Expense relating to leases of low-value assets	699	275	375	220
Expense relating to variable lease payments that do not depend on an index or a rate	9,514	12,681	-	-

The Group has lease contracts for office building space that contains variable payments based on sales. The lease term is 1 year.

### 19.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 57.0 million (2020: Baht 46.1 million) (Separate financial statement: Baht 7.6 million, 2020: Baht 6.1 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

## 20. Provision for long-term employee benefits

Provision for long-term employee benefits was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	2021			2020		
	Post employment employee benefits	Other long-term employee benefits	Total	Post employment employee benefits	Other long-term employee benefits	Total
<b>Provision for long-term employee benefits at beginning of year</b>	920,208	84,871	1,005,079	901,981	87,648	989,629
Included in profit or loss:						
Current service cost	59,893	6,163	66,056	60,866	7,009	67,875
Interest cost	15,126	1,125	16,251	14,672	1,168	15,840
Benefits paid during the year	(89,521)	(15,345)	(104,866)	(57,320)	(10,954)	(68,274)
Actuarial (gain) loss arising from						
Included in other comprehensive income:						
Actuarial (gain) loss arising from						
Demographic assumptions changes	-	-	-	(574)	-	(574)
Financial assumptions changes	-	-	-	603	-	603
Experience adjustments	-	-	-	(20)	-	(20)
<b>Provision for long-term employee benefits at end of year</b>	<b>905,706</b>	<b>76,814</b>	<b>982,520</b>	<b>920,208</b>	<b>84,871</b>	<b>1,005,079</b>



(Unit: Thousand Baht)

	Separate financial statements					
	2021			2020		
	Post employment employee benefits	Other long-term employee benefits	Total	Post employment employee benefits	Other long-term employee benefits	Total
<b>Provision for long-term employee benefits beginning of year</b>	602,920	61,142	664,062	595,250	65,155	660,405
Included in profit or loss:						
Current service cost	36,205	3,589	39,794	37,170	4,049	41,219
Interest cost	10,099	814	10,913	9,947	883	10,830
Benefits paid during the year	(49,820)	(11,625)	(61,445)	(39,447)	(8,945)	(48,392)
<b>Provision for long-term employee benefits at end of year</b>	<b>599,404</b>	<b>53,920</b>	<b>653,324</b>	<b>602,920</b>	<b>61,142</b>	<b>664,062</b>

The Group expects to pay Baht 96 million of long-term employee benefits during the next year (Separate financial statements: Baht 73 million) (2020: Baht 74 million (Separate financial statements: Baht 51 million)).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 3.68 - 21.04 years (Separate financial statements: 4.63 - 12.01 years) (2020: 3.68 - 21.04 years (Separate financial statements: 4.63 - 12.01 year)).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Discount rate	0.50 - 2.04	0.54 - 2.04	1.40 - 1.83	1.40 - 1.83
Salary increase rate	2.00 - 7.00	2.00 - 7.00	3.00 - 6.00	3.00 - 6.00
Turnover rate	0 - 57.30	0 - 57.30	1.43 - 57.30	1.43 - 57.30

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

(Unit: Million Baht)

As at 31 December 2021						
	Consolidated financial statements			Separate financial statements		
	Salary			Salary		
	Discount rate	increase rate	Turnover rate	Discount rate	increase rate	Turnover rate
Increase 0.5%	(6)	4	-	-	-	-
Increase 1%	(64)	82	(1)	(42)	54	-
Increase 10%	-	-	9	-	-	-
Increase 20%	-	-	(63)	-	-	(42)
Decrease 0.5%	6	(4)	-	-	-	-
Decrease 1%	73	(72)	1	47	(49)	-
Decrease 10%	-	-	12	-	-	-
Decrease 20%	-	-	75	-	-	50

(Unit: Million Baht)

As at 31 December 2020						
	Consolidated financial statements			Separate financial statements		
	Salary			Salary		
	Discount rate	increase rate	Turnover rate	Discount rate	increase rate	Turnover rate
Increase 0.5%	(6)	4	-	-	-	-
Increase 1%	(65)	74	(1)	(44)	50	-
Increase 10%	-	-	(9)	-	-	-
Increase 20%	-	-	(58)	-	-	(38)
Decrease 0.5%	7	(3)	-	-	-	-
Decrease 1%	73	(66)	1	49	(45)	-
Decrease 10%	-	-	11	-	-	-
Decrease 20%	-	-	66	-	-	45

## 21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered share capital. The statutory reserve is not be available for dividend distribution. At present, the statutory reserve has fully been set aside.

## 22. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Gain arising on FVTPL debt/equity instruments	2,221	15,160	1,078	11,132
Gain on sales of FVOCI debt instruments	17,025	14,617	6,473	7,381
Gain on exchange	65,193	22,098	47,483	12,872
Gain on disposals of property, plant and equipment	11,426	10,173	13,985	3,339
Gain on disposals of investment in associates	52,904	26,776	-	-
Other	156,146	126,605	107,911	75,461
<b>Total</b>	<b>304,915</b>	<b>215,429</b>	<b>176,930</b>	<b>110,185</b>

## 23. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Interest income on bank deposits	39,730	88,167	29,817	45,481
Interest income on loans	33,572	88	33,572	88
Interest income on debt instruments measured at amortised cost	40,026	12,154	12,728	8,965
Interest income on debt instruments measured at FVOCI	79,504	92,519	46,144	53,218
Interest received from debt instruments measured at FVTPL	145,308	82,974	72,366	72,355
<b>Total</b>	<b>338,140</b>	<b>275,902</b>	<b>194,627</b>	<b>180,107</b>

## 24. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Interest expenses on lease liabilities	2,896	2,831	480	611
<b>Total</b>	<b>2,896</b>	<b>2,831</b>	<b>480</b>	<b>611</b>

## 25. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Raw materials and consumables used	11,893,140	10,189,717	8,844,527	7,915,598
Changes in finished goods and work in process	73,924	34,151	24,862	73,206
Salary wages and other employee benefits	3,942,550	4,264,104	1,762,136	1,799,215
Depreciation	1,213,685	1,207,202	514,854	470,580
Export expenses	327,541	127,279	322,651	123,357
Advertising and promotion expenses	290,527	281,694	104,350	95,396
Transportation expenses	124,415	113,455	53,741	44,818
Commission expenses	96,320	94,753	92,945	91,864

## 26. Income tax

Income tax expenses for the years ended 31 December 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Current income tax:</b>				
Current income tax charge	711,208	707,077	322,191	367,635
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(29,799)	18,609	(17,817)	18,264
<b>Income tax expense reported in the statement of comprehensive income</b>	681,409	725,686	304,374	385,899

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deferred tax on gain from the change in value of financial assets measured at FVOCI	8,167	28,070	9,363	22,797
Deferred tax relating to actuarial gain (losses)	197	(60)	197	(62)
<b>Total</b>	<b>8,364</b>	<b>28,010</b>	<b>9,560</b>	<b>22,735</b>

Reconciliation between accounting profit and income tax expenses is shown below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Accounting profit before tax	5,406,671	5,977,820	2,990,875	3,524,777
Applicable tax rate	10%, 20%, 32.50%	10%, 20%, 32.50%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	1,225,766	1,287,825	598,175	704,955
Effects of:				
Promotional privileges (Note 27)	(329,172)	(406,796)	(138,338)	(164,919)
Non-deductible expenses	(57,698)	38,410	(17,627)	30,981
Additional expense deductions allowed	(29,631)	(1,227)	(23,316)	(1,152)
Dividend income not subject to tax	(138,686)	(153,900)	(129,568)	(142,086)
Other	10,830	(38,626)	15,048	(41,880)
<b>Total</b>	<b>(544,357)</b>	<b>(562,139)</b>	<b>(293,801)</b>	<b>(319,056)</b>
<b>Income tax expenses reported in the statement of comprehensive income</b>	<b>681,409</b>	<b>725,686</b>	<b>304,374</b>	<b>385,899</b>

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Deferred tax assets</b>				
Provision for long-term employee benefits	138,601	132,145	92,653	89,687
Allowance for loss on impairment of investments	21,376	21,376	20,009	20,008
Allowance for expected credit losses	217	130	-	-
Allowance for asset impairment	1,109	1,109	1,109	1,109
Lease	522	543	-	-
Others	513	72	-	-
<b>Total</b>	<b>162,338</b>	<b>155,375</b>	<b>113,771</b>	<b>110,804</b>
<b>Deferred tax liabilities</b>				
Unrealised fair value gain on investments	120,338	134,501	112,676	129,701
Others	145	781	747	715
<b>Total</b>	<b>120,483</b>	<b>135,282</b>	<b>113,423</b>	<b>130,416</b>
<b>Deferred tax assets - net</b>	<b>41,855</b>	<b>20,093</b>	<b>348</b>	<b>-</b>
<b>Deferred tax liabilities - net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,612</b>

Deferred tax assets and liabilities in statement of financial position were as follows:

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Deferred tax assets	41,855	40,816	348	-
Deferred tax liabilities	-	20,723	-	19,612

## 27. Promotional privileges

The Group has been granted promotional privileges under the Investment Promotion Act B.E. 2520 as approved by the Board of Investment under certain significant conditions. Significant tax privileges are as follows:

Details	The Company			
1. Certificate No.	60-1162-0-00-1-2	60-1163-0-00-1-2	60-1164-0-00-1-2	60-1165-0-00-1-2
Dated	16 October 2017	16 October 2017	16 October 2017	16 October 2017
Transferred from certificate No.	1388(2)/2552	2201(2)/2553	2535(2)/2554	1045(2)/2555
Dated	26 May 2009	9 November 2010	28 December 2011	19 January 2012
2. Promotional privileges for	Manufacturing of biscuits	Manufacturing of instant noodles	Manufacturing of instant noodles	Manufacturing of instant noodles
3. The significant conditions to follow are				
3.1 Plant to be located at	Rayong	Chonburi	Chonburi	Chonburi
4. The granted significant privileges are				
4.1 Exemption of corporate income tax on net income from the promoted operation, but not over 100 percent of investment and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	Until 3 March 2018 (cancel on 21 October 2020)	Until 9 June 2019 (cancel on 8 November 2021)	Until 31 October 2020 (cancel on 8 November 2021)	Until 1 July 2021 (Stop on 10 April 2019)
4.2 Exemption of import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted
4.3 Exemption of import duty on raw materials and significant supplies used in export production from the first import date.	1 year	1 year	1 year	1 year
5. Date of first earning operating income	4 March 2010	10 June 2011	1 November 2012	2 July 2013



Details		The Company (continued)			
1.	Certificate No.	60-1166-0-00-1-2	60-1169-0-00-1-2	60-1167-0-00-1-2	60-1168-0-00-1-2
	Dated	16 October 2017	16 October 2017	16 October 2017	16 October 2017
	Transferred from certificate No.	1161(2)/2555	1782(2)/2556	1780(2)/2556	1781(2)/2556
	Dated	9 February 2012	6 June 2013	6 June 2013	6 June 2013
2.	Promotional privileges for	Manufacturing of wafers with stuff	Manufacturing of instant noodles	Manufacturing of wafers with stuff	Manufacturing of instant noodles
3.	The significant conditions to follow are				
	3.1 Plant to be located at	Rayong	Rayong	Rayong	Chonburi
4.	The granted significant privileges are				
	4.1 Exemption of corporate income tax on net income from the promoted operation, but not over 100 percent of investment and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	Until 4 November 2020 (cancel on 8 November 2021)	Until 30 June 2023	Until 30 September 2024	8 years
	4.2 Exemption of import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted
	4.3 Exemption of import duty on raw materials and significant supplies used in export production from the first import date.	1 year	1 year	1 year	1 year
5.	Date of first earning operating income	5 November 2012	1 July 2015	1 October 2016	1 November 2019

Details		The Company (continued)				
1. Certificate No.	60-1171-0-00-1-2	60-1172-0-00-1-2	60-1173-0-00-1-2	61-0769-1-00-1-0	62-0858-1-04-1-0	64-0246-1-04-1-0
Dated	16 October 2017	16 October 2017	16 October 2017	3 July 2018	13 August 2019	5 March 2021
Transferred from certificate No.	1017(2)/2558	1018(2)/2558	58-2216-0-00-1-0			-
Dated	6 January 2015	6 January 2015	22 September 2015			-
2. Promotional privileges for	Manufacturing of instant noodles	Manufacturing of instant noodles	Manufacturing of semi-instant noodles and dried noodles	Manufacturing of instant foods	Manufacturing of rice product	Manufacturing of rice product
3. The significant conditions to follow are						
3.1 Plant to be located at	Rayong	Lampoon	Ratchaburi	Ratchaburi	Ratchaburi	Ratchaburi
4. The granted significant privileges are						
4.1 Exemption of corporate income tax on net income from the promoted operation, but not over 100 percent of investment and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	Until 31 August 2024	Until 31 January 2024	Until 6 May 2024	5 years	-	-
4.2 Reduction of 50% of corporate income tax on net income, commencing from the date which the privilege in 4.1 expire.	5 years	5 years	-	-	-	-
4.3 Exemption of corporate income tax on net income from the promoted operation, but not over 50 percent of investment for Improve production efficiency and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	-	-	-	-	3 years (stop on 31 May 2020)	3 years
4.4 Exemption of import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted	Granted	Granted
4.5 Exemption of import duty on raw materials and significant supplies used in export production from the first import date.	1 year	-	-	-	-	-
4.6 Reduction of 75% of import duty on raw materials and significant supplies used in domestic sales from the first import date	-	1 year	-	-	-	-
5. Date of first earning operating income	1 September 2016	1 February 2016	7 May 2016	3 January 2020	1 October 2019	6 March 2021

Details		A subsidiary - Thai Anbao Paper Products Co., Ltd.				
1.	Certificate No.	1611(2)/2552	1596(5)/2553	1461(2)/2554	1084(2)/2556	2438(2)/2556
	Dated	14 August 2009	3 May 2010	27 April 2011	18 January 2013	15 October 2013
2.	Promotional privileges for	Manufacturing of packaging and carton	Manufacturing of pulp or paper material	Manufacturing of pulp or paper material	Manufacturing of pulp or paper material	Manufacturing of pulp or paper material
3.	The significant conditions to follow are					
	3.1 Plant to be located at	Lamphoon	Rayong	Chonburi	Chonburi	Rayong
4.	The granted significant privileges are					
	4.1 Exemption of corporate income tax for net income from promotional privileges and exemption of income tax on dividends paid from the promoted operations in which the corporate income tax is exempted.	8 years (Expired in 5 January 2018) (not over 100 percent of investment excluding land and working capital)	8 years (Expired in 2 May 2018)	7 years (Expired in 8 September 2018) (not over 100 percent of investment excluding land and working capital)	7 years (Expired in 5 September 2020) (not over 100 percent of investment excluding land and working capital)	3 years (not over 100 percent of investment excluding land and working capital)
	4.2 Exemption of import duty on machinery as approved by the Board.	Granted	Granted	Granted	Granted	Granted
5.	Date of first earning operating income	6 January 2010	3 May 2010	9 September 2011	6 September 2013	2 April 2019

Details	A subsidiary - Dai-Ichi Packaging Co., Ltd.	
1. Certificate No. Dated 2. Promotional privileges for  3. The significant conditions to follow are 3.1 Plant to be located at 4. The granted significant privileges are 4.1 Exemption from corporate net income tax on income from the promoted operation, but not over 100 percent of investment excluding land and working capital. 4.2 Exemption from corporate net income from the promoted operation, but not over 50 percent of investment for improving production efficiency. 4.3 Exemption of import duty on machinery as approved by the Board. 4.4 Exemption of import duty on raw materials and significant supplies used in export production from the first import date. 5. Date of first earning operating income	1855(2)/2555 6 July 2012 Manufacturing of plastic product, or coated plastic  Chachoengsao  7 years   Granted 1 year  30 June 2014	62-0295-1-04-1-0 22 March 2019 Manufacturing of plastic product, or coated plastic  Chachoengsao    3 years  Granted  Not yet commenced

Details	A subsidiary - President Bakery Public Co., Ltd.	
1. Certificate No.	1343(2)/2555	2218(2)/2557
Dated	22 March 2012	25 September 2014
2. Promotional privileges for	Manufacture of bakery products	Manufacture of whole grain products
3. Significant privileges		
3.1 Exemption from import duty on machinery as approved by the Board	Granted	Granted
3.2 Exemption from corporate income tax on net income from promoted operation (commencing from the date of earning operating income) and exemption from income tax on dividend paid from the income of the operations on which the corporate income tax is exempted throughout the corporate income tax exemption period	8 years (not over 100 percent of investment excluding land and working capital)	8 years (not over 100 percent of investment excluding land and working capital)
3.3 Allowance to deduct operating loss incurred during the corporate income tax exemption period from net income incurred thereafter (after exemption period in 3.2)	5 years	5 years
4. Date of first earning operating income	1 June 2017	1 October 2014

The Group has to comply with certain conditions specified under the promotion certificates.

The Group's operating revenues for the years ended 31 December 2021 and 2020, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements							
	Promoted operations				Non-promoted operations		Total	
	Exemption of corporate income tax		Reduction of 50% of corporate income tax					
	2021	2020	2021	2020	2021	2020	2021	2020
Sales								
Export sales	1,334,278	1,373,229	-	-	3,963,783	3,608,314	5,298,061	4,981,543
Domestic sales	7,038,016	8,126,895	61,116	56,900	12,059,847	10,415,140	19,158,979	18,598,935
Total sales	8,372,294	9,500,124	61,116	56,900	16,023,630	14,023,454	24,457,040	23,580,478

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations					
	Exemption of		Non-promoted operations		Total	
	corporate income tax					
	2021	2020	2021	2020	2021	2020
Sales						
Export sales	1,329,626	1,371,284	2,950,152	2,670,106	4,279,778	4,041,390
Domestic sales	3,250,831	3,541,527	7,180,093	6,402,092	10,430,924	9,943,619
Total sales	4,580,457	4,912,811	10,130,245	9,072,198	14,710,702	13,985,009

## 28. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

## 29. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The Chief Operating Decision Makes has been identified as Executive Committee.

For management purposes, the Group is organised into business units based on their products and services and have six reportable segments as follows:

1. Instant noodles and semi-instant foods
2. Biscuits
3. Bakery
4. Packaging
5. Fruit Juice
6. Others

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The Group's has applied the pricing policies described in Note 8.1 to set the transfer price. Inter-segment revenues are eliminated on consolidation.

The following table presents revenue and profit and total assets/ total liabilities information regarding the Group' operating segments for the years ended 31 December 2021 and 2020:

For the year ended 31 December 2021										(Unit: Thousand Baht)	
	Instant noodles and semi-instant foods	Biscuits	Bakery	Packaging	Fruit Juice	Others	Total reportable segments	Adjustments and eliminations	Consolidated		
Revenue from external customers	14,225,127	874,994	7,159,861	1,067,282	881,219	248,557	24,457,040	-	24,457,040		
Inter-segment revenue	119,476	398,206	77	1,978,096	491	1,213,061	3,709,407	(3,709,407)	-		
Finance income	184,721	11,197	45,910	41,449	107	54,756	338,140	-	338,140		
Depreciation and amortisation	503,342	38,810	423,629	181,652	32,425	35,089	1,214,947	(1,262)	1,213,685		
Share of profit accounted for under the equity method	-	-	-	-	-	-	237,729	-	237,729		
Income tax	303,072	(9,749)	213,915	74,426	24,850	75,228	681,742	(333)	681,409		
<b>Segment profit</b>	<b>2,619,626</b>	<b>3,619</b>	<b>1,684,421</b>	<b>497,016</b>	<b>98,917</b>	<b>505,179</b>	<b>5,408,778</b>	<b>(683,516)</b>	<b>4,725,262</b>		
										(Unit: Thousand Baht)	
	Instant noodles and semi-instant foods	Biscuits	Bakery	Packaging	Fruit Juice	Others	Unallocated assets	Total reportable segments	Adjustments and eliminations	Consolidated	
Investment in associates and joint venture accounted for under the equity method	-	-	-	-	-	-	3,300,614	3,300,614	-	3,300,614	
Additions (decrease) to non-current assets other than deferred tax assets	(207,879)	(24,298)	246,130	(179,970)	(2,086)	24,623	1,954,191	1,810,711	(229,540)	1,581,171	

(Unit: Thousand Baht)

For the year ended 31 December 2020

	Instant noodles and semi-instant foods	Biscuits	Bakery	Packaging	Fruit Juice	Others	Total reportable segments	Adjustments and eliminations	Consolidated
Revenue from external customers	13,499,208	839,676	7,143,397	1,046,466	869,705	182,026	23,580,478	-	23,580,478
Inter-segment revenue	120,607	359,560	80	1,890,322	1,103	999,679	3,371,351	(3,371,351)	-
Finance income	171,419	10,328	60,408	21,744	125	11,878	275,902	-	275,902
Depreciation and amortisation	470,581	28,342	490,666	164,102	28,795	26,106	1,208,592	(1,390)	1,207,202
Share of profit accounted for under the equity method	-	-	-	-	-	-	294,979	-	294,979
Income tax	381,254	(3,757)	218,369	38,893	26,102	62,365	723,226	2,460	725,686
<b>Segment profit</b>	<b>3,099,826</b>	<b>30,799</b>	<b>1,675,223</b>	<b>510,017</b>	<b>91,038</b>	<b>511,732</b>	<b>5,918,635</b>	<b>(666,502)</b>	<b>5,252,133</b>

(Unit: Thousand Baht)

	Instant noodles and semi-instant foods	Biscuits	Bakery	Packaging	Fruit Juice	Others	Unallocated assets	Total reportable segments	Adjustments and eliminations	Consolidated
Investment in associates and joint venture accounted for under the equity method	-	-	-	-	-	-	3,048,449	3,048,449	-	3,048,449
Additions (decrease) to non-current assets other than deferred tax assets	343,795	66,123	(494,090)	308,635	2,632	215,452	912,353	1,354,900	(16,305)	1,338,595



## Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Thousand Baht)	
	<u>2021</u>	<u>2020</u>
Revenue from external customers		
Thailand	19,158,979	18,598,935
Others	5,298,061	4,981,543
<b>Total</b>	<b>24,457,040</b>	<b>23,580,478</b>
Non-current assets (other than deferred tax assets)		
Thailand	22,238,989	20,656,285
Others	484,742	494,275
<b>Total</b>	<b>22,723,731</b>	<b>21,150,560</b>

## Major customers

For the year 2021, the Group has revenue from a major customer which is a related party and principally engaged in distribution service in amount of Baht 9,808 million, arising from sales by the instant noodles, semi-instant foods and biscuits (2020: Baht 9,363 million).

## 30. Provident fund

The Group, and their employees jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund is contributed by both employees and the Company or the subsidiary companies at the rates of 3 - 5 percent of their basic salaries and is managed by Tisco Asset Management Co., Ltd.

Total contributions of the Group for the year 2021 amounting to approximately Baht 69 million (2020: Baht 68 million) and separate financial statements: Baht 27 million (2020: Baht 27 million) were recognised as expenses.

### 31. Dividend

Dividend for 2021			
	Per share	Total	Paid date
	(Baht)	(Thousand Baht)	
<b>The second-half period of 2020</b>			
(Approved by the Annual General Meeting of the Company's shareholders No. 4/2021 on 28 April 2021)			
BOI-promoted operation	1.15	379,160	27 May 2021
Non-BOI-promoted operation	0.92	303,328	
	2.07	682,488	
<b>The first-half period of 2021</b>			
(Approved by the Meeting of the Company's Board of Directors No. 9/2021 on 15 September 2021)			
BOI-promoted operation	1.00	329,704	14 October 2021
Non-BOI-promoted operation	1.18	389,050	
	2.18	718,754	
<b>Total dividend declared in 2021</b>	<b>4.25</b>	<b>1,401,242</b>	
Dividend for 2020			
	Per share	Total	Paid date
	(Baht)	(Thousand Baht)	
<b>The second-half period of 2019</b>			
(Approved by the Annual General Meeting of the Company's shareholders No. 4/2020 on 10 April 2020)			
BOI-promoted operation	1.1	362,674	8 May 2020
Non-BOI-promoted operation	1.1	362,675	
	2.2	725,349	
<b>The first-half period of 2020</b>			
(Approved by the Meeting of the Company's Board of Directors No. 9/2020 on 16 September 2020)			
BOI-promoted operation	1.35	445,101	15 October 2020
Non-BOI-promoted operation	1.35	445,100	
	2.70	890,201	
<b>Total dividend declared in 2020</b>	<b>4.90</b>	<b>1,615,550</b>	

## 32. Commitments and contingent liabilities

### 32.1 Capital commitments

As at 31 December 2021, a subsidiary had capital commitments in respect of procurement agreements for production machinery and equipment of approximately AUD 0.03 million and USD 0.02 million, totaling approximately Baht 1.1 million (2020: AUD 0.03 million and USD 0.01 million, totaling approximately Baht 0.8 million), in respect of office building agreements of approximately Baht 3.2 million (Separate financial statements: Baht 3.2 million) (2020: Baht 42.4 million (Separate financial statements: Baht 4.2 million)), electrical and factory equipment installation agreements of approximately Baht 35.3 million (Separate financial statements: Baht 23.0 million) (2020: Baht 53.5 million (Separate financial statements: Baht 47.1 million)) and software implementation of approximately Baht 11.3 million.

### 32.2 Short-term lease and other service commitments

The Company, its subsidiaries and the joint venture have entered into several lease agreements in respect of the lease of warehouse and other services. The terms of the agreements are generally 1 to 5 years.

As at 31 December 2021, future lease and service fees payables under these lease and service contracts were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Payable within:				
Less than 1 year	18	17	3	2
1 to 5 years	5	2	4	-
Total	23	19	7	2

### 32.3 Long-term service commitments

The joint venture entered into the license and technical assistance agreement with an overseas related company for the use of a trademark and the receipt of information related to operation and management of restaurants. Under the conditions of the agreement, the joint venture is to pay an annual license fee as stipulated in the agreement. The license fees for the year 2021 amounted to approximately Baht 1.4 million (2020: Baht 1.8 million).

### 32.4 Long-term purchase commitments

A subsidiary has commitments under natural gas purchase agreement for a period of 1 - 5 years. Under the agreement, a subsidiary is committed to purchase natural gas at a minimum quantity at the price stipulated in the agreement.

No.	Period (Years)	Expired date	Average minimum quantity purchase (Million BTU)
1.	1	30 November 2022	45,565 per annum
2.	1	30 November 2022	25,895 per annum
3.	5	31 December 2023	307 per day

### 32.5 Guarantees

32.5.1 As at 31 December 2021, there were outstanding bank guarantees of approximately Baht 33 million (2020: Baht 70 million), issued by banks on behalf of the Company, its subsidiaries and the joint venture and separate financial statements Baht 1 million (2020: Baht 2 million) in respect of certain performance bonds as required in the normal course of business of the Company, its subsidiaries and the joint venture. These included letters of guarantee as follows:

Type of guarantee	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Payment due to creditors	32	32	-	1
Custom duty	1	1	1	1
Retroactive tax assessment	-	37	-	-
	33	70	1	2

32.5.2 As at 31 December 2021, there were outstanding bank guarantees of approximately Baht 30.2 million (2020: Baht 65.3 million) issued by the banks on behalf of the subsidiary in respect of certain performance bonds as required in the normal course of the subsidiary's business. These included letters of guarantee amounting to Baht 26.0 million (2020: Baht 26.0 million) to guarantee electricity use, and Baht 3.0 million (2020: Baht 3.0 million) to guarantee contractual performance under the natural gas purchase agreement, and Baht 1.2 million (2020: Nil) to guarantee sales.

Moreover, in 2020, the subsidiary had a letter of guarantee in respect of tax installment payment of Baht 36.3 million that was pledged with the Revenue Department. In 2021, the Company fully paid tax and therefore requested to redeem the letter of guarantee.

### 32.6 Litigation

In March 2020, the subsidiary was sued by the Department of Empowerment of Persons with Disabilities which demanded that the subsidiary contribute to the fund for Empowerment of Persons with Disabilities with an interest in a total amount of Baht 7.7 million. During the year, the Company already paid such amount including interest up to the date of payment.

### 33. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Financial assets measured at FVTPL				
Open-end funds	-	452,509	-	452,509
Subordinated bonds	-	1,877,666	-	1,877,666
Preferred shares	-	-	100,010	100,010
Derivatives assets				
Foreign currency forward contracts	-	29	-	29
Financial assets measured at FVOCI				
Investments in listed equity instruments	1,978,150	-	-	1,978,150
Investments in non-listed equity instruments	-	-	373,915	373,915
Foreign equity instruments	-	55,563	-	55,563
Investments in debt instruments	-	7,315,308	-	7,315,308
Investments in mutual funds and unit trusts	-	723,038	-	723,038
Investment properties	-	406	-	406

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2020				
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Financial assets measured at FVTPL				
Open-end funds	-	430,399	-	430,399
Subordinated bonds	-	1,205,201	-	1,205,201
Preferred shares	-	-	120,476	120,476
Financial assets measured at FVOCI				
Investments in listed equity instruments	1,400,517	-	-	1,400,517
Investments in non-listed equity instruments	-	-	471,330	471,330
Foreign equity instruments	-	32,318	-	32,318
Investments in debt instruments	-	4,954,807	-	4,954,807
Investments in mutual funds and unit trusts	-	488,876	-	488,876
Investment properties	-	406	-	406

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2021				
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Financial assets measured at FVTPL				
Open-end funds	-	171,307	-	171,307
Subordinated bonds	-	864,112	-	864,112
Financial assets measured at FVOCI				
Investments in listed equity instruments	1,451,673	-	-	1,451,673
Investments in non-listed equity instruments	-	-	360,009	360,009
Foreign equity instruments	-	55,563	-	55,563
Investments in debt instruments	-	4,270,715	-	4,270,715
Investments in mutual funds and unit trusts	-	571,538	-	571,538
Investment properties	-	427	-	427

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Financial assets measured at FVTPL				
Open-end funds	-	147,497	-	147,497
Subordinated bonds	-	895,676	-	895,676
Financial assets measured at FVOCI				
Investments in listed equity instruments	995,607	-	-	995,607
Investments in non-listed equity instruments	-	-	447,072	447,072
Foreign equity instruments	-	32,318	-	32,318
Investments in debt instruments	-	2,677,576	-	2,677,576
Investments in mutual funds and unit trusts	-	364,008	-	364,008
Investment properties	-	428	-	428

### 34. Financial instruments

#### 34.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans, investments. The financial risks associated with these financial instruments and how they are managed is described below.

#### Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

#### Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are past due not more than one year.

#### Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on a monthly basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

#### **Market risk**

There are two types of market risk comprising interest rate risk and foreign currency risk. The Group enters into derivatives to manage its risk exposure that are foreign exchange forward contracts to hedge the foreign currency risk arising on the import or export of goods and equipment.

#### **Foreign currency risk**

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.



The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

	As at 31 December 2021				
	Consolidated		Separate		Average exchange rate as at 31 December 2021 (Baht per one foreign currency unit)
Currency	financial statements		financial statements		
	Assets	Liabilities	Assets	Liabilities	
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	
US dollar	12,607	5,496	12,378	2,472	33.4199
Singapore dollar	-	13	-	13	24.7357
Australia dollar	-	29	-	-	24.2627
Euro	285	87	285	73	37.8948
Japanese Yen	-	32,229	-	26,754	0.2906
Ringgit	443	181	443	181	8.0143
Yuan	-	732	-	-	5.2507

	As at 31 December 2020				
	Consolidated		Separate		Average exchange rate as at 31 December 2020 (Baht per one foreign currency unit)
	financial statements		financial statements		
Currency	Assets	Liabilities	Assets	Liabilities	
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	
US dollar	9,325	4,374	9,291	2,537	29.9909
Singapore dollar	-	30	-	30	22.6232
Euro	67	80	67	34	36.8165
Japanese Yen	9,416	25,070	9,416	9,792	0.2902
Ringgit	620	141	620	141	7.4140

As at 31 December 2021 and 2020, the Group had outstanding foreign exchange contracts as summarised below.

As at 31 December 2021			
Foreign currency	Bought amount	Contractual exchange rate	Contractual maturity date
	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	14,290	32.4000 - 33.7530	10 January - 5 July 2022
Foreign currency	Sold amount	Contractual exchange rate	Contractual maturity date
	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	8,400	32.8133 - 33.8400	5 January - 5 April 2022

As at 31 December 2020

Foreign currency	Bought amount (Thousand)	Contractual exchange rate (Baht per 1 foreign currency unit)	Contractual maturity date
US dollar	7,250	30.06 - 31.23	16 April 2021 - 23 June 2021

Foreign currency	Sold amount (Thousand)	Contractual exchange rate (Baht per 1 foreign currency unit)	Contractual maturity date
US dollar	9,442	29.8101 - 31.3050	6 January 2021 - 30 March 2021
Euro	200	36.5105	4 February 2021

### Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in Japanese yen, US dollar and Euro exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2021 and 2020. The Group's exposure to foreign currency changes for all other currencies is not material.

Consolidated financial statements				
Currency	2021		2020	
	Change in FX rate (Increase / (decrease))	Effect on profit before tax (Increase / (decrease))	Change in FX rate (Increase / (decrease))	Effect on profit before tax (Increase / (decrease))
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Japanese yen	10	(937)	10	(454)
	(10)	937	(10)	454
US dollar	10	23,763	10	14,848
	(10)	(23,763)	(10)	(14,848)
Euro	10	752	10	(48)
	(10)	(752)	(10)	48

Separate financial statements				
Currency	2021		2020	
	Change in	Effect on profit	Change in	Effect on profit
	FX rate	before tax	FX rate	before tax
	(Increase / (decrease))	(Increase / (decrease))	(Increase / (decrease))	(Increase / (decrease))
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Japanese yen	10	(778)	10	(11)
	(10)	778	(10)	11
US dollar	10	33,105	10	20,256
	(10)	(33,105)	(10)	(20,256)
Euro	10	805	10	121
	(10)	(805)	(10)	(121)

The information is not a forecast or prediction of future market conditions.

### Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December 2021					
	Fixed interest rates					
	Within	1-5	Floating	Non- interest		Effective
	1 year	years	interest rate	bearing	Total	interest rate
						(% per annum)
<b>Financial assets</b>						
Cash and cash equivalents	514	-	2,776	298	3,588	0.01 - 1.10
Other current financial assets	8,108	-	276	100	8,484	0.10 - 5.11
Trade and other receivables	-	-	-	3,649	3,649	-
Other non-current financial assets	-	6,017	-	3,768	9,785	0.25 - 5.35
	8,622	6,017	3,052	7,815	25,506	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	2,071	2,071	-
Liabilities under lease agreements	35	49	-	-	84	4.0 - 6.01
	35	49	-	2,071	2,155	

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2020						
Fixed interest rates					Effective interest rate  (% per annum)	
Within 1 year	1-5 years	Floating interest rate	Non- interest bearing	Total		
<b>Financial assets</b>						
Cash and cash equivalents	259	-	3,157	279	3,695	0.01 - 0.5
Other current financial assets	7,416	-	275	76	7,767	0.1 - 5.14
Trade and other receivables	-	-	-	3,238	3,238	-
Other non-current financial assets	-	5,592	-	2,869	8,461	0.25 - 5.11
	7,675	5,592	3,432	6,462	23,161	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	1,781	1,781	-
Liabilities under lease agreements	37	57	-	-	94	3.0 - 9.0
	37	57	-	1,781	1,875	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2021						
Fixed interest rates					Total	Effective interest rate  (% per annum)
Within 1 year	1-5 years	Floating interest rate	Non- interest bearing			
<b>Financial Assets</b>						
Cash and cash equivalents	102	-	1,633	37	1,772	0.01 - 0.50
Other current financial assets	3,145	-	216	-	3,361	0.15 - 0.80
Trade and other receivables	-	-	-	2,374	2,374	-
Other non-current financial assets	-	3,442	-	2,610	6,052	0.45 - 8.50
	3,247	3,442	1,849	5,021	13,559	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	1,265	1,265	-
Liabilities under lease agreements	4	7	-	-	11	4.00
	4	7	-	1,265	1,276	

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2020					
	Fixed interest rates					
	Within	1-5	Floating	Non- interest		Effective
	1 year	years	interest rate	bearing	Total	interest rate
						(% per annum)
<b>Financial Assets</b>						
Cash and cash equivalents	180	-	1,815	21	2,016	0.01 - 0.50
Other current financial assets	3,340	-	158	-	3,498	0.20 - 1.50
Trade and other receivables	-	-	-	2,030	2,030	-
Other non-current financial assets	-	3,467	-	1,986	5,453	0.56 - 8.50
	3,520	3,467	1,973	4,037	12,997	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	1,167	1,167	-
Liabilities under lease agreements	4	11	-	-	15	4.00
	4	11	-	1,167	1,182	

### Liquidity risk

The Group manages liquidity risk to meet its obligations and maintain cash balances to cover the liquidity needs. The Group has assessed that the Group has sufficient working capital to settle financial liabilities and concluded the risk to be low.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	As at 31 December 2021		
	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Trade and other payables	2,070,895	-	2,070,895
Lease liabilities	35,480	48,944	84,424
<b>Total non-derivatives</b>	2,106,375	48,944	2,155,319

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	As at 31 December 2020		
	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Trade and other payables	1,781,038	-	1,781,038
Lease liabilities	36,629	57,240	93,869
<b>Total non-derivatives</b>	<b>1,817,667</b>	<b>57,240</b>	<b>1,874,907</b>

	(Unit: Thousand Baht)		
	Separate financial statements		
	As at 31 December 2021		
	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Trade and other payables	1,265,212	-	1,265,212
Lease liabilities	3,827	7,387	11,214
<b>Total non-derivatives</b>	<b>1,269,039</b>	<b>7,387</b>	<b>1,276,426</b>

	(Unit: Thousand Baht)		
	Separate financial statements		
	As at 31 December 2020		
	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Trade and other payables	1,167,438	-	1,167,438
Lease liabilities	3,691	11,214	14,905
<b>Total non-derivatives</b>	<b>1,171,129</b>	<b>11,214</b>	<b>1,182,343</b>

## 34.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and long-term loans to related company, accounts payable, the carrying amounts in the statement of financial position approximate their fair value.
- b) The fair value of debt securities is generally derived from quoted market prices or by using the yield curve announced by the Thai Bond Market Association or by other relevant bodies.
- c) The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- d) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Group considers to counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

### 34.3 Reconciliation of recurring fair value measurements, of assets categorised within Level 3 of the fair value hierarchy

	(Unit: Thousand Baht)	
	Non-listed equity instrument	
	Consolidated financial statements	Separate financial statements
<b>Balance as of 1 January 2020</b>	426,863	408,965
Acquired during the year	40,000	30,000
Net gain recognised into other comprehensive income	4,467	8,107
<b>Balance as of 31 December 2020</b>	471,330	447,072
Net loss recognised into other comprehensive income	(97,415)	(87,063)
<b>Balance as of 31 December 2021</b>	373,915	360,009

Key assumptions used in the valuation are summarised below.

Financial instrument	Valuation technique	Significant unobservable output	Rates
Non-listed equity instrument	Discounted cash flow	Weighted average cost of capital	8.36%, 9.14%

(Unit: Million Baht)

	Sensitivity of the input to fair value							
	Consolidated financial Statements				Separate financial Statements			
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
	0.05%	0.05%	0.10%	0.10%	0.05%	0.05%	0.10%	0.10%
Fair value	(1.8)	1.9	(3.6)	3.7	(1.8)	1.8	(3.6)	3.7

### 35. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2021, the Group's debt-to-equity ratio was 0.12:1 (2020: 0.12:1) and the Company's was 0.12:1 (2020: 0.13:1).

### 36. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2022.



# Attachment

## Attachment 1

Information of the Board of Directors, Executives,  
Chief Financial Officer, Controlling Persons  
and Company Secretary



## Attachment 1 - Information of the Board of

## 1.1 Information of the Board of

(Directors and Executive Director No. 1-15, Executives No. 16-34, Chief Financial Officer No. 22, The person supervising accounting and Company Secretary No. 21)

Name / Position Appointed		Age (Year)	Education / Certification	(%) of share Possession	Family Relationship among Director and Executives	Time Period	Position	Company
<b>1. Mr. Boonathi Chokwatana</b> - Chairman of the Board - Chairman of the Nomination and Remuneration Committee - Authorized director to bind the company  Appointed : 16 <sup>th</sup> October, 2017		84	The Honorary Doctorate Degree - Business Administration Chiang Mai Rajabhat University - Business Administration Burapha University - Business Administration Thammasat University - Business Administration National Institute of Development Administration, - Business Administration University of the Thai Chamber of Commerce - Environmental Engineering Khon Kaen University - Faculty of Law Waseda University - Faculty of Textile Industry (Textile and Garments) Rajamangala University of Technology Krungthep  Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 68/2005	direct	Elder brother 7th person Uncle 8th person	<b>Board Member in Listed company</b> 2017 - Present Sep 2020 - Present  2017 - Present 2017 - Present 2017 - Present 2017 - Present 2016 - Apr 2018  <b>Board Member in Other company</b> Amount 11 companies	Honorary Chairman Vice Chairman / Chairman of the Executive Board / Chairman of the Nomination and Remuneration Committee Honorary Advisory Advisor to the Board of Directors Advisor to the Board of Directors Consultant Director	Saha Pathanaphot Public Co., Ltd. Saha Pathana Inter-Holding Public Co., Ltd. Saha Pathana Inter-Holding Public Co., Ltd. I.C.C. International Public Co., Ltd. Thanlux Public Co., Ltd. Textile Prestige Public Co., Ltd. Thai Wacoal Public Co., Ltd. Sahaogen (Chonburi) Public Co., Ltd.
				0.91%				
				indirect				
				0.04%				
<b>2. Mr. Pipat Panangvatt</b> - Vice Chairman - Nomination and Remuneration Committee - Chief/Executive Officer - Authorized director to bind the company  Appointed : 16 <sup>th</sup> October, 2017		82	The Honorary Doctorate Degree - Food Science and Technology, Rajamangala University of Technology Tawan-ok - Business administration, North Chiang Mai University - Home Economics Development, Ramkhamhaeng University  Thai Institute of Directors Association - Director Accreditation Program (DAP) 3/2003 - Director Certification Program (DCP) 39/2004	direct	Father 4th, 9th, 16th, 20th person	2017 - Present 2017 - Present 2017 - Present  <b>Board Member in Listed company</b> 2017 - Present  2017 - Present 2017 - Aug 2018  <b>Board Member in Other company</b> Amount 6 companies	Honorary Director Treasurer Expertise  Chairman Chairman of the Nomination and Remuneration Committee Director Chairman	The Thai Chamber of Commerce Federation Internationale de Natation (FINA) National Olympic Committee of Thailand  President Bakery Public Co., Ltd.  Saha Patana Inter Holding Public Co., Ltd., Thai O.P.P. Public Co., Ltd.
				6.73%				
				indirect				
				0.50%				
<b>3. Mr. Suchai Ratanajitjaroen</b> - Vice Chairman - Corporate Governance and Risk Management Committee - Consultant - Authorized director to bind the company  Appointed : 16 <sup>th</sup> October, 2017		69	Master in Business Administration, Thammasat University  Thai Institute of Directors Association - Director Certification Program (DCP) 45/2004	direct	None	<b>Board Member in Listed company</b> None  <b>Board Member in Other company</b> Amount 7 companies		
				-				
				indirect				
				-				

Name / Position Appointed	Age (Year)	Education / Certification	Family Relationship among Director and Executives	Working Experiences in the 5 Preceding Years		
				(%) of share Possession	Time Period	Position Company
<b>4. Dr. Paj Panangrat</b> - President - Corporate Governance and Risk Management Committee - Authorized director to bind the company Appointed : 16 <sup>th</sup> October, 2017	54	Dotor of Philosophy in Knowledge Management, Chiang Mai University MBA Commerce and Accountancy, Thammasat University Thai Institute of Directors Association - Directors Accreditation Program (DAP) 20/2004 - Director Certification Program (DCP) 7/2006 - Risk Management Program for Corporate Leaders (RCL) 21/2020	Son 2nd person Spouse 19th person Younger brother 9th, 16th person Elder brother 20th person	direct	<u>Board Member in Listed company</u>	
				0.93%	None	
				indirect	<u>Board Member in Other company</u>	
				-	Amount 15 companies	
<b>5. Mr. Kamthorn Tatiyakavee</b> - Director - Authorized director to bind the company Appointed : 16 <sup>th</sup> October, 2017	67	MBA (Finance) University of Bridgeport Connecticut, U.S.A. Thai Institute of Directors Association - Audit Committee Program (ACP) 12/2006 - Directors Certification Program (DCP) 46/2004 - Directors Accreditation Program (DAP) 3/2003 - IT Governance and Cyber Resilience Program (ITG) 7/2018	None	direct	<u>Board Member in Listed company</u>	
				1.76%	May 2019 - Present	Independent Director / Audit Committee
				indirect	2017 - Mar 2018	Director
				0.80%	<u>Board Member in Other company</u>	
					Amount 1 company	Kerry Express (Thailand) Public Co.,Ltd. President Bakery Public Co.,Ltd.
<b>6. Mr. Apichart Thamnanomai</b> - Director - Authorized director to bind the company Appointed : 16 <sup>th</sup> October, 2017	72	Mini MBA , Thammasat University Thai Institute of Directors Association - Director Certification Program (DCP) 68/2005 - Director Accreditation Program 11/2003	None	direct	<u>Board Member in Listed company</u>	
				0.05%	2019 - Present	Vice Chairman
				indirect	2017 - Present	Managing Director
				-	2017 - Present	Nomination and Remuneration Committee
					<u>Board Member in Other company</u>	President Bakery Public Co.,Ltd. President Bakery Public Co.,Ltd. President Bakery Public Co.,Ltd.
					Amount 2 companies	



Name / Position Appointed	Age (Year)	Education / Certification	Family Relationship among Director and Executives	Working Experiences in the 5 Preceding Years		
				(%) of share Possession	Time Period	Position Company
<b>10. Mrs. Orathai Thongueartkom</b> - Director - Authorized director to bind the company Appointed : 24 <sup>th</sup> April, 2019	61	Barrister-at-law, Institute of Legal Education of the Thai Bar Bachelor of Law (First-class honors), Chulalongkorn University Bachelor of Business Administration (First-class honors), Bangkok University Advanced Certificate in Public Economics Management for Executives, King Prajadhipok's Institute Thai Institute of Directors Association - Director Certification Program (DCP) 277/2019 - Boards That Make a Difference (BMD) 10/2020	None	direct	<u>Board Member in Listed company</u>	
				0.31%	None	
				indirect		
				-	<u>Board Member in Other company</u>	
					Amount 4 companies	
<b>11. Dr. Kuipatra Sirodom</b> - Independent Director - Chairman of Audit Committee Appointed : 16 <sup>th</sup> October, 2017	65	Ph.D (Finance) University of Pittsburgh, Pennsylvania, USA MBA, (Finance) West Virginia University, USA Thai Institute of Directors Association - Director Certification Program (DCP) 1/2000 - Audit Committee Program	None	direct	Feb 2017 - Present	Governor
				0.05%	<u>Board Member in Listed company</u>	
				indirect	2017 - Present	Independent Director
						Chairman of the Audit Committee
						Chairman of Corporate Governance Committee
					2017 - Present	Independent Director / Chairman of Audit Committee
					2019 - Present	Independent Director / Chairman of Audit Committee
					2019 - Present	Independent Director / Chairman of Audit Committee
					2009 - Apr 2018	Independent Director / Audit Committee Member
					2002 - 2017	Independent Director
						Director of the Audit Committee
					<u>Board Member in Other company</u>	
					Amount 1 company	
						The Stock Exchange of Thailand
						Thai Wacoal Public Company Limited
						Thai Wacoal Public Company Limited
						Thai Wacoal Public Company Limited
						The Atawun Group Plc.
						Tisco Financial Group Public Company Limited
						Thai Group Holdings public company limited
						The Siam Commercial Bank Plc.
						President Bakery Public Co.,Ltd.
						President Bakery Public Co.,Ltd.

Name / Position Appointed	Age (Year)	Education / Certification	Family Relationship among Director and Executives	Working Experiences in the 5 Preceding Years	Company
<b>12. Mr. Kanich Punyashthiti</b> - Independent Director - Audit Committee - Nomination and Remuneration Committee  Appointed : 1 <sup>st</sup> January 2020	52	LL.M. (cum laude), KU Leuven, Belgium LL.M., Michigan USA LL.M., Harvard USA LL.B. (Hons), Chulalongkorn University  Thai Institute of Directors Association - Director Accreditation Program (DAP) 164/2019 - High Level Justice Process Administrators Certificate Class 17, Thailand Institute of Justice	None  direct - indirect -	<b>Board Member in Listed company</b> Apr 2021 - Present Independent Director / Audit Committee Chairman of Corporate Governance Committee	Muang Thai Life Assurance Public Company Limited
				Apr 2021 - Present Independent Director Tisco Financial Group Public Company Limited	Tisco Financial Group Public Company Limited
				Nov 2018 - Present Independent Director / Audit Committee Chairman of Nomination and Compensation Committee Thaitorn Public Co.,Ltd	Thaitorn Public Co.,Ltd
				<b>Board Member in Other company</b> Amount 1 company	
<b>13. Professor Dr. Suwimon Keerapibul</b> - Independent Director - Chairman of the Corporate Governance and Risk Management Committee  Appointed : 24 <sup>th</sup> April, 2019	67	Doctor and Master of Engineering (Fermentation Technology), Hiroshima University, Japan Bachelor of Science (Food Technology), Chulalongkorn University  Thai Institute of Directors Association - Director Accreditation Program (DAP) 97/2012 - Risk Management Program for Corporate Leaders (RCL 21/2020)	None  direct - indirect -	2017 - Present Consultant of GMP, HACCP system Lecturer on food safety, auditing and monitoring production hygiene in Food Industry Factory Principal researcher on flavors in food Professor at the Faculty of Science Chulalongkorn University	Chulalongkorn University
				2016 - Sep 2020 Independent Director Crown Seal Public Company Limited President Bakery Public Co.,Ltd.	Crown Seal Public Company Limited President Bakery Public Co.,Ltd.
				<b>Board Member in Listed company</b> 2017 - Present 2016 - Apr 2019 Independent Director Independent Director	
				<b>Board Member in Other company</b> None	
<b>14. Mrs. Tongurai Limpiti</b> - Independent Director - Chairman of the Investment Committee - Corporate Governance and Risk Management Committee  Appointed : 24 <sup>th</sup> April, 2019	65	MBA, (Finance, Investment and Accounting) University of Wisconsin, Madison, USA Bachelor of Accountancy, Chulalongkorn University  Thai Institute of Directors Association - Director Certification Program (DCP) 8/2001 - Director Certification Program Update (DCPU) 5/2015	None  direct 0.008% indirect -	Jun 2021 - Present Director of the Finance Committee Srisawarindra Institute of Nursing, Thai Red Cross Society Chulalongkorn University Council	Srisawarindra Institute of Nursing, Thai Red Cross Society Chulalongkorn University Council
				Jun 2021 - Present Member of the Restructuring Committee Executive Committee Consultant Thai Investors Association	
				2017 - Present Chairman of the Board Independent Director / Audit Committee Risk and Compliance Committee Member Bangkok Commercial Asset Management Plc. Bank of Ayudhya Public Company Limited	Bangkok Commercial Asset Management Plc. Bank of Ayudhya Public Company Limited
				<b>Board Member in Listed company</b> 2017-Present Jan 2020 - Present Independent Director / Audit Committee Risk and Compliance Committee Member	
				<b>Board Member in Other company</b> None	

Name / Position Appointed	Age (Year)	Education / Certification	(%) of share Possession	Family Relationship among Director and Executives	Working Experiences in the 5 Preceding Years		
					Time Period	Position	Company
15. Mr. Kalin Sarasin - Independent Director - Audit Committee  Appointed : 17 <sup>th</sup> March, 2021	60	Master of Business Administration, University of Notre Dame, USA Bachelor of Science in Industrial Engineering, Lehigh University, USA  Thai Institute of Directors Association - Director Accreditation Program (DAP) 105/2556 - The National Defence Course Class 57, National Defence College - Capital Market Academy Leader Program Class 17	direct	None	2020 - Present	Director	Economic Reform Committee
			-		2017 - 2021	Chairman	The Thai Chamber of Commerce and Board of Trade of Thailand
			indirect		2021 - Present	Senior Chairman	The Thai Chamber of Commerce and Board of Trade of Thailand
			-		<u>Board Member in Listed company</u> 2017 - Present	Independent Director	Kasikornbank Public Company Limited
					2017 - 2021	Chairman of the Audit Committee Member of the Human Resources and Remuneration Committee	The Siam Cement Public Company Limited
16. Dr. Pojannee Pantiangvatt - Vice President  Appointed : 16 <sup>th</sup> October, 2017	57	Ph.D. in Agricultural and Environmental Chemistry with emphasis on Food Sciences, University of California, Davis Master of Management, SASIN Graduate Institute of Business Administration, Bangkok  Thai Institute of Directors Association - Director Accreditation Program - How to Develop a Risk Management Plan (HRP)	direct	Daughter 2nd person Elder sister 4th,9th,20th person	<u>Board Member in Listed company</u> 2017-Present	Director	President Bakery Public Co.,Ltd.
			0.94%		<u>Board Member in Other company</u> Amount 9 companies		
			indirect				
			-				
17. Ms. Hatairatt Kwangchit-Aree - Assistant Vice President  Appointed : 16 <sup>th</sup> October, 2017	63	EX-MBA The National Institute of Development Administration B.B.A Accounting Ramkhamhaeng University  Thai Institute of Directors Association - Director Accreditation Program	direct	None	<u>Board Member in Listed company</u> None		
			0.016%		<u>Board Member in Other company</u> None		
			indirect				
			-				
18. Mrs. Sodsal Hanchana - Assistant Vice President  Appointed : 16 <sup>th</sup> October, 2017	62	Master in Marketing, Thammasart University Bachelor of Science (Food and Biotechnology ) Chulalongkorn University  Thai Institute of Directors Association - Director Accreditation Program	direct	None	<u>Board Member in Listed company</u> None		
			0.008%		<u>Board Member in Other company</u> Amount 1 company		
			indirect				
			-				

Name / Position Appointed	Age (Year)	Education / Certification	Family Relationship among Director and Executives	Family Relationship among Director and Executives	Working Experiences in the 5 Preceding Years		
					Time Period	Position	Company
19. Mrs. Suchada Paniangvait - Assistant Vice President (Production)  Appointed: 16 <sup>th</sup> October, 2017	54	Master of science in computer and engineering Management msc (cm), assumption university	Spouse 4th person	direct 0.016% indirect -	<u>Board Member in Listed company</u> None		
					<u>Board Member in Other company</u> Amount 1 company		
20. Mr. Pun Paniangvait - Investment Committee - Presidents Office, Manager  Appointed: 16 <sup>th</sup> October, 2017	46	Master of Law (LL.M) in Business Law (International Program) Chulalongkorn University  Thai Institute of Directors Association - Director Accreditation Program	Son 2nd person Younger brother 4th, 9th, 16th, 20th person	direct 0.93% indirect -	2017 - Present  2017 - Present  <u>Board Member in Listed company</u> 2017 - Present  <u>Board Member in Other company</u> Amount 9 companies	Executive Director Chairman of Business Law Committee Qualified member of Calibration Committee  Director	The Thai Chamber of Commerce and Board of Trade of Thailand Department of Internal Trade Ministry of Commerce  President Bakery Public Co., Ltd.
21. Miss Sararath Tangsrimongkol - Accounting Department (The person supervising accounting ) - Company Secretary  Appointed: 16 <sup>th</sup> October, 2017	57	Master of Science (Internal Auditing), The University of the Thai Chamber Commerce  Thai Institute of Directors Association - Company Secretary Program (CSP) 42/2011 - Board Reporting Program (BRP) 31/2019 - Ascan CG Scorecard Coaching  The person supervising accounting duties trainings - Writing of Monthly and Quarterly Reports to attractive and effective (Accounting 6 hours) - Accounting tools with RPA, AI and OCR technology (Accounting 3 hours and Other 3 hours)	None	direct - indirect -	<u>Board Member in Listed company</u> None  <u>Board Member in Other company</u> None		



Name / Position Appointed	Age (Year)	Education / Certification	Family Relationship among Director and Executives	Working Experiences in the 5 Preceding Years		
				(%) of share Possession	Time Period	Position Company
<b>22. Mr. Wasan Boonsampankitt</b> - Investment Committee - Finance and Investment Department, Manager (CFO) - Chief Financial Officer (CFO)  Appointed : 16 <sup>th</sup> October, 2017	51	MS. (FINANCE), University of Colorado, USA.  Thai Listed Companies Association - TLCA CFO Professional Development Program (TLCA CFO CPD) 8/2021 Thailand Securities Institute (TSI) - CFO Refresher Course 2/2021	None	direct	<u>Board Member in Listed company</u> None	
				-		
				indirect		
				-		
<b>23. Mr. Iritphon Khoularat</b> - Business Development, Manager  Appointed : 16 <sup>th</sup> October, 2017	56	Master of Economics, University of the Thai Chamber of Commerce	None	direct	<u>Board Member in Listed company</u> None	
				-		
				indirect		
				-		
<b>24. Miss Prapin Lawanprasert</b> - Sourcing Department, Manager  Appointed : 16 <sup>th</sup> October, 2017	59	Master of Business Administration The National Institute of Development Administration Master's Degree of Food Science and Technology, Kasetsart University	None	direct	<u>Board Member in Listed company</u> None	
				0.010%		
				indirect		
				-		
<b>25. Mr. Sorayut Rakksari</b> - Human Resource Management & Administration Department Manager  Appointed : 16 <sup>th</sup> October, 2017	50	Master of Public Administration, Chiangmai University	None	direct	<u>Board Member in Listed company</u> None	
				-		
				indirect		
				-		

Name / Position Appointed	Age (Year)	Education / Certification	Family Relationship among Director and Executives	Working Experiences in the 5 Preceding Years	Company
<b>26. Miss Ariya Tangcheewinsirikul</b> - Internal Audit Department, Manager Appointed: 16 <sup>th</sup> October, 2017	49	Master of Faculty of Commerce and Accountancy Degree in Corporate Governance Program (MSCG), Chulalongkorn University	None	<u>Board Member in Listed company</u> None	
<b>27. Mr. Chumpol Teniyasathit</b> - Research Development Department, Manager Appointed: 16 <sup>th</sup> October, 2017	57	Master of Business Administration (Management), Sasin Graduate Institute of Business Administration of Chulalongkorn University	None	<u>Board Member in Listed company</u> None	
<b>28. Miss Savita Sakulthanasombhat</b> - Quality Assurance Department, Manager Appointed: 16 <sup>th</sup> October, 2017	60	Bachelor of Arts Program in General Management Rajabhat Rajanagarindra University	None	<u>Board Member in Listed company</u> None	
<b>29. Mr. Nirun Poothong</b> - Siracha Factory, Manager Appointed: 16 <sup>th</sup> October, 2017	69	MBA, Burapha University	None	<u>Board Member in Listed company</u> None	
<b>30. Miss Nimol Kijthan</b> - Rayong Factory, Manager Appointed: 16 <sup>th</sup> October, 2017	60	Master of Science, Kasetsart University	None	<u>Board Member in Listed company</u> None	

Name / Position Appointed	Age (Year)	Education / Certification	Family Relationship among Director and Executives	Time Period	Working Experiences in the 5 Preceding Years	
					Position	Company
31. Mr. Chatchaphon Boonterm - Human Resources Organization Development Department Manager  Appointed : 1 <sup>st</sup> January, 2020	47	Master of Education Technology, Chulalongkorn University	None	<u>Board Member in Listed company</u>		
				None		
				<u>Board Member in Other company</u>		
				None		
32. Mr. Kidpaiboon Kongsupapirsi - Intelligence Production Manager  Appointed : 1 <sup>st</sup> September, 2020	48	Master Degree of Engineering (Industrial) Chulalongkorn University	None	<u>Board Member in Listed company</u>		
				None		
				<u>Board Member in Other company</u>		
				None		
33. Mrs. Chalairat Sornsuechart - Investment Committee  Appointed : 27 <sup>th</sup> October, 2021	60	Master's degree in Finance Kasetsart University Bachelor's degree in Banking and Finance Chulalongkorn University	None	Jun 2016 - Sep 2021	Director of Investment Management	Thai Credit Guarantee Corporation (TCG)
				<u>Board Member in Listed company</u>		
				None		
				<u>Board Member in Other company</u>		
34. Ms. Vimol Techakosol - Investment Committee  Appointed : 28 <sup>th</sup> April, 2021	47	Master of Business Administration (MBA Regular) Chulalongkorn University Bachelor of Economics (Agri-Business) Kasetsart University	None	<u>Board Member in Listed company</u>		
				None		
				<u>Board Member in Other company</u>		
				Amount 2 companies		

## 1.2 Duties and Responsibilities of The Company Secretary

According to the Board's meeting No. 4/2021, held on April 28, 2021 the Board resolved to appoint Miss Sararath Tangsirimongkol, Manager of Accounting Department who has passed "Company Secretary Program (CSP) No. 42/2011" and Board Reporting Program (BRP) NO. 31/2019 and Asean CG Scorecard Coaching Program arranged by Thai Institute of Directors, to be the Company Secretary with the service term of 1 year (the qualification of Company Secretary as detailed in the Attachment 1 form 56-1). In addition, the Board of Directors has approved the Charter of Company Secretary to determine the scope of duties and responsibilities of Company Secretary as following,

### Duties and Responsibilities

#### Duties

1. Prepare and keep the documents as following,
  - (a) Register of Directors
  - (b) Invitation Notice of the Board's meeting, minute of the Board's meeting, and annual report of the Company
  - (c) Invitation Notice of the shareholders' meeting, and minute of the shareholders' meeting
2. Maintain the Report of Stake Holding of the Directors and Executives of the Company.
3. Submit the Report of Stake Holding as required by Section 89/14 to the Chairman of the Board and Chairman of Audit Committee within 7 working days from the date receiving such report.
4. Provide preliminary suggestion with regard to the relevant laws, rules, and Company's regulations.
5. Communicate with the shareholders to inform the rights of shareholders and Company's information.
6. Facilitate the administration of the Company to be complied with Good Corporate Governance Principles.
7. Perform any other duties as specified by the Capital Market Supervisory Board.

#### Responsibilities

The Company Secretary shall perform duties with responsibility, prudence, and integrity to support business operation of the Company to be complied with by the relevant laws, objectives, regulations, resolutions of the shareholders' meeting as prescribed by Section 89/23 of the Securities and Exchange Commission Act (No. 4) 2008.

In the event that the Company Secretary has vacated from position or has been incapable to perform duty, the Board of Directors shall appoint new Company Secretary within 90 days from the date of such vacancy or incapability. In this regards, the Board of Director shall be empowered to assign any one Director to perform substituting duties during such period.

The Company Secretary has prepared the minute of the meeting in written document and already kept the minute which had been certified by the Board. In this regard, each Director had received the minute of the meeting no less than 7 days prior to being certified.

## Attachment 2

### Details of Directors and Subsidiaries



## Attachment 2 : Details of Directors and Subsidiaries

No.	Company		Local subsidiary								Foreign subsidiary			Domestic Associates				Foreign Associates		Other Companies								
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
1	Mr. Boonsithi	Chokwatana	X				/																					X
2	Mr. Pipat	Paniangvait	//		+			X		//					/													
3	Mr. Suchai	Ratanajajaroen	//				/			X	X	/	X		/				/									
4	Dr. Poj	Paniangvait	**	/	/		/			/	/	++	/	/	/	/			/									
5	Mr. Kamthorn	Tat'yakavee	/																									
6	Mr. Apichart	Thammanomai	/			X		//,**						/														
7	Mr. Boonchai	Chokwatana	/												/					/				/				
8	Mr. Vathit	Chokwatana	/										/		/									/				
9	Miss Pojana	Paniangvait	/							++		/	/															
10	Mrs. Orathai	Thongmeearkom	/																									
11	Dr. Kulpatra	Sirodom	/																									
12	Mr. Kanich	Punyashuthi	/																									
13	Prof. Dr. Suwimon	Keeratipibul	/																									
14	Mrs. Tongurai	Limpiti	/																									
15	Mr. Kalin	Sarasin	/																									
16	Dr. Pojaneer	Paniangvait		/	/	++		/		/				/											/			
17	Mrs. Sodsai	Hanchana								/																		
18	Miss Hatairat	Kwangchit-Aree																										
19	Mrs. Suchada	Paniangvait																										
20	Mr. Pun	Paniangvait		/	/			/	/	/							/											
21	Mr. Wasan	Boonsampankit																										
22	Miss Sararath	Tangsimongkol																										
23	Mr. Ittiphon	Khoulharat	/							/																		
24	Miss Prapin	Lawanprasert				/																						
25	Mr. Sorayut	Raksasri																										
26	Miss Ariya	Tangcheev'insirikul																										
27	Mr. Chumpol	Temiyasathit																										
28	Miss Sawita	Sakulthanasombat																										
29	Mr. Nirun	Poothong				/																						
30	Miss Nimol	Kijkan																										
31	Mr. Chatchaphon	Boonterm																										
32	Mr. Kidpaiboon	Kongsupapsiri																										

**Remark**

X = Chairman of the Board

// = Vice Chairman of the Board

\*\* = President

/ = Director

+ = Honorary Chairman

++ = Managing Director

**Name of Subsidiaries and Associates****Local subsidiary**

1. Thai Sun Foods Company Limited
2. Thai Anbao Paper Products Company Limited
3. Dai-Ichi Packaging Company Limited
4. President Flour Mills Company Limited
5. President Kourakuen Company Limited
6. President Bakery Public Company Limited
7. President D Venture Company Limited
8. President Interfood Company Limited

**Domestic Associates**

12. Kerry Flour Mills Company Limited
13. Thai-Myanmar Success Venture Company Limited
14. Sanko Machinery (Thailand) Company Limited
15. Thai Instant Products Company Limited

**Other Companies**

18. Kewpie (Thailand) Company Limited
19. Winstore Retail Network Co.,Ltd.
20. The Bangkok Club Co.,Ltd.
21. Noble Place Co.,Ltd.
22. Saha Lawson Co.,Ltd.

**Foreign Subsidiary**

9. Kallol Thai President Foods (BD) Limited
10. Thai President Foods (Hungary) Company Limited
11. Ayeyarwaddy Success Venture Foods Co., Ltd

**Foreign Associates**

16. Anbao Environmental Science & Technology Company Limited
17. President Foods (Cambodia) Company Limited

23. American Food Co.,Ltd.
24. Sahachol Food Supplies Co.,Ltd.
25. Trecher Hill Co.,Ltd.
26. Saha Capital Tower Company Limited

### **Attachment 3 : Detail of Head of Internal Audit**

The Company has appointed Misss Ariya Tangcheevinsirikul to hold Manager of Internal Audit Department of the Company on August 1, 2011 due to having experience working in internal auditing for not less than 5 years and having attended training courses related to internal audit operations and fraud and corruption risk assessment, paper course for anti-corruption measures in organizations as well as having an understanding of the activities and operations of the company who have educational qualifications, experience, and training that are suitable and sufficient to perform such duties. However, considering and approving the appointment or promote a position or transfer or dismiss the head of internal audit of the company must be approved by the Audit Committee.

Information about the qualifications of the person holding the position of Internal Audit Manager as detailed in attachment 1.

### **Attachment 4 : Business Assets and Details on Asset Valuation**

- None

### **Attachment 5 : Corporate Governance, Ethical Standards and Code of Business Ethics**

The Company thereby prescribed the following corporate governance policies as a practice guideline for the Board of Directors, Executive and all employees.

For details related to the Company's Good Corporate Governance Principles Thai President Foods Public Company Limited. Code of Conduct Code of Conduct management and staff. The information at the link below.

<https://www.mama.co.th/en/ir-corporate>

### **Attachment 6 : Report of the Audit Committee**

See on page 117-119







## Thai President Foods Public Company Limited

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