



ANNUAL REPORT 2021

Form 56-1 ONE REPORT



Thai Plastic Industrial (1994) Public Company Limited

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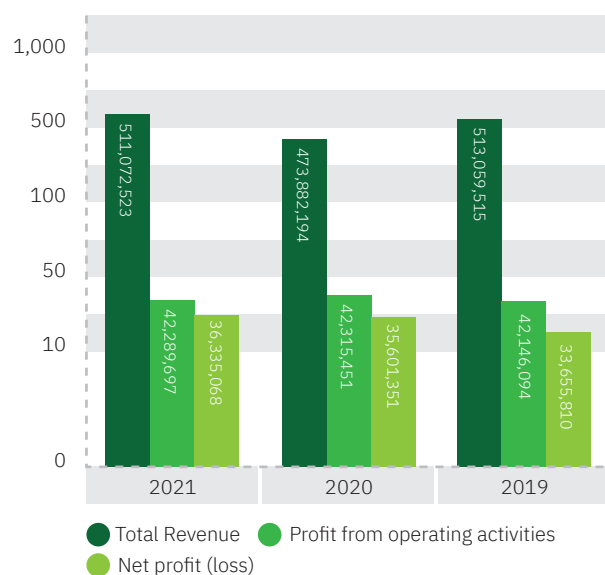
Full version of Corporate Governance Policy, Guidelines, and Charter

Financial Highlights

	2021	2020	2019
Financial Results (THB)			
Total Revenue	511,072,523	473,882,194	513,059,515
Profit from operating activities	42,289,697	42,315,451	42,146,094
Net profit (loss)	36,335,068	35,601,351	33,655,810
Earnings per share	0.126	0.128	0.123
Statement of Financial Position (THB)			
Total assets	380,988,522	373,733,972	353,792,535
Total liabilities	60,066,026	62,149,144	50,811,658
Total shareholders	320,922,496	311,584,828	302,980,877
Retained earning	114,060,234	106,422,566	99,362,447
Issued and paid-up share capital	135,000,000	135,000,000	135,000,000
Key Financial Ratio			
Gross Margin (%)	18.61	20.44	19.04
Net Profit Margin (%)	6.64	7.30	6.49
Current Ratio (Time)	3.96	3.66	4.92
Return on Equity (%)	10.72	11.26	11.12
Return on Asset (%)	8.99	9.51	9.52
Debt to Equity Ratio (Time)	0.19	0.20	0.17

Financial Results

(THB)

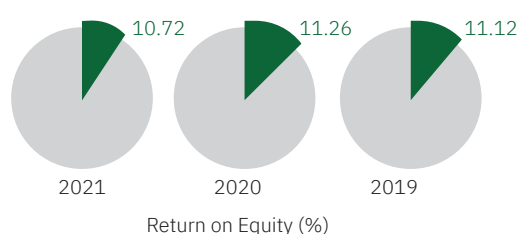
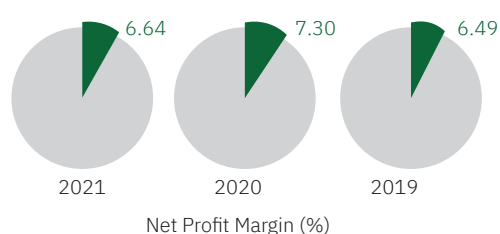


Statement of Financial Position

(THB)



Key Financial Ratio



MESSAGE FROM THE CHAIRMAN



Assoc. Prof. Dr. Montree Socratianurak
Chairman of the Board of Directors
Thai Plastic Industrial (1994) Public Company Limited

Dear Valued Shareholders

In 2021, Thailand still encountered the COVID-19 pandemic which continued from the prior year. In the past year, COVID-19 in the Delta variant severely spread during the third quarter which impacted the economy. In addition, it also causes temporarily discontinued operation in several operators.

The Company is also one of the operators who had to temporarily stop the operation in the third quarter to handle the pandemic. During the period, the Company placed pandemic safety and the living of the Company's employees as the first priority.

However, the Company continually adjusts business strategies. Consequently, the Company has total revenue of THB 511,072,523, which increased from 2020 by 7.85 %, and net income of THB 33,909,920, which increased/decreased from 2020 by 1.97%

I, as the Company's Chairman, would like to thank shareholders, directors and all executives. I would like to assure that I would always be dedicated to developing the Company for sustainable growth and the benefit of society.

MESSAGE FROM MANAGING DIRECTOR



A handwritten signature in black ink, appearing to read 'Teerachai Teerarujinon'.

Teerachai Teerarujinon
Managing Director
Thai Plastic Industrial (1994) Public Company Limited

Dear Valued Shareholders

In 2021, the Company encountered the COVID-19 pandemic continuously. The spread of COVID -19 in the Delta variant during the third quarter caused the temporary closure of the Company's operation for 14 days to stop the pandemic. During the closure, the Company placed pandemic safety and the living of the Company's employees as the first priority. The Company provides information about viruses and self-protection. And also, the Company constantly encourages discussion to help reduce the employees' stress and concern. However, with every staff's efforts, the Company and every staff well manage to get through the crisis. Such a crisis creates more empathy and unity among employees.

For the Company's operating results in 2021, even with several problems arising from the COVID -19 pandemic such as the Company's temporary closure, the fresh markets' temporary closure in every part of Thailand, the shortage in the workforce, and the temporary halt of the supply chain, the Company still achieve revenue growth at over 7.85% and has a net income of over THB 33,909,920. This is a result of the constant adjustment in every operating section's strategies to respond to the situations with the most priority in the Company's sustainable growth and efforts from every employee who prioritizes the greater good.

Lastly, I, as the Company's top management, would like to thank shareholders, directors, and, most importantly, every employee who is united to bring the Company through this crisis gracefully. I would like to assure that I will always fairly treat all stakeholders and develop the Company for sustainable growth.

Report of the Audit Committee



Dear Shareholders,

The Audit Committee (“the committee”) of the company, appointed by the Board of Directors, consists of 3 independent directors who specialize in accounting, finance, law, and organizational management, with sufficient knowledge and experience in reviewing the reliability of financial statements. The lists of the Audit Committee are as follows:

NAME	POSITION	AC MEETING ⁽¹⁾
1. Mr. Verasak Prommas (Independent Director)	Chairman of the committee	4/4
2. Mr. Paiboon Aroonprasobsuk (Independent Director)	Member of the committee	4/4
3. Mr. Pitipong Archamongkol ⁽²⁾ (Independent Director)	Member of the committee	3/3

Remark: Mr. Nuttapat Phunphonhaveelarp (Company secretary) served as the secretary of the committee.

(1) AC meeting-the number of meeting attendance of The Audit Committee in 2021.

(2) Mr. Pitipong Archamongkol has been appointed as the member of the committee, effective from 25 February 2021 onwards.

In 2021, there are a total of 4 Audit Committee Meetings. Discussions are made with the management team, related executives, internal auditors and external auditors in the agenda that is in accordance with the defined roles and responsibilities of the Audit Committee charter. Opinions and suggestions are provided independently as they shall be. The Audit Committee reported the operating results to the Board of Directors’ Meetings. The summary of significant matters of operating results and opinions are as follows:

1. Accuracy, Completeness and Credibility of the Financial Reports

The Audit Committee reviews the quarterly financial statements, annual financial statements, accounting policies and significant financial reports with the management team, internal auditors and external auditors to ensure that the preparation of the Company’s financial statements are in compliance with the laws and accounting standards and the disclosures on the financial statements are accurate and complete.

Besides, the Audit Committee hold a special meeting with external auditors, without the management team, where significant information about the accounting system, financial reports, obstacles in work execution and/or those related to independence of work execution are discussed.

In 2021, the Audit Committee views that the Company’s financial reports are prepared as appropriate in the essence of the financial reporting standards for a complete bookkeeping and financial reports. In addition, the disclosures on important information in the notes to financial statements are sufficient, timely, credible and beneficial to the shareholders and investors.

2. Related Party Transaction or Transactions that may have Conflict of Interests

The Audit Committee reviews the related party transactions or transactions that may have conflicts of interest which are within the related party transaction scope announced by the Securities and Exchange Commission to ensure compliance with the regulations and related guidelines by the Stock Exchange of Thailand in every quarter.

In 2021, the Audit Committee views that the related party transactions or transactions that may have conflicts of interest are made under the normal trade conditions that are necessary, reasonable, fair and in the best interests of the Company and shareholders, which do not lead to benefit transfer. In addition, the information disclosures are complete and sufficient.

3. Sufficiency of the Internal Control, Internal Audit, Risk Management and Good Corporate Governance System

The Audit Committee reviews the internal control, risk management and good corporate governance system from the quarterly internal control system audit report, follows up risk management results that cover every dimension and promotes the practices of good corporate governance.

In 2021, the Audit Committee considers and approves the annual internal control system audit plan and quarterly reviews the audit results of the internal control system to ensure that the Company has appropriate level of control at the execution level, focusing on the risk evaluation at the activities level to ensure work efficiency. In addition, the Audit Committee assigns the internal audit department to follow up on the management team's correction or improvement on suggestions as defined in the plan.

Besides, the Audit Committee evaluates performance of the internal audit department and concluded that the internal audit department could work independently and efficiently to support the systems to achieve the Company's objectives and goals.

4. Compliance with the Laws of the Securities and Exchange Commission and the Regulations of the Stock Exchange of Thailand or Laws that Relate to the Company's Business

The Audit Committee reviews the compliance with the laws of the Securities and Exchange Commission and the regulations of the Stock Exchange of Thailand or laws that relate to the Company's business, including following up on the correction directions of the management team consistently as well as supervising the business operation to be in accordance with the CG Code principles.

In 2021, the Audit Committee does not find any incident that indicates the Company's act against the laws, regulations of the Stock Exchange of Thailand and other laws that relate to the Company's business significantly.

5. Consideration on the Selection, the Auditor Appointment Proposal and the Fixing of the Audit Fee for the Year 2021

The Audit Committee considers the selection and the auditor appointment proposal based on independence, ethics, skills, experience and knowledge and the fixing of the audit fee for the year based on the expertise in auditing and performance in the past year. The Audit Committee provides opinions to the Company's Board of Directors to be proposed to the shareholders' meeting for approval of the auditor appointment and the fixing of the audit fee for the year.

In 2021, the Audit Committee provides opinions to the Company's Board of Directors and proposes M.R. & Associates Company Limited which is the same auditor as in the prior year because this auditor is fully qualified and understands the Company's business. The fixing of the audit fee is the same as in the prior year because it is an appropriate rate as compared with the work performance in the past year.

In the Committee's overall opinion, the company prioritizes sufficient, suitable internal control and risk management systems by continually updating its IT system and improving its work processes to ensure that the fast-growing organization such as itself achieves sustainable success in line with the objectives, goals, and good governance principles. The Company's financial reports were accurate, complete, credible, and aligned with generally accepted accounting principles.

This report was reviewed and endorsed by the Audit Committee on 21 February 2022.

Report of the Risk Management Committee



(Mr. Pitipong Archamongkol)
Chairman of the Risk Management Committee
Thai Plastic Industrial (1994) Public Company Limited

DEAR SHAREHOLDERS,

The Risk Management Committee (“the committee”) of the Company consists of 6 professionals with knowledge and expertise in risk management qualified, comprising of 1 independent director and 5 executive directors., responsible for overseeing the implementation of risk management of the Company and reviewing risk assessments on a quarterly basis to ensure that significant risks have been appropriately managed. The lists of the Risk Management Committee as follows:

NAME	POSITIONS	RC MEETING ⁽¹⁾
RISK MANAGEMENT AS OF DECEMBER 31,2021		
1. Mr. Pitipong Archamongkol ⁽²⁾ (Independent director)	Chairman of the Committee	3/3
2. Mr. Teerachai Teerarujinon (Executive director)	Member of the Committee	4/4
3. Mrs. Phoosin Teerarujinon (Executive director)	Member of the Committee	4/4
4. Mr. Nuttawut Punnasatian (Executive director)	Member of the Committee	4/4
5. Ms. Oranuth Chaiprasat (Executive director)	Member of the Committee	4/4
6. Ms. Thitiporn Pratheepratana (Executive director)	Member of the Committee	4/4

Remark: Mr. Nuttapat Phunphonhaveelarp served as the secretary of the committee.

(1) RC meeting - the number of meeting attendance of the Risk Management Committee in 2021

(2) Mr. Pitipong Archamongkol has been appointed as the Chairman of the committee, effective from 25 February 2021 onwards.

In 2021, The Risk Management Committee had held 4 Risk Management Committee meetings, which can summarize the key issues in performing their duties as follows:

1. Considering the risk management plans

The committee determined and approved the Company's annual risk management policy and plans by considering risks in terms of operations, strategy, marketing, finance, and other aspects related to the Company's operations.

2. Reviewing of risk factors and effects

The committee quarterly reviewed the various risks incurred, including the risks that had been considered stipulated in the annual risk management plan and the risks that have increased during the year caused by external and internal factors that may affect the Company's operations significantly.

3. Monitoring the risk management

The committee has quarterly monitored the results of risk management through the reports from the management of the Company to assess the risks level and formulate the action plans to prevent any impacts on the Company's business operations.

4. Reporting the risk management

The committee has quarterly reported the results of risk management to the Audit Committee and the Board of Directors to ensure that the Company has performed the risk management efficiently in accordance with the internal control system and the good corporate governance guidelines.

In summary, the committee performed duties independently and completely within the scope, authorities, and responsibilities assigned by the Board of Directors to ensure the effectiveness of enterprise risk management, contributing to the Company's achievements in its objectives and targeted goals, including creating added values for the shareholders and stakeholders of the Company in a sustainable manner in long term.

This report was reviewed and endorsed by the Risk Management Committee on 7 February 2022

Report of the Nomination and Compensation Committee



DEAR SHAREHOLDERS,

The Nomination and Compensation Committee (“the committee”) of the Company consists of 4 members, comprising of 2 independent directors and 2 executive directors, who are knowledgeable, competent, and experienced that is beneficial to perform duties as the Nomination and Compensation Committee. Moreover, the committee dedicates their time to perform duties in order to achieve missions. The lists of the Nomination and Compensation Committee are as follows:

NAME	POSITIONS	NC MEETING ⁽¹⁾
1. Mr. Veerasak Prommas ⁽²⁾ (Independent director)	Chairman of the committee	1/1
2. Mr. Teerachai Teerarujiinon (Executive director)	Member of the committee	3/3
3. Mr. Pitipong Archamongkol ⁽³⁾ (Independent director)	Member of the committee	1/1
4. Mr. Nuttawut Punnasatian (Executive director)	Member of the committee	3/3

Remark: Mr. Apirat Teerarujiinon (Assistant Managing Director of Operation Group) served as the secretary of the committee.

(1) NC meeting-the number of meeting attendance of Nomination and Compensation Committee in 2021.

(2) Mr. Veerasak Prommas has been appointed as Chairman of the committee, effective from August 11, 2021 onwards.

(3) Mr. Pitipong Archamongkol has been appointed as member of the committee, effective from February 25, 2021 onwards.

In 2021, the committee performed duties within the purview of the Nomination and Compensation Committee Charter. In this regard, the committee held the meeting a total of 2 times, which can summarize the key issues in performing their duties as follows:

1. Nomination of candidates for directors replacement due to retirement and resignation

The committee nominated qualified candidate person legally and in compliance with the rules and regulations related to the directorship in replacement of that 1 director who retired by resigned, considering the nomination, selection, and proposal for persons whose qualification, experiences, knowledge, and abilities are encouraged to the Company's business operations. The names were then respectively proposed to the Board of Directors' meeting and the Shareholders' meeting for approval. In this regard, any person having conflict of interest will abstain from voting.

2. Determination of the remuneration of the board of directors and all sub-committees

The committee determined the remuneration of directors and all sub-committees annually by considering suitability for duties, responsibilities, performance, and the Company's operating results. Moreover, the Company also concurred with the database of remuneration of directors for the listed companies which was prepared by Thai Institute of Director in connection with SET to be used as reference for determine the remuneration to ensure that the remuneration of directors and all sub-committees was appropriate, fair, and reasonable. The remunerations were then respectively proposed to the Board of Directors' meeting and the Shareholders' meeting for approval.

3. Assessment of the annual performance of the board of directors and all sub-committees

The committee reviewed the criteria, procedures, and the assessment form of the Board of Directors for both individual and a whole member, as well as sub-committee, in accordance with the good practice of good corporate governance. The committee also reviewed the annual performance assessment result of the Board of Directors and all sub-committees and then respectively acknowledged to the Board of Directors.

4. Assessment of the annual performance and determination of the remuneration of managing director and high-level executives.

The committee reviewed the criteria, procedures, and the assessment form of the Managing director and High-level executives and also reviewed their performance assessment result, including their salary increase, which were respectively proposed to the Board of Directors for approval.

5. Consideration of the nominate qualified person in accordance with the public limited companies act b.e. 2535

The committee encouraged the Company to give minority shareholders an opportunity to nominate qualified individuals in accordance with the Public Limited Companies Act B.E. 2535 (1992) (as amended) and the Securities and Exchange Act B.E. 2535 (1992) (as amended) as a director of the Company prior to the Annual General Meeting of Shareholders of the year 2022 from 1 December 2021 to 31 January 2022 through the Company's website.

6. Reviewing and monitoring the progress of the succession plan

The Nomination and Remuneration Committee considered and reviewed the succession plan and followed up on progress of the defined plan to support the organization growth and to be in accordance with the business situation both in the short and long term.

In summary, the committee has performed duties as assigned by the Board of Directors within the scope of duties and responsibilities specified in the Charter in a complete, prudent and fair manner.

This report was reviewed and endorsed by the Nomination and Compensation Committee on 20 January 2022.

Report of the Executive Committee



(Mr. Teerachai Teerarujinon)

Chairman of the Executive Committee

Thai Plastic Industrial (1994) Public Company Limited

DEAR SHAREHOLDERS,

The Executive Committee (“the committee”) of the Company consists of 6 executive directors who perform duties within the scope of laws, the Company’s objectives and regulations, and the resolutions of the Board of Directors, as well as Shareholders, with the duty of loyalty, care, accountability, and ethics with due regard for the interests of shareholders in an equitable way. The lists of the Executive Committee are as follows:

NAME	POSITIONS	EC MEETING ⁽¹⁾
1. Mr. Teerachai Teerarujinon	Chairman of the committee	12/12
2. Mrs. Phoonsin Teerarujinon	Member of the committee	12/12
3. Mr. Nuttawut Punnasatian	Member of the committee	12/12
4. Ms. Oranuth Chaiprasat	Member of the committee	12/12
5. Ms. Thitiporn Pratheepratana	Member of the committee	12/12
6. Mr. Decha Putkhuntod	Member of the committee	12/12

Remark: The Executive Committee’s meeting no. 12/2021 on December 24, 2021, resolved to appoint Ms. Arunthadee Thamrongsakulsiri as the secretary of the committee in replacement of Ms. Sasiwan Asawatangtrakuldee, effective from December 24, 2021.

(1) EC meeting-The number of meeting attendance of Executive Committee meeting in 2021.

In 2021, the committee held 12 Executive Committee meeting, which can summarize the key issues in performing their duties as follows:

1. Preparing the policies, business strategy plan

The committee prepared the policies, business strategy, and annual operation plans to propose to the Board of Directors for approval. The committee is also being responsible for the management of the Company under the policies, directions, and goals set by monitoring the overall operating results monthly.

2. Budgeting

The committee and the management jointly prepared the Company's annual budget and financial projection in accordance with the annual operation plan to manage income and expenses as the specified plan, which were respectively proposed to the Board of Directors for approval.

3. Making transactions with the connected person and the acquisition or disposition of assets

The committee considered making transactions with the connected person and the acquisition or disposition of assets with prudence and caution by taking into reasonable terms of price and other conditions for the benefit of the Company and shareholders as main. The executive directors who have conflicts of interest will not take part in decision-making, before proposing to the Audit Committee and the Board of Directors respectively for approval and/or acknowledgement.

4. Reporting the key task performances to the board

The committee regularly reported on performances, important issues, and implementation of resolutions, which is under the scope of duties and responsibilities of the committee, to the Board through the Board of Directors' meeting.

This report was reviewed and endorsed by the Executive Committee on 28 January 2022.

BOARD OF DIRECTORS



1 Mr. Montree Socratyanurak
• Chairman of the Board (Independent Director)

2 Mr. Teerachai Teerarujinon
• Director
• Member of the Risk Management Committee
• Member of the Nomination and Compensation Committee

3 Mrs. Phoonsin Teerarujinon
• Director
• Member of the Risk Management Committee

4 Mrs. Phatcharee Chatkaewboriboon
• Director

5 Mrs. Donnapa Jiamkanok
• Director

6 Mr. Supachai Tangnoi
• Director

7 Mr. Nuttawut Punnasatien
• Director
• Member of the Risk Management Committee
• Member of the Nomination and Compensation Committee

8 Mr. Veerasak Prommas
• Director (Independent Director)
• Chairman of the Audit Committee
• Chairman of the Nomination and Compensation Committee

9 Mr. Pitipong Archamongkol
• Director (Independent Director)
• Chairman of the Risk Management Committee
• Member of the Audit Committee
• Member of the Nomination and Compensation Committee

10 Mr. Paiboon Aroonprasobuk
• Director (Independent Director)
• Member of the Audit Committee

MANAGEMENT



1	Mr. Teerachai Teerarujinon	<ul style="list-style-type: none"> Managing Director Chairman of the Executive Committee
2	Mrs. Phoonsin Teerarujinon	<ul style="list-style-type: none"> Assistant Managing Director of Administrator Group Member of the Executive Committee
3	Mr. Apiwat Teerarujinon	<ul style="list-style-type: none"> Assistant Managing Director of Operation Group
4	Mr. Nuttawut Punnasatian	<ul style="list-style-type: none"> Member of the Executive Committee Sales and Logistics Director
5	Ms. Thitiporn Prattheeparatana	<ul style="list-style-type: none"> Member of the Executive Committee Office Operation Director
6	Mr. Decha Putkhuntod	<ul style="list-style-type: none"> Member of the Executive Committee Factory Operation Director
7	Ms. Oranuth Chaiprasat	<ul style="list-style-type: none"> Member of the Executive Committee Accounting and Finance Director

Part 1

Business Operation and Performance

1. Structure and Business Operation of the Group Company
2. Risk Management
3. Driving business for sustainability
4. Management Discussion and Analysis (MD&A)
5. General Information and Other Key Information

Part 1 Business Operation and Performance

1. Structure and Business Operation of the Group Company

1.1 Overall Policy and Business Operation

Thai Plastic Industrial (1994) Public Company Limited (“the Company” or “TPLAS”), formerly called Thai Plastic Industrial (1994) Company Limited, incorporated on 29 August 1994. The Company manufactures and distributes food bags from Polypropylene (PP), food bags and handle bags from High Density Polyethylene (HDPE) under “Makrook” trademark and food wrapping film from Polyvinyl Chloride (PVC) under “Vow Wrap” trademark. Later in 2018, the Company completed an Initial Public Offering in the Stock Exchange of Thailand on 5 September 2018 with registered capital of 135,000,000 Baht.

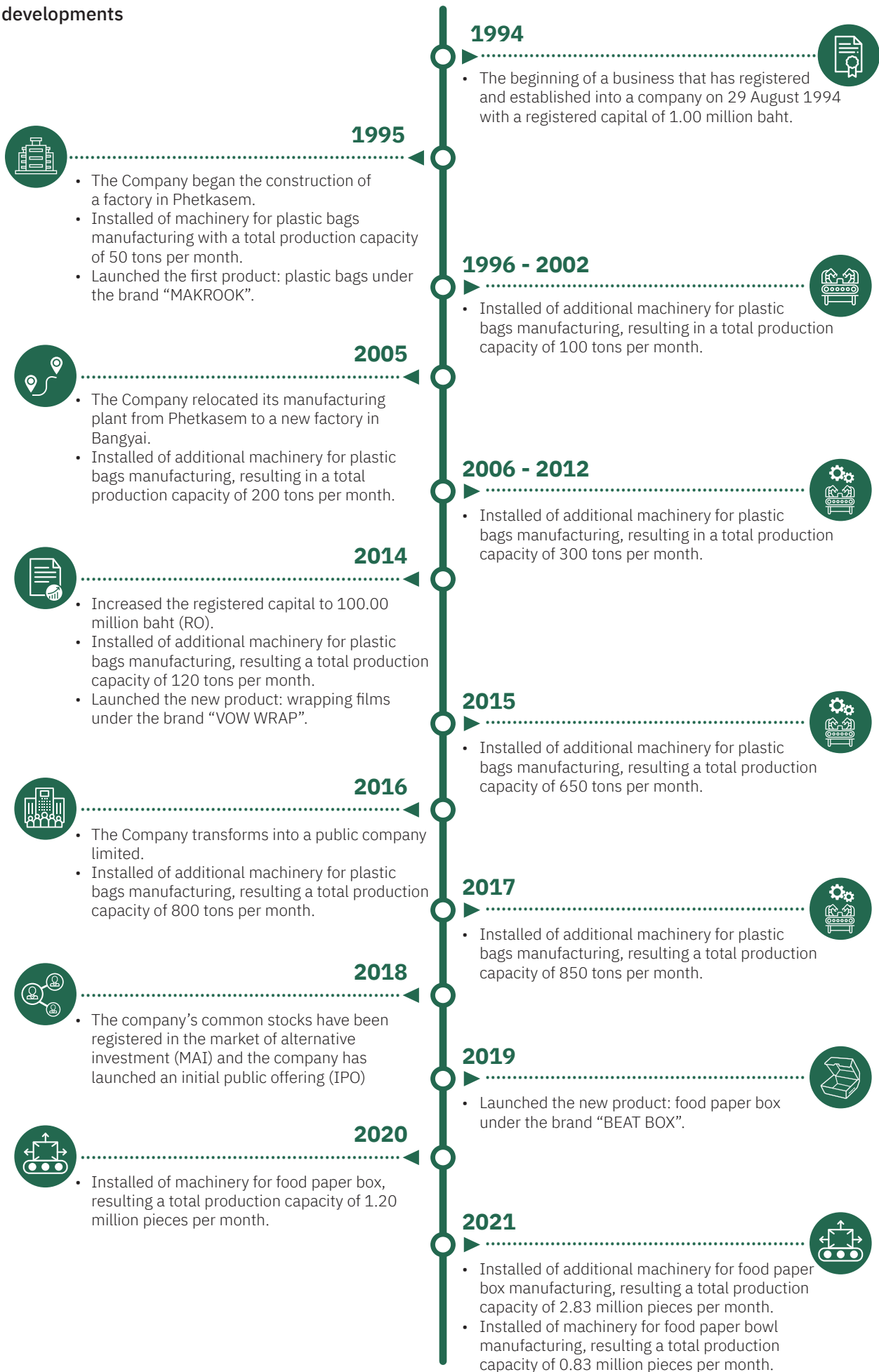
The Company is determined to operate adhering to good corporate governance principles by considering all stakeholders in order to ensure sustainable growth. The Company not only gives importance to developing on production in order to ensure product safety for customers but also creating due and steady returns to shareholders. In 2021, the Company normally operates even under the COVID-19 pandemic. The Company placed prevention measures to take care of employees so that the situation does not affect the Company’s continuous operation.



MISSION



Key developments



Use of Proceeds

With reference to the Company had received totaling net amount (after deducting underwriting expenses and other expenses related to the IPO process) THB 96.71 million. The objectives of the proceeds, which had been disclosed in the IPO prospectus, consisted of (1) Invest in Fixed Assets of THB 70.00 million and (2) Working Capital of THB 26.71 million.

As of March 31, 2020, Since the Company's working capital is already enough to use, therefore, the Company reallocates the proceed in amount of THB 6.71 million previously used as working capital to the investment in fixed assets as follows:

Unit: Million Baht

Objectives	PLAN OF PROCEED	Actual Spending unit at December 31, 2020
1. Investing in fixed assets: Consist of new factory building and installed new machine for plastic bag production, and renovate existing factory building and office building.	76.71	76.71
2. Working capital	20.00	20.00
Total	96.71	96.71

The Company's commitments under Prospectus

The Company filed a prospectus to the Securities and Exchange Commission and the Stock Exchange of Thailand (SEC) on 28 March 2018. It was effective on 27 August 2018. In filing the aforementioned prospectus, the Company had completely followed the requirements of SEC. Therefore, there are no commitments or conditions in filing with the SEC.

Information

Company Name	Thai Plastic Industrial (1994) Public Company Limited
Head Office	53/1 Moo 4, Kanchanapisek Road, Bangmaenang, Bangyai, Nonthaburi 11140
Business Type	Manufacturing and distribution of food packaging plastic bags made from Polypropylene (PP), High Density Polyethylene (HDPE) and Linear Low-Density Polyethylene (LLDPE) under the brand "MAKROOK", food wrapping films made from Polyvinyl Chloride (PVC) under the brand "VOW WRAP", and food paper box under the brand "BEAT BOX"
Registration Number	0107559000451
Registered Capital	Ordinary shares in amount of 270,000,000 shares with par value of 0.50 Baht, totaling 135,000,000 Baht
Paid-up Capital	Ordinary shares in amount of 270,000,000 shares with par value of 0.50 Baht, totaling 135,000,000 Baht
Telephone Number	+66-2191-8288-89
Facsimile Number	+66-2191-8290
Website	www.tpic.co.th

1.2 Nature of the Business

1.2.1 Revenue structure

Unit: Baht

Product line/Business group	2021	%	2020	%	2019	%
Sales revenue						
Plastic bags (PP)	253,834,417	49.67	248,726,836	52.49	270,998,647	52.82
Plastic bags (HDPE)	183,825,125	35.97	159,459,912	33.65	173,779,515	33.87
Wrapping films	55,881,156	10.93	56,615,252	11.95	61,557,352	12.00
Food paper box	12,253,371	2.40	4,910,966	1.03	105,023	0.02
Total sales revenue	505,794,069	98.97	469,712,966	99.12	506,440,537	98.71
Other income	5,278,454	1.03	4,169,228	0.88	6,618,978	1.29
TOTAL REVENUE	511,072,523	100.00	473,882,194	100.00	513,059,515	100.00

1.2.2 Production Information

1. Product Characteristics by the Company can be categorised into 4 types as follows:

1.1 Food Bags from Polypropylene (PP)

Plastic food bags made with Polypropylene (PP) are commonly called “Hot and Clear Bags”. Physical characteristic of “Hot and Clear Bags” is transparent which allows the products or food inside the packaging to be clearly seen. Chemical characteristic of the Company’s Polypropylene plastic bags is that it could withstand the heat from substances inside at over 100 degrees Celsius. The plastic bags can maintain the shape without tearing or melting. They could also prevent the penetration of fats very well. Therefore, they are suitable for food or high temperature and oily items. However, if the aforesaid bags undergo excessively cold temperature, both physical and chemical characteristics could be deteriorated. The bags can withstand cold temperatures to some extent, but if it’s too much they will become brittle and easily torn.

The Company is a manufacturer and distributor of the aforementioned “Hot and Clear Bags” having 0.7-millimeter thickness (a thickness that are commonly manufactured and distributed). They are made to be available in various sizes in order to respond to various needs of each type of customer. The smallest size is 3 inches in width and 5 inches in length. The biggest size is 24 inches in width and 42 inches in length. Users will use “Hot and Clear Bags” for multiple purposes such as using bags with 3 inches in width and 5 inches in length for food condiments, chili and fish sauce or using bags with 6 inches in width and 9 inches in length for wrapped food, noodles and yellow egg noodles with soup.

1.2 Plastic Food Bags and Handle Bags from High Density Polyethylene (HDPE)

Food bags made from High Density Polyethylene (HDPE) are commonly called “Opaque Bags”. This is due to its physical characteristic that appears to be opaque white and translucent. Thus, the light can penetrate into the bags and allows the products or food inside the packaging to be seen. However, they are not as clear as those made with Polypropylene (PP).

The Company is a manufacturer and distributor of the “Opaque Bags” that are made to be available in various sizes in order to respond to various needs of each type of customer. The smallest size is 5 inches in width and 8 inches in length. The biggest size is 20 inches in width and 30 inches in length. Users will use “Opaque Bags” for multiple purposes such as using bags with 5 inches in width and 8 inches in length or bags with 5 inches in width and 9 inches in length for soy milk.

The Company’s High-Density Polyethylene (HDPE) plastic bag could withstand the heat from substances inside approximately at 60 degrees Celsius whilst maintaining the shape without tearing or melting. It could also withstand the cold so well that it could be frozen without becoming brittle. However, it should not be stored in hot or cold places for too long. The Opaque Bag produced from High Density Polyethylene (HDPE) could prevent the penetration of fats to a certain extent but not as well as those produced from Polypropylene (PP).

Handle bags made from High Density Polyethylene (HDPE) could prevent the penetration of fats to a certain extent but not as well as plastic bags produced from Polypropylene (PP) and plastic bags produced from High Density Polyethylene (HDPE).

The Company is a manufacturer and distributor of handle bags in various sizes including handle bags of 100 bags with sizes ranging from 6 inches in width and 11 inches in length to 12 inches in width and 20 inches in length and handle bags of ½ kg with sizes ranging from 6 inches in width and 11 inches in length to 12 inches in width and 26 inches in length.

1.3 Food Wrapping Film under “Vow Wrap” from Polyvinyl Chloride (PVC)

Food wrapping film is used for food preservation, producing from Olefin, Polyvinyl Chloride or PVC. Such type of plastic that the Company brought into the production can directly contact with food and is not harmful to health if it is stored and processed correctly. If the aforementioned plastic type is made from pure polyvinyl Chloride, its physical and chemical characteristics will not be suitable to use for food preservation. Therefore, additives are added in plastic food wrap production process to precondition the raw materials so that it is suitable for use and the physical and chemical characteristics so that it is suitable for food preservation and is not harmful. These processes are to make the characteristics of Polyvinyl Chloride (PVC) suitable to use for food preservation.

Physical characteristics of food wrapping film (PVC Cling Film) are transparent and able to resist pulling force without being torn apart (especially in the same direction as the arrangement of the molecules). The Company’s Polyvinyl Chloride (PVC) passes safety standard certification from the United States Food and Drug Administration or FDA that it is safe and not harmful to health if it is produced and used correctly. The Company’s food wrapping film passes Thai Industrial Standards (TIS) number 1136-2536. The Company produces and distributes food wrapping film in various sizes in order to respond to various needs of each type of customer.

1.4 Paper Food Box under “Beat Box”

Paper food box produced from bamboo pulp coated with Polyethylene (PE) plastic. It is a material that is environmentally friendly and is safe for consumers when used as food storage. It could be used for storing food that contains water and oils. It could prevent the penetration of fats to some extent unlike those fats’ penetration in regular paper. In addition, it could withstand the heat from substances inside at 100 degrees Celsius with sustained shapes of food boxes, no melting and no concern of leakage or contamination.

The Company is a distributor of paper food box with thickness of 260 gsm. including paper food box size M with 130 x 174 x 56 millimeters or capacity of 600 milliliters and paper food box size L with 140 x 183 x 57 millimeters or capacity of 725 milliliters. This is to respond to various needs of each type of customer. In the present, consumers commonly use both sizes of paper food box to store one-dish or ready-to-eat food.

The company has developed paper food under the brand “BATE BOX” that, bowl paper food with thickness of 230 gsm. Size L with capacity of 850 milliliters. This is to respond to various needs of each type of customer

2. Marketing and Competition Situation

2.1 Marketing policy of key products

In 2021, the Company develops markets and products by producing and distributing commercial paper food packaging under “BeatBox” trademark. Main products consist of paper food boxes and paper food cups. The details of strategic implementation in marketing in the past year are as follows:

2.1.1 Product Group and Trademark

The Company has been producing and distributing food packaging products for over 27 years. From the beginning to the present, the Company’s primary products are flexible packaging which is mainly plastic bags and secondary products are food wrapping film (film for food preservation). In 2021, the Company additionally produces and distributes commercial paper food packaging. The details for product group and trademark are as follows:

2.1.2 Target Customers

The Company mainly focuses on selling and developing markets within the country. There is no export to other countries. For the domestic market, the Company’s primary customers are in the traditional trade which are wholesalers, retailers, shops, stalls and roadside restaurants. Besides, the Company’s secondary customers are in the modern trade which is restaurants, chain restaurants, factories and local malls. The Company’s target customers and sales methods are different from other players in the market. The Company mainly places emphasis on market development and selling through the Company’s own sales team. When compared with other players, products are partly sold through their own sales team and dealers (both in the country and other countries). In terms of sales scope, the Company covers every area in Thailand while most medium-size and small-size players only sell their products within the province that their companies are located. They rarely sell across the area. However, just like the Company, most big players in the market also sell their products across the country.

The Company gives importance to main customers which are wholesalers, retailers, shops and stalls. Their purchasing behaviors are more particular than those of other players in the same market. Most of the other players in the market focus mainly on wholesalers. However, the Company also sells products to wholesalers. In addition, some other players focus on the modern trade in which they did not focus much on selling to malls, convenience stores and super/hyper markets. Therefore, their customers, products, sales methods and market development are different from those of the Company.

In managing the Company’s main customer, the Company focuses on developing relationships with customers by giving more importance on responding to customer needs than just selling the products such as accepting product returns, delivering products to requested sites and other services as requested from the customers. Additionally, the Company also develops customer relationships by offering help and solving problems for customers in the market.

2.1.3 Distribution Channels

The Company mainly distributes through the Company’s own sales team. The Company has a much wider customer base than other players in the market. Apart from the Company’s normal business operation, the Company additionally researches and develops communication channels and online distribution channels. In the present, the Company has started to sell on e-commerce platforms such as Lazada in order to respond to customer changing needs.

2.2 Packaging Market Situation and Competition

2.2.1 Plastic Packaging Market Situation and Competition

Thailand’s packaging market situation in 2021 was impacted both positively and negatively from the economic situations and drastically changed society, mainly due to the Covid-19 pandemic. Positive impact that causes an expansion in the plastic packaging market is a change in buying and consumption behaviors from mostly trading through offline channels such as fresh markets and malls to online channels. Trading through the aforesaid online channels results in an increase in the use of plastic food packaging. However, a negative impact that causes a shrink in the plastic packaging market is the fact that Covid-19 pandemic causes a halt in economic activities such as closing down of fresh markets or other businesses.

The market structure of the plastic processing industry in Thailand consists of over 2,800 operators, approximately 87% are SMEs and 13% are big operators. This is because there is a low barrier to entry, low investment and technologies in processing are mostly on the basic and moderate level. Most are producing plastic for commodities. Therefore, the competition in the business is very high and the margin is not very high. Krungrsri Research forecasts that the demand of the world’s plastic will increase approximately 2.0% - 3.0% in 2021 - 2023 with a difference in supporting factors in each particular industry. In reference to the survey results from Smithers Pira, it was expected that the plastic market around the world will grow on average 2.8% per annum in 2020 - 2024, with a total value of 1.1 trillion US Dollars in 2024 which increased from 0.9 trillion US Dollars in 2019. In the meantime, a research firm, Markets and Markets, forecasts that total market value of flexible packaging for consumer goods will be at 1.3 hundred million US Dollars in 2022

which increased from 9.7 ten billion US Dollars in 2016. For Thailand, Krungsri Research forecasts that the production of plastic packaging will stand or increase at 1.0% per annum from where it shrunk at 1.0% - 2.0% in 2020. Various industries tend to increase their plastic packaging usage such as food and beverages (including frozen and other processed food), medical and cosmetic industries. In the midst of COVID-19 pandemic, the demand for plastic wraps that keep the goods clean increases, resulting in a positive impact on flexible packaging such as plastic bags, plastic sacks, plastic sheets and plastic film. However, government policies and campaigns to reduce and stop using plastic packaging that is made from single-use petroleum, which is difficult to decompose, and the development of bioplastics that are environmentally friendly could potentially slow down the basic demand of plastic packaging. From Krungsri Research's perspectives, it is expected that the plastic industry will grow well from the growth of related industries such as packaging, vehicles and parts, electrical appliances and electronics and construction. Furthermore, the government has its policies on investment promotion, especially in the New S-Curve industry, that support the plastic industry in the aforesaid industries' supply chain. However, operators of some particular plastic types will face challenges from intense competition in the market. In addition, reducing and stopping the use of single-use plastic campaigns will create limitations in margin growth. Operators with businesses from upstream to downstream and other related businesses that could well manage the raw materials, selling and distribution would be able to maintain margin. The details of each plastic products are as follows:

- **Plastic Packaging:** The operating results tend to stand or grow at a decreasing rate from the price competition. In the meantime, the environmental conservation trends cause a slowdown in demand for plastic packaging such as plastic handle bags. Operators producing semi rigid and flexible plastic packaging will have healthy growth following their related industries such as food and beverages, commercial sector and e-commerce business. Operators with up-to-date production technologies that could produce in variety and high quality tend to be able to maintain a continuous growth.
- **Plastic Film, Plastic Pipe, Straw and Flexible Pipe:** Normal operation growth is expected following the expansion of related industries such as food, construction and agriculture, except for plastic straw for beverages that might have a slowdown in growth. However, the overall business would still face challenges in price competition due to a large number of operators.

- **Household Plastic:** The operating results are expected to slacken due to high competition in the market. Moreover, the competition from manufacturers who have their production base in other countries, especially China, would potentially result in a continuously decreasing margin as they have lower cost than Thai operators.
- **Plastic Parts and Other Plastic:** Operating results tend to grow as in line with the expansion in related businesses that use plastic parts as components such as vehicles and parts, electric appliances and electronics, medical equipment. The business risk came from intense competition from foreign manufacturers both with production bases in Thailand and competitors in other countries, especially China, where they have lower production cost. On top, some operators still rely on small numbers of big customers.

In medium to long term, operators are likely to quickly adapt to maintain growth level by adjusting the production line to focus on high value-added plastic. This is to respond to special market and support the growth of future industry such as plastic components in medical equipment's, electric vehicles, robots and airports. This also includes plastic that uses biomass as raw materials such as tapioca, palm and cane to produce environmentally friendly plastic (Bio-plastic). This is the product that are in the world's environment conservation trends. In addition, it is one of the industries that the Thai government promotes on investment and support to be Thailand's rising star business of the future.

In summary of the plastic packaging market situation in the past year, there is a little contraction from Covid-19 pandemic. However, the level of contraction is still low due to the positive factors from the change in consumer behaviors and the use of plastic in the medical profession. Thus, the overall market value is not very much contracted. In addition, considering the trends of the industry in the future, there is a very high opportunity that the aforesaid industry will recover to have a growth at on average 2.0% - 3.0% per annum during 2021 - 2023. Plastic industry growth would have supporting factors from the recovery of food and beverages, medical and cosmetics, retailers and e-commerce industry. In terms of the competition in the plastic industry, due to the fact that the industry's structure consists mainly of SMEs but most of the market share is with big operators, which are in the lesser proportion, and the fact that the products are commodities that prices quickly fluctuate, the competition is in medium to high level.

2.2.2 Competition and Competitors

For the competition in the plastic market during 2021, the market in general is in medium to high level of competition due to various factors. Most of the competition is on the price setting and the ability to produce and deliver products to customers. During the year, there are third and fourth waves of Covid-19 pandemic causing several operators to temporarily close down their factories to control the pandemic. Thus, the market faces product shortages for a while. During the end of 2021, the Covid-19 situation started to alleviate so there are more economic activities. This results in highly fluctuated oil prices that consequently cause the continuous change in plastic price in the market.

For competitors within the same market, most of them are small to medium enterprises (SMEs) and very few are large enterprises which are mostly not listed on the Stock Exchange of Thailand or the Market for Alternative Investment (MAI). The aforementioned enterprises are having a very intense competition within the group because they have some abilities to define trade conditions with customers and have their own production bases which are mostly based in Thailand. On top, they also export their goods to sell in other countries. The business performance's details of each company are as follows:

- Plastic Bags

Unit: Million Baht

Company Name	Financial Statement Information	Total Assets	Total Liabilities	Shareholder's Equity	Registered Capital	Revenue	Net Income
1. Thai Plastic Industrial (1994) Public Company Limited	2020	373.73	62.15	311.58	135.00	473.73	34.59
2. Thantawan Industry Public Company Limited	2020	2,511.52	497.39	2,014.13	80.00	3,210.34	347.81
3. Srisakul Plastic Limited Partnership	2020	110.12	11.08	99.04	4.00	195.56	6.25
4. Naraipak Company Limited	2020	1,353.55	410.94	942.61	100.00	1,377.83	48.74
5. TBPI Public Company Limited	2020	5,014.21	2,456.96	2,413.13	416.88	5,411.74	179.32

Source: DBD Datawarehouse+, The Stock Exchange of Thailand

- Food Wrapping Film

Unit: Million Baht

Company Name	Financial Statement Information	Total Assets	Total Liabilities	Shareholder's Equity	Registered Capital	Revenue	Net Income
1. MMP Corporation Company Limited	2020	2,340.29	1,580.66	759.63	300.00	2,731.35	127.38
2. Thai Plastic Industrial (1994) Public Company Limited	2020	373.73	62.15	311.58	135.00	473.73	34.59
3. Quick Pack Pacific Company Limited	2020	391.67	252.47	139.19	95.00	547.03	1.54
4. Terinex Siam Company Limited	2020	335.41	39.26	296.15	120.00	298.92	32.13
5. S.C. Johnson & Son Company Limited	2020	1,705.44	1,301.40	404.04	35.40	3,811.69	531.56

Source: DBD Datawarehouse+, The Stock Exchange of Thailand

3. Provision of products and services

3.1 Provision of products

At present, the Company has 1 production factory located at 53/1 Moo 4, Karnchanapisek Road, Bangmaenang Sub District, Bangyai District, Nonthaburi Province, Thailand which has a land area of 11-2-24.8 rai and has a usage area of 7,703 square meters. As of December 31, 2021, the Company has 3 types of machinery used to produced products as follows;

3.1.1 Plastic bags manufacturing machinery consists of 64 plastic bags blowing machines and 64 plastic bags cutting machines with the total production capacity of over 10,000 tons of plastic bags per year.

3.1.2 Wrapping films manufacturing machinery consists of 1 wrapping film making machine with a total production capacity of over 1,000 tons of wrapping films per year.

- 3.1.3 Food paper box manufacturing machinery consists of 10 food paper box making machines and Food paper blow manufacturing machinery consists of 1 food paper box making machines with the total production capacity of over 12,000,000 boxes of food paper box per year.

3.2 Raw Material Procurement for the Production

3.2.1 Plastic Resin for Producing Plastic Bags and Plastic Resin for Producing Food Wrapping Film

The Company's products are made from plastic resins that are procured from manufacturers or distributors from either in Thailand or imported from other countries (if necessary). This is because there is no difference in the quality of such raw materials as they are commodity products. In the past, the Company both procured raw materials from manufacturers in Thailand directly and from plastic resin dealers because the quality and characteristic of plastic resin are up to the standard. The Company specifies the quantity of plastic resin required to use for each month which would be in accordance with the defined production plan. In case of insufficient raw materials for the actual production, the Company would additionally procure on a case-by-case basis. However, the Company never encountered plastic resin shortage for the production in the past.

3.2.2 Paper for Producing Paper Food Box

The Company procures main raw materials, paper, that are used for paper food box production from manufacturers or distributors in China.

3.2.3 Other Raw Materials

The Company procures other raw materials for the production such as Additives. The Company selects suitable distributors in Thailand and compares price and quality by which 2-3 distributors are compared before ordering.

1.3 Shareholder Structure

The Company has no subsidiaries or affiliates. Therefore, there are no clarifications on the management structure or the shareholding of subsidiaries or affiliates.

- 1.3.1 The Company has no shares of other companies.

- 1.3.2 Thai Food Industry (1964) Company Limited does not operate in business related to the plastic industry. In the present and the near future, there is no policy for operations relating to Thai Food Industry (1964) Company Limited's operation, except for the normal business transaction (details available for further studies in "Related Party Transaction" topic). Therefore, there is no issue on the conflict of interest.

4. Assets Used in the Business

the Company has assets for use in the business as of 31 December 2021, classifying into the followings:

4.1 Land and Buildings for Use in the Business

The Company owns 2 lands with total area of 11-2-24.8 Rai and the aforesaid land is a venue for 2 one-story buildings which have the area of 2,520 Square Meters and 5,183 Square Meters that are used as office building and manufacturing plant (These 2 buildings are connected to each other), 1 two-story building which has an area of 1,200 Square Meters that is used as office building and a four-story building which has an area of 3,928 Square Meters that is used as manufacturing plant. They are located at 53/1 Kanjanpisek Road, Bang Mae Nang, Bang Yhai, Nonthaburi.

Besides, in the abovementioned area, the Company has 2 buildings for staff accommodation which are a four-story building with an area of 1,874 Square Meters and a three-story building with an area of 1,398 Square Meters.

4.2 Machinery and equipment

The Company has 317 machines and equipment's which consist of the machinery and equipment for plastic bags manufacturing with the total capacity of 14,000 tons per year, the machinery and equipment for wrapping films manufacturing with the total capacity of 10,000 tons per year, and the machinery and equipment for food paper box manufacturing with the total capacity of 12,000,000 boxes per year.

4.3 Vehicle

The Company has 8 vehicles used for business operation which consist of 1 van, 1 pickup truck, 1 delivery truck, and 5 private cars. Five private cars used for business operations. one of them are under lease agreement with the leasing company and four of them are free from obligations.

4.4 Intangible assets

The Company has intangible assets of 2.12 million Baht.

List	THAI FOOD INDUSTRY (1964) COMPANY LIMITED Registered Capitals 85,000,000 Baht Nature of Business: Food Business and and Ccondiment	
	Number of Shares (Shares)	Shareholding Proportion (Percentage)
Mrs. Pen Teerarujiinon	170,000	20.00
Mr. Sa-nguan Teerarujiinon	170,000	20.00
Mrs. Donnapa Jiamkanok	63,750	7.50
Mr. thid Jiamkanok	63,750	7.50
Mr. Teerapol Chatkaewboriboon	63,750	7.50
Mr. Teerachai Teerarujiinon	63,750	7.50
Mrs. Phatcharee Chatkaewboriboon	63,750	7.50
Mrs. Phoonsin Teerarujiinon	63,750	7.50
Ms. Srisumol Tangnoi	63,750	7.50
Mr. Supachat Tangnoi	63,750	7.50
Total	850,000	100.00

1.3.3 Shareholder

Top 10 shareholder

Information from the shareholder register as of the latest book closing date of December 30, 2021

No.	Shareholder's name	Number of shares	Percentage
1	Teerarujiinon's family	192,325,000	71.231
	(1) Mr. Teerachai Teerarujiinon	160,080,000	59.289
	(2) Mrs. Phatcharee Chatkaewboriboon	8,050,000	2.981
	(3) Mr. Srisumol Tangnoi	8,050,000	2.981
	(4) Mrs. Donnapa Jiamkanok	8,050,000	2.981
	(5) Mrs. Phen Teerarujiinon	8,000,000	2.963
	(6) Mrs. Phoonsin Teerarujiinon	75,000	0.028
	(7) Mr. Apirat Teerarujiinon	10,000	0.004
	(8) Mr. Suwat Chatkaewboriboon	10,000	0.004
2	Mr. Veerachai Dechamonthan	4,447,800	1.647
3	Thai NVDR Company Limited	1,274,370	0.472
4	Ms. Prapassorn Ngamwattanakul	1,161,000	0.430
5	Ms. Nimnuan Lertkitpaisarn	1,000,900	0.371
6	Mr. Piya Srisophachit	940,000	0.348
7	Ms. Darunee Asawapornpradit	820,000	0.304
8	Mr. Anan Meesat	665,000	0.246
9	Mr. Suwat Thanasarnwiwat	650,000	0.241
10	Mr. Vasin Phatikulset	600,000	0.222
Total shares of top 10 shareholders listed		66,115,930	24.487
Total registered and paid-up capital as of December 30, 2021		270,000,000	100.00

Major shareholder group that exerts de facto significant influence on company policies or business

Teerarujinon Group hold the company's shares amount 192,325,000 totaling 71.23% of total shares of the Company (as of the book closing date on 30 December 2021), thus exerting de facto significant influence on company policies or business because of their five representative directors as follows:

List	Position	Director
1.) Mr. Teerachai Teerarujinon	Director	Executive Directors
2.) Mrs. Phoosin Teerarujinon	Director	Executive Directors
3.) Mrs. Phatcharee Chatkaewboriboon	Director	Non-Executive Directors
4.) Mrs. Donnapa Jiamkanok	Director	Non-Executive Directors
5.) Mr. Supachat Tangnoi	Director	Non-Executive Directors

1.4 Number of Registered and Paid-up capital

1.4.1 Registered and Paid-up Capital

	31 December 2021	31 December 2020
Registered capital (Baht)	135,000,000.00	135,000,000.00
Paid-up capital (Baht)	135,000,000.00	135,000,000.00
Par value (Baht/share)	0.50	0.50

As of the book closing date on 31 December 2021, The Company don't have foreign shareholders.

1.4.2 Other shares with different rights and conditions from ordinary shares

The Thai NVDR Company Limited, which is a subsidiary wholly owned by the SET, issues Non-Voting Depository Right ("NVDR") of the Company's shares. As of December 31, 2021 there were the NVDR of the Company's shares totaling 1,274,370 shares or 0.47% of the Company's paid-up capital. (Source: <https://www.set.or.th/set/nvdroutstanding.do>)

The NVDR holders shall receive the same financial rights and benefits as investing in the Company's ordinary shares but cannot exercise their voting rights in the shareholders' meeting, except the voting to delist the Company from the SET. The amount of the Company's ordinary shares issues as NVDR may be changed and it is not under the control of the Company. The investors can check the amount of the Company in the SET's website. (<https://www.set.or.th/set/nvdroutstanding.do>)

1.5 Issuance of Other Securities

- None-

1.6 Dividend Policy

The Company has policy to pay dividend not less than 30 percent of its net profit after deduction of tax and legal reserves and other reserves (if any) on an annual basis. The Company will consider the dividend payment by various factors in order to maximize the benefits of the shareholders and the dividend payment does not have an adverse effect on corporate operations significantly. However, such dividend payment may be changed depending on operating results, financial position, liquidity, necessary to use working capital in business operations, investment plan, business expansion plan in the future, market conditions, appropriateness and other factors relating to operations and management of the Company, provided that the Company must have sufficient cash for business operation and such operation will cause the highest benefits to shareholders as deemed appropriate by the board of directors and/or shareholders of the Company. The resolution for dividend payout approval passed by the Board of directors must be proposed for an approval at the shareholders meeting, unless it is an interim dividend payout where the Board of Directors is authorized to approve and such dividend payment shall be reported to the shareholders at the next meeting of shareholders.

However, the dividend payout shall not be paid other than out of profits. In the case where the Company still has an accumulated loss, no dividends shall be paid. Unless otherwise provided by the Articles of Association regarding preferred stocks, dividends shall be paid according to the number of shares, with each share receiving an equal amount and payment of dividends shall be approved by the meeting of shareholders. For the year 2022, the Board of Directors resolved to propose to the Annual General Meeting of Shareholders on April 8, 2022 to approve the annual dividend payment at the rate of 0.10 Baht per share or equivalent to 79.62 % of net profit after income tax deduction.

Historical data of dividend payments over the previous 3 fiscal years

Years	Dividends (THB/SHARE)			Total Dividends Payment (THB)	Net Profit (THB)	Proportion of Dividends (%)
	Interim	Annual	Total			
2019	0.10	-	0.10	27,000,000	33,606,705	80.34
2020	-	0.10	0.10	27,000,000	34,592,491	78.05
2021 ¹	-	0.10	0.10	27,000,000	33,909,920	79.62

Remark: 1.) The right to receive dividend is subject to the approval of Shareholders at the 2022 Annual General Meeting.

2. Risk Management

2.1 Policy and plan Risk Management

The Company recognises the importance of risk management by considering them as the main composition of every procedure in business operation and as part of the Good Corporate Governance to drive the organization towards business goals, create values and stability for the Company's best interests. Therefore, the Company set out a policy on risk management with details as follows:

- 1) The Company defines a framework for risk management and procedures of risk management that are in line with international standards and connect with every level in the organization, including focusing on the continuous improvement of the risk management effectiveness. The policy and framework for risk management shall be reviewed periodically or whenever there are significant changes.
- 2) Risk management is an important component in the Company's business procedures. It is deemed as every department's duty to operate by following sufficient and appropriate control activities. The Company would maintain the balance between risk level and returns from business opportunities. The risk level must be within the Company's acceptable range or must not deviate more than the Company's acceptable range so that the operation achieves the defined goals and the benefits of stakeholders are maintained by considering the organization's best interests and seeking opportunities in creating additional values.
- 3) The Company lays down structure, system and procedures for risk management, both at the organization level and working level, as in accordance with the business strategies and goals, covering at least 4 types of risks which are strategic risk, financial risk, operational risk and compliance risk.
- 4) The Company commits to find resources and support in several aspects as appropriate, including creating awareness about risks for the employees and promoting risk management culture for effective risk management. Every executive and employee are the risk owner and must recognise and focus on the Company's risks, especially risks under their roles and duties.
- 5) Every department and work line, executive and employee is responsible to follow the risk management policy, risk management framework and risk management procedures as defined by the Company, including reporting the risk management results and reviewing the risk management effectiveness for improvements.
- 6) All incidents that may have negative impacts to the Company's achievement must be treated as follows:
 - 6.1) Define and evaluate risk level both on the probability of occurrence and consequences immediately.
 - 6.2) Manage the risk within the Company's acceptable range using control activities to prevent losses that may have occurred by considering the cost and benefit of such controls.
 - 6.3) Follow up and report the Company's risks consistently to ensure that the risk is managed appropriately.

2.2 Risk Factors to the Business

Risk factors specified under this topic are not all existing factors. Therefore, there are other risk factors that the Company does not know at the moment or that the Company sees as insignificant in the present. They could be risk factors that impact the business or the operating results in the future.

However, statements in aspect of future forecasts that exist in this document such as the use of "believe" "expect" "think" "might" "plan" or "approximate" or words or any other statements in a similar manner or expectation about business plan, operating results, modification of regulations that relates to the Company's business, government policies and others are predictions on future situations. Therefore, actual results might be significantly different from the projections or forecasts.

Risk factors in the Company's business that might have significant impacts on the Company's operating results and financial position as well as the returns on investment in the Company's common shares could be summarised as follows:

2.2.1 Business Risk

- 1) Risk from the fluctuations in price of main raw materials that follows the world's market and market mechanism in the country

Risk details: Main raw materials in plastic bags and food wrapping film production are plastic pellets which are produced from a reactant namely Naphtha. Such reactants are a byproduct of crude oil refining. Therefore, the price of plastic pellets varies following crude oil price. In a time where crude oil price in the world's market fluctuates, plastic pellets price would also fluctuate. Furthermore,

the Company purchases plastic pellets from manufacturers in the country so the plastic pellets price in the country would fluctuate from factors within the country as well. Supply and demand in plastic pellets market and exchange currencies are the main factors of the change in the plastic pellets price in the country. Therefore, the Company has the risk of uncontrollable cost of production that fluctuates following the plastic pellets price. This could result in a decrease in profit and customers might be unsatisfied.

Risk Management: The Company manages the aforementioned risks by following the news that relate to the change in plastic pellets price, such as the world's crude oil price trends, exchange currencies and supply and demand in the plastic pellets market, in order to be able to predict the change of plastic pellets price. The Company did a daily update on the above information to adjust strategies and approaches to procure raw materials at the most reasonable price. In addition, the Company continually keeps a good relationship with plastic pellets trade partners and places importance on product's price setting to match with directions and price of raw materials. The Company also constantly communicates on the price of plastic pellets trends and plastic products with customers to reduce the risks from such matters.

2) Risk from campaign on reducing the use of plastic products

Risk details: In the present, environmental problems are huge problems that have received lots of international attention and plastic waste management is one of the key factors in taking care of the world's environment. Therefore, there are campaigns on reducing and stopping the use of plastic all around the world. The Company manufactures and distributes plastic bags which is one of the main products on such campaigns universally. For Thailand, the Ministry of Natural Resources and Environment creates a roadmap for plastic waste management. They are specified to reduce and stop using plastic products made of Oxo, cap seal and microbeads in 2019 and foam box, thin plastic cup (single use), plastic straw and plastic handle bags with less than 36 Micrometers in thickness by 2022. In addition, the roadmap also specifies to reuse 100% of the targeted plastic waste by 2027. As elaborated, the Company's product that is related to the roadmap is the plastic handle bags with less than 36 Micrometers in thickness. Therefore, the Company is at risk of losing revenue from such campaigns.

Risk Management: The Company always recognises issues on the reduction of plastic use campaigns and inquires on the detailed information of the campaigns and plastic waste management roadmap from every channel. The Company plans on coping with such matters since 2018. For plastic handle bags that the use is likely to be reduced and stopped by 2022, the Company would be able to produce plastic handle bags with more than 36 Micrometers in thickness immediately by modifying the machines. At present, the Company already produced plastic handle bags with more than 36 Micrometers in thickness. The risk of losing revenue from such matters is significantly reduced. In addition, the Company also diversifies the risks by developing 2 new projects that are related to such matters. They are Biodegradable Plastic and Beatbox Paper Food Packaging projects. In the Biodegradable Plastic project, the Company studies and searches for biodegradable plastic in order to be prepared to develop them as the Company's product. In the Beatbox Paper Food Packaging project, the Company develops products and production procedures for paper food packaging products. The Company had been implementing the project for over 3 years and continually plans on the implementation. The above-mentioned implementations result in a significant decrease in the Company's level of risk arising from the reduction of plastic use campaigns.

3) Risk from order cancellation and replacement product in case that the Company do not have enough products due to the shortage in workforce

Risk details: In 2021, Thailand had continually been encountered with challenges in the shortage in workforce. Such shortage is a result of job selection behaviours and Thailand's population is entering an aging society. Apart from the mentioned factors, the Covid-19 pandemic is another main factor that results in a shift in workforce. Both locally and internationally are at halt. Thus, Thai operators that have a workforce as their main production factor continually face such problems. Therefore, the shortage in workforce affects the Company's production capacity, which relies on workforce, and seldom results in shortage of products available for sale. As a result, there is a risk that customers would choose to purchase replacement products or the Company would have to cancel purchase orders in case that there are not enough products available for sale.

Risk Management: The Company always recognises such issues and searches for employees by all means and channels in order to have the workforce for production. In addition, such searches are specified as the main priority for the human resources department to implement on searching and hiring. Besides, the Company develops Automation project to reduce the risk of workforce reliance in the Company's production processes. The project will focus on remodelling the production line by bringing in the technologies for automated production to the original machines and production line. The implementation of such the project will result in a gradual decrease in the Company's reliance on workforce until the level of risk from workforce reliance is insignificant to the Company.

4) Risk from fraud by salespeople and outsourced salespeople

Risk Details: The Company outsources staff to sell the Company's products so that they, who have local area expertise, receive orders from customers, manage customer satisfaction and receive payments, including follow up on outstanding debts with customers. Those outsourced salespeople would receive compensation in form of commission in which the calculation is the same with those for the Company's full-time salespeople. In terms of the work structure, outsourced salespeople would be assigned to sell in provincial areas and the Company's full-time salespeople would be assigned to sell in Bangkok and surrounding areas. Therefore, both the Company's full-time salespeople and the outsourced salespeople would be keeping cash and cheques received from customers. Therefore, there is a potential risk of fraud by the Company's salespeople and outsourced salespeople.

Risk management: The Company controls and prevents the above-mentioned risk by setting a clear policy on the sales department's operation. Every salesperson, both the Company's full-time salespeople and the outsourced salespeople, would have to deposit cash received from customers to the Company's bank account immediately. In case of cheques, it is stipulated to be Account Payee cheque in the Company's name only. Crossed cheque and cash cheque are strictly forbidden. In addition, the Company encourages customers to transfer money via internet banking to the Company's bank account or scanning QR code on the delivery notes to directly make payments to the Company's bank account instead of payments with cash or cheques. The Company also stipulates on sending deposit details (payments information from each customer) to the accounting department right away via LINE or Email or other channels that contain clear written evidence and sending original documents to the accounting department when arrives at the Company so that the accounting and finance department could proceed on checking the payment details. The procedures and the comprehensive checking system lower the risk to be in a low-level risk that could be controlled. However, to prevent unexpected events, the Company requires every salesperson, both the Company's salespeople and outsourced salespeople, to have a work guarantor following international standards in order to prevent any damage to the Company.

5) Risk from lost or damages of information system

Risk details: The Company records information in a database that could be worn out, damaged or lost in various ways, both from deficiency of hardware and software, including being hacked by malicious invaders.

Risk management: The Company prevents the risk by procuring hardware and software that receive international standards and have specifications that best fit the Company's use in order to support the increase in information and build the stability of the data storage system. The Company also set out policy about data storage, data backup, data recovery and backup site, which includes backup devices, in order to be prepared for any incidents that could occur. In addition, the Company prepares employees to use systems by training and setting out clear policy and check procedures on information system usage for users and administrators in writing.

6) Risk from debtor management on retail debtors with no official documents for identity verification

Risk details: Due to the fact that the Company mainly sells products to customers in fresh markets, the customers in these areas normally would not give official documents to other people. Therefore, there is a risk that the Company would not be able to do identity verification in case of litigation with default customers. Details of customer identity verification documents, both with and without, as of 31 December 2021 are as follows:

	Number of Customers (person)	Proportion (% of all customers)
All customers*	6,427	100.00%
Identity Document		
Identification Card	1,368	21.29%
Affidavit	213	3.31%
PP 20	170	2.65%
Commercial Registration	175	2.72%
Map	3,471	54.00%
Photo	3,615	56.25%
Summary of Number of Customer's Identity Document (Official Document)		
Number of Customers with at Least 1 Document	1,419	22.08%
Number of Customers under Document Requesting Process	5,008	77.92%
Total	6,427	
Customers with Official Name	1,926	29.97%
Customers with Unofficial Name	4,501	70.08%
Total	6,427	

Remark: * Number of customers includes active and inactive.

Risk management: The Company sets out policy and processes in managing the documents from customer account opening, credit consideration and debt collection consideration. In the account opening process, the Company requires every customer to have at least 1 official document that could be used as identity verification in case of litigation. However, for customers with unofficial names or without supporting documents for account opening, the Company would only receive payments in cash (cash will be collected once delivery is done). No credit sales are allowed until the customers

are willing to submit documents. However, for loyal customers who have long been trading with the Company on credit, the Company keeps other documents such as maps, photos of the stores and other surrounding information as evidence in verifying the identity of those particular customers. From the consultation with the Company's legal advisory on such matters, it comes to a conclusion that litigation on debt default would be easy with official identification documents. However, without one, the Company could proceed on the litigation as well by identifying the debtors on default through witness examination, both circumstantial evidence and parol evidence.

2.2.2 Financial and Investment Risk

1) Risk from the fact that the Company has major shareholder holding more than 50% of total shares

Risk details: Teerarujinon family is the Company's major group of shareholders who hold a total of 192,325,000 shares which is 71.32% of the Company's total issued and paid-up shares (Information as of 30 December 2021). In addition, Teerarujinon family also hold important positions such as directors, top management and authorized directors. As a result, the aforementioned family could control the resolution in the shareholders' meeting, except on topics that the laws and regulations required to have at least 3 out of 4 votes at the shareholders' meeting.

Risk management: With the management structure, the Company has the Chairman of the Board of Directors, who is an independent director, and an Audit Committee that consists of 3 independent directors. Therefore, the Company has a total of 4 independent directors out of 10 directors in the Company. The independent director and audit committees are all luminaries, well acknowledged by the society and knowledgeable. Thus, they could increase the efficiency and transparency in management by enforcing on the internal controls and balancing power of the Company's Board of Directors. Furthermore, the Company's Board of Directors conduct their duties by taking into consideration the importance of Good Corporate Governance principles and strictly follow guidelines of such principles. On top, the Company set out scope of authorization and designated approval authority tables for each level in appropriate range and credit limit.

2) Risk from Change in Exchange Currencies

Risk details: The Company purchases raw materials for the production of food wrapping film and paper food packaging. In 2021, the exchange currency market fluctuates due to the Covid-19 pandemic which results in significant Baht depreciation. This makes the value of raw materials that the Company imports from foreign countries increases. The Company has the risk that the Company might not be able to control production cost and margin as planned.

Risk management: The Company reduces the above mentioned risk by planning on the import in advance for the year and revisiting the import plan every month to ensure that the quantity of raw materials are sufficient for the production and the costs are most appropriate. For procurement with some trade partners, the Company negotiates on ordering in advance in case that the ordering factors are appropriate and the level of risk in placing advance orders are acceptable for the Company. In addition, given the fact that most of the Company's raw materials are procured from trade partners in the country, the risk level of the fluctuation in exchange currencies is significantly decreased.

2.2.3 Shareholder Risk

Risks from having low percentage of Free Float: As of 30 December 2021, 71.23% of the Company's shares are held by the Teerarujinon family is executives. The minority shareholders are representing 3,969 persons or 28.74% in Free Float, which the percentage is sufficient for normal stock trading.

2.3 Risks of the Foreign Securities Investment

The Company does not invest in foreign securities.

3. Driving business for sustainability

3.1 Policy and Goal in Sustainability Management

The Company is determined to operate following the sustainable development principles, by recognising social responsibilities and missions with stakeholders in the value chain, in order to sustainably develop under the Company's brands that are of high quality and meet international standards. In addition, the Company adheres to principles of ethics and good corporate governance and respects human rights in the equality and fairness. The Company places importance on the Company's employees which is considered as highly valuable resources of the organization. The Company is committed to equally provide security and progression in career for everyone, safety protection, occupational hygiene of the workplace and also respect everyone's human dignity.

The Company is urged to seriously and continuously associate with social responsibilities in terms of quality, safety, occupational hygiene and environment in maximizing the benefits of natural resources. The company is aware of the importance of the environment and safety of the related stakeholders as well as supporting social activities in environment conservation and improving quality of life for the people in the community following the sustainable growth principles.

To support vision in terms of sustainability and to correspond with the United Nations Sustainable Goals (UN SGDs) that reflects the world's environmental, social and governance issues (ESG), the Company set a sustainability management policy. It is under the process of proposing to the Company's Board of Directors for consideration and would announce to directors, management and employees so that they understand the sustainability management policy and adopt them together within 2022.

3.2 Managing the Impacts to Stakeholders in Value Chain of the Business

3.2.1 Value Chain of the Business

The Company recognises the importance of every stakeholder in the value chain that the Company currently operates. The Company's stakeholders are defined and the relationships in the supply chain are analysed from sourcing raw materials to product warranty after sales to set appropriate operation guidelines for each group of stakeholders and have an efficient value chain management.

3.2.2 Analytics of Stakeholders in Value Chain of the Business

The Company classified stakeholders into 8 groups by considering relationships with the Company's operation, impacts on sustainability and the Company's operating results to stakeholders. The Company engages with stakeholders by surveying their needs and expectations to analyse and respond to issues, concerns and expectations which are summarised as follows:

Stakeholders	Concerns or Expectation	Guidelines on Responses	Guidelines on Engagement
Shareholders	<ol style="list-style-type: none"> 1. Long term strategies and goals for the organization growth 2. Good operating results and sustainable growth 3. Good corporate governance 4. Steady dividend payments 	<ol style="list-style-type: none"> 1. Report to shareholders about the Company's future trends both in positive and negative perspectives. 2. Act in honesty, make decisions with care and be fair to every shareholder. 3. Supervise on the operation to ensure good financial positions and operating results. 4. Do not seek for benefits of yourselves or other people by using the corporate information that is not yet disclosed to the public or take any actions that could potentially cause conflict of interests. 5. The Company must treat every shareholder equally in shareholder's meetings. 	<ol style="list-style-type: none"> 1. Hold annual shareholder's meeting 2. Hold meetings with analysts 3. Suggestion and inquiry channel 4. Complaint channel 5. Inform in the Company's website, newspaper or letter
Trade partners	<ol style="list-style-type: none"> 1. Credibility, reputation and corporate governance 2. Stability on financial positions 3. Transparency in operation and procurement 4. Fulfill the agreements on promotion or elevation of trade partner operations 	<ol style="list-style-type: none"> 1. Strictly fulfil the agreements or promises with trade partners 2. Fairly select trade partners following evaluation criterias and select the Company's trade partners to prevent corruption and misconduct in every procurement process 	<ol style="list-style-type: none"> 1. Meet and discuss 2. Participate in activities to exchange experiences with each other
Employees	<ol style="list-style-type: none"> 1. Appropriate income and welfare 2. Good environment and safe for work 3. Continuously improve the employee's potential 4. Appropriate career progression 5. Work system that support the Emerging Infectious Diseases situation 	<ol style="list-style-type: none"> 1. Treat employees with respect in honor and personal rights 2. Maintain work environment in the conditions that is safe for life and assets of the employees 3. Appoint and transfer as well as reward and punish employees with honesty and based on knowledge, ability and suitability of each employee 4. Place importance on knowledge development and employee's potential by giving continuous development 5. Define compensation for employees fairly following the market situations, market competition, job characteristics, work performance and the Company's ability to pay for such compensation 6. Avoid any unfair actions that might affect the stability of employees' job position 7. Inform all employees about policy and welfare that the employees are entitled to with employee manuals, group health insurance manuals, group life insurance and provident funds. 8. Allow employees to suggest or complain about work and define solution that would benefits all parties and create good relationship in teamwork 	<ol style="list-style-type: none"> 1. Hold Board of Directors of welfare in workplace meetings 2. Relationship building activities 3. Channel for hearing employees opinion

Stakeholders	Concerns or Expectation	Guidelines on Responses	Guidelines on Engagement
Society and Community	<ol style="list-style-type: none"> 1. Operate with responsibilities to environment/ community 2. Disclose information clearly and timely 3. Allow a participation on credible operation checks 4. Participate in sustainable development in the quality of life for the community and society 5. Hear and solve related problems immediately 	<ol style="list-style-type: none"> 1. Set a business operation policy by considering mainly on environment and strictly follow the laws and regulations that are enforced about the environment 2. Set a clear operation policy on Corporate Social Responsibility (CSR) and adhere to it in the organization 3. Support the Company's employees to have conscious mind and responsibility for the environment and society 4. Respect customs, traditions and cultures of each local places that the Company operates 5. Constantly carry out activities to participate in the society, community and environment in order to help elevate the quality of life in the area that the Company locates, both carry out by the Company and by cooperating with public sector, private sector and community 6. Cooperate in activities with communities around the area that the Company locates as appropriate 7. Respond quickly and efficiently to incidents that impact on community and environment, life and assets due to the Company's operation by giving full cooperation to government officials and related parties 	<ol style="list-style-type: none"> 1. Committees visit and listen to suggestions and complaints 2. Hold meetings with community leaders and government agency 3. Participate in activities to support the community's good cultures 4. Channel for receiving the complaints about the Company
Government Agency	<ol style="list-style-type: none"> 1. Follow the laws and operate with transparency 2. Cooperate in activities from public sector 	<ol style="list-style-type: none"> 1. Determine to follow laws, rules and regulations by the government 2. Promote the cooperation and support public and private measures in the anti-corruption and unfair pay 	<ol style="list-style-type: none"> 1. Meet, discuss and clarify 2. Participate in government's campaigns
Customers	<ol style="list-style-type: none"> 1. Products with quality, standards and safety 2. Deliver in a timely manner 3. Impressive after sales service 	<ol style="list-style-type: none"> 1. Determine to research and develop for the goods and services in order to respond to customer needs 2. Deliver quality goods and services under fair conditions 3. Provide information about goods and services accurately and sufficiently so that customers have enough information to make decisions. Never exaggerate both in advertisement or other communication channels that could cause misunderstanding about the quality, quantity and conditions of goods and services 4. Establish procedures that would allow customers to notify about problems or inappropriate services so that the Company could prevent and solve them immediately and use such information to fix or improve products and services in the future 5. Keep confidential information of customers by never disclose or misuse them 	<ol style="list-style-type: none"> 1. Create channels for customer complaints or suggestions to improve operations and products 2. Channels for receiving complaints 3. After sales services

Stakeholders	Concerns or Expectation	Guidelines on Responses	Guidelines on Engagement
Competitors	1. Operate with transparency and fairness. Never take advantages in doing businesses	<ol style="list-style-type: none"> 1. Act under the rules of healthy competition 2. Do not seek for competitors' confidential information with dishonest or inappropriate methods for the Company's business advantages 3. Do not maliciously accuse or aim to destroy competitors' reputation 4. Never act on any intellectual property infringement of others or competitors 	1. Participate in activities for experience exchange
Creditors	1. Follow the agreed conditions under the laws	<ol style="list-style-type: none"> 1. Strictly follow the conditions on agreements or as agreed 2. In case of unable to follow the agreed conditions, the Company would notify 	<ol style="list-style-type: none"> 1. Provide financial and other information in the Company's annual report 2. Provide information to related parties with accuracy

3.3 Environmental Sustainability Management

3.3.1 Environmental Policies and Guidelines

The Company is determined to be a green industry to reduce environment and community impacts, reduce complaints caused by industrial sector, reduce risks in future responsibilities, reduce the use of resources and energies and reduce the cost in business operation by developing and improving continuously on production process and environmental management to do business in an environmental friendly way, including corporate social responsibility both internally and externally throughout the supply chain. For sustainable and continuous development, the Company set out environmental policy. (Please find details on the Company's website at www.tpic.co.th)

In 2021, the Company was certified as 1st Level - Green Commitment on 17 September 2021 that the Company commits to reduce environmental impacts and thoroughly communicate within the organization by the Ministry of Industry.

3.3.2 Environmental Performance

1. Energy Management

The Company placed importance on efficiency in energy usage and reduction in careless use of energy. The Company encourages employees at the head office to have their awareness about electricity saving by turning off the lights and electrical appliances during lunch breaks or during non-working hours, including using the alternative energy. The Company installed a 74 kWp solar electric system on 16 February 2020. In 2021, the Company could reduce electricity expenses from 2020 as follows:

Records	2021	2020
Electrical Usage (Units)	5,691,000.00	6,490,000.00
Electrical Usage (Baht)	19,211,835.62	21,697,337.15

Report on Electricity Produced from Solar Power

Records	2021	2020
Quantity of Electricity Produced	170,604.35	82,147.03
Savings in Monetary	635,158.91	306,620.03

2. Water Management

Most of the wastewater from the factory came from office buildings and staff buildings. Quality control of wastewater treatment is properly implemented. Oil skimming tanks are treatment equipment which is used to reduce oil plaque from cooking and discharge treated water only in the factory, not to the natural water sources.

However, other wastewater, such as water from factory roofs, would be treated and tested on the quality such as testing BOD and COD on water every year. The test results must be in line with the standards before discharging into natural water sources outside the factory in order to ensure that the wastewater would not have impacts on the water quality in the natural water sources and community at the lowest reaches could still benefit from the water sources without any impacts.

The Company encourages employees at the head office to have their awareness about water saving and continuously reduce water consumption. The Company could reduce water expenses from 2020 as follows:

Records	2021	2020
Water Usage (Units)	28,257.00	28,751.00
Water Usage (Baht)	450,410.52	434,063.89

3. Waste, Spoilage and Pollution Management

The Company systematically manages waste and spoilage from business operations according to the principles of 3Rs (Reduce, Reuse, Recycle) to bring waste or reusable raw materials back to the production process and get other benefits continuously. In addition, the Company also avoids landfilling methods for waste disposal which could prevent creating impacts on the environment from the factory operation's waste both in terms of contamination to soil, surface water sources or ground water sources, including food chains.

In 2021, the Company has a total quantity of waste and spoilage of 78,925.74 Kilograms. In addition, the Company undergoes environmental testing in the office and the establishments' surroundings at least once a year. In 2021, it was found that the quality of air, smell, sound and light are within normal thresholds stipulated by the laws and there are no chemical leakages from business operation.

4. Greenhouse Gases Management

The Company placed importance on greenhouse gases management. The Company's activities that might have impacts on the emission of greenhouse gases in energy usage such as electricity use in air conditioning. However, the Company currently undergoes data research and data collection to define goals, guidelines and strategies for the reduction of greenhouse gases in the future. The disclosure on the operation's duration will be announced and goal setting will be completed by 2023.

3.4 Social Sustainability Management

3.4.1 Social Policies and Guidelines

The Company operates with determination and places importance on the duties and responsibilities to the society and stakeholders, which are shareholders, customers, trade partners, employees, community and surrounding society, in order for the business operation to have commitments and determinations in doing the business as a good role model for the society by applying ethics and Good Corporate Governance principles. Thus, the Company could benefit the society and environment and achieve sustainable development. In order to achieve the aforementioned goal, the Company set out policies about human rights. (Please find details on the Company's website at www.tpic.co.th), stays committed, follows the Universal Declaration of Human Rights principle and places importance on the labour practices and respecting human rights with fairness, equality and without discrimination in terms of employment, compensation, promotion and employee's training and development with no discrimination in gender, age, educational institution, race and religion, including supporting the employment of those from underprivileged group to create opportunities and stable income.

3.4.2 Social Performance

1. Human Rights and Fair Labour Treatment

The Company recognises that respecting human rights are the fundamental factor in doing business with good governance which requires continuous supervision. The Company follows the human rights principle starting from employment to welfare for employees and personnel. In order to create a family-like bond between employees and personnel and the organization, the Company has important implementation in 2021 as follows:

- Employment

Details	Female	Male
Permanent Employee	25	25
Daily Employee	97	96
Employee with Disability	-	3
Total	122	124

- Human Resources Development

In 2021, the Company held 9 training programs for employees to develop working skills and capabilities. There are 79 employees who received training from internal, external and others, which is considered to be 32.11% of the total employees in the Company, following the Company's goal for 2021.

Program Type		Quantity	Total Hours
In-House Training	Develop thought processes, capabilities and knowledge in work execution. The organization selects programs and adjusts them to best suit the organization context.	7 Times	56
External Training	Develop capabilities, knowledge and abilities as appropriate for work types by sending employees to trainings or seminars in different programs with external training institutions.	6 Times	103
การฝึกอบรมความรู้ในงาน (On the Job Training)	Develop execution skills for employees by doing the job while learning for higher work efficiency.	2 People	752

- Occupational Safety, Health and Environment

The Company continuously develops and improves efficiency in operation's safety to reduce the risks of sickness, injuries or death and takes proper care of life quality for staff or employees. The Company encourages and cultivates consciousness in safety and health to become ways of living for the Company's personnel through the Board of the Occupational Safety, Health and Environment as follows:

- (1) Consider policies and plans for work safety, including safety outside the workplace, to prevent and reduce accidents, sickness or trouble from work or insecurity in the workplace.
- (2) Report and recommend measures or improvement guidelines in accordance with the laws that relate to occupational safety and safety standards in working for employers in order to ensure work safety for employees, contractors and external parties that enter into the establishments to provide services or receive services.
- (3) Promote activities about occupational safety in the organization.
- (4) Survey on the work safety in execution and review on the statistics of accidents that took place in the organization at least once a month.
- (5) Consider projects or training plans about work safety, including projects or training plans about roles and responsibilities on safety of employees, managers, executives, employers and every level of personnel to propose opinions to the employers.
- (6) Lay down protocols for reporting on the insecurity in the workplace as duties of employees at every level.
- (7) Follow up on progress of the proposed matters to employers.
- (8) Report the annual performance, including identifying challenges, obstacles and suggestions for the Board of Directors' execution once completed one-year term.
- (9) Evaluate the performance on occupational safety of the organization.
- (10) Carry out other occupational safety tasks as assigned by the employers.

In 2021, the Company found 2 cases of work injuries in which the severity of accidents does not exceed a moderate level. The Company places prevention measures. In case that there are accidents at work or unanticipated events, the employees must follow the Company's guidelines in solving the problems. The plan for emergency cases are systematically laid down starting from assigning responsible persons in each control process to deal with such incidents, including finding root causes, correcting and preventing the incidents from repeating, to prevent and reduce the impacts on people, assets, production processes or environment or to minimise the chance of occurrences.

- Crisis Management

During the Coronavirus pandemic or COVID-19 pandemic, the Company handles the situation to prevent impacts on employees and stakeholders with the Company's prevention measures as follows:

Care for Employees during COVID-19 Pandemic

Prevention Measures	<p>(1) Follow the Company's prevention measures.</p> <p>a) Screen every employee before entering the workplace.</p> <p>b) Every employee must always wear a face mask and wash their hands with alcohol gel.</p> <p>c) Limit the entering-exiting rate of external parties by setting a clear time period that they could enter into the Company's areas.</p> <p>(2) Adjust working ways to work from home.</p> <p>(3) Follow up on the progress of the government's announcements both inside and outside the Company's establishment areas.</p> <p>(4) Follow up on the progress of employee's vaccination and help coordinate with the vaccine registration for employees who are not yet vaccinated in order to help every employee on getting their vaccines.</p>															
Measures during the closure of the establishments	<p>(1) Appointing a responsible person for each sector.</p> <p>Sector that coordinates with external parties is responsible to coordinate with public and private sectors in order to inform on data and other documents that relate to the Company's closure and employee's welfare.</p> <p>Sector that coordinates within the factory is responsible in taking care of the employees that live at the Company's accommodation and notifying important news between coordinators with external parties and employees in the establishments.</p> <p>(2) Policies and principles in taking care of employees during the closure of the establishments.</p> <p>The will to not accept monthly salary or income - Mr.Teerachai Teerarujinon (Managing Director) and Mrs.Phoonsin Teerarujinon (Deputy Managing Director) refused to receive salary for 1 month (July 2021) to use those money for taking care of employees and management during the Company's closure.</p> <p>Care for employees during the Company's closure - The Company informed employees that live at the Company's accommodation to only stay in the accommodation. The Company would supply consumption goods for those employees without charges, including coordinating to find available beds in case that the employees are sick.</p> <p>(3) Policies on compensation during the Company's closure.</p> <p>The Company coordinates with the Social Security Office to ensure employees' rights to compensation in case of being unemployed from force majeure events at the defined rates and limits during the Company's closure. However, employees who are not in the social security system (Pink Card) do not have the rights to receive such compensation. Thus, the Company compensates for the difference to take care of this group of employees at the same rates and limits provided by the Social Security Office.</p> <p>(4) Policies on wages and salary for those infected and those with high risks (need to be quarantined and cured)</p> <p>The Human Resources department would inform related parties in case that Covid-19 is detected in employees. Such employees are required to use their sick leave entitlements until they run out of sick leave. If sick leave could not be used because the entitlements are not enough, a memorandum should be prepared and proposed to the Deputy Managing Director of the Support Division.</p> <p>In addition, the Company defines special welfare to handle the Covid-19 situation by assigning the Human Resources department and related parties to prepare Covid-19 test kits, food, beverage and necessities for employees who are Covid-19 infected and those at high risks (close contact with infected person and have initial symptoms) under individual budget as follows:</p> <table><tr><th>Descriptions</th><th>Types</th><th>Budget per Person per Day (Baht)</th></tr><tr><td>Food and beverage - 3 meals and beverages</td><td>Employee welfare</td><td>150</td></tr><tr><td>Medicine - symptomatic medicine</td><td>Company expense</td><td>Actual amount</td></tr><tr><td>Necessities - trash bags, alcohol, face masks and others</td><td>Company expense</td><td>Actual amount</td></tr><tr><td>COVID-19 test kits - ATK, RT-PCR and PPE</td><td>Company expense</td><td>Actual amount</td></tr></table> <p><u>Details on the expenditures in handling COVID-19</u></p> <p>The Company's expenditures in handling Covid-19 can be divided into 2 sections. They are expenses for employee care, expenses for food and necessities that also include money support on salary of 0.81 million Baht, and expenses for basic medical equipment, expenses for test kits and protection equipment of 0.32 million Baht. Therefore, the Company has a total expenditure in handling Covid-19 of 1.13 million Baht.</p>	Descriptions	Types	Budget per Person per Day (Baht)	Food and beverage - 3 meals and beverages	Employee welfare	150	Medicine - symptomatic medicine	Company expense	Actual amount	Necessities - trash bags, alcohol, face masks and others	Company expense	Actual amount	COVID-19 test kits - ATK, RT-PCR and PPE	Company expense	Actual amount
Descriptions	Types	Budget per Person per Day (Baht)														
Food and beverage - 3 meals and beverages	Employee welfare	150														
Medicine - symptomatic medicine	Company expense	Actual amount														
Necessities - trash bags, alcohol, face masks and others	Company expense	Actual amount														
COVID-19 test kits - ATK, RT-PCR and PPE	Company expense	Actual amount														

“We shall pass this crisis together”



Taking care of the employee hygiene and providing sufficient equipment to employees, providing food or accommodation, helping with expenses in case of infection. The Company has no policy of termination or reduction in salary/welfare of the employees.

Managing Director educates employees about self care during COVID-19 pandemic.



- Develop Employee Engagement and Satisfaction

In 2021, the turnover rate is on average 3.10%, overachieving the target that is anticipated to have a turnover rate not exceeding 3.5%.

- Disputes on Employees and Labours

- Not Applicable-

2. Responsibilities to Customers and Consumers

The Company has important implementations for customers as follows:

- (1) The Company is determined to develop products and services that are integrated, fast and with quality to continuously respond to the needs of customers and consumers. The Company's employees must be fully dedicated to respond to the needs of customers and consumers at reasonable prices, up to date, with quality, no restriction on consumer rights and with fair conditions for consumers.
- (2) The Company must not commit any fraudulent acts or falsify the Company's quality of products and services.
- (3) The Company is determined to develop the safety of the Company's products and services. Consumer safety is very important so the Company puts up warning signs, checks on safety in the establishments and strictly and constantly promotes and trains employees on consumer safety.

In 2021, the Company's customer satisfaction is at 81.92% and there are no complaints from customers in significant matters.

3. Community and Social Development

The Company operates with responsibility to the community and society by placing importance on reducing environmental impacts and avoiding any operations that may create negative impacts on the quality of life in the surrounding communities. In 2021, there are no complaints from the communities in social or environmental matters.



Support hospitals that are facing COVID-19 impacts

Objective

Purchase medical equipment and supplies that are necessary for COVID-19 patients

Target Group

Hospitals and COVID-19 patients

Result

Donation to Chinnakhet hospital



Support rice box against COVID-19 project

Objective

Help and lighten the economic burden that people have from COVID-19 pandemic

Target Group

Kaew-In community and nearby communities

Result

The Company gave 150 rice boxes to people living in Kaew-In community who are affected by the COVID-19 pandemic

4. Management Discussion and Analysis (MD&A)

4.1 Management's Discussion and Analysis and Operating Results

4.1.1 Overall Operating Results

Thailand's economy faced a crisis as same as the global economic situation due to the spread of COVID-19. The government in many countries needed to announce the lockdown measures to control the epidemic situation resulting in the economic activities around the world has stalled. However, Thailand is one of the countries that has been quite successful in curbing the epidemic, leading to the easing of lockdown measures in some periods during the year 2021. Despite the loosening of COVID-19 restrictions, the domestic economy has not fully recovered. This is mainly due to the contraction of the export sector, tourism sector, investment sector, and consumption sector have not been in the same level as pre-epidemic level.

In 2021, the COVID-19 epidemic situation and the lockdown measures have slightly affected the Company's operations. This is because the products of the Company are necessary for daily use. The consumers, the main customers group of the Company, have changed in buying behavior by switching to use food delivery services causing the demand for food packaging products to continue existing in the food market. In addition, the Company has planned and deployed appropriate strategies in the situations as well as developed and applied new technologies to improve the operations and systems more efficiently.

4.1.2 Operating Results

Operating Results	2021		2020			Increase (Decrease)	
	THB	%	THB	%		THB	%
REVENUES							
Revenue from sales of goods	505,794,069	98.97	469,712,966	99.12	▲	36,081,102	7.68
Other income	5,278,454	1.03	4,169,228	0.88	▲	1,109,226	26.61
Total revenues	511,072,523	100.00	473,882,194	100.00	▲	37,190,329	7.85
EXPENSES							
Costs of sales of goods	411,643,242	80.54	373,721,987	78.86	▲	37,921,255	10.15
SG&A	57,899,259	11.33	57,295,415	12.09	▲	603,845	1.05
Financial costs	50,458	0.01	112,298	0.02	▼	(61,840)	(55.07)
Total expenses	469,592,959	91.88	431,129,700	90.98	▲	38,463,258	8.92
PROFIT BEFORE INCOME TAX	41,479,564	8.12	42,752,494	9.02	▼	(1,272,929)	(2.98)
Tax expense	7,569,644	1.48	8,160,003	1.72	▼	(590,359)	(7.23)
PROFIT FOR THE YEAR	33,909,920	6.64	34,592,491	7.30	▼	(682,571)	(1.97)

4.1.2.1 Sales Revenue

In 2021, the Company has sales revenue of THB 505.79 million, increase from 2020 in amount of THB 36.08 million or equivalent to 7.68 percent. This is mainly due to the increasing in average price of products that caused by the increasing in average price of raw materials. However, the sales volume of plastic bags and wrapping film was slightly down, while the sales volume of food paper box increased.

4.1.2.2 Other Income

In 2021, the Company has other income of THB 5.28 million, increase from 2020 in amount of THB 1.11 million or equivalent to 26.61 percent. The main reason is the Company received the subsidies from the Social Society Office for the impacts of events related to the COVID-19 epidemic and the revenue from selling scrap (waste from the production process) slightly increased.

4.1.2.3 Expenses

In 2021, the Company has cost of goods sold of THB 411.64 million, increase from 2020 in amount of THB 37.92 million or equivalent to 10.15 percent. This is mainly due to the increase in the average price of raw materials. However, other production costs adjust correspond with sales with no significant change.

In addition, The Company has selling, general, and administrative expenses of THB 57.90 million, increase from 2020 in amount of 0.60 million or equivalent to 1.05 percent. This is mainly due to the increase in provision for doubtful debt, public relations expenses, employee benefits expenses, and the expenses for the wrapping film department during non-production period. However, the Company has a lower depreciation expense and there is a reversal of inventories reserve.

Moreover, the Company has financial costs of THB 0.05 million, decrease from 2020 in amount of THB 0.06 million or equivalent to 55.07 percent. The main reason is a decrease in the interest from debt repayment from financial lease agreements due to a decreasing of liabilities from financial lease agreements.

4.1.2.4 Net Profit

In 2021, the Company has net profit of THB 33.91 million, decrease from 2020 in amount of THB 0.68 million or equivalent to 1.97 percent. This is mainly due to the slightly decrease in gross profit and there is the expenses which occurred in the events related to the COVID-19 epidemic, resulting in the Company's net income decreases as mentioned above.

4.1.3 Financial Position

4.1.3.1 Asset

Assets	As of 31 December			Increase (Decrease)	
	2021	2020		THB	%
Current Assets					
Cash and cash equivalents	55,609,341	66,444,238	▼	(10,834,897)	(16.31)
Other current financial assets	1,912,000	1,912,000	-	-	-
Trade and other receivables	68,042,408	54,243,935	▲	13,798,473	25.44
Inventories	52,073,940	44,057,998	▲	8,015,942	18.19
TOTAL CURRENT ASSETS	177,637,689	166,658,171	▲	10,979,518	6.59
NON-CURRENT ASSETS					
Property, plant and equipment	195,399,641	197,217,232	▼	(1,817,591)	(0.92)
Right-of-use assets	1,009,940	1,897,041	▼	(887,101)	(46.76)
Intangible assets	2,121,688	2,054,310	▲	67,378	3.28
Deferred tax assets	4,086,639	4,261,840	▼	(175,201)	(4.11)
Other non-current assets	732,925	1,645,378	▼	(912,453)	(55.46)
TOTAL NON-CURRENT ASSETS	203,350,833	207,075,801	▼	(3,724,968)	(1.80)
TOTAL ASSETS	380,988,252	373,733,972	▲	7,254,550	1.94

As of 31 December 2021, the Company has total assets of THB 380.99 million, increase from as of 31 December 2020 of THB 373.73 million or equivalent to 1.94 percent. This is mainly due to the following items:

- Cash and cash equivalents decreased by THB 10.83 million. This is due to the investment in fixed assets, dividend payment, and financial lease agreements payment. However, the Company received cash from operating activities during the period.
- Trade and other receivables increased by THB 13.80 million due to an increase in sales volumes.
- Inventories increased by THB 8.02 million due to an increase in raw materials and finished goods, which is reserved for production and selling, and an increase in raw materials price.
- Property, plant, and equipment decreased by THB 2.7 million due to a decrease in assets value that caused by the depreciation.
- Other non-current assets decreased by THB 0.91 million due to a decrease in the deposit of assets purchasing.

4.1.3.2 Liabilities and Shareholder's Equity

Liabilities and Shareholder's Equity	As of 31 December			Increase (Decrease)	
	2021	2020		THB	%
CURRENT LIABILITIES					
Trade and other payables	40,548,306	40,240,928	▲	307,378	0.76
Current portion of lease liabilities	273,388	701,243	▼	(427,855)	(61.01)
Income tax payable	3,981,145	4,588,634	▼	(607,489)	(13.24)
TOTAL CURRENT LIABILITIES	44,802,839	45,530,805	▼	(727,966)	(1.60)
NON-CURRENT LIABILITIES					
Lease liabilities	529,897	800,003	▼	(270,106)	(33.76)
Provision for employee benefits	13,630,890	14,726,176	▼	(1,095,286)	(7.44)
Other non-current payables	1,102,400	1,092,160	▲	10,240	0.94
TOTAL NON-CURRENT LIABILITIES	15,263,187	16,618,339	▼	(1,355,152)	(8.15)
TOTAL LIABILITIES	60,066,026	62,149,144	▼	(2,083,118)	(3.35)
TOTAL SHAREHOLDER'S EQUITY	320,922,496	311,584,828	▲	9,337,668	3.00

As of 31 December 2021, the Company has total liabilities of THB 60.07 million, decrease from as of 31 December 2020 of THB 62.15 million or equivalent to 3.35 percent. This is mainly due to the following items:

- Trade and other payables increased by THB 0.31 million due to an increase in VAT payable and accrued audit fees.
- Lease liabilities decreased by THB 0.7 million due to the repayment of financial lease agreements.
- Income tax payable decreased by THB 0.61 million due to a decrease in net profit for the year.
- Provision for employee benefits decreased by THB 1.10 million due to the adjustment of liabilities according to an actuarial report.

As of 31 December 2021, the Company has total shareholder's equity of THB 320.92 million, increased by THB 9.34 million or equivalent to 3.00 percent. This is mainly due to net profit for the year and the dividend payment.

4.1.4 Statement of Cash Flow

Cash Flows	As of 31 December			Increase (Decrease)	
	2021	2020		THB	%
Cash flows from operating activities	25,743,885	44,269,543	▼	(18,525,658)	(41.85)
Cash flows from investing activities	(8,832,344)	(11,108,490)	▲	2,276,146	20.49
Cash flows from financial activities	(27,746,438)	(28,218,720)	▲	472,282	1.67
Net Increase (Decrease) in Cash and Cash Equivalents	(10,834,897)	4,942,333	▼	(15,777,230)	(319.23)

4.2 Key Financial Information

4.2.1 Important Financial Ratios

Ratio	2021	2020	2019
Liquidity Ratio			
Current Ratio (x)	3.96	3.66	4.92
Quick Ratio (x)	2.80	2.69	4.04
Cash Flows Ratio (x)	0.57	1.11	2.07
Account Receivable Turnover (x)	8.28	8.71	8.31
Collecting Day (day)	44	42	44
Inventory Turnover (x)	22.66	27.57	23.21
Selling Day (day)	16	14	16
Account Payable Turnover (x)	16.89	19.95	22.41
Payment Period (day)	22	19	17
Cash Cycle (day)	38	37	43
Profitability Ratio			
Gross Margin (%)	18.61	20.44	19.04
Operating Margin (%)	8.21	9.13	8.16
Net Profit Margin (%)	6.64	7.30	6.49
Return on Equity (%)	10.72	11.26	11.12
Efficiency Ratio			
Return on Asset (%)	8.99	9.51	9.52
Return on Fixed Asset (%)	23.34	25.99	30.12
Total Asset Turnover (x)	1.35	1.30	1.47
Financial Policy Ratio			
Debt to Equity Ratio (x)	0.19	0.20	0.17
Interest Coverage Ratio (x)	656.82	468.95	518.59
Dividend Payment Rate (%)	79.37	78.13	81.30

5. General and Other Important Information

5.1 General Information

Company Name	: Thai Plastic Industrial (1994) Public Company Limited
Head Office Location	: 53/1 Moo 4 Kanchanapisek Rd., Bang Maenang Sub-District, Bangyai District, Nonthaburi 11140
Authorized Capital	: THB 135,000,000 (as of 31 December 2021)
Telephone	: 02-191-8288-89
Fax	: 02-191-8290
Website	: www.tpic.co.th
Company Secretary	: E-mail: C.secetary@tpic.co.th Phone : 02-191-8288-9 ext. 102
Investor Relations	: E-mail: Information@tpic.co.th Phone : 02-191-8288-9 ext. 102

References

Securities Registrar	: Thailand Securities Depository Company Limited 93, Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Phone : 02-009-9999 Fax : 02-009-9991
Auditor	: M.R. & Associates Company Limited Rm. 705-706, Chao Phya Tower 89 Soi Wat Suan Plu, Charoenkrung Rd., Bangrak, Bangkok 10500 Phone : 02-630-7500-5 Fax : 02-2630-7506
Internal Audit	: I VI Auditing Company Limited 35 Soi Wachiradhammasatit 36, Sukhumvit 101/1 Rd., Bangchak, Prakanong, Bangkok 10260 Phone : 02-746-4861-3 Fax : 02-746-4569

5.2 Other Important Information

- None -

5.3 Legal Disputes

The Company has no Legal Disputes.

5.4 Secondary market

The Company has no listed securities in the stock exchange markets of other countries.

5.5 Frequently contacted financial institutions

The Company did not issue any debt instruments in 2021.

Part 2

Corporate Governance

- 6. Corporate Governance Policy
- 7. Corporate Governance structure and Key Information on Board of Directors, Subcommittee, Executives, Employees, and Others
- 8. Corporate Governance Report
- 9. Internal Control and Connected Transactions

Part 2 Corporate Governance

6. Corporate Governance Policy

The Company's Board of Directors is committed to the principles of Good Corporate Governance by defining policies for business operation to have a good corporate governance that is transparent and could be verified. In order to provide assurance to the shareholders, the Company would constantly disclose information to the public and shareholders. In addition, the Company also values the importance of internal control systems and risk management, including following up on the practices of the Good Corporate Governance policy continuously. The disclosed information would be published on the Company's website to directors, executives, employees and other people to be acknowledged about the Good Corporate Governance. Moreover, they would also be followed up by the Audit Committee along the way. In 2021, there are no issues or situations that the practices are not in compliance with the Good Corporate Governance policy.

6.1 Overview of Corporate Governance Policies and Guidelines

6.1.1 Policies and Guidelines for Board of Directors

- 1) Nomination of the Board of Director, the Audit Committee, the Executive Committee and Executives.

a) Nomination of Directors

The Nomination and Compensation Committee shall define guidelines and policies in nominating qualified candidates with knowledge, abilities and experiences and propose the director list to the shareholder meetings for the appointment of the Company's directors. In the nomination process, minority shareholders could also nominate qualified names to the nomination. However, the rights to appoint directors are of shareholders with the following criteria:

- (1) The Company's Board of Directors shall consist of at least 5 directors and at least half of the directors shall have residence in Thailand. The Company's directors must not have qualifications and characteristics that are restricted by the laws.
- (2) The shareholders shall appoint directors with majority votes and in accordance with the following guidelines and procedures:
 - a. Each shareholder would have vote(s) equal to the number of shares held.
 - b. Each shareholder may vote all of his/her shares in the exercise of the right he/she has under (i) to appoint one or more candidates as a director. However, for the case that more than one candidate is chosen, the votes could not be split to be in favor of any particular candidate.
 - c. Candidates who receive the largest number of votes in descending order from the highest to the lowest will be elected until all positions required at such time are filled. In the event that candidates receive equal votes and the number of directors is already exceeding the number of vacancies to be filled, the Chairman shall have a casting vote.

b) Nomination of Independent Directors

The Company selects independent directors by considering qualifications stipulated by the Public Limited Companies Act, B.E.2535, the Securities and Exchange Commission and the Capital Market Supervisory Board, including related rules and/or regulations. The Company shall have independent directors at least one-third of the directors but must not have less than three independent directors.

c) Nomination of Top Executives

The Nomination and Compensation Committee shall search for qualified persons to serve as managing director and top executives that report directly to the Managing Director by considering those who have the required and appropriate qualifications, knowledge, skills and experiences that are beneficial to the Company's operation, good understandings about the Company's business and ability to ensure that the operation is in line with objectives and goals set by the Company's Board of Directors. The Company's Board of Directors would approve the aforementioned appointment of top executives. The Nomination and Compensation Committee may also consider hiring independent consultants to help on such nomination procedures.

2) Remuneration of Directors and Managing Director

The Company has a policy to appropriately compensate directors and executives by considering the Company's operating results and the alignment with others in the same business/industry, including the appropriateness of duties and responsibilities of each director and executive. The Company is careful in compensating the Company's executives to ensure that the remuneration is appropriate and competitive in the same business so that the Company could retain quality executives. Executives who are assigned with higher duties and responsibilities would also receive higher remuneration. The remuneration for the Executive Committee and executives would be in line with the Company's operating results and performance of each executive. The Nomination and Compensation Committee shall be responsible in defining the necessary and appropriate monetary remuneration to directors, sub-committee, managing director and also executives that report directly to the Managing Director. However, the Remuneration Committee would propose the remuneration for directors and sub-committee to the Board of Director meeting and the shareholder meeting for approval once a year.

The remuneration of the Company's directors, sub-committee and the Managing Director shall be in accordance with the following guidelines:

- (1) The Company's Board of Directors shall set remuneration of the Company's directors, sub-committee and the Managing Director by considering the duties, responsibilities, performance, type/size of the Company's business and expected benefits from each personnel. Such remuneration must be at an appropriate level and sufficient to incentivize and retain quality people by comparing with other companies in similar business. In addition, appropriate types of remuneration, payment methods and the amount must also be considered.
- (2) In case of proposal for an increase in remuneration for the Managing Director, the Company's Board of Directors shall consider for the approval of such matter.
- (3) Consideration for remuneration of the Company's directors and sub-committee shall be proposed to the shareholder meetings for approval every year.

3) Directors and Executives Development

The Board has a policy on the promotion and facilitation of training and education to directors that relate to the Company's Good Corporate Governance system such as the Audit Committee, executives and Company secretary so that there are continuous improvement on the operation. In case that directors are changed or newly appointed, the management team must prepare documents and useful information required for the execution of new directors, including the introduction of business nature and guidelines for the Company's business operation to the new directors.

4) Independence of the Board of Directors from Management Team

The Company clearly separated the roles, duties and responsibilities between the Board of Directors and management team. The directors are responsible for defining policies and supervise at the policy level to ensure that they are aligned with the Company's objectives and goals. The management team is responsible for managing the routine operation to ensure that they are aligned with the defined policies and report to the Board of Directors for acknowledgement or consideration as appropriate. Therefore, the Chairman of the Board and the Managing Directors shall not be the same person and the Chairman of the Board is an independent director, not a director that is executive and does not involve in any of the Company's management.

5) Performance Evaluation of the Directors

The Company's Board of Directors shall evaluate on performance every year so that the Board of Directors could consider the performance, problems and challenges in the past year, including analysing and defining guidelines on the solution for improvement of the Company's Board of Director execution.

The Company's Board of Directors shall evaluate on performance every year so that the Board of Directors could consider the performance, problems and challenges in the past year, including analysing and defining guidelines on the solution for improvement of the Company's Board of Director execution.

In 2021, the Company's Board of Directors approved the performance evaluation that passes the Nomination and Remuneration Committee's consideration and approval. The evaluation could be divided into 3 types as follows:

1. Self-assessment of the Board
2. Self-assessment of the sub-committee
3. Self-assessment of each directors

Criteria in performance evaluation of the Company's Board of Directors and all 3 types of performance evaluation fully cover important matters such as structure and execution of the Board of Directors, Composition of the Board of Directors, roles and responsibilities, governance, report and information disclosure, supervision on the risk management and internal controls and development of directors. The evaluation criteria are categorised into 5 level as follows:

- 1 = Strongly disagree or there are no execution on such matter
- 2 = Disagree or there are little execution on such matter
- 3 = Agree or there are some execution on such matter
- 4 = Highly agree or there are good execution on such matter
- 5 = Strongly agree or there are very well execution on such matter

Evaluating results of the Company's Board of Directors for 2021 could be summarised as detail Board Self-Assessment

6.1.2 Policies and Guidelines for Shareholders and Stakeholders

1) Shareholder's rights

The Company's Board of Directors recognises and places importance on the basic rights of shareholders both as the Company's owner and as investor such as rights to buy, sell or transfer shares that they own, rights to receive sufficient Company's information, rights to receive share of the profit from the Company, rights in the shareholder meetings, right to share opinion and rights to make decision in the Company's important matter such as dividend allocation, director appointment or removal, auditor appointment, approval for transactions that are significant and impact on the direction of the Company's business operation.

In addition to the above mentioned basic rights, the Company also considers other topics that would facilitate the exercise of rights of shareholders as follows:

a) Shareholder Meetings

- The Company shall hold the Annual General Meeting by holding the meeting within 4 months after the end of the accounting period of each year. The Company would also have to send the meeting's invitation and supporting information for each meeting's agenda to the shareholders 7 days before the meeting date and 14 days before the meeting date for important topics so that the shareholders have enough time to consider the matter. Examples of agenda to be proposed to shareholders for important transaction approval are private placement (PP) at low price, employee stock ownership plan (ESOP), change in the Company's capital structure, related parties transaction, acquisition or disposal of significant assets and securities delisting. Each of the meeting's agenda would be attached with opinions from the Company's Board of Directors. In addition, there will be an announcement on newspaper to inform about the meeting date for 3 consecutive days before the meeting date.
- In case that shareholders could not attend the meeting, the Company allows shareholders to grant their rights to independent directors or anyone else to attend the meeting on behalf of them by using power of attorney in any forms that the Company sends together with the meeting's invitation.
- Before the meeting, the Company allows shareholders to send in comments, suggestions and questions before the meeting date via the email address of Company secretary.
- The Company has policies on providing convenience to shareholders by holding the Company's shareholder meetings at an easy-to-commute location, including selecting the appropriate date and time and managing the meeting time sufficiently.
- During the meeting, the Company allows shareholders to ask, suggest or comment on each topic freely and equally. Directors and related executives would be in the meeting to answer and clarify the information in detail.
- The Company prepares minutes of shareholder meetings to inform the Stock Exchange of Thailand within 14 days after the shareholder meeting date following the regulations of the Securities and Exchange Commission of Thailand and fully disclose the records of meeting details as appropriate.

b) Appointment and Removal of Directors, including Remuneration of Directors

- Appointment of Directors
The Company allows shareholders to select any particular director by nominating names to the director nomination at the shareholder meetings together with the resume of each nominated director and information that are useful in shareholder's consideration to approve.

- Removal of Directors

The removal of any director from the position before the term is finished shall follow the laws and the Company's regulations by using at least 75 percent of the total shareholders joining the meeting and having the voting rights voting in favor of the resolution. The total shares must be at least 50 percent of the total shares held by shareholders joining the meeting and having the voting rights.

- Remuneration of Directors

The shareholders have the rights to consider remuneration of directors. Both monetary and/or non-monetary remuneration must receive approval from the shareholders every year, including proposing guidelines and policies on remuneration and remuneration of each director's position, both monetary and/or non-monetary, to the shareholders every year.

c) Rights to Approve the Auditor Appointment and Audit Fees

The Company required the auditor appointment and audit fees to have approval from shareholders at the Annual General Meeting of Shareholders every year. The Company's auditors must be independent and are approved by the Board of the Securities and Exchange Commission. The Company would attached the nominated auditor details, which are audit firm, number of years that the auditors have been the Company's auditors (in case of re-appointment) and audit fees and/or other service fees (if any), with the meeting invitation and disclose them on the Company's website for shareholders' consideration on the appropriateness of the auditor before approval.

d) Rights to Share the Profit

The Company shall define the allocation of profit sharing to shareholders as dividend which would require the approval from shareholders in the Annual General Meeting of Shareholders every year.

e) Rights to Receive Information, News, Operating Results and Management Policy Continuously and Timely

The Company has a policy to disclose to shareholders with transparency, accuracy and completeness without favoring any particular group of shareholders. Every shareholder has the rights to access and receive information, news, operating results and management policy of the Company that are disclosed sufficiently, continuously, timely and equally. Shareholders could contact the Company or receive the information via various channels such as the Company's website : <http://www.tpic.co.th> or Tel: 02-191-8288-89 or Fax: 02-191-8290 (Attn: The Company secretary).

2) Equal Treatment of Shareholders

The Company has a policy in treating every shareholder equally. In each shareholder meeting, the Company grants opportunities to shareholders equally by giving voting rights at the meeting following the number of shares that the shareholder has. one share equals one voting right. In case that the shareholders could not attend the meeting, the Company allows shareholders to grant their rights to independent directors or anyone else to attend the meeting on behalf of them by using power of attorney in any forms that the Company sends together with the meeting's invitation. In addition, the Company records minutes of meetings correctly, properly and clearly for significant matters. The Company would send the minutes of meetings to every shareholder after submitting to the Stock Exchange of Thailand and the Securities and Exchange Commission within 14 days. The Company also disclosed the aforementioned minutes of meetings on the Company's website.

Furthermore, the Company defines measures on the prevention of internal information misuse (Insider Trading) of related parties which include directors, executives and employees that are related to the internal information (including spouse and underage children of such person). Related parties are not allowed to buy or sell the Company's shares for at least 30 days before disclosing the quarterly financial statements and annual financial statements, including forbidding from disclosing those information to other people.

The Company informs directors and executives about their responsibilities in reporting the ownership amount of the securities that they own and the penalties defined by the Securities and Exchange Act B.E.2535 and the regulations of the Stock Exchange of Thailand. In case that the directors or executives buy or sell the Company's securities, they must report the securities holding under their name, their spouse and their underage children following section 59 of the Securities and Exchange Act B.E.2535 within 3 days to the Securities and Exchange Commission so that they could proceed on disclosing the information to the public.

3) Internal Information Prevention Policy

The Company set out policies and supervision methods for directors and executives in using the Company's internal information ,which is not yet disclose to the public, for their own benefits, including buy or sell the securities as follows:

- a) The Company defines guidelines on the Company's information storage and use in writing for the equitability of shareholders, customers, trade partners and all stakeholders following the laws and principles of Good Corporate Governance.

- b) The Company forbids directors, executives and employees from using internal information, which is not yet disclosed to the public and is significant to the Company's securities trading and price for the benefits of themselves and related parties.
- c) The Company defines that directors, executives, including those positioned as executives in accounting field or as manager or above level in finance field, and employees that are in the department that have access to internal information would need to suspend the buy and/or sell of the Company's securities for 1 month prior to the Company's disclosure on operating results and financial positions or significant news that would have impacts on the price of the securities until the Company had disclosed such information to the public.
- d) The Company defines that directors, executives and those positioned as executives in the accounting field or as manager or above level in the finance field shall prepare and submit reports on the ownership amount of the securities that they own which include those held by their spouse and underage children to the Company secretary. The preparation and submission must be within 30 days after taking the position. In addition, directors and top executives must report about the buy or sell of the Company's Securities every time to the Board of Directors or a person assigned by the Board of Directors so that the reports would be submitted to the Securities and Exchange Commission whenever there is securities trading within 3 working days as defined by the Securities and Exchange Act.
- e) The Company defines that directors must prepare and submit conflict of interest reports to the Company secretary.
- f) The Company defines that directors shall report on the change in securities holding and conflict of interest to the Board of Directors' meeting. The Company secretary would prepare the information to report to the next Board of Directors' meeting, including disclose the information on the change in securities holding of directors and executives during the year in the annual reports.
- g) The Company places importance on prevention of using of internal information to seek for unlawful benefits or deteriorate the Company's benefits or create conflict of interests. Thus, the Company stipulates them on the Good Corporate Governance policy, ethics and code of conduct, employment contract and work regulations.

- h) The Company places importance on maintaining customers' confidential information by not using such information for the benefits of directors, executives, employees and related parties. Except that the information is required to be disclosed as defined by the laws.
- i) The Company places importance on the information security on the information system by controlling and/or preventing access to the Company's information by outsiders and defining the access rights of information for each employee level according to the duties and responsibilities.
- j) In case that outsiders participate the work on an ad hoc basis on the information that is not yet disclose to the public and is under negotiation, which falls in to keeping internal information that might have impacts on the price of the Company's securities, those outsiders must sign confidentiality agreement until the information is disclosed to the Securities and Exchange Commission and the Stock Exchange.
- k) Directors, executives and employees who disobey the policy on the use of internal information must be subject to disciplinary action and/or laws, depending on each case.

4) Conflict of Interest Policy

The Company places importance on the consideration of transactions with transparency and benefits to the Company. Therefore, the Company focuses on the prevention of transactions that may have conflict of interests, related parties transactions or intercompany transactions. Important principles are as follows:

- a) The Company's directors and executives must report to the Company about relationships or related parties transactions that may give rise to conflict of interests.
- b) Avoid related parties transactions with related parties, as defined by the Capital Market Supervisory Board, that may give rise to conflict of interests with the Company and/or subsidiaries. In necessary cases, proposals on related parties transactions must be made to the Audit Committee for consideration and comments before proposing to the Company's Board of Directors for approval, following the principles of Good Corporate Governance and criteria defined by the Stock Exchange and the Securities and Exchange Commission.
- c) Directors, executives and employees must follow the Company's regulations and business ethics which are considered as important matters to be strictly enforced so that the Company is credible and trusted by all stakeholders. In addition, the information on understandings and practices shall be distributed to every employee in the Company.

5) Responsibility for Stakeholders

The Company places importance on the rights of every stakeholder group which includes Internal stakeholders such as the Company's employees and executives, or external stakeholders such as competitors, trade partners and customers. The Company recognises that the support and comments from all stakeholder groups benefit the Company's operation and business improvement. Therefore, the Company would follow the laws and related regulations to ensure that the rights of such stakeholders are in good care. In addition, the Company also promotes collaboration between the Company and each stakeholder group to build the Company's stability as in accordance to the following guidelines:

- a) Shareholder : The Company committed to be a good representative of shareholders in operating the business to create highest shareholder satisfaction. Therefore, it is defined that employees must follow the following guidelines:
 - Perform with integrity and make decisions with carefulness and fairness to every shareholder for the benefit of shareholders as a whole.
 - Supervise on the operation to ensure that the Company has good financial position and operating results. Present the Company's status, operating performance, financial position, accounting and other reports continuously, completely and truthfully via various channels such as informing on the Company's website, announcing in newspapers or sending letters in writing.
 - Report to shareholders equally for the Company's future trends, both positive and negative perspectives, based on possibilities with sufficient supporting information and reasons.
 - Do not seek benefits for their own and others by using any of the Company's information that is not yet disclosed to the public or proceed with any transactions that may give rise to conflict of interests with the organization.
 - The Company must treat every shareholder equally in the shareholder meetings.
- b) Employees : The Company recognises the importance of the Company's employees which is a very valuable resource. Therefore, the Company defines policies on fair treatment for opportunity, compensation, appointment, transfer and capability development as in accordance with the following guidelines:
 - Treat employees with respect in honor, dignity and personal rights.
 - Always maintain a work environment that is safe both for the life and assets of employees.

- Appoint and transfer, including rewarding and punishing employees, with righteous acts and based on the appropriateness of employee's knowledge and ability.
 - Value the importance of development on the employees' knowledge and ability by constantly promoting developments such as holding seminars and training and giving equal opportunity to every employee.
 - Fairly determine employee compensation following the market situation, competition under the same business, work characteristics, performance and the Company's ability to pay such compensation.
 - Avoid any unfair acts that may have impacts on the employee's job stability.
 - Inform every employee on the policies and welfare that the employees should have by providing employee manuals which define code of conduct, group health insurance manual, group life insurance and provident fund.
 - Allow employees to suggest or complain about work and define solutions for the benefit of all parties and build good relationships in working as a team.
- c) Competitors : The Company is determined to become sustainably success and leader in the business by competing against the industry with morality and ethics as in accordance with competitor treatment policy as follows:
- Behave under the rules of good competition.
 - Never seek confidential information from competitors with unethical methods or inappropriate for the benefit of the Company's operation.
 - Never blame or discredit competitors.
 - Never commit any acts that would infringe intellectual property of others or competitors.
- d) Suppliers : The Company treated suppliers with honesty by strictly adhering to the agreement and promises given to the suppliers. In addition, suppliers would be fairly selected following the Company's supplier evaluation and selection guidelines to prevent fraud and unlawful behaviors in every procurement procedure.
- e) Customers : The Company commits to develop products and services with the following operating principles:
- Commit to search and develop products and services to respond to customer needs.
 - Deliver products and services with quality under fair conditions.
- Provide information about the products and services accurately and sufficiently so that the customers have enough information to make their decision without exaggeration, both in advertisement or in other communication channels, that could cause a misunderstanding about the quality, quantity or other conditions of the products or services.
 - Set up a procedure that the customers could notify on problems or inappropriate services so that the Company could prevent and correct those problems for customers quickly and proceed on such information for adjustment or improvement of products and services in the future.
- f) Creditors : The Company commits to operate the business with principles and disciplines to build credibility for creditors. The Company follows the following principles:
- Strictly adhere to conditions of the agreement or those agreed.
 - In case of inability to follow the agreed conditions, the Company would notify.
- g) Society : The Company places importance on the community and society and recognizes that the Company is considered part of the society which would walk together to develop the society and environment for future sustainability. The Company would carry out activities for the community and society continuously together with operating the business with responsibility to the community and society as a whole as follows:
- Set a business operation policy by considering mainly the environment and strictly follow the laws and regulations that are enforced about the environment.
 - Set a clear operation policy on Corporate Social Responsibility (CSR) and adhere to it in the organisation.
 - Support the Company's employees to have a conscious mind and responsibility for the environment and society.
 - Respect customs, traditions and cultures of each local place that the Company operates.
 - Constantly carry out activities to participate in the society, community and environment in order to help elevate the quality of life in the area that the Company locates, both carried out by the Company and by cooperating with public sector, private sector and community.
 - Cooperate in activities with communities around the area that the Company locates as appropriate.
 - Respond quickly and efficiently to incidents that impact on community and environment, life and assets due to the Company's operation by giving full cooperation to government officials and related parties.

- h) Government Agencies: The Company is determined to adhere to the laws, regulations and other requirements of the government, promote cooperation and support measures by the public and private sectors in anti-corruption and unfair pay.

The Company would follow requirements by the related laws and regulations in order to maintain the rights of those stakeholders. The Company also defines ethics and code of conduct for employees as follows:

- The employees shall perform their work with honesty, perseverance and diligence and also improve on the work efficiency to the benefits of themselves and the Company.
- The employees shall strictly follow the Company's rules and regulations.
- The employees shall respect and listen to rightful supervisors following the policies and regulations of the Company.
- The employees shall be united and help each other. Do not create conflict that could damage other people and the Company.
- The employees shall respect and honor each other. Avoid disclosure or discussion of information or stories of others, both about the work and personal issues, in ways that could damage other people and the Company.
- The employees shall avoid receiving gifts that may result in uncomfortable feelings at work in the future. If they could not be avoided, the employees should inform their supervisors immediately.
- The employees must not use work positions or benefit from work positions to seek for benefits of their own or associates or do business in competition with the Company.
- The employees shall treat customers and suppliers with honesty and equality.
- The employees shall strictly keep confidential the information of customers, suppliers and the organization.
- The employees shall report matters to their supervisors without delay when such matters could have impacts on the operation or reputation of the Company.
- The employees shall maintain the Company's rights and assets in good conditions so that they could be fully utilised by saving and avoiding waste, loss, damage or decline before time.

Penalty

In case that the management and employees act in ways that could create conflict of interests with the Company, the consideration must follow the Company's structure and regulations. However, each department must consider at the initial stage and summarise the issues to top supervisors and related lines in order to proceed on conclusion and define the penalty as appropriate. If the conflict of interests are severe and result in significant damages which are not under the consideration of such a report line, the issues must be escalated to the Company's management for consideration on the conclusion and penalty.

Disciplinary Action

1. Oral warning
2. Written notice
3. Pay cut
4. Suspension
5. Termination without compensation
6. Legal action

6) Anti-Corruption Policy

The Company places importance on all types of anti-corruption by focusing on promoting morality, consciousness and right values in working. The Company defines guidelines in anti-corruption and communicates to directors, executives and employees for acknowledgement and compliance.

- a) Create consciousness, values and attitudes of employees towards working in compliance with the laws and regulations and with integrity.
- b) Every director, executive and employee must follow the anti-corruption policy without involvement in corruption, both directly and indirectly, and must not abandon or ignore whenever there is a behavior that could be corruption that relates to the Company.
- c) Set out efficient and effective internal control systems. Set out proper checks and balances to prevent employee fraud or fraud and corruption involvement.
- d) Set out an efficient internal audit system that covers finance and accounting to ensure that such financial transactions are correct, transparent and verifiable.
- e) Forbid the Company's directors, executives and employees to take any actions that demand or accept assets or any other benefits for their own or others that are likely to be a persuasion or neglect of duties or might result in losing the Company's rightful benefits.

- f) Define guidelines on giving or accepting gifts, things or entertainments that might be in question of fraud or bribery. In case of receiving gifts, they should be as appropriate and must not be in cash or cash equivalents. Any actions must be transparent and verifiable.
- g) Define regulations in procurement, reimbursement or entering into agreement. Each procedure must have clear supporting evidence and approval authority must be defined appropriately and securely.
- h) Forbid directors, executives and employees to give or offer to give assets or any benefits to external parties to incentivise them to do or not to do any actions that break the laws or inappropriate for their work positions.
- i) Set out mechanisms for financial position reporting to be transparent and accurate.
- j) Communicate policy and guidelines about anti-corruption to directors, executives and employees at every level in the Company for acknowledgement and thorough understanding so that they could be followed through various channels such as employee seminars and information systems within the organization.
- k) Define channels for whistleblowing on corruption in case that they found suspicious events that might be fraud and misbehavior of directors, executives and employees of the Company. The whistleblowers could submit details and evidence to the Company via website, email or letter.
- l) Set out a whistleblower protection policy by keeping the whistleblower information confidential. In case that the whistleblower information is disclosed, the person in charge of such information would have to be penalised.
- m) Define penalty for directors, executives and employees who corrupt or support behavior that relates to corruption. They would face disciplinary actions such as written notice, cut pay, suspension, termination and legal action.
- n) Set out auditing and reporting following procedures from the reporting line of a person who commits fraud to the Risk Management Committee, the Audit Committee, the Executive Committee and the Company's Board of Directors.
- o) Define that the Risk Management Committee shall assess the possibility of fraud and impacts, covering various types of fraud such as financial statement fraud, asset misappropriation, corruption, management override of internal control, modification of information in important reports or illegal asset acquisition or utilization.

7) Whistleblowing Policy

The Company defines guidelines for whistleblowing or complaints on non-compliance of ethics or unlawful acts or behaviors that could be fraud or misbehavior of the Company's personnel, including deficiency of the internal control system from employees and other stakeholders. The whistleblowing or complaints could be sent to

Company Secretary Office

Email: Information@tpic.co.th
 or send a letter to: Thai Plastic Industrial (1994)
 Public Company Limited
 53/1 Moo 4 Kanchanaphisek
 Road Bang MaeNang, Bangyai,
 Nonthaburi, 11140

The Company would keep such information or complaints confidential and limit the access to information by disclosing only to related parties to protect the person who notifies or files complaints from potential impacts. However, the whistleblower could choose to disclose or not disclose their names. If there is any one who intimidates or unfairly treats the whistleblowers, the Company will punish that person without compromise.

6.2 Significant Change and Improvement on Policies, Guidelines and Governance System in the Past Period

6.2.1 Significant Change and Improvement on Policies, Guidelines and Governance System Review in the Past Period

The Company's Board of Directors recognises the importance of improvement in the Company's corporate governance so that it could be comparable with leading companies both in the country and other countries. Therefore, the Board of Directors review on the appropriateness and sufficiency of the policies and guidelines for the Company's corporate governance periodically as appropriate so that they are in line with business operation styles that may change, including the laws, regulations, guidelines and comments from stakeholders.

In 2021, the Company reviewed and studied the regulations, announcements and guidelines for the Good Corporate Governance by the SEC and the SET, principles and assessment criteria about the corporate governance that were adjusted and improved by various institutions in the past year, it was found that there are no significant changes. Therefore, the corporate governance policy is still in compliance and appropriate. However, in 2021, the Company reviewed and modified several guidelines on the corporate governance as follows:

- The Company's Board of Directors approved the modification and addition of information system stability and safety policy.
- The Company's Board of Directors approved the modification of procurement policy.
- The Company's Board of Directors approved the policy on securities trade of directors, executives, auditors and employees.

6.2.2 Practices of the Principles of Good Corporate Governance for Listed Companies (CG Code)

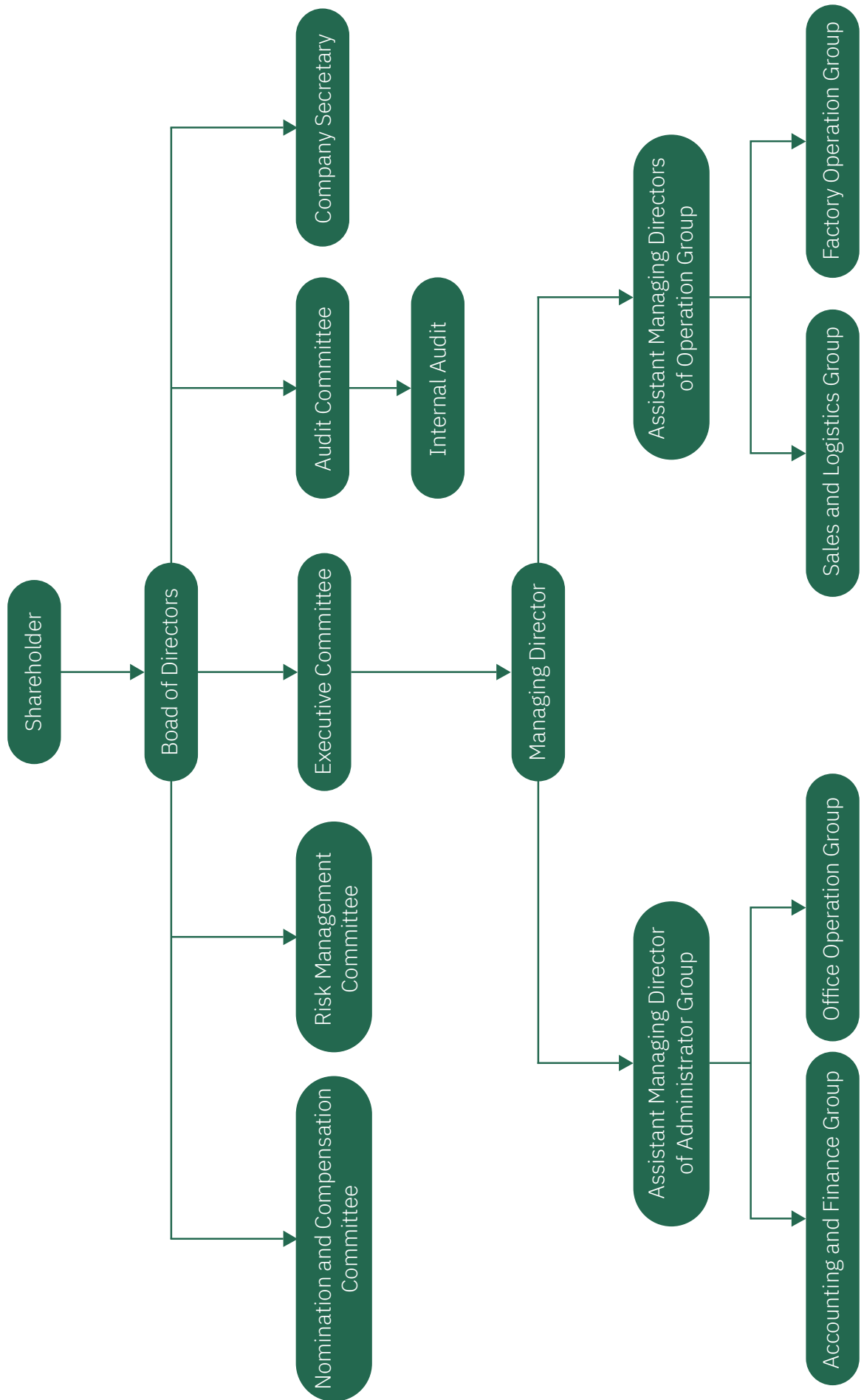
The Company's Board of Directors considered the principles of Good Corporate Governance for listed companies in 2017 or CG Code, prepared by the SEC, and recognised their duties as the organization's leader in bringing the principles of Good Corporate Governance to sustainably create the values for the Company. In addition, the Board also assesses the practices of CG Code on each topic as compared with the Company's policies, practices on the good corporate governance and business context. It was concluded that the Company has policies, measures and procedures to operate in accordance with the principles in CG Code which are in line with the Company's business growth direction. However, there are topics that are not yet exercised and would consider for proper exercise as follows:

Not Yet Exercised Topics	Reasons or Clarifications
The Board of Directors consider inviting external consultants to help in defining guidelines and recommend on the performance evaluation of the Board of Directors at least every 3 years and disclose such execution in the annual reports.	The Board of Directors assign the Operation Management team to research and consider as appropriate.
The Board of Directors should ensure that the shareholder meetings' invitations are sent out with related documents and disclosed on the Company's website at least 28 days before the meeting date.	Under the improvement of the procedures to be in accordance with appropriate guidelines.

7. Corporate Governance structure and Key Information on Board of Directors, Subcommittee, Executives, Employees, and Others

7.1 Management Structure

As of December 31, 2021, the Management Structure of the Company can be shown from Organization chart as follows:



7.2 Board of Directors

The Board of Directors is responsible for formulating policies, visions, strategies, and business directions for the highest benefit of the Company. The Board of Directors must perform duties with morality, caution, prudence, and fairness to all stakeholders under the principle of good corporate governance. Moreover, the Board also has to monitor and supervise the operations of the management to achieve the goal set under the framework of policies, laws, objectives, related regulations of the Company and the resolutions of the Board of Directors' meeting and Shareholders' meeting.

7.2.1 Composition of the Board of Directors

The composition of the Board of Directors as specified in the good corporate governance of the Company are as follows:

- (1) The Board of Directors consists of at least 5 members but should not exceed 12 members (determined as appropriate). The members, not less than half of the total number of directors, must have a residence in the Kingdom of Thailand.
- (2) The Board of Directors consists of executive directors, non-executive directors, and independent directors. There must be at least one-third and not less than three independent directors whose qualifications are in accordance with the regulations of the Stock Exchange of Thailand.
- (3) The Board of Directors elects a person to act as the secretary of the Board who may or may not be a director.
- (4) The Board of Directors is appointed by the Shareholder's meeting.

As of December 31, 2021, the Board of the Company consisted of 10 directors, which included 3 executive directors (30.00 percent of the entire board), 3 non-executive directors (30.00 percent of the entire board), and 4 independent directors (40.00 percent of the entire board).

7.2.2 Information of the Board of Directors

The Board of Directors consisted of:

Director's name / Position(s)	Type	Appointment / Re-election date
Directors as of December 31, 2021		
1. Assoc. Prof. Ph.D. Montree Socratyanurak • Chairman of the Board	Independent director	19 Sep 2016 / 17 Jun 2020
2. Mr. Teerachai Teerarujiwon • Director • Managing Director • Chairman of Executive Committee • Member of Risk Management Committee • Member of Nomination and Compensation Committee	Executive directors	19 Sep 2016 / 8 Apr 2021
3. Mrs. Phoosin Teerarujiwon • Director • Assistant Managing Director • Member of Executive Committee • Member of Risk Management Committee	Executive directors	19 Sep 2016 / 8 Apr 2021
4. Mr. Veerasak Prommas ⁽¹⁾ • Director • Chairman of Audit Committee • Chairman of Nomination and Compensation Committee	Independent director	19 Sep 2016 / 17 Jun 2020
5. Mr. Paiboon Aroonprasobsuk ⁽²⁾ • Director • Member of Audit Committee	Independent director	19 Sep 2016 / 17 Jun 2020
6. Mr. Pitipong Archamongkol ⁽³⁾ • Director • Member of Audit Committee • Member of Nomination and Compensation Committee • Chairman of Risk Management Committee	Independent director	25 Feb 2021 / -
7. Mrs. Phatcharee Chatkaewboriboon • Director	Non-executive directors	19 Sep 2016 / 8 Apr 2021
8. Mr. Supachat Tangnoi • Director	Non-executive directors	19 Sep 2016 / 10 Apr 2019
9. Mrs. Donnapa Jiamkanok • Director	Non-executive directors	19 Sep 2016 / 10 Apr 2019

Director's name / Position(s)	Type	Appointment / Re-election date
10. Mr. Nuttawut Punnasatian <ul style="list-style-type: none"> • Director • Member of Executive Committee • Member of Nomination and Compensation Committee • Member of Risk Management Committee 	Executive directors	19 Sep 2016 / 8 Apr 2021
Director resigned in 2021		
1. Mr. Piyasak Bhumichitra ⁽⁴⁾ <ul style="list-style-type: none"> • Director • Member of Audit Committee • Member of Nomination and Compensation Committee • Chairman of Risk Management Committee 	Independent director	19 Sep 2016 / 17 Jun 2020

Remark : (1), (2) The Board of Directors' meeting no. 3/2021 on August 10, 2021, resolved to appoint Mr. Veerasak Prommas as Chairman of Nomination and Compensation Committee in replacement of Mr. Paiboon Aroonprasobsuk, effective from August 11, 2021.

(3), (4) The Board of Directors' meeting no. 1/2021 on February 24, 2021, resolved to appoint Mr. Pitipong Archamongkol as Independent director, member of Audit Committee, Chairman of Risk Management Committee, and member of Nomination and Compensation Committee in replacement of Mr. Piyasak Bhumichitra, effective from February 25, 2021.

7.2.2.1 Authorised Signatories

The directors who are authorised signatories of the Company are Mr. Teerachai Teerarujinon (Director), Mrs. Phoosin Teerarujinon (Director), Mrs. Phatcharee Chatkaewboriboon (Director), and Mr. Nuttawut Punnasatian (Director), any two of whom are jointly sign with the Company seal affixed.

7.2.3 The Scope of Duties and Responsibilities of the Board of Directors

- Possess knowledge, ability, skills, a wide range of specialties, and experience that could benefit the business. Have the determination and ethics in doing business.
- Perform with responsibility, carefulness, honesty, and carefulness in keeping the Company's benefits, following the law, objectives, and regulations of the Company as well as the resolution from the shareholder meetings, including the regulations by the Stock Exchange of Thailand and the Securities and Exchange Commission to follow the principles of Good Corporate Governance.
- Responsible for defining vision, values, policies, the Company's business directions, and supervising the execution of the management team to follow the prescribed policies with efficiency and effectiveness to most increase the economic value for shareholders and grow sustainably.
- Set policies, goals, plans and business strategies, and annual budgets.
- Control, govern, supervise the management team to execute according to the prescribed policies and budgets with efficiency.
- Responsible to shareholders at all times. Perform to keep the benefits of shareholders. Disclose information that is significant to shareholders with accuracy, standard, and transparency.
- Evaluate the operating results and determine remuneration for directors and executives.
- Responsible for operating results and management performance by ensuring that they execute with determination and carefulness.
- Supervise to ensure that clear business goal are set and measurable, in order to use them as guidelines for operation goals, by considering the possibility and reasonableness.
- Supervise to ensure that the business operation and execution are ethically done.
- Supervise to ensure that the management has an appropriate and efficient risk management system.
- Consider and decide on significant matters such as policy and business plan in large investment projects, management authority, acquisition or disposal of assets, and other matters stipulated by the law.
- Determine power and approval authority for transactions and other execution that relates to the Company's business of a group or an individual as appropriate and in accordance with related laws. Execution authority manuals should be prepared and reviewed once a year.
- Lay down a credible accounting system, financial reporting, and audit. Set up procedures to evaluate the appropriateness of internal controls.
- Ensure that the Company has an effective internal control system and internal audit.
- Hold Annual General Meeting of Shareholders within 4 months from the end of the Company's accounting period.
- Approve the appointment of auditors and consider annual audit fees to be proposed to shareholders for approval of the appointment.
- Report the responsibilities of the Board of Directors in the preparation of financial report together with auditor report in the annual report and cover on important topics as in accordance with good practices of directors of a company in the Stock Exchange of Thailand.
- Appoint, assign or recommend subcommittees or working teams to consider or carry out particular matters that the Company's Board of Directors view as appropriate.
- Supervise the execution of subcommittees to be as stipulated in the charter.

21) Consider and approve on any topics that are necessary and related to the Company or viewed as appropriate for the Company's benefits.

22) Appoint a particular director or directors or other people to act on behalf of the Company's Board of Directors. In such delegation, the attorney must not have the approval authority for transactions that such person or the person who may have conflicts ("person who may have conflicts" defined as in accordance with the announcement from the Securities and Exchange Commission), have interests or might have conflicts of interests in any way with the Company or subsidiaries.

There are exceptions that the following topics could be done once receive approvals from the shareholder meetings.

- Topics that are stipulated by the law must have a resolution from the shareholder meetings.
- Transactions that directors have conflict of interests and are within the law scope or the regulations of the Stock Exchange specified that they must have approvals from the shareholder meetings.
- In addition, the following cases must have approvals from the Board of Directors' meeting and the shareholder meetings with at least 75 percent of the total shareholders joining the meeting and having the voting rights voting in favor of the resolution.
 - Sell or transfer all of or some of the Company's businesses that are significant to other people.
 - Purchase or accept transfer businesses of other public companies or other private companies.
 - Enter into, modify or cancel agreements about the rental of the Company's significant businesses wholly or partly. Assign other people to manage the Company's businesses or consolidate the business with other people with objectives to share the profit and loss.

- Issue new shares as payment to the Company's creditors under the debt-to-equity conversion scheme.
- Reduce the Company's registered capital by reducing the number of shares or the value of shares.
- Increase capital, decrease capital, issue bonds, merge or dissolve the Company.
- Other topics that are stipulated by the laws.

In any topics that the directors may have benefits or conflict of interests with the Company or subsidiaries, directors that are of such benefits or conflict of interests would not have the rights to vote in those topics.

23) The Board of Directors must evaluate the operating results by themselves and evaluate the operating results as a whole.

24) In addition, the Board of Directors also have the scope of duties in governing the Company's compliance with the laws on securities and exchange, regulations of the Stock Exchange such as related parties transaction, acquisition or disposal of assets following the guidelines of the Stock Exchange of Thailand or the announcement of the Securities and Exchange Commission Board, Capital Market Supervisory Board or laws that relate to the Company's businesses.

7.3 Information of Sub-Committees

Management Structure of the Company composed of The Board of Directors and 4 Sub-committees which consist of Executive Committee, Audit Committee, Risk Management Committee, and Nomination and Compensation Committee. The details of the Company's sub-committees are as follows:

7.3.1 Audit Committee

The Board of Directors consists of independent directors who are responsible for auditing the Company operations and reviewing the effectiveness of internal controls to ensure the departments operate efficiently and legally which can comply with the good practice regulations, proceed appropriately, and achieve the highest efficiency. The Audit Committee, together with the auditor, is also responsible for reviewing the Company's financial reports to ensure that the Company discloses information completely and accurately in accordance with relevant standards and requirements to build confidence and credibility for investors and stakeholders and also to ensure that the information has been carefully monitored with fair and transparent in accordance with the principles of good corporate governance.

7.3.1.1 Information of Audit Committee

As of December 31, 2021, Audit Committee consists of 3 independent directors, all of whom are fully qualified under the criteria of the Capital Market Supervisory Board. The 2 members, Mr. Veerasak Prommas and Mr. Paiboon Aroonprasobsuk, have sufficient knowledge and experience to review the reliability of financial statements and perform other duties as assigned by the Board of Directors. The secretary to the Audit Committee is Mr. Nuttapat Phunphonthaveelarp.

Name	Positions
Audit Committee as of December 31, 2021	
1. Mr. Veerasak Prommas	Chairman of the Audit Committee
2. Mr. Paiboon Aroonprasobsuk	Member of the Audit Committee
3. Mr. Pitipong Archamongkol ⁽¹⁾	Member of the Audit Committee
Audit Committee resigned in 2021	
1. Mr. Piyasak Bhumichitra ⁽²⁾	Member of the Audit Committee

Remark : (1), (2) The Board of Directors' meeting no. 1/2021 on February 24, 2021, resolved to appoint Mr. Pitipong Archamongkol as Independent director, member of Audit Committee in replacement of Mr. Piyasak Bhumichitra, effective from February 25, 2021.

7.3.2 The Scope of Duties and Responsibilities of the Audit Committee

- 1) Review financial reporting to ensure accuracy and credibility, including sufficient disclosure by coordinating with external auditors and management that are responsible for financial reporting both quarterly and annually.
- 2) Review the appropriateness and effectiveness of the Company's internal control systems and might provide recommendations to have a review or an audit on any transactions that are considered necessary and important by reviewing with external auditors and internal audit managers.
- 3) Review the compliance of the Securities and Exchange Act B.E.2535, including announcement, rules, and/or regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand and other laws that relate to the Company.
- 4) Consider selecting and appointing an independent person as auditor to audit the Company's internal control systems and financial reporting. The Audit Committee has the authority and responsibility in selecting, evaluating, proposing fees, and supervising audit firm's work or any other audits, review services, or assurance for the Company of the auditors to the Company's Board of Directors.
- 5) Each auditor and audit firm would report directly to the Audit Committee in which the committee has the authority in making preliminary approvals on conditions and fees for audit services and other services proposed by the auditor. The Audit Committee would provide recommendations to the Company's Board of Directors to propose to shareholders in the Annual General Meeting of Shareholders for the approvals on auditor's appointment and audit fees.
- 6) Discuss with management and the auditor as appropriate about the Company's challenges and limitations in the audit, including responses of management to those challenges and limitations, management policies and risk evaluation, including important financial risks and measures of the management in controlling and reducing such risks. The Audit Committee would also have to resolve any conflicts on the financial reporting between executives and the auditor and hold meetings with the auditor without the management at least once a year.
- 7) Support and build confidence in the independence of the auditor. The Audit Committee must discuss with the auditor about the independence from the management and the Company, including any relationships or any services between the auditor and the Company, as well as any other relationships that might affect the fairness of the auditor.
- 8) Review the Company's financial reports, accounting standards, and accounting policies and important changes in accounting standards, principles, or guidelines, including making decisions on important accounting topics that have their impacts on the Company's financial reporting which also includes choices, reasonableness, and consequences of such decisions.
- 9) Consider related parties transactions or transactions that may have conflict of interests following the laws and regulations of the Stock Exchange to ensure that those transactions are reasonable and in the Company's best interests.
- 10) Review and approve or ratify any transactions between the Company and related parties which are transactions that are defined to be disclosed by the rules of the Securities and Exchange Commission.
- 11) Review internal audit plans of the Company following methods and standards that are generally accepted.
- 12) Review the appropriateness and efficiency of the Company's risk management system.
- 13) Report the performance of the Audit Committee to the Board of Directors at least 4 times a year.
- 14) Provide opinions about the appointment, removal, and performance evaluation of internal audit staff.
- 15) In working under the scope of duties, the Audit Committee has the authority to invite the management team or relevant staff to provide opinions, join meetings or submit documents that are deemed as relevant or necessary.
- 16) Entitled to hire consultants or third parties, following the Company's regulations, to provide opinions or advice if necessary.
- 17) Prepare reports on the governance of the Audit Committee and provide opinions about the internal control systems and the risk management system by disclosing in the Company's annual report which they must be signed by the Chairman of the Audit Committee.
- 18) Assign the Secretary of the Audit Committee or the Secretary of the Company to provide any supporting documents that the Audit Committee needs
- 19) The Audit Committee must evaluate performance by self-assessment and report the performance evaluation that also includes challenges of the work that might be the reasons of failure to achieve objectives of the Audit Committee's establishment to the Board of Directors every year.
- 20) Review and improve the Audit Committee Charter
- 21) In the case that it is found or there are any doubts that transactions or acts may have significant impacts on the financial position and operating results of the Company, such as transactions that result in conflict of interests, fraud or abnormality, significant pitfalls of the internal control systems, violation in the laws of securities and exchange or the regulations of the Stock Exchange of Thailand, the Audit Committee must report to the Board of Directors to proceed on the correction within the period that the Audit Committee sees as appropriate. If the Board of Directors or management do not proceed on the correction within the period that the Audit Committee sees as appropriate, one of the Audit Committee may report that there are such transactions or acts to the Securities and Exchange Commission and the Stock Exchange of Thailand.
- 22) Supervise the formation of policies, guidelines, and anti-corruption programs and communicate to everyone for acknowledgment and compliance.
- 23) Ensure that the Company provides channels for whistleblowing and complaints about the inappropriate financial reporting or other issues by making sure that the whistleblower is confident that there are independent investigation procedures and appropriate follow-up and addresses channels for complaints on the Website and report to the Board of Directors about those complaints.

24) In necessary cases, the Audit Committee may ask for advice from external consultants or professionals in auditing. Expenses are responsible by the Company following the Company's regulations.

25) Carry out other tasks as assigned by the Company's Board of Directors within the scope of the Audit Committee's duties and responsibilities.

7.3.3 Executive Committee

The Executive Committee performs duties for managing the operations under the Company's policies with prudence and honesty, adheres to management with good governance, and defines the clarity in the composition, tenure, responsibility, and meeting, to be a guideline for performing duties under the laws.

7.3.3.1 Information of Executive Committee

As of December 31, 2021, Executive Committee of the Company consisted of 6 executive directors. The secretary to the Executive Committee is Ms. Arunthadee Thamrongsakulsiri ⁽¹⁾ (Company secretary).

Name	Positions
Executive Committee as of December 31, 2021	
1. Mr. Teerachai Teerarujinon	Chairman of the Executive Committee
2. Mrs. Phoosin Teerarujinon	Member of the Executive Committee
3. Mr. Nuttawut Punnasatian	Member of the Executive Committee
4. Ms. Oranuth Chaiprasat	Member of the Executive Committee
5. Ms. Thitiporn Pratheepratana	Member of the Executive Committee
6. Mr. Decha Putkhuntod	Member of the Executive Committee
Executive Committee resigned in 2021	
None	

Remark: (1) The Executive Committee's meeting no. 12/2021 on December 24, 2021, resolved to appoint Ms. Arunthadee Thamrongsakulsiri as the secretary of the Executive Committee in replacement of Ms. Sasiwan Asawatangtrakuldee, effective from December 24, 2021.

7.3.3.2 The Scope of Duties and Responsibilities if the Executive Committee

- 1) Prepare and propose policies, goals, business strategies, and annual plans. Define business plan, annual budget, and the Company's management authorization to propose for approvals from the Company's Board of Directors.
- 2) Responsible for managing the Company's business to be in line with directions, goals, and business policies of the Company.
- 3) Responsible for the Company's operations to be in compliance with the laws, objectives, the Company's regulations, resolution of shareholder meetings, resolution of the Board of Directors' meeting as well as related rules and regulations. Lay down the organization structure and define roles and responsibilities in the Company, including adjustments once already proceed. Report to the Company's Board of Directors. Review and amend the Executive Committee Charter and propose to the Company's Board of Directors for approvals.
- 4) Authorized to approve payments on investments or operations, borrowing or loan applications with financial institutions, lending money as well as becoming a guarantor to carry out transactions under the normal business and for the interests of the Company's objectives within defined limits. However, such acts must be in compliance with the announcement by the Stock Exchange of Thailand Board, the Securities and Exchange Commission Board, Capital Market Supervisory Board, or any related laws.
- 5) Define organization structure and management authorization, covering the details in selecting, hiring, transferring, training, and terminating the Company's employees that are management team or top executives. Assign the Company's Managing Director as the authorized representative of the Company in signing the employment contract.
- 6) Supervise and approve on topics relating to the Company's operation and may appoint or assign one or many people to act on behalf of the Executive Committee as see appropriate. The Executive Committee could also cancel, change or revise such authority.
- 7) Appoint consultants in different fields that are necessary for the Company's operation or legal compliance.
- 8) Carry out other duties that are assigned by the Company's Board of Directors.

However, the authorization and responsibilities of the Executive Committee are not delegated or sub-delegated that would allow the Executive Committee or ones with delegated authority from the Executive Committee to approve transactions that such person or person who may have conflicts ("person who may have conflicts" defined as in accordance with the announcement from the Securities and Exchange Commission), have interests or might have conflicts of interests in any way with the Company or subsidiaries. Except for approvals for transactions that follow policies or guidelines that the Company's Board of Directors had approved as in accordance with the Securities and Exchange Act B.E.2535, including announcement, rules, and/or regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand and other laws that relate to the Company.

7.3.4 Risk Management Committee

The Board of Directors realizes the importance of good corporate governance; therefore, the Board considered appointing the Risk Management Committee to be responsible for determining and reviewing risk management policy and risk management framework and considering the results of the corporate risk management.

7.3.4.1 Information of Risk Management Committee

As of December 31, 2021, Risk Management Committee of the Company consisted of 1 independent director and 5 executive directors. The secretary to the Risk Management Committee is Mr. Nuttapat Phunphonhaveelarp.

Name	Positions
Risk Management Committee as of December 31, 2021	
1. Mr. Pitipong Archamongkol ⁽¹⁾	Chairman of the Risk Management Committee
2. Mr. Teerachai Teerarujinon	Member of the Risk Management Committee
3. Mrs. Phoosin Teerarujinon	Member of the Risk Management Committee
4. Mr. Nuttawut Punnasatian	Member of the Risk Management Committee
5. Ms. Oranuth Chaiprasat	Member of the Risk Management Committee
6. Ms. Thitiporn Pratheepratana	Member of the Risk Management Committee
Risk Management Committee resigned in 2021	
1. Mr. Piyasak Bhumichitra ⁽²⁾	Chairman of the Risk Management Committee

Remark : (1), (2) The Board of Directors' meeting no. 1/2021 on February 24, 2021, resolved to appoint Mr. Pitipong Archamongkol as Independent director, member of Audit Committee, Chairman of Risk Management Committee, and member of Nomination and Compensation Committee in replacement of Mr. Piyasak Bhumichitra effective from February 25, 2021.

7.3.4.2 The Scope of Duties and Responsibilities of the Risk Management Committee

- Set out policies and scope of risk management and propose to the Company's Board of Directors for approvals.
- Define, review and improve policies and scope of the organization's risk management.
- Follow up on risk identification and assessment procedures.
- Supervise and support the procedures of the organization's risk management to be in line with business strategies and goals, including changes in circumstances.
- Report to the Company's Board of Directors about the risks and risk management and report to the Audit Committee about significant risks.
- Assess performance reports on the organization's risk management and provide opinions on risks that may occur, including defining guidelines about measures to control or alleviate and development of the organization's risk management system for continuous efficiency.
- Assess evaluation report on the chance of committing fraud, including consequences, covering various types of fraud such as financial statement fraud, asset misappropriation, corruption, management override of internal control, modification of information in important reports, or illegal asset acquisition or utilization.
- Report on the results of the organization's risk management to the Board of Directors. In case of important factors or situations which could significantly affect the Company, they must be reported to the Company's Board of Directors to be acknowledged and considered immediately.
- Hold the Risk Management Committee's meeting at least once a quarter to consider, discuss and execute to fulfill roles and responsibilities.
- Carry out other duties that are assigned by the Company's Board of Directors.

7.3.5 Nomination and Compensation Committee

The Nomination and Compensation Committee is responsible for determining the criteria and policies for the nomination and remuneration of the Company's directors, including nominating, selecting, proposing suitable persons to be the Company's directors, and determining the remuneration of the Company's directors.

7.3.5.1 Information of Nomination and Compensation Committee

As of December 31, 2021, Nomination and Compensation Committee of the Company consisted of 2 independent director and 2 executive directors. The secretary to the Nomination and Compensation Committee is Mr. Apirat Teerarujinon (Assistant Managing Director of Operation Group).

Name	Positions
Nomination and Compensation Committee as of December 31, 2021	
1. Mr. Veerasak Prommas ⁽¹⁾	Chairman of the Nomination and Compensation Committee
2. Mr. Teerachai Teerarujinon	Member of the Nomination and Compensation Committee
3. Mr. Pitipong Archamongkol ⁽²⁾	Member of the Nomination and Compensation Committee
4. Mr. Nuttawut Punnasatian	Member of the Nomination and Compensation Committee
Nomination and Compensation resigned in 2021	
1. Mr. Paiboon Aroonprasobsuk ⁽³⁾	Chairman of the Nomination and Compensation Committee
2. Mr. Piyasak Bhumichitra ⁽⁴⁾	Member of the Nomination and Compensation Committee

Remark : (1), (3) The Board of Directors' meeting no. 3/2021 on August 10, 2021, resolved to appoint Mr. Veerasak Prommas as Chairman of Nomination and Compensation Committee in replacement of Mr. Paiboon Aroonprasobsuk, effective from August 11, 2021.
 (2), (4) The Board of Directors' meeting no. 1/2021 on February 24, 2021, resolved to appoint Mr. Pitipong Archamongkol as Independent director, member of Audit Committee, Chairman of Risk Management Committee, and member of Nomination and Compensation Committee in replacement of Mr. Piyasak Bhumichitra, effective from February 25, 2021.

7.3.5.2 The Scope of Duties and Responsibilities of the Nomination and Compensation Committee

Nomination

- 1) Define guidelines and policies in the nomination of directors and sub-committee members by considering the appropriate numbers, structure, and composition of the Board of Directors. Define qualifications of directors to propose to the Company's Board of Directors and/or propose to the shareholder meetings for approvals, depending on each case.
- 2) Find, select and propose qualified persons to serve as the Company's directors in any case that the position reaches the term and/or is vacant and/or requires additional nomination.
- 3) Find and select the Company's executives, especially the Managing Director or the Chief Executive Officer.
- 4) Supervise the execution of the Company's corporate governance policy. Reconsider the Company's Good Corporate Governance policy every year, including proposing improvements on the policy to the Company's Board of Directors for consideration.
- 5) Carry out other duties that are assigned by the Company's Board of Directors.

Compensation

- 1) Prepare guidelines and policies for the remuneration of the Company's Board of Directors, sub-committee members, and executives to propose to the Company's Board of Directors and/or propose to the shareholder meetings for approvals, depending on each case.

- 2) Define the remuneration that is necessary and appropriate, both monetary and non-monetary, for the Company's Board of Directors individually. The remuneration of the Company's Board of Directors and executives would take into consideration the duties, responsibilities, performance, rates compared with companies in similar businesses and benefits that are expected from the Company's directors and executives for the appropriateness and then propose to the Company's Board of Directors for consideration and propose to the Board of Directors' meeting for approval.
- 3) Approve the annual remuneration for directors.
- 4) Responsible for the Company's Board of Directors and clarifying and addressing questions regarding the remuneration of the Company's directors, sub-committee members, and top executives at the shareholder meetings.
- 5) Report the policies, principles, and rationale on the remuneration of directors and executives, following the regulations of the Stock Exchange of Thailand, by disclosing in Form 56-1 and the Company's annual report.
- 6) Carry out other topics about remuneration as assigned by the Board of Directors. The management and other divisions must report or present the information and related documents to the Nomination and Remuneration Committee in order to support the execution of the Nomination and Remuneration Committee to achieve the assigned tasks.

7.4 Executives

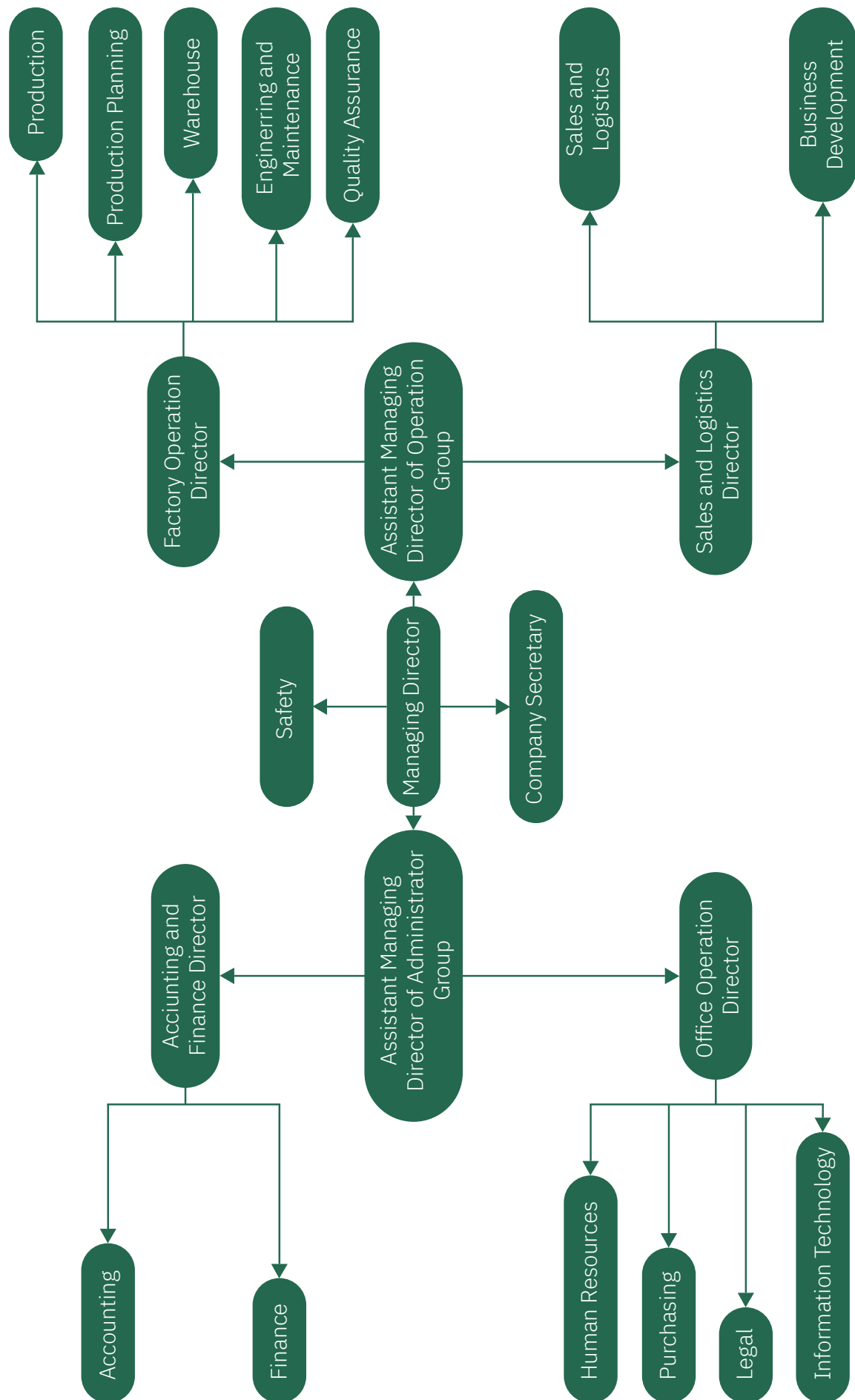
7.4.1 Executives

The details are as follows:

Name	Positions
Executives as of December 31, 2021	
1. Mr. Teerachai Teerarujinon	Managing Director
2. Mrs. Phoosin Teerarujinon	Assistant Managing Director of Administration Group
3. Mr. Apirat Teerarujinon	Assistant Managing Director of Operation Group
4. Ms. Oranuth Chaiprasat	Accounting and Finance Director (CFO)
5. Mr. Nuttawut Punnasatian	Sales and Logistics Director
6. Ms. Thitiporn Pratheepratana	Office Operation Director
7. Mr. Decha Putkhuntod	Factory Operation Director

The details of Executives appear in Attachment 1 (Profiles of Directors, Executives, Highest responsibility in finance and accounting, Person supervising accounting (Chief Accountant) and Company Secretary).

7.4.2 Organization Chart



7.4.3 Executive Remuneration Policy

The Company has a policy to appropriately compensate directors and executives by considering the Company's operating results and the alignment with others in the same business/industry, including the appropriateness of duties and responsibilities of each director and executive. The Company is careful in compensating the Company's executives to ensure that the remuneration is appropriate and competitive in the same business so that the Company could retain quality executives. Executives who are assigned with higher duties and responsibilities would also receive higher remuneration. The remuneration for the Executive Committee and executives would be in line with the Company's operating results and performance of each executive. The Nomination and Remuneration Committee shall be responsible in defining the necessary and appropriate monetary remuneration to directors, sub-committee, managing director and also executives that report directly to the Managing Director. However, the Remuneration Committee would propose the remuneration for directors and sub-committee to the Board of Director meeting and the shareholder meeting for approval once a year.

7.4.4 Monetary Remuneration

7.4.4.1 Salary and Bonuses

In 2021, the Company paid monetary remuneration, which consisted of monthly salaries and bonuses, to 7 executives in total amount of THB 15,065,049.

7.4.4.2 Provident Funds

The Company has established a provident fund and offered a contribution at specified rate. In 2021, the Company contributed a total amount of THB 74,338 for 3 executives.

7.4.4.3 Health Insurance

The Company has provided health insurance for Executives to use in reimbursement of various medical expenses in the event of illness or receiving an accident that causes hospitalization. In 2021, the Company has paid health insurance premiums to 7 executives in the total amount of THB 88,844 (3 of the 7 executives are the Executive director).

7.4.5 Other Monetary

The Company provided other benefits to executives and all employees on an equitable basis, such as Social Security fund contributions and other allowances. In 2021, the Company paid other benefits for executives in total amount of THB 974,389.

7.4.6 Accrued Compensation and Benefits

None

7.5 Human Resources

7.5.1 Total Headcount

As of December 31, 2021, the Company has 245 employees. The details are as follows:

Department	Number of Employees (Person)		
	2021	2020	2019
Sales and Transportation			
Sales and Marketing	16	15	16
Transportation	2	2	2
Office Operations			
Human resource	7	7	7
Purchasing	1	1	1
Quality assurance	7	7	7
Information technology	1	1	1
Factory Operations			
Production ⁽¹⁾	188	177	191
Warehouse	9	8	8
Maintenance	8	10	8
Accounting and Finance			
Accounting	4	3	3
Financing	2	2	2
Total Number of Employees⁽²⁾	245	233	246

Remark : (1) Number of production employees is number that include foreign employees.

(2) Total number of employees is number that does not include 7 executives and company Secretary.

7.5.2 Employees' Remuneration

In 2021, the Company paid the employees' remuneration in total amount of THB 51,103,218. The remuneration of employees consists of monthly salaries, bonuses, overtime pay, social security fund contributions, provident fund contributions, and other benefits, such as medical expenses, uniform allowances, and other allowances.

7.5.3 Provident Fund

The Company and employees jointly set up the provident fund voluntarily "K-Master Pooled Fund" on 1 May 2017 to help employees save up for their retirement, unemployment, disability, or as security for their family in the event of death. In this regard, the Company and employees (member of the fund) have agreed to pay the employer's contribution and employee's contribution at the mutually agreed rate under the conditions and regulations of the provident fund and the Company.

7.5.4 Employee Development Policy

The Company has a policy to organize training and seminars to develop employees' skills and competencies by requiring training courses that are suitable for personnel and job position. Moreover, the Company allows the employees to request to attend external training or seminars as necessary and appropriate by the supervisor's consideration.

In 2021, the Company encouraged employees at all level to attend training in order to develop their operations to be more efficient and safe. The details are as follows:

- ISO 9001 : 2015
- GMP
- Basic firefighting and evacuation fire drill training
- First aid training
- 5S & visual control and big cleaning day
- Public relations board to inform the Company's news and information

7.6 Other Important Information

7.6.1 Person Taking the Highest Responsibility in Finance and Accounting (CFO), Company Secretary, Internal Audit Head

7.6.1.1 Person Taking the Highest Responsibility in Accounting and Finance

Ms. Oranuth Chaiprasat, Director of accounting and finance (CFO), is the person assigned to be directly taken as the highest responsibility in accounting and finance. The details of qualifications, educations, experiences, and training courses of the person taking the highest responsibility in accounting and finance appear in Attachment 1 (Profiles of Directors, Executives, Highest responsibility in finance and accounting, Person supervising accounting (Chief Accountant) and Company Secretary)

7.6.1.2 Company Secretary

The Board of Directors' meeting no. 6/2021 on December 16, 2021, resolved to appoint Ms. Arunthadee Thamrongsakulsiri as company secretary in replacement of Mr. Nuttapat Phunphonhaveelarp, effective from December 17, 2021 onwards, with duties and responsibilities as stipulated in Section 89/15 of the Securities and Exchange Act B.E. 2535 (including amendments). More details are in Attachment 1 (Profiles of Directors, Executives, Highest responsibility in finance and accounting, Person supervising accounting (Chief Accountant) and Company Secretary).

7.6.1.3 Internal Audit Head

The Company appointed outsource and independent company, IVL Audit Company Limited, as an internal audit whereof Ms. Valdee Sibunrueang is the head of internal auditor. The Audit Committee has jointly considered that Ms. Valdee Sibunrueang was experienced in internal audit work, understanding the Company's activities and operations. Moreover, she has qualifications, suitable work, and a training course history, which can perform independently and efficiently. In this regard, consideration for approving, appointing, relocating, and dismissing the Company's internal audit must be approved by the Audit Committee. More details are in Attachment 2 (Details of Head of internal audit and Head of compliance)

7.6.2 Investor Relations Head

The Company appointed Ms. Arunthadee Thamrongsakulsiri, Company Secretary, as Investor Relations in replacement of Mr. Nuttapat Phunphonhaveelarp effective from December 17, 2021. The Investor Relations Department can be reached at:

Letter	Telephone
Investor Relations	02-191-8288-89
Thai Plastic Industrial (1994)	Fax
Public Company Limited	02-191-8290
53/1 Moo 4 Karnchanapisek Rd.	E-mail
Bang Mae-Nang Sub-Dist.	C.secretary@tpic.co.th
Bangyai Dist.	
Nonthaburi 11140	

7.6.3 Remuneration for Auditor

7.6.3.1 Audit Fee

In 2021, the Company appointed M.R. & Associates Company Limited as the Company's auditor and paid the audit fee for the fiscal year 2021 in total of THB 1,900,000, divided into THB 1,000,000 for auditing financial statements for the year 2021 and THB 300,000 for quarterly review financial statements which were approved by the 2021 Annual General Meeting of Shareholders held on 8 April 2021 and were the same rate as the audit fee for the fiscal year 2020.

7.6.3.2 Non-Audit Fee

In 2021, the Company did not pay any other service fee to the auditor; however, the Company paid other expenses such as travelling fees and documents in amount of THB 33,225 comparing to the year 2020, the Company paid other expenses in total amount of THB 39,225.

8. Corporate Governance Report

8.1 Performance Summary of the Board of Directors

8.1.1 Nomination, Development, and Assessment of the Board of Directors

8.1.1.1 Independent Director

The Company nominates independent directors by considering the qualifications under the Public Limited Companies Act, B.E. 2535, the Securities and Exchange Act., the announcement of the Thai Capital Market Supervisory Board, and the announcement of related regulations. In this regard, the Company requires independent directors at least one-third (1/3) of the total number of the Board's members, minimum of three (3) persons, with the following qualifications:

- (1) Holding shares not exceeding 1% of the total number of shares with voting rights of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director;
- (2) Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than 2 years prior to the date of resolving to appoint such person. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the Company;
- (3) Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Company or its subsidiary company;
- (4) Neither having nor used to have a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years prior to the date of resolving to appoint such person;
- (5) Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder,

controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years prior to the date of resolving to appoint such person;

- (6) Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding 2 million baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years prior to the date of resolving to appoint such person;
- (7) Not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to a major shareholder;
- (8) Not undertaking any business in the same nature and in competition to the business of the Company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding 1% of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary company;
- (9) Not having any other characteristics which cause the inability to express independent opinions with regard to the Company's business operations.

8.1.1.2 Nomination of Directors and High-level of Executives

8.1.1.2.1 Nomination of Directors

In 2021, the Company nominated and appointed one new director, namely Mr. Pitipong Archamongkol, as the Independent director, member of the Audit Committee, Chairman of the Risk Management Committee, member of the Nomination and Compensation Committee in replacement of director who resigned from the Board before the end of his term with effect from February 25, 2021.

The Company reappointed former directors who completed their terms at the 2021 Annual General Meeting of Shareholders on April 8, 2021 to another term, namely Mr. Teerachai Teerarujinon as the member of the Board, Mrs. Phoosin Teerarujinon as the member of the Board, Mrs. Phatcharee Chatkaewboriboon as the member of the Board, and Mr. Nuttawut Punnasatian as the member of the Board.

8.1.1.2.2 Nomination of High-level of Executives

In 2021, the list of the Company's high-level executives has not been changed. However, the Company is aware of the importance of effective management and continuity of business operation, which leads to sustainable growth and progression of the organization. The Company assigns the Nomination and Compensation Committee considers and reviews succession plans and also follows up on the implementation of the plan to select the qualified person with knowledge, competency, skill, experience beneficial to the Company's operation and be able to manage all tasks to achieve the objectives and goal setting of the organization for taking responsibility for the most important positions at the highest level appropriately.

8.1.1.2.3 Board self-Assessment

To comply with the corporate governance code, the Company required the Board of Directors to conduct self-assessment for reviewing their performance and using it as a guideline to improve the operation efficiently. In this regard, the Board of Directors no. 6/2021 on December 16, 2021, resolved to approve the self-assessment form with some modifications made which can be divided into 3 types; (1) Assessment of the Board of directors (entire board), (2) Assessment of the Sub-committees (entire committees) and (3) Assessment of individual directors (self-assessment). The results of the assessments for 2021 can be summarized as follows:

Assessment	Average Score	Percentage
Assessment of the Board of directors' result (entire board)	4.94	98.80
Assessment of the Sub-committees' result (entire committees)		
• Audit Committees	4.98	99.60
• Risk Management Committee	4.99	99.80
• Nomination and Compensation Committee	5.00	100.00
Assessment of individual directors' result (self-assessment)	4.94	98.80

8.1.2 Meeting Attendance and Remuneration of Individual Directors

8.1.2.1 Meeting Attendance

In 2021, Board of directors and all sub-committees attended the meeting as the following details:

List of Directors	BOD ⁽¹⁾	EC ⁽²⁾	AC ⁽³⁾	RC ⁽⁴⁾	NC ⁽⁵⁾	AGM ⁽⁶⁾
Directors as of December 31, 2021						
1. Assoc. Prof. Ph.D. Montree Socratyanurak • Chairman of the Board (Independent director)	6/6	-	-	-	-	1/1
2. Mr. Teerachai Teerarujinon • Director (Executive directors) • Managing Director • Chairman of Executive Committee • Member of Risk Management Committee • Member of Nomination and Compensation Committee	6/6	12/12	-	4/4	3/3	1/1
3. Mrs. Phoosin Teerarujinon • Director (Executive directors) • Assistant Managing Director • Member of Executive Committee • Member of Risk Management Committee	6/6	12/12	-	4/4	-	1/1
4. Mr. Veerasak Prommas ⁽⁷⁾ • Director (Independent director) • Chairman of Audit Committee	6/6	-	4/4	-	1/1	1/1
5. Mr. Paboon Aroonprasobsuk ⁽⁸⁾ • Director (Independent director) • Member of Audit Committee • Chairman of Nomination and Compensation Committee	6/6	-	4/4	-	2/2	1/1
6. Mr. Pitipong Archamongkol ⁽⁹⁾ • Director (Independent director) • Member of Audit Committee • Chairman of Risk Management Committee • Member of Nomination and Compensation Committee	5/5	-	3/3	3/3	1/1	1/1
7. Mrs. Phatcharee Chatkaewboriboon • Director (Non-executive directors)	6/6	-	-	-	-	1/1

List of Directors	BOD ⁽¹⁾	EC ⁽²⁾	AC ⁽³⁾	RC ⁽⁴⁾	NC ⁽⁵⁾	AGM ⁽⁶⁾
8. Mr. Supachat Tangnoi • Director (Non-executive directors)	6/6	-	-	-	-	1/1
9. Mrs. Donnapa jiamkanok • Director (Non-executive directors)	6/6	-	-	-	-	1/1
10. Mr. Nuttawut Punnasatien • Director (Executive directors) • Member of Executive Committee • Member of Nomination and Compensation Committee • Member of Risk Management Committee	6/6	12/12	-	4/4	3/3	1/1
11. Ms. Oranuth Chaiprasat • Member of Executive Committee • Member of Risk Management Committee	-	12/12	-	4/4	-	1/1
12. Ms. Thitiporn Pratheepatana • Member of Executive Committee • Member of Risk Management Committee	-	12/12	-	4/4	-	1/1
13. Mr. Decha Putkhuntod • Member of Executive Committee	-	12/12	-	-	-	1/1
Director resigned in 2021						
1. Mr. Piyasak Bhumichitra ⁽¹⁰⁾ • Director (Independent director) • Member of Audit Committee • Chairman of Risk Management Committee • Member of Nomination and Compensation Committee	1/1	-	1/1	1/1	2/2	-
Total number of meeting attendee (person)	10	6	3	6	4	13

Remark : (1) BOD-Board of Directors meeting
(2) EC-Executive Committee meeting
(3) AC-Audit Committee meeting
(4) RC-Risk Management Committee meeting
(5) NC-Nomination and Compensation Committee meeting
(6) AGM-Annual General Meeting of Shareholders
(7), (8) The Board of Directors' meeting no. 3/2021 on August 10, 2021, resolved to appoint Mr. Veerasak Prommas as Chairman of Nomination and Compensation Committee in replacement of Mr. Paiboon Aroonprasobsuk effective from August 11, 2021.
(9), (10) The Board of Directors' meeting no. 1/2021 on February 24, 2021, resolved to appoint Mr. Pitipong Archamongkol as Independent director, member of Audit Committee, Chairman of Risk Management Committee, and member of Nomination and Compensation Committee in replacement of Mr. Piyasak Bhumichitra effective from February 25, 2021.

8.1.2.2 Remuneration for Individual Directors

8.1.2.2.1 Monetary Remuneration

The 2021 Annual General Meeting of Shareholders on 8 April 2021 resolved to approve the remuneration of Directors and all sub-committees for the year 2021, which consists of meeting allowance, not exceeding a total amount of THB 3,000,000 per year as the following details:

Position	Meeting Allowance (THB/Meeting)
- Chairman of Board of Director	60,000
- Directors	30,000
- Chairman of Audit Committee	25,000
- Audit Committee	15,000
- Chairman of Executive Committee	-
- Executive Committee	-
- Chairman of Risk Management Committee	-
- Risk Management Committee	-
- Chairman of Nomination and Compensation Committee	-
- Nomination and Compensation Committee	-

In 2021, the company paid remuneration, in the form of meeting allowances, for directors and all sub-committees in the total amount of THB 2,200,000 as the following details:

Meeting Allowance (THB)	BOD ⁽¹⁾	EC ⁽²⁾	AC ⁽³⁾	RC ⁽⁴⁾	NC ⁽⁵⁾	Total
Directors as of December 31, 2021						
1. Assoc. Prof. Ph.D. Montree Socratyanurak • Chairman of the Board (Independent director)	360,000	-	-	-	-	360,000
2. Mr. Teerachai Teerarujinon • Director (Executive directors) • Managing Director • Chairman of Executive Committee • Member of Risk Management Committee • Member of Nomination and Compensation Committee	180,000	-	-	-	-	180,000
3. Mrs. Phoosin Teerarujinon • Director (Executive directors) • Assistant Managing Director • Member of Executive Committee • Member of Risk Management Committee	180,000	-	-	-	-	180,000
4. Mr. Veerasak Prommas • Director (Independent director) • Chairman of Audit Committee	180,000	-	100,000	-	-	280,000
5. Mr. Paiboon Aroonprasobsuk • Director (Independent director) • Member of Audit Committee • Chairman of Nomination and Compensation Committee	180,000	-	60,000	-	-	240,000
6. Mr. Pitipong Archamongkol ⁽⁶⁾ • Director (Independent director) • Member of Audit Committee • Chairman of Risk Management Committee • Member of Nomination and Compensation Committee	150,000	-	45,000	-	-	195,000
7. Mrs. Phatcharee Chatkaewboriboon • Director (Non-executive directors)	180,000	-	-	-	-	180,000
8. Mr. Supachat Tangnoi • Director (Non-executive directors)	180,000	-	-	-	-	180,000
9. Mrs. Donnapa jiamkanok • Director (Non-executive directors)	180,000	-	-	-	-	180,000
10. Mr. Nuttawut Punnasatian • Director (Executive directors) • Member of Executive Committee • Member of Nomination and Compensation Committee • Member of Risk Management Committee	180,000	-	-	-	-	180,000
11. Ms. Oranuth Chaiprasat • Member of Executive Committee • Member of Risk Management Committee	-	-	-	-	-	-
12. Ms. Thitiporn Pratheepratana • Member of Executive Committee • Member of Risk Management Committee	-	-	-	-	-	-
13. Mr. Decha Putkhuntod • Member of Executive Committee	-	-	-	-	-	-

Meeting Allowance (THB)	BOD ⁽¹⁾	EC ⁽²⁾	AC ⁽³⁾	RC ⁽⁴⁾	NC ⁽⁵⁾	Total
Director resigned in 2021						
1. Mr. Piyasak Bhumichitra ⁽⁷⁾ • Director (Independent director) • Member of Audit Committee • Chairman of Risk Management Committee • Member of Nomination and Compensation Committee	30,000	-	15,000	-	-	45,000
Total meeting allowance	1,980,000	-	220,000	-	-	2,200,000

Remark : (1) BOD-Board of Directors meeting
 (2) EC-Executive Committee meeting
 (3) AC-Audit Committee meeting
 (4) RC-Risk Management Committee meeting
 (5) NC-Nomination and Compensation Committee meeting
 (6), (7) The Board of Directors' meeting no. 1/2021 on February 24, 2021, resolved to appoint Mr. Pitipong Archamongkol as Independent director, member of Audit Committee, Chairman of Risk Management Committee, and member of Nomination and Compensation Committee in replacement of Mr. Piyasak Bhumichitra effective from February 25, 2021.

8.1.2.3 Non-Monetary Remuneration

The Company has provided health insurance for Directors and all Sub-Committees to use in reimbursement of various medical expenses in the event of illness or receiving an accident that causes hospitalization. In 2021, the Company has paid health insurance premiums to 9 directors in the total amount of THB 114,228 (3 of the 9 directors are the Executive director).

8.1.3 Governance of Subsidiaries and Associated Companies

The Company has no subsidiary or associated company.

8.1.4 Corporate Governance Policy and Guideline Compliance Control

The Company's Board of Directors places importance on the principles of Good Corporate Governance by defining policies and Guidelines on Good Corporate Governance and also promoting a continuous and consistent practice to gain stakeholders' confidence.

In 2021, the Company followed up on the practice on principles of Good Corporate Governance covering several topics such as shareholder's rights, equal treatment of shareholders, responsibility for stakeholders, employee care, human rights, health care, safety and work environment, social care, community, environment, compliance of rules and regulations of regulators. It was found that the Company had completely followed the guidelines of each topic. The Company follows up to ensure the practice of Good Corporate Governance mainly on the following topics:

8.1.4.1 Conflicts of Interest

The Company's Board of Directors defined policies on conflict of interest based on principles that any decision made in business operation would have to be in the Company's best interest and should avoid any action that may create conflict of interest. People with conflicts of interest or related to transactions in consideration must report the case to the Company on such relationships or their related transactions and must not be involved with the decision-making. In addition, they must not have the approval authority for that particular transaction.

Besides, the Audit Committee would present to the Company's Board of Directors about the related party transactions and transactions with conflict of interest. They would carefully consider the appropriateness and follow the principles of the Stock Exchange of Thailand and/or the Securities and Exchange Commission. They would also be disclosed on the financial statements, annual report, and 56-1 form.

In 2021, the Company's Directors and High-Level Executives prepared and submitted conflict of interest reports, which are for internal use only, to the company secretary for updating information annually. Moreover, the Company's directors and high-level executives considered transactions that may give rise to conflict of interest on the Company's transactions with trade partners and transaction amount from THB 2,000 to THB 1,000,000 (approximately) and had an opinion that the transactions were normal business activities and beneficial to the Company with a fair price and reasonable conditions as the transaction that ought to be done with third-parties in the same situation.

8.1.4.2 Internal Information Guideline

The Company emphasizes internal control systems both for management and for execution. In order to achieve operational efficiency, the Company defines the responsibilities and operational authority of officers and executives in clear writing. The Company controls the utilization of the Company's assets and segregates the duties of executors, controllers, and evaluators. The Company appoints the Audit Committee to be responsible for the review of the internal control systems and internal control audit to ensure their appropriateness and effectiveness.

The Board of Directors has stipulated the use of internal information combined with the policy of securities trading of Directors, Executives, auditors, and employees in accordance with the securities laws. The Board has focused on transparency in business operations to prevent and supervise the Directors, Executives, and employees from using internal information for personal benefit, to disclose outsiders, or securities trading. The Company has determined that Directors, Executives, auditors, and employees (including their spouse and minor child) who are related to internal information refrained from trading in the Company's securities during one month (Blackout period) before the disclosure of the quarterly and annually Financial Statements of the Company as well as other information that may affect to the price of the Company's securities until the expiration of twenty-four hours after the information has been disclosed to the public. The company secretary will notify the related person about the said period.

In 2021, Directors, Executives, auditors, and related employees did not trade the Company's securities by using internal information. In addition, the Board of Directors no. 6/2021 resolved to approve the securities trading policy of Directors, Executive, auditors, and employees in order to make everyone aware and comply with the prohibition of the internal information which has not been disclosed to the public for personal benefit including the Company's securities trading.

8.1.4.5 The Reporting of Securities Holding Portfolio

The Company has a policy that Director and Executives have to report the change in the Company's securities holding to the SEC within 3 working days from the date of change in securities holdings. Comparative of the securities holding of Directors and Executives for the accounting periods ending 31 December 2020 and 2021 can be summarized as follows:

List	2021		2020	
	No. of shares	Percentage	No. of shares	Percentage
Directors and Executives as of December 31, 2021				
1. Assoc. Prof. Ph.D. Montree Socratyanurak	-	-	-	-
Spouse and minor child	-	-	-	-
2. Mr. Teerachai Teerarujinon	160,080,000	59.28889	160,080,000	59.28889
Spouse and minor child ⁽¹⁾	75,000	0.02778	75,000	0.02778
3. Mrs. Phoosin Teerarujinon	75,000	0.02778	75,000	0.02778
Spouse and minor child	160,080,000	59.2889	160,080,000	59.2889
4. Mr. Veerasak Prommas	-	-	-	-
Spouse and minor child	-	-	-	-
5. Mr. Paiboon Aroonprasobsuk	-	-	-	-
Spouse and minor child	-	-	-	-
6. Mr. Pitipong Archamongkol	-	-	-	-
Spouse and minor child	-	-	-	-
7. Mrs. Phatcharee Chatkaewboriboon	8,050,000	2.98148	8,050,000	2.98148
Spouse and minor child	-	-	-	-
8. Mr. Supachat Tangnoi	-	-	-	-
Spouse and minor child ⁽²⁾	8,050,000	2.98148	8,050,000	2.98148

8.1.4.3 Anti-Corruption

The Company places importance on anti-corruption by focusing on the promotion of ethics, creation of awareness, and right values in the workplace. The Company is determined to prevent and oppose every type of corruption both directly and indirectly. The Company would set up an anti-corruption policy and disclose the Company's intention by joining the Thai Private Sector Collective Action against Corruption (CAC) by 2022.

8.1.4.4 Whistleblowing

The Company defines guidelines for whistleblowing or complaints on non-compliance of ethics or unlawful acts or behaviors that could be fraud or misbehavior of the Company's personnel, including deficiency of the internal control system from employees and other stakeholders. The whistleblowing or complaints could be sent to Email: Information@tpic.com or send a letter to: Company Secretary at Thai Plastic Industrial (1994) Public Company Limited 53/1 Moo 4 Bang MaeNang, Bangyai, Nonthaburi, 11140

The Company would keep such information or complaints confidential and limit the access to information by disclosing only to related parties to protect the person who notifies or files complaints from potential impacts. However, the whistleblower could choose to disclose or not disclose their names. If there is anyone who intimidates or unfairly treats the whistleblowers, the Company will punish that person without compromise. In 2021, the Company did not receive any notification or complaints.

List	2021		2020	
	No. of shares	Percentage	No. of shares	Percentage
9. Mrs. Donnapa jiamkanok	8,050,000	2.98148	8,050,000	2.98148
Spouse and minor child	-	-	-	-
10. Mr. Nuttawut Punnasatian	70,000	0.02593	70,000	0.02593
Spouse and minor child	-	-	-	-
11. Mr. Apirat Teerarujinon	10,000	0.00370	10,000	0.00370
Spouse and minor child	-	-	-	-
12. Ms. Oranuth Chaiprasat	100	0.00004	20,000	0.00741
Spouse and minor child	-	-	-	-
13. Ms. Thitiporn Pratheepratana	1,000	0.00037	20,000	0.00741
Spouse and minor child	-	-	-	-
14. Mr. Decha Putkhuntod	11,000	0.00407	20,000	0.00741
Spouse and minor child	-	-	-	-
Director and Executives resigned in 2021				
1. Mr. Piyasak Bhumichitra	-	-	50,000	0.01852
Spouse and minor child	-	-	-	-

Remark : (1) Spouse of Mr. Teerachai Teerarujinon is Mrs. Phoonsin Teerarujinon
 (2) Spouse of Mr. Supachat Tangnoi is Mrs. Srisumol Tangnoi

8.2 Report on the Sub-Committees' Performances from the past year

Report of the Audit Committee appears on page 7-8

Report of the Risk Management Committee appears on page 9-10

Report of the Nomination and Compensation Committee appears on page 11-12

Report of the Executive Committee appears on page 13-14

9. Internal Control and Connected Transactions

9.1 Internal Control

9.1.1 Board of Directors' Opinion on the Internal Control System

The Company's Board of Directors places importance on the internal control systems so the internal control systems cover sections on finance, management, and operation to ensure efficiency and effectiveness following the laws, regulations, and related rules. The Company also focuses on continuous improvement to be in compliance with the principles of The Committee of Sponsoring Organization of Treadway Commission (COSO) and apply them with the internal control and risk management so that they become more complete to ensure that the Company's operations are most efficient and effective.

In addition, the Company assigned the Risk Management Committee, appointed by the Company's Board of Directors, responsible for the supervision of the Company risk management to be systematic and effective. The Risk Management Committee defines policies on risk management, evaluation, and analysis of risk factors that may have impacts on the Company for both external factors and internal factors in order to be executed in the organization and used for controlling the organization's risks.

In addition, the Company assigned the Risk Management Committee, appointed by the Company's Board of Directors, responsible for the supervision of the Company risk management to be systematic and effective. The Risk Management Committee defines policies on risk management, evaluation, and analysis of risk factors that may have impacts on the Company for both external factors and internal factors in order to be executed in the organization and used for controlling the organization's risks.

Besides, at the Board of Directors' Meeting 1/2565 on 21 February 2022 where there were all 3 audit committee members, the Company's Board of Directors considered and assessed the sufficiency of the Company's internal control systems following the Securities and Exchange Commission's sufficiency assessment form of the internal control systems by inquiring management team on 5 topics which are:

- 1) Organization and Control environment
- 2) Risk management
- 3) Operational control
- 4) Information and Communication system
- 5) Monitoring system

After the evaluation, the Company's Board of Directors concluded that the Company currently has sufficient and appropriate internal control systems for the Company's business operation which the audit committee members agree with. The Company followed the generally accepted accounting standards of the SEC and regulations of the Stock Exchange of Thailand. In addition, there are sufficient and appropriate internal control systems for transactions with major shareholders, directors, executives, or persons related to the aforementioned persons. In the past, the consideration and approval of such related transactions would mainly be under the consideration of the Company's best interests. On top of that, the Company also defines policies that would increase the vigilance on those transactions by stating that the consideration and approval for future transactions must only be done by a person without special interests in those transactions. The Company's Board of Directors places importance on becoming a listed company with true good corporate governance.

9.1.2 Audit Committee's Opinion

The Audit Committee does not have a different opinion from the Board of Directors or the auditor.

9.1.3 Head of Internal Audit

To ensure the efficiency of work performance and to be in line with international standards, the Company engages I VL Auditing Company Limited, which is an outsourced and independent company, to be the Company's auditor and appointed Ms. Valdee Sibunrueang as the Company's head of internal audit. The details of head of internal audit appear in Attachment 2 (Details of Head of internal audit and Head of compliance)

The Audit Committee and the management discussed and concluded that Ms. Valdee Sibunrueang has her experience on internal audits and audits and understandings about the Company's activities and operations, including having the appropriate qualifications, work experiences and training in courses that relate to the audit of the Company's internal control systems with independence and efficiency.

The consideration and approval of the appointment, transfer, and termination of the Company's internal auditors would require approval from the Audit Committee.

9.2 Connected Transactions

The Company enters into transactions with persons who may have conflicts. Those related party transactions are made with directors, executives, and/or the Company's shareholders, including entering into transactions with persons who may have conflicts with directors, executives, and/or shareholders. The characteristics of the Company's relationships with persons who may have conflicts could be summarised as follows:

Person with Potential Conflict of Interest	Relationship		
Thai Food Industry (1964) Company Limited ("TFOOD")	Being a related company to the Company which have the details of related shareholders and shareholding proportions as of 31 December 2021 as follows:		
	Name	Being a Director of the Company	Holding TFOOD'S Securities
	1. Mr. Sa-nguan Teerarujinon	No	170,000 shares (20.00%)
	2. Mrs. Pen Teerarujinon	No	170,000 shares (20.00%)
	3. Mrs. Phatcharee Chatkaewboriboon	Yes	63,750 shares (7.50%)
	4. Mrs. Srisumol Tangnoi	No	63,750 shares (7.50%)
	5. Mr. Teerachai Teerarujinon	Yes	63,750 shares (7.50%)
	6. Mrs. Phoonsin Teerarujinon	Yes	63,750 shares (7.50%)
	7. Mrs. Donnapa Jiamkanok	Yes	63,750 shares (7.50%)
Mr. Teerachai Teerarujinon	Being a Director / Managing Director and a shareholder of the Company who directly holds the Company's securities as of 31 December 2021 of 160,080,000 shares, representing 59.29 percent of the total shares of the Company, and indirectly held by Mrs. Phoonsin Teerarujinon of 75,000 shares, representing 0.03 percent of the total shares of the Company.		

Details of Connected Transactions

In 2021, the Company has connected transactions due to business operations with persons, who may have conflict of interest, which can be classified by type as follows:

Seller	Buyer	Nature of Transaction	Value (thousand THB)			Necessity and Rationale
			2021	2020	2019	
1. Ordinary Business Transaction						
TPLAS	TFOOD	TPLAS sold goods to TFOOD	3,611.94	3,103.18	3,504.38	NECESSITY AND RATIONALE OF THE TRANSACTION: The Company sells plastic bags to Thai Food Industry (1964) Company Limited, both normal size bags, and special size bags with 4-color printing. Since the Company’s products do not contain raw materials that are harmful to agricultural products (do not mix with recycled pellets), they are safe and of high quality that is suitable for use as the packaging of agricultural products. The selling prices are stated on the agreement, referencing the market price sold to normal customers. THE AUDIT COMMITTEE OPINION: The Audit Committee considered the above-mentioned transactions between the Company and those who may have conflict of interest. The transactions are traded at the market price which is reasonable and beneficial for the Company.
		Outstanding accounts receivable as of 31 December 2021	1,118.91			

Seller	Buyer	Nature of Transaction	Value (Thousand THB)			Necssity and Rationale
			2021	2020	2019	
TFOOD	TPLAS	TPLAS bought goods from TFOOD	48.15	69.17	71.70	NECESSITY AND RATIONALE OF THE TRANSACTION: The Company purchases scraps of sack used to store agricultural products from Thai Food Industry (1964) Company Limited to pack finished goods in a pack of 30 Kilograms for shipping by trucks to the customers around the country. The Company purchases such sack scraps at market price. THE AUDIT COMMITTEE OPINION: The Audit Committee considered the above-mentioned transactions between the Company and those who may have conflict of interest. The transactions are considered necessary as the Company has to procure those sacks for packing the finished goods for delivery. Therefore, the purchase of those sack scraps is a reasonable transaction and the price is traded at the market price.
		Outstanding accounts payable as of 31 December 2021	3.48			
2. Ordinary Business Support Transaction						
TFOOD	TPLAS	TPLAS hired TFOOD as the products distributor.	9,664.77	9,988.20	10,065.4	NECESSITY AND RATIONALE OF THE TRANSACTION: The Company has to hire freight contractors to deliver products to the customers both in Bangkok and provincial areas. Therefore, the Company hired Thai Food Industry (1964) Company Limited, who owns a lot of delivery trucks to be responsible for the delivery. In addition, the Thai Food Industry (1964) Company Limited could distribute the products to the names and addresses specified on the delivery notes because the customer group of both the Company and Thai Food Industry (1964) Company Limited is the same and the delivery routes are the same. The delivery rates are based on the distance and are equivalent to the market rate at which the Company would hire external parties for the delivery. THE AUDIT COMMITTEE OPINION: The Audit Committee considered the above-mentioned transactions between the Company and those who may have conflict of interest. The transactions are considered necessary as the Company has to deliver products to customers both in Bangkok and provincial areas. Thai Food Industry (1964) Company Limited owns a lot of delivery trucks and uses them for the delivery of agricultural products. Therefore, the transactions are necessary and reasonable. The delivery rates are normal and comparable to the rate that the Company would hire external parties for the delivery.
		Outstanding accounts payable as of 31 December 2021	1,847.37			

Seller	Buyer	Nature of Transaction	Value (Thousand THB)			Necessity and Rationale
			2021	2020	2019	
						The Audit Committee stipulates that the delivery rates of Thai Food Industry (1964) Company Limited shall be compared with those rates of external parties every quarter. In case of adjustments on delivery rates, the new delivery rates must be compared with the market rate and could be compared with those of other freight contractors.
TPLAS	TFOOD	<p>TPLAS charged damages from TFOOD's distribution services.</p> <p>Outstanding accounts receivable as of 31 December 2021</p>	57.67	73.93	49.39	<p>NECESSITY AND RATIONALE OF THE TRANSACTION: Since the Company hired Thai Food Industry (1964) Company Limited as the distributor for the Company and the distributor agreement states that there shall be a fine at the market rate of that particular product in case the contractors create mistakes during their operation, such expense portion is a fine of distributors engaging in product distribution that does not follow the conditions specified on the distributor agreement.</p> <p>THE AUDIT COMMITTEE OPINION: The Audit Committee considered the above-mentioned transactions between the Company and those who may have conflict of interest. The transactions are one-off to compensate for the product damages from delivery under the distributor agreement with Thai Food Industry (1964) Company Limited. Therefore, the transactions are reasonable and the compensation amount follows the conditions stated in the agreement. However, the Audit Committee urged the Company's executives to be more careful about the delivery.</p>

3. Transactions Relating to Assets or Services

TPLAS	TFOOD	TPLAS sold trucks to TFOOD.	-	-	1,485.98	<p>NECESSITY AND RATIONALE OF THE TRANSACTION: Since the Company does not need to use 2 trucks which are 1 six-wheel truck and 1 ten-wheel truck, the Company sells those trucks to Thai Food Industry (1964) Company Limited to use for distribution.</p>
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Seller	Buyer	Nature of Transaction	Value (Thousand THB)			Necessity and Rationale
			2021	2020	2019	
						THE AUDIT COMMITTEE OPINION: The Audit Committee considered the above-mentioned transactions between the Company and those who may have conflict of interest. The transactions are one-off for the benefit of Thai Food Industry (1964) Company Limited's distribution. The Company does not need to use those assets and the Company assessed the asset's value by comparing it to the market price to ensure that the price is on the same level if the transactions are made with other sellers. Therefore, the Audit Committee concluded that the transactions are reasonable and both companies benefit from such transactions.

Remark: TPLAS - Thai Plastic Industrial (1994) Public Company Limited
TFOOD - Thai Food Industry (1964) Company Limited

9.2.1 Necessity and Rationale of Related Party Transaction

The Audit Committee considered the details of related party transactions and concluded that the transactions are necessary and beneficial to the Company's business operations and/or for normal business operation. In addition, the transactions are reasonable because the trade conditions and price setting are the same as transactions that ought to be done with external parties in the same situation.

9.2.2 Measures and Procedures on the Approval of Related Party Transaction

The Company defines measures and procedures on the approval of related party transactions and transactions relating to the acquisition or sale of the Company's assets as to be in compliance with the regulations of the Securities and Exchange Commission (SEC) which includes the related laws as follows:

- Normal business transactions and transactions supporting normal business such as buy-sell and hire-manage and distribution. The Company set out a policy for the Audit Committee to be the reviewer and provide opinions for rationale and necessity of such transactions and the trade conditions under fair pricing and conditions which do not lead to the benefit transfer when comparing to transactions between the Company and people in general or transactions between persons who may have conflict of interest with people in general or similar transactions with other enterprises in the business. The Company set our policy for the Audit Committee to be the reviewer and provide opinions for the rationale and necessity of those transactions quarterly. Those transactions, both on buy-sell pricing and service fees, must be at the market price and comparable with transactions made with external parties. The Company shall follow the laws on securities and exchange, regulations, announcements, orders or regulations of

the Stock Exchange of Thailand, including following the regulations about disclosure of related party transactions.

- Other transactions apart from normal business transactions and transactions supporting normal business such as transactions relating to assets or services or receiving or giving financial support. The Company set our policy for the Audit Committee to be the reviewer and provide opinions for the rationale and necessity of those transactions and would follow the laws on securities and exchange, regulations, announcements, orders or regulations of the Stock Exchange of Thailand, including following the regulations about disclosure of related party transactions and the acquisition or disposal of assets that are significant for the Company. However, the Company does not have the policy to provide loans to shareholders or directors, including persons who may have conflict of interest with the Company, except for the case that the transactions follow the Company's regulations on employee welfare or follow the regulations on approval authority in management or providing financial supports to legal entities that the Company own their shares.
- The Company would disclose those transactions following guidelines and procedures defined by the Securities and Exchange Commission.
- Every director must follow section 88 of the Public Limited Companies Act, B.E.2535 which stipulates that the directors must report to the Company immediately for the cases as follows:
 - Benefits directly or indirectly from any agreements that the Company entered into during the accounting period by providing facts about the characteristics of the agreement, contract parties, and directors' benefits from the agreement (if any).

- Holds shares or bonds of the Company by providing the total amount that increases or decreases during the accounting period.

9.2.3 Policies or Trends of Related Party Transaction in the Future

The Company would enter into transactions with persons who may have conflict of interests in the future. If the transactions are related party transactions that are normal business transactions and transactions supporting normal business such as selling plastic bags, purchasing sack scraps, assigning a distributor and freight contractor, and sharing salespeople, the Company would follow the measures for related party transactions as stated above before entering into transactions. In other words, it follows the guidelines that the Company's Board of Directors approved as defined by the Securities and Exchange Act and strictly commits to the agreements, including setting the prices and conditions clearly and fairly which do not lead to benefit transfer.

The Company does not have the policy to provide loans to persons who may have conflict of interest with the Company or their related persons, except for the case that the transactions follow the Company's regulations on employee welfare or follow the regulations on approval authority in management or providing financial supports to legal entities that the Company own their shares.

In case the Company enters into transactions with persons who may have conflict of interests as mentioned above, the Company would propose the Audit Committee to review and provide opinions on the appropriateness of the related party transactions. In case the Audit Committee does not have the expertise in considering those related party transactions, the Company would find a person with knowledge and special expertise such as auditors or independent property appraisers to provide opinions on those related party transactions. The opinions of the Audit Committee or a person with special expertise would be taken into consideration by the Board of Directors or shareholders, depending on each case, in order to ensure that entering into those transactions would not be a shift or transfer of benefits between the Company or subsidiaries (if any) or persons who may have conflict of interests with the Company. They shall be transactions that the Company considers for the best interest of shareholders.

Part 3

Financial Statements

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED

Financial Statements

For the Year Ended December 31, 2021

and Report of Certified Public Accountant

M.R. & ASSOCIATES CO., LTD.

Certified Public Accountants

REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders and Board of Directors of Thai Plastic Industrial (1994) Public Company Limited

Opinion

I have audited the financial statements of Thai Plastic Industrial (1994) Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2021, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Thai Plastic Industrial (1994) Public Company Limited as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

Allowance for Impairment losses - trade receivables

The majority of the Company's revenue from sales of goods arises from credit sales. Receivables arose from these sales may not be collectible. Judgment and estimates are required to determine the adequacy of the allowance for impairment losses to cover loss from collection of these receivables.

My auditing procedures include:

- Inquiring the management on policy of setting the allowance for impairment losses.
- Inspecting receivable aging report.
- Testing the accuracy of the report by referencing to relevant documents.

Other Information

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

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

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

When I read the information included in the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to audit committee for further correction.

Responsibilities of Management and Audit Committee 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Audit Committee is responsible for overseeing the Company'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 judgment 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 Company 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.

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

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

From the matters communicated with audit committee, 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.

(Mr. Pisit Chiwaruangroch)
 Certified Public Accountant
 Registration No. 2803

M.R. & ASSOCIATES CO., LTD.
 Bangkok
 February 21, 2022

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021 AND 2020

ASSETS

		In Baht	
	Note	2021	2020
CURRENT ASSETS			
Cash and cash equivalents		55,609,341	66,444,238
Trade and other receivables	5	68,042,408	54,243,935
Inventories	6	52,073,940	44,057,998
Other current financial assets	7, 24	1,912,000	1,912,000
Total current assets		177,637,689	166,658,171
NON-CURRENT ASSETS			
Property, plant and equipment	8, 24	195,399,641	197,217,232
Right-of-use assets	9	1,009,940	1,897,041
Intangible assets	10	2,121,688	2,054,310
Deferred tax assets	11	4,086,639	4,261,840
Other non-current assets		732,925	1,645,378
Total non-current assets		203,350,833	207,075,801
TOTAL ASSETS		380,988,522	373,733,972

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

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021 AND 2020

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Baht	
	Note	2021	2020
CURRENT LIABILITIES			
Trade and other payables	12	40,548,306	40,240,928
Current portion of lease liabilities	13	273,388	701,243
Income tax payable		3,981,145	4,588,634
Total current liabilities		44,802,839	45,530,805
NON-CURRENT LIABILITIES			
Other non-current payables		1,102,400	1,092,160
Lease liabilities	13	529,897	800,003
Provisions for employee benefits	14	13,630,890	14,726,176
Total non-current liabilities		15,263,187	16,618,339
Total liabilities		60,066,026	62,149,144

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

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021 AND 2020

LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)

		In Baht	
	Note	2021	2020
SHAREHOLDERS' EQUITY			
Share capital			
Authorized share capital	15	135,000,000	135,000,000
Issued and paid-up share capital	15	135,000,000	135,000,000
Share premium on ordinary shares	16	61,712,262	61,712,262
Retained earnings			
Legal reserve	17	10,150,000	8,450,000
Unappropriated		114,060,234	106,422,566
Total shareholders' equity		320,922,496	311,584,828
TOTAL LIABILITIES AND			
SHAREHOLDERS' EQUITY		380,988,522	373,733,972

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

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

		In Baht	
	Note	2021	2020
REVENUES			
Revenue from sales of goods	18	505,794,069	469,712,966
Other income	19	5,278,454	4,169,228
Total revenues		511,072,523	473,882,194
EXPENSES	20		
Costs of sales of goods	6	411,643,242	373,721,987
Distribution costs		17,873,693	17,864,665
Administrative expenses		39,265,891	39,980,091
Total expenses		468,782,826	431,566,743
Profit from operating activities		42,289,697	42,315,451
Finance costs		(50,458)	(112,298)
Reversal of impairment loss (impairment loss)	5	(759,675)	549,341
Profit before income tax		41,479,564	42,752,494
Tax expense	11	7,569,644	8,160,003
Profit for the year		33,909,920	34,592,491

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

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

		In Baht	
	Note	2021	2020
Other comprehensive income	21		
Items that will not be reclassified subsequently to profit or loss			
- Actuarial gain on remeasurements of defined benefit plan		2,425,148	1,205,028
Items that will be reclassified subsequently to profit or loss			
- Loss on measurement of financial instruments		-	(73,702)
- Gain on sales of financial instruments recognized in profit or loss		-	(122,466)
		-	(196,168)
Other comprehensive income for the year		2,425,148	1,008,860
Total comprehensive income for the year		36,335,068	35,601,351
Basic earnings per share	22	0.126	0.128

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

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	In Baht								
	Issued and paid-up share capital		Share premium on ordinary shares		Retained earnings		Other component of shareholders' equity		Total shareholders' equity
Note					Legal reserve	Unappropriated	Gain or loss on measuring financial assets		
Balance as at January 1, 2021		135,000,000	61,712,262	8,450,000	106,422,566	-			311,584,828
Comprehensive income for the year									
Profit for the year		-	-	-	33,909,920	-			33,909,920
Other comprehensive income for the year		-	-	-	2,425,148	-			2,425,148
Total comprehensive income for the year		-	-	-	36,335,068	-			36,335,068
Dividends	23	-	-	-	(26,997,400)	-			(26,997,400)
Appropriation for legal reserve	17	-	-	1,700,000	(1,700,000)	-			-
Balance as at December 31, 2021		135,000,000	61,712,262	10,150,000	114,060,234	-			320,922,496

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

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	In Baht					Other component of shareholders' equity		Total shareholders' equity
Note	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings	Unappropriated	Gain or loss on measuring financial assets			
			Legal reserve					
Balance as at January 1, 2020	135,000,000	61,712,262	6,710,000	99,362,447	196,168		302,980,877	
Comprehensive income for the year								
Profit for the year	-	-	-	34,592,491	-		34,592,491	
Other comprehensive income for the year	-	-	-	1,205,028	(196,168)		1,008,860	
Total comprehensive income for the year	-	-	-	35,797,519	(196,168)		35,601,351	
Dividends	-	-	-	(26,997,400)	-		(26,997,400)	
Appropriation for legal reserve	-	-	1,740,000	(1,740,000)	-		-	
Balance as at December 31, 2020	135,000,000	61,712,262	8,450,000	106,422,566	-		311,584,828	

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

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	In Baht	
	2021	2020
Cash flows from operating activities		
Profit for the year	33,909,920	34,592,491
Adjustments for		
Tax expense	7,569,644	8,160,003
Depreciation and amortization	12,352,677	14,317,863
Impairment loss (reversal)	759,675	(549,341)
Reversal of allowance for declining in value of inventories	(421,248)	-
Provisions for employee benefits	1,936,149	2,001,870
Gain on sales of investment in debt securities	-	(153,082)
Loss on disposals of fixed assets	9	2
Unrealized loss (gain) on exchange rate	391	(2,697)
Interest income	(17,573)	(36,830)
Interest expense	50,458	112,298
Decrease (increase) in operating assets		
Trade and other receivables	(14,564,507)	(2,252,542)
Inventories	(7,594,694)	(14,343,049)
Other non-current assets	53,357	(137,311)
Increase (decrease) in operating liabilities		
Trade and other payables	307,606	12,109,227
Other non-current payables	10,240	92,160
Income tax paid	(8,608,219)	(9,641,519)
Net cash flows provided by operating activities	25,743,885	44,269,543

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

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	In Baht	
	2021	2020
Cash flows from investing activities		
Interest received	23,932	41,541
Proceeds from sales of investment in debt securities	-	22,841,078
Additions to fixed assets and intangible assets	(8,233,651)	(32,509,387)
Advances for purchase of fixed assets	(622,625)	(1,481,722)
Net cash flows used in investing activities	(8,832,344)	(11,108,490)
Cash flows from financing activities		
Interest paid	(52,301)	(114,962)
Payments of lease liabilities	(697,961)	(1,106,826)
Dividends paid	(26,996,176)	(26,996,932)
Net cash flows used in financing activities	(27,746,438)	(28,218,720)
Net increase (decrease) in cash and cash equivalents	(10,834,897)	4,942,333
Cash and cash equivalents at beginning of the year	66,444,238	61,501,905
Cash and cash equivalents at end of the year	55,609,341	66,444,238
<u>Cash and cash equivalents at end of the year</u>		
Cash on hand	38,985	35,143
Cash at banks - current accounts	55,317,788	61,468,365
Cash at banks - saving accounts	92,837	4,791,765
Cash at banks - time deposits	159,731	148,965
Total	55,609,341	66,444,238

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

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED

Notes to Financial Statements

December 31, 2021 and 2020

1. GENERAL

Thai Plastic Industrial (1994) Public Company Limited (“the Company”), is incorporated in Thailand, and has registered head office at 53/1 Moo 4, Kanchanaphisek Rd., Bang Mae Nang, Bang Yai, Nonthaburi.

The principal activity of the Company is manufacturing of food plastic bags, food plastic wrappers and food paper containers.

2. BASIS FOR FINANCIAL STATEMENT PREPARATION

The accompanying financial statements are prepared in Thai Baht in the Thai language in accordance with the financial reporting standards in Thailand including interpretations and guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Securities and Exchange Commission. Accordingly, the accompanying financial statements are intended solely to present the financial position, results of operations and cash flows in accordance with the financial reporting standards in Thailand.

Except as disclosed in the accounting policies, the accompanying financial statements have been prepared under the historical cost convention.

The Company disclosed information for the year ended December 31, 2020 for being the comparative information in the financial statements for the year ended December 31, 2021 in the form of corresponding figures.

For convenience of the readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements that are issued for domestic financial reporting purposes.

Starting January 1, 2021, the Company has changed the estimated useful life of certain buildings from 20 years to 40 years. The change decreased its depreciation for the year ended December 31, 2021 by approximately Baht 3.3 million.

Thai Financial Reporting Standards (TFRS) that became effective

Starting January 1, 2021, the Company has adopted the revised TFRS, which are effective for accounting period starting on or after January 1, 2021. The adoption of the revised TFRS does not have material impact on the Company’s financial statements.

Thai Financial Reporting Standards (TFRS) that are not yet effective

The Federation of Accounting Professions has revised TFRS, which are effective for accounting period starting on or after January 1, 2022. Management of the Company believed that the revised TFRS will have no material impact on the Company’s financial statements.

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

3. SIGNIFICANT ACCOUNTING POLICIES

The significant principle accounting policies adopted in the preparation of these financial statements are as follows:

Foreign currency transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

Cash and cash equivalents

Cash and cash equivalents, carried in the statement of financial position at cost, include cash on hand and cash at financial institutions. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturity of three months or less from the date of acquisition and without restriction of use and that are subject to an insignificant risk of change in value.

Trade receivables

Unconditional rights to consideration for sales of goods are recognized as trade receivables.

Trade receivables are stated at transaction price less allowance for impairment losses.

Allowance for impairment losses are estimated based on historical payments of customers and expectations of future payments of customers.

Investment in debt securities

Debt securities other than securities intended to be held to maturity are stated at fair value, with any resultant gain or loss being recognized in other comprehensive income.

Inventories

Inventories are stated at the lower of cost (First-in, First-out method) and net realizable value.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-process, cost includes an appropriate share of overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less necessary selling expenses.

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Property, plant and equipment

Land is stated at cost less allowance for impairment losses (if any). Plant and equipment are stated at cost net of accumulated depreciation and allowance for impairment losses (if any). Costs of asset dismantlement, removal, and restoration are included as part of asset cost and subject to depreciation.

Depreciation

Depreciation is charged to profit or loss on a straight-line method over the estimated useful lives of each part of an item of property, plant and equipment. Depreciation is calculated based on cost of the property, plant and equipment less residual value. Useful lives and residual values are reviewed at each year-end. The estimated useful lives are as follows:

	<u>Period (years)</u>
Building and building improvement	5 - 40
Machinery and equipment	5 - 20
Furniture and office equipment	5
Vehicles	5

No depreciation is provided on land or assets under construction.

Intangible assets

Intangible assets are computer software, and stated at cost less accumulated amortization and allowance for impairment losses (if any).

Amortization

Amortization is charged to profit or loss on a straight-line method over the estimated period of 5 and 10 years during which economic benefits are expected to flow to the Company.

Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts (the higher of an asset's net selling price or value in use) are estimated. The review is made for individual assets or for the cash-generating unit.

In case that the carrying value of an asset exceeds its recoverable amount, the Company recognizes the impairment losses by reducing the carrying value of the asset to be at its recoverable amount and recording the devaluation in profit or loss. The reversal of impairment losses is recorded as part of other income when there is an indication that the impairment losses recognized for the assets no longer exist or are decreased. The reversal of the impairment losses shall not exceed the carrying amount of the asset, net of depreciation or amortization, that would have been determined had no impairment losses been recognized for the asset in prior years.

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Employee benefits

Short-term benefits

Salaries, wages, bonuses and contributions to social security fund are recognized as an expense upon their occurrences and on an accrual basis.

Post-employment benefits

Obligation on defined contribution plan which is the provident fund is recognized as an expense in profit or loss when contribution to the fund on an accrual basis.

The Company's obligation in respect of post-employment benefits, which are compensations under labor protection acts, is recognized as liability and expense in the financial statements based on the amount calculated, using the projected unit credit method by a qualified actuary. Expenses from the estimated liability for post-employment benefits are recognized in profit or loss and comprise of current service cost and interest cost. Actuarial gain or loss on remeasurements of defined benefit plan is recognized in other comprehensive income. This employee benefit plan is unfunded and has no any incurred plan asset.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Revenue from sales of goods

Revenue from sales of goods is recognized at point in time when the goods are delivered to the customers.

Income tax

Tax expense for the year comprises current and deferred tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted by the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED

Notes to Financial Statements (Continued)

December 31, 2021 and 2020

Leases-lessee

Right-of-use assets and lease liabilities are recognized at the commencement date of the lease (except for leases of low-value assets and short-term assets which are recognized as expense on a straight-line method over the lease term).

Right-of-use assets are measured at cost less accumulated depreciation and allowance for impairment losses (if any).

Depreciation is charged to profit or loss on a straight-line method over the estimated useful life (vehicles) of 5 years.

Use of estimates

In order to prepare financial statements in conformity with financial reporting standards in Thailand, management needs to make estimates and set assumptions that affect income, expenditure, assets and liabilities in order to disclose information on the valuation of assets, liabilities and contingent liabilities. Actual outcomes may, therefore, differ from the estimates used.

The estimates and underlying assumptions used in the preparation of these financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant estimates and underlying assumptions used in preparation of the accompanying financial statements which may be affected by uncertainty are as follows:

- Allowance for impairment losses - trade receivables
- Estimated useful lives of property and equipment
- Provision for employee benefits

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Principal market is the market with the greatest volume and level of activity for the asset or liability. Market participants comprise buyers and sellers in the principal or most advantageous market for the asset or liability whereby market participants are independent of each other, knowledgeable and having a reasonable understanding, able to enter into a transaction for the asset or liability, and willing to enter into a transaction for the asset or liability.

To increase the consistency and comparability in fair value measurements and related disclosures in the financial statements, the fair value hierarchy is categorized into 3 levels with respect of the inputs to valuation techniques used to measure the fair value. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities ("Level 1 inputs"), secondary priority to other observable inputs ("Level 2 inputs"), and the lowest priority to unobservable inputs ("Level 3 inputs").

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Classification and measurement of financial instruments

Assets classified and measured at amortized cost

- Cash and cash equivalents
- Trade and other receivables (excluding prepaid expenses)
- Other current financial assets - time deposits

Liabilities classified and measured at amortized cost

- Trade and other payables
- Lease liabilities
- Other non-current payables

4. TRANSACTIONS WITH RELATED PARTIES

Related parties are parties controlled by the Company or have power control over the Company, directly or indirectly, or has significant influence over the financial or operating policies of the Company.

Name of entities	Nature of relationships
Thai Food Industry (1964) Company Limited	Common shareholders and directors
Key management personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

The pricing policies are as follows:

Type of transactions	Pricing policies
Revenue from sales of goods	Market price
Distribution of merchandise	Agreement price

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Significant outstanding balances with its related parties at December 31, 2021 and 2020 were as follows:

	In Thousand Baht	
	2021	2020
Other related party		
Trade and other receivables	1,119	460
Trade and other payables	1,851	1,692
Other non-current payables	1,000	1,000

Significant transactions with related parties for the years ended December 31, 2021 and 2020 were as follows:

	In Thousand Baht	
	2021	2020
Other related party		
Revenue from sales of goods	3,612	3,103
Distribution costs on merchandise	9,665	9,988
Key management compensation		
Short-term benefits	17,295	17,092
Post-employment benefits	1,019	1,064
Total	18,314	18,156

The Company entered into an agreement with a related company for the latter to distribute the Company's merchandise to its customers. Service fees are computed based on weight of merchandise sold and the distance to the destination. The terms of the agreement are three years expiring on May 31, 2022.

5. TRADE AND OTHER RECEIVABLES

	In Thousand Baht	
	2021	2020
Trade receivables		
Current	50,801	42,235
Overdue		
Not over 3 months	11,904	8,648
Over 3 - 6 months	862	617
Over 6 - 12 months	956	682
Over 12 months	2,992	2,518
Total	67,515	54,700
Less allowance for impairment losses	(3,350)	(2,590)
Net	64,165	52,110
Prepaid expenses	826	646
Others	3,051	1,488
	3,877	2,134
Total	68,042	54,244

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Movement of allowance for impairment losses during the years ended December 31 were as follows:

	In Thousand Baht	
	2021	2020
At January 1	2,590	3,140
Additions	760	-
Reversal	-	(550)
At December 31	3,350	2,590

6. INVENTORIES

	In Thousand Baht	
	2021	2020
Finished goods	19,970	16,363
Work-in-process	3,807	8,605
Raw materials and supplies	28,638	19,852
Total	52,415	44,820
Less allowance for declining in value of inventories	(341)	(762)
Net	52,074	44,058
Inventories recognized as costs of sales	411,643	373,722
Inventories recognized as distribution costs	6	11

7. OTHER CURRENT FINANCIAL ASSETS

	In Thousand Baht	
	2021	2020
Time deposits (interest rate at 0.15% - 0.20% p.a. at December 31, 2021 and 0.20% - 0.70% p.a. at December 31, 2020)	1,912	1,912

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

8. PROPERTY, PLANT AND EQUIPMENT

	In Thousand Baht				
	Land	Building and building improvement	Machinery and equipment	Furniture and office equipment	Vehicles
Cost					Construction in progress
At January 1, 2021	19,293	182,832	121,462	4,431	6,769
Additions	-	528	8,082	938	-
Transfers from "Right-of-use assets"	-	-	-	-	4,739
Disposals	-	-	(17)	(7)	-
Transfers - others	-	-	309	-	(309)
At December 31, 2021	19,293	183,360	129,836	5,362	11,508
					349,359
At January 1, 2020	19,293	113,820	115,289	4,245	13,315
Transfers to "Right-of-use assets"	-	-	-	-	(7,143)
Additions	-	5,301	7,768	170	-
Transfers from "Right-of-use assets"	-	-	-	-	597
Disposals	-	-	(1,856)	-	-
Transfers - others	-	63,711	261	16	(63,988)
At December 31, 2020	19,293	182,832	121,462	4,431	309
					335,096

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

	In Thousand Baht					
	Land	Building and building improvement	Machinery and equipment	Furniture and office equipment	Vehicles	Construction in progress
						Total
Accumulated depreciation						
At January 1, 2021	-	58,847	69,940	3,343	5,749	137,879
Depreciation charge for the year	-	3,861	6,673	459	449	11,442
Transfers from "Right-of-use assets"	-	-	-	-	4,662	4,662
Disposals	-	-	(17)	(7)	-	(24)
At December 31, 2021	-	62,708	76,596	3,795	10,860	153,959
At January 1, 2020	-	53,055	66,150	2,789	8,171	130,165
Transfers to "Right-of-use assets"	-	-	-	-	(3,801)	(3,801)
Depreciation charge for the year	-	5,792	5,646	554	894	12,886
Transfers from "Right-of-use assets"	-	-	-	-	485	485
Disposals	-	-	(1,856)	-	-	(1,856)
At December 31, 2020	-	58,847	69,940	3,343	5,749	137,879
Net book value						
At December 31, 2021	19,293	120,652	53,240	1,567	648	195,400
At December 31, 2020	19,293	123,985	51,522	1,088	1,020	197,217

The gross carrying amounts of fully depreciated property, plant and equipment those are still in use as at December 31, 2021 and 2020 amounted to Baht 54.4 million and Baht 45.3 million, respectively.

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

9. RIGHT-OF-USE ASSETS

	In Thousand Baht	
	2021	2020
Vehicles		
Cost		
At January 1	6,546	-
Transfers from “Property, plant and equipment”	-	7,143
Transfers to “Property, plant and equipment”	(4,739)	(597)
At December 31	1,807	6,546
Accumulated depreciation		
At January 1	4,649	-
Transfers from “Property, plant and equipment”	-	3,801
Depreciation	810	1,333
Transfers to “Property, plant and equipment”	(4,662)	(485)
At December 31	797	4,649
Net book value at December 31	1,010	1,897

Right-of-use assets under all lease (except short-term leases and leases of low-value assets) are presented under this account. Right-of-use assets which title transferred to the Company are presented under “Property, plant and equipment”.

10. INTANGIBLE ASSETS

	In Thousand Baht		
	Software	Software under installation	Total
Cost			
At January 1, 2021	1,030	1,535	2,565
Additions	18	150	168
Transfers	17	(17)	-
At December 31, 2021	1,065	1,668	2,733
At January 1, 2020	1,030	1,518	2,548
Additions	-	17	17
At December 31, 2020	1,030	1,535	2,565
Accumulated amortization			
At January 1, 2021	511	-	511
Amortization charge for the year	100	-	100
At December 31, 2021	611	-	611
At January 1, 2020	412	-	412
Amortization charge for the year	99	-	99
At December 31, 2020	511	-	511
Net Book Value			
At December 31, 2021	454	1,668	2,122
At December 31, 2020	519	1,535	2,054

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

11. INCOME TAX

Details of deferred tax assets as at December 31, 2021 and 2020 were as follows:

	In Thousand Baht	
	2021	2020
Allowance for impairment losses	670	518
Allowance for declining in value of inventories	68	152
Depreciation	623	646
Provisions for employee benefits	2,726	2,946
Total	4,087	4,262

Tax expense

	In Thousand Baht	
	2021	2020
Current tax expense	8,359	9,113
Deferred income tax		
Movements in temporary differences	(431)	(937)
Others	(358)	(16)
Total	7,570	8,160

Reconciliation of effective tax rate

Profit before income tax	41,479	42,752
Income tax using the corporate tax rate (20%)	8,296	8,550
Others	(726)	(390)
Total	7,570	8,160

12. TRADE AND OTHER PAYABLES

	In Thousand Baht	
	2021	2020
Trade payables	24,282	24,469
Other payables	16,266	15,772
Total	40,548	40,241

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

13. LEASE LIABILITIES

	In Thousand Baht			
	Present value		Gross lease obligation (before deducting finance charges)	
	2021	2020	2021	2020
Due within one year	273	701	300	750
Due after one year but within five years	530	800	550	850
Total	803	1,501	850	1,600

Lease liabilities are discounted at effective interest rates ranging from 4.2% to 7.7% per annum.

Movements of lease liabilities during the years ended December 31 were as follows:

	In Thousand Baht	
	2021	2020
At January 1	1,501	2,608
Payments	(698)	(1,107)
At December 31	803	1,501
Interest expense on lease liabilities for the years ended December 31	50	112

14. PROVISIONS FOR EMPLOYEE BENEFITS

Movements in the present value of the obligations (unfunded) were as follows:

	In Thousand Baht	
	2021	2020
At January 1	14,726	14,231
Current cost	1,693	1,742
Interest on obligations	243	259
Expense recognized in profit or loss	1,936	2,001
Actuarial gain on remeasurements of defined benefit plan recognized in other comprehensive income	(3,031)	(1,506)
At December 31	13,631	14,726

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

Actuarial loss (gain) on remeasurements of defined benefit plan recognized in other comprehensive income arose from:

	Loss (gain) - In Thousand Baht	
	2021	2020
Change in financial assumptions	(1,775)	(978)
Change in demographic assumptions	(267)	76
Experience adjustments	(989)	(604)
Total	<u>(3,031)</u>	<u>(1,506)</u>

Principal actuarial assumptions:

	%	
	2021	2020
Discount rate	2.4	1.7
Salary increase rate	1.8 - 5.0	2.0 - 5.0
Employee turnover rate	0.0 - 23.0	0.0 - 20.0

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	In Thousand Baht	
	Increase	Decrease
Defined benefit obligation at December 31, 2021		
Discount rate (1% change)	(1,252)	1,446
Salary increase rate (1% change)	1,251	(1,111)
Employee turnover rate (10% change)	(266)	290

15. SHARE CAPITAL

	In Thousand shares	In Thousand Baht
Authorized share capital - ordinary shares		
At Baht 0.50 par value		
At December 31, 2020 and December 31, 2021	<u>270,000</u>	<u>135,000</u>
Issued and paid-up share capital - ordinary shares		
At Baht 0.50 par value		
At December 31, 2020 and December 31, 2021	<u>270,000</u>	<u>135,000</u>

The Stock Exchange of Thailand accepted the Company's ordinary shares of 270 million shares as listed securities in the Market for Alternative Investment; and to be traded starting September 5, 2018.

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

16. SHARE PREMIUM

Share premium represents share subscription monies received in excess of the par value of the shares issued. Share premium is not available for dividend distribution.

17. LEGAL RESERVE

Section 116 of the Public Company Act, B.E. 2535 requires a company to allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the authorized share capital. The legal reserve is not available for dividend distribution.

18. REVENUES

	In Thousand Baht	
	2021	2020
<u>Revenue recognized at point in time</u>		
Sales of goods	505,794	469,713

19. OTHER INCOME

	In Thousand Baht	
	2021	2020
Sales of scrap	3,321	2,985
Others	1,957	1,184
Total	5,278	4,169

20. EXPENSE BY NATURE

Significant expenses by nature are as follows:

	In Thousand Baht	
	2021	2020
Raw material and consumable used	338,663	302,195
Changes in finished goods and work-in-process	1,191	(8,619)
Employee expenses	51,103	55,429
Directors’ and management’s remuneration	18,314	18,156
Utilities expenses	19,297	21,796
Depreciation and amortization	12,353	14,318
Transportation and distribution costs on merchandise	9,718	10,129

The Company has arranged a contributory registered provident fund in accordance with the Provident Fund Act, Membership to the fund is on a voluntary basis. Under the plan, the Company and employees contribute an amount equivalent to 2% of the employees’ basic salaries. The Company’s contribution, which was charged to expense for the years ended December 31, 2021 and 2020, amounted to approximately Baht 0.23 million and Baht 0.24 million, respectively.

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

21. OTHER COMPREHENSIVE INCOME

	In Thousand Baht		
	Amount	Tax income (expense)	Net
<u>2021</u>			
Items that will not be reclassified subsequently to profit or loss			
- Actuarial gain on remeasurements of defined benefit plan	3,031	(606)	2,425
<u>2020</u>			
Items that will not be reclassified subsequently to profit or loss			
- Actuarial gain on remeasurements of defined benefit plan	1,506	(301)	1,205
Items that will be reclassified subsequently to profit or loss			
- Loss on measurement of financial instruments	(92)	18	(74)
- Gain on sales of financial instruments recognized in profit or loss	(153)	31	(122)
	(245)	49	(196)
Other comprehensive income	1,261	(252)	1,009

22. BASIC EARNINGS PER SHARE

	In Thousand Baht/ In Thousand shares	
	2021	2020
Profit for the year	33,910	34,592
Weighted average number of ordinary share	270,000	270,000
Basic earnings per share (In Baht)	0.126	0.128

23. DIVIDENDS

On April 3, 2020, the Company's Board of Directors approved interim dividends of Baht 27,000,000 (270,000,000 shares at Baht 0.10 per share) from profit for the year ended December 31, 2019. Rights of the Shareholders to receive the dividends amount to Baht 26,997,400.

On April 8, 2021, the Shareholders approved dividends of Baht 27,000,000 (270,000,000 shares at Baht 0.10 per share) from profit for the year ended December 31, 2020. Rights of the Shareholders to receive dividends amount to Baht 26,997,400.

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

24. CREDIT FACILITIES

As at December 31, 2021 and 2020 the Company had credit facilities from local banks as follows:

	In Thousand Baht	
	2021	2020
Bank overdrafts	20,000	20,000
Short-term borrowings	45,000	45,000
Letters of credit and trust receipts	13,000	13,000
Letters of guarantee	7,277	7,277
Forward contracts on foreign currency	10,000	10,000

Collaterals of credit facilities

- Time deposits of Baht 1.9 million at December 31, 2021 and 2020 (shown under other current financial assets).
- Majority of property, plant and equipment of the Company.
- Guarantee from certain directors of the Company (free of charge).

25. SEGMENT INFORMATION

The Company manufactures food plastic bags, food plastic wrappers and food paper containers and sell the products in Thailand. The management considers that the Company has only one operating segment.

26. DISCLOSURES OF FINANCIAL INSTRUMENTS

Credit risk

Credit risks arise when the counterparties fail to meet their obligations as agreed. The Company does not have any material credit risks because the Company constantly evaluates the debtor's status.

Interest rate risk

The Company has minimum interest - bearing liabilities and accordingly, the Company has no significant risk from the future interest rate instability.

Foreign currency risk

The Company undertakes certain transactions denominated in foreign currency. Such transactions are minimal and accordingly, the Company has no significant foreign currency risk.

Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

THAI PLASTIC INDUSTRIAL (1994) PUBLIC COMPANY LIMITED
Notes to Financial Statements (Continued)
December 31, 2021 and 2020

27. CAPITAL MANAGEMENT

Significant objectives of the capital management of the Company is to ensure that they have appropriate financial and capital structures as well as maintaining the financial liquidity and ability to continue their businesses as a going concern.

28. EVENTS AFTER THE REPORTING PERIOD

On February 21, 2022, the Company's Board of Directors resolved a proposal to the Shareholders' meeting to approve dividends of Baht 27,000,000 (270,000,000 shares at Baht 0.10 per share).

29. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of directors on February 21, 2022.

Attachment

- Attachment 1 Profiles of Directors, Executives, Highest responsibility in finance and accounting, Person supervising accounting (Chief Accountant) and Company Secretary
- Attachment 2 Details of Head of internal audit and Head of compliance
- Attachment 3 Review of Business Assets and Asset Revaluation
- Attachment 4 Full version of Corporate Governance Policy, Guidelines, and Charter

Attachment 1

Profiles of Directors, Executives, Highest responsibility in finance and accounting, Person supervising accounting (Chief Accountant) and Company Secretary

Assoc. Prof. Dr. Montree Socatiyanurak

Chairman of The Board of Directors / Independent Director

Age 64 years old

First Appointment Date 19 September 2016 (the date that TPLAS converted to public company limited)

(Re-elected on 17 June 2020)

Numbers of meeting attendance in 2021: 6/6 times

Company's securities holding as of 31 December 2021

- Held by self: None
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Conflict of interest

- Not being a director who gets the monthly benefit from the Company.
- Not being any kind of service professional to the Company.
- Not having any relationship with any business linking to the Company which influent to the decision making independently.

Education

- Ph.D. in Applied Economics, University of Minnesota, USA
- Master of Economics, University of Minnesota, USA
- Master of Economics Development, National Institute of Development Administration (NIDA)
- Bachelor of Economics, Thammasat University

Training course

- Director Accreditation Program (DAP) 69/2008 (IOD)

Current positions

Positions in listed company - The Stock Exchange of Thailand: 6 companies

- 2020-Present Chairman of the Audit Committee, Clover Power Public Company Limited
- 2016-Present Chairman of The Board of Directors, Thai Plastic Industrial (1994) Public Company Limited
- 2015-Present Chairman of the Audit Committee, Megachem (Thailand) Public Company Limited
- 2014-Present Chairman of The Board of Directors / Chairman of the Audit Committee, TV Thunder Public Company Limited
- 2012-Present Chairman of the Audit Committee, East Coast Furnitech Public Company Limited
- 2011-Present Audit Committee, Union Auction Public Company Limited

Positions in other organizations / institutes / businesses (non-listed company): 1 company

- 2021-Present Director, Advance Master of Management Program (AMM), National Institute of Development Administration (NIDA)

Working experiences in the 5 preceding years

- 2016-2021 Chairman of the Risk Management Committee / Audit Committee / Nomination and Remuneration Committee / Chairman of the Corporate Governance Committee, Baansuay Group Public Company Limited
- 2016-2019 Chairman of The Board of Directors, PCN Corp Public Company Limited
- 2012-2019 Chairman of The Board of Directors, S.P.C. Precious Metal Company Limited

Mr. Teerachai Teerarujinon

Director

Managing Director

Chairman of the Executive Committee

Member of the Risk Management Committee

Member of the Nomination and Compensation Committee

Age 54 years old

First Appointment Date 19 September 2016 (the date that TPLAS converted to public company limited)

(Re-elected on 8 April 2021)

Numbers of meeting attendance in 2021: 6/6 times

Company's securities holding as of 31 December 2021

- Held by self: 160,080,000 shares
- Held by spouse and minor child: 75,000 shares

Family relationship among Directors and Executives

- Mrs. Phoonsin Teerarujinon (spouse)
- Mr. Apirat Teerarujinon (child)
- Mrs. Phatcharee Chatkaewboriboon (sister)
- Mrs. Donnapa Jiamkanok (sister)

Conflict of interest

- Being a director who gets the monthly benefit from the Company.
- Not being any kind of service professional to the Company.
- Not having any relationship with any business linking to the Company which influent to the decision making independently.

Education

- Secondary School, Chanpradittharam Wittayakom School

Training courses

- Good governance & Competitiveness Program 1/2005, The Federation of Thai Industries.
- Director Accreditation Program (DAP)130/2016 (IOD)

Current positions

Positions in listed company - The Stock Exchange of Thailand: 1 company

- 1994-Present Director / Managing Director, Thai Plastic Industrial (1994) Public Company Limited

Positions in other organizations / institutes / businesses (non-listed company): 1 company

- 2006-Present Director, Thai Food Industry (1964) Company Limited

Working experiences in the 5 preceding years

- 2006-2020 Director, T H N Cereals & More Company Limited

Mrs. Phoonsin Teerarujiinon**Director****Assistant Managing Director of Administrator Group****Member of the Executive Director****Member of the Risk Management Committee**

Age 53 years old

First Appointment Date 19 September 2016 (the date that TPLAS converted to public company limited)

(Re-elected on 8 April 2021)

Numbers of meeting attendance in 2021: 6/6 times

Company's securities holding as of 31 December 2021

- Held by self: 75,000 Shares
- Held by spouse and minor child: 160,080,000 shares

Family relationship among Directors and Executives

- Mr. Teerachai Teerarujiinon (spouse)
- Mr. Apirat Teerarujiinon (child)

Conflict of interest

- Being a director who gets the monthly benefit from the Company.
- Not being any kind of service professional to the Company.
- Not having any relationship with any business linking to the Company which influent to the decision making independently.

Education

- Secondary School, Chanpradittharam Wittayakom School

Training courses

- Global Mini MBA: Entrepreneurial Manager Series 84, Thammasat Consulting Networking and Coaching Center
- Finance for Non-Financial Executive
- Director Accreditation Program (DAP) 131/2016 (IOD)

Current positions**Positions in listed company - The Stock Exchange of Thailand: 1 company**

- 1994-Present Director / Assistant Managing Director, Thai Plastic Industrial (1994) Public Company Limited

Positions in other organizations / institutes / businesses (non-listed company): 1 company

- 2006-Present Director, Thai Food Industry (1964) Company Limited

Working experiences in the 5 preceding years

- 2006-2020 Director, T H N Cereals & More Company Limited

Mrs. Phatcharee Chatkaewboriboom

Director

Age 57 years old

First Appointment Date 19 September 2016 (the date that TPLAS converted to public company limited)

(Re-elected on 8 April 2021)

Numbers of meeting attendance in 2021: 6/6 times

Company's securities holding as of 31 December 2021

- Held by self: 8,050,000 shares
- Held by spouse and minor child: None

Family relationship among Directors and Executives

- Mr. Teerachai Teerarujinon (brother)
- Mrs. Donnapa Jiamkanok (sister)

Conflict of interest

- Not being a director who gets the monthly benefit from the Company.
- Not being any kind of service professional to the Company.
- Not having any relationship with any business linking to the Company which influent to the decision making independently.

Education

- Secondary School, Chanpradittharam Wittayakom School

Training courses

- Director Accreditation Program (DAP) 131/2016 (IOD)

Current positions

Positions in listed company – The Stock Exchange of Thailand: 1 company

- 2016-Present Director, Thai Plastic Industrial (1994) Public Company Limited

Positions in other organizations / institutes / businesses (non-listed company): 1 company

- 2006-Present Director, Thai Food Industry (1964) Company Limited

Working experiences in the 5 preceding years

- 2006-2020 Director, T H N Cereals & More Company Limited

Mrs. Donnapa Jiamkanok**Director**

Age 45 years old

First Appointment Date 19 September 2016 (the date that TPLAS converted to public company limited)

(Re-elected on 10 April 2019)

Numbers of meeting attendance in 2021: 6/6 times

Company's securities holding as of 31 December 2021

- Held by self: 8,050,000 shares
- Held by spouse and minor child: None

Family relationship among Directors and Executives

- Mr. Teerachai Teerarujinon (brother)
- Mrs. Phatcharee Chatkaewboriboom (sister)

Conflict of interest

- Not being a director who gets the monthly benefit from the Company.
- Not being any kind of service professional to the Company.
- Not having any relationship with any business linking to the Company which influent to the decision making independently.

Education

- Bachelor of Communication Arts, Bangkok University

Training courses

- Director Accreditation Program (DAP) 131/2016 (IOD)

Current positions**Positions in listed company - The Stock Exchange of Thailand: 1 company**

- 2016-Present Director, Thai Plastic Industrial (1994) Public Company Limited

Positions in other organizations / institutes / businesses (non-listed company): 1 company

- 2006-Present Director, Thai Food Industry (1964) Company Limited

Working experiences in the 5 preceding years

- 2006-2020 Director, T H N Cereals & More Company Limited

Mr. Supachat Tangnoi

Director

Age 55 years old

First Appointment Date 19 September 2016 (the date that TPLAS converted to public company limited)

(Re-elected on 10 April 2019)

Numbers of meeting attendance in 2021: 6/6 times

Company's securities holding as of 31 December 2021

- Held by self: None
- Held by spouse and minor child: 8,050,000 shares

Family relationship among Directors and Executives

None

Conflict of interest

- Not being a director who gets the monthly benefit from the Company.
- Not being any kind of service professional to the Company.
- Not having any relationship with any business linking to the Company which influent to the decision making independently.

Education

- Master of Business Administration (Marketing) Oklahoma City University, USA
- Bachelor of Business Administration (Marketing) Dhurakij Pundit University

Training courses

- Director Accreditation Program (DAP) 130/2016 (IOD)

Current positions

Positions in listed company - The Stock Exchange of Thailand: 1 company

- 2016-Present Director, Thai Plastic Industrial (1994) Public Company Limited

Positions in other organizations / institutes / businesses (non-listed company): 1 company

- 2006-Present Director, Thai Food Industry (1964) Company Limited

Working experiences in the 5 preceding years

- 2006-2020 Director, T H N Cereals & More Company Limited
- 2012-2020 Director, Thai Horeca Supply Company Limited

Mr. Nuttawut Punnasatian**Director****Sales and Logistics Director****Member of the Executive Committee****Member of the Risk Management Committee****Member of the Nomination and Compensation Committee**

Age 47 years old

First Appointment Date 19 September 2016 (the date that TPLAS converted to public company limited)

(Re-elected on 8 April 2021)

Numbers of meeting attendance in 2021: 6/6 times

Company's securities holding as of 31 December 2021

- Held by self: 70,000 shares
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Conflict of interest

- Being a director who gets the monthly benefit from the Company.
- Not being any kind of service professional to the Company.
- Not having any relationship with any business linking to the Company which influent to the decision making independently.

Education

- Ph.D. in Business Administration, University of South Australia
- Master of Business Administration (MBA), Admissions Center Assumption University
- Bachelor of Business Administration (BBA), Admissions Center Assumption University

Training courses

- Director Accreditation Program (DAP) 130/2016 (IOD)

Current positions**Positions in listed company - The Stock Exchange of Thailand: 1 company**

- 2014-Present Director, Thai Plastic Industrial (1994) Public Company Limited

Positions in other organizations / institutes / businesses (non-listed company): None**Working experiences in the 5 preceding years**

- 2012-2020 Director, Thai Horeca Supply Company Limited

Mr. Verasak Prommas¹

Director / Independent Director

Chairman of the Audit Committee

Chairman of the Nomination and Compensation Committee

Age 67 years old

First Appointment Date 19 September 2016 (the date that TPLAS converted to public company limited)

(Re-elected on 17 June 2020)

Numbers of meeting attendance in 2021: 6/6 times

Company's securities holding as of 31 December 2021

- Held by self: None
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Conflict of interest

- Not being a director who gets the monthly benefit from the Company.
- Not being any kind of service professional to the Company.
- Not having any relationship with any business linking to the Company which influent to the decision making independently.

Education

- Master of Business Administration (M.B.A.), National Institute of Development Administration (NIDA)
- Bachelor of Economics, Thammasat University

Training courses

- Director Accreditation Program (DAP) 130/2016 (IOD)

Current positions

Positions in listed company - The Stock Exchange of Thailand: 1 company

- Present Director, Thai Plastic Industrial (1994) Public Company Limited

Positions in other organizations / institutes / businesses (non-listed company): 1 company

- Present Chairman of the Audit Committee, Yong Concrete Public Company Limited

Working experiences in the 5 preceding years

None

¹Mr. Veerasak Prommas has been appointed as the Chairman of the Nomination and Compensation Committee effective from 11 August 2021 onwards.

Mr. Pitipong Archamongkol¹**Director / Independent Director****Chairman of the Risk Management Committee****Member of the Audit Committee****Member of the Nomination and Compensation Committee**

Age 48 years old

First Appointment Date 25 February 2021

Numbers of meeting attendance in 2021: 5/5 times

Company's securities holding as of 31 December 2021

- Held by self: None
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Conflict of interest

- Not being a director who gets the monthly benefit from the Company.
- Not being any kind of service professional to the Company.
- Not having any relationship with any business linking to the Company which influent to the decision making independently.

Education

- Master of Laws (Business Laws), Chulalongkorn University
- Bachelor of Laws, Chulalongkorn University
- Certificate Program in International Trade Law, Thammasat University

Training courses

- Director Accreditation Program (DAP) 184/2021 (IOD)
- Company Secretary Program (CSP) 2011
- Board Reporting Program (BRP) 2011
- Anti-Corruption: The Practical Guide 2016

Current positions**Positions in listed company - The Stock Exchange of Thailand: 1 company**

- 2021-Present Director, Thai Plastic Industrial (1994) Public Company Limited

Positions in other organizations / institutes / businesses (non-listed company): 4 companies

- 2021-Present Chairman of The Condominium Corporate Committee, Ideo Mobi Sukhumvit Eastpoint
- 2510-Present Company Secretary, Alucon Public Company Limited
- 2004-Present Director, Diego 14 Company Limited
- 1999-Present Director, Diego Business & Consultant Company Limited

Working experiences in the 5 preceding years

None

¹Mr. Pitipong Achamongkol has been appointed as the Director/Independent Director, Member of the Audit Committee, Chairman of the Risk Management Committee, Member of the Nomination and Compensation Committee effective from 25 February 2021 onwards.

Mr. Paiboon Aroonprasobsuk¹

Director / Independent Director

Member of the Audit Committee

Age 48 years old

First Appointment Date 19 September 2016 (the date that TPLAS converted to public company limited)

(Re-elected on 17 June 2020)

Numbers of meeting attendance in 2021: 6/6 times

Company's securities holding as of 31 December 2021

- Held by self: None
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Conflict of interest

- Not being a director who gets the monthly benefit from the Company.
- Not being any kind of service professional to the Company.
- Not having any relationship with any business linking to the Company which influent to the decision making independently.

Education

- Master of Business Administration (MBA), University of the Thai Chamber of Commerce
- Bachelor of Business Administration (BBA), University of the Thai Chamber of Commerce

Training courses

- Director Accreditation Program (DAP) 130/2016 (IOD)

Current positions

Positions in listed company - The Stock Exchange of Thailand: 2 companies

- 2016-Present Director, Thai Plastic Industrial (1994) Public Company Limited
- 2020-Present Director, East Coast Furnitech Public Company Limited

Positions in other organizations / institutes / businesses (non-listed company): 6 companies

- 2021-Present Director, Aroon Global Company Limited
- 2020-Present Director, Yong Concrete Public Company Limited
- 2020-Present Director, Green Earth Power (Thailand) Company Limited
- 2019-Present Director, Vin Chateau Company Limited
- 2017-Present Director, Apm Asia Company Limited
- 2014-Present Director, Asset Pro Management Company Limited

Working experiences in the 5 preceding years

- 2016-2021 Director, Apm Sukhumvit Property Company Limited

¹Mr. Paiboon Aroonprasobsuk has been resigned from the position of Chairman of the Nomination and Compensation Committee effective from 11 August 2021.

Mr. Piyasak Bhumichitra¹**Director / Independent Director****Chairman of the Risk Management Committee****Member of the Audit Committee****Member of the Nomination and Compensation Committee**

Age 45 years old

First Appointment Date 19 September 2016 (the date that TPLAS converted to public company limited)

Resigned from 25 February 2021

Numbers of meeting attendance in 2021: 1/1 time

Company's securities holding as of 31 December 2021

- Held by self: None
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Conflict of interest

- Not being a director who gets the monthly benefit from the Company.
- Not being any kind of service professional to the Company.
- Not having any relationship with any business linking to the Company which influent to the decision making independently.

Education

- Master of Laws, University of Melbourne
- Bachelor of Laws, Chulalongkorn University

Training courses

- Director Accreditation Program (DAP) 131/2016 (IOD)

Current positions**Positions in listed company - The Stock Exchange of Thailand: 1 company**

- 2016-2021 Director, Thai Plastic Industrial (1994) Public Company Limited

Positions in other organizations / institutes / businesses (non-listed company): 5 companies

- 2019-Present Managing Director, BG Pathum United
- 2018-Present Director of the Legal Office, Bangkok Glass Public Company Limited
- 2015-Present Director, Mpks Consultings Company Limited
- 2013-Present Director, SC Films (Thailand) Company Limited
- 2013-Present Director, Shake & Bake Studio Company Limited

Working experiences in the 5 preceding years

None

¹Mr. Piyasak Bhumichitra has resigned from the positions of the Director/Independent Director, Member of the Audit Committee, Chairman of the Risk Management Committee, Member of the Nomination and Remuneration Committee effective from 25 February 2021 onwards.

Mr. Apirat Teerarujiinon

Assistant Managing Director of Operation Group

Age 28 years old

Company's securities holding as of 31 December 2021

- Held by self: 10,000 shares
- Held by spouse and minor child: None

Family relationship among Directors and Executives

- Mr. Teerachai Teerarujiinon (father)
- Mrs. Phoonsin Teerarujiinon (mother)

Education

- Master of Business Administration (M.B.A.), National Institute of Development Administration (NIDA)
- Bachelor of Arts Program in Economics (International Program) (EBA), Chulalongkorn University

Training courses

- Company Secretary Program (CSP)
- Company Reporting Program (CRP)
- Effective Minutes Taking (EMT)
- Board Reporting Program (BRP)

Working experiences in the 5 preceding years

- 2020-Present Assistant Managing Director of Operation Group, Thai Plastic Industrial (1994) Public Company Limited
- 2016-2020 Company Secretary, Thai Plastic Industrial (1994) Public Company Limited

Ms. Thitiporn Prateebattana

Member of the Executive Director

Office Operation Director

Age 50 years old

Company's securities holding as of 31 December 2021

- Held by self: 1,000 shares
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Education

- Bachelor of Science (Applied Mathematics), King Mongkut's Institute of Technology Ladkrabang

Training courses

None

Working experiences in the 5 preceding years

- 1997-Present Office Operation Director, Thai Plastic Industrial (1994) Public Company Limited

Ms. Oranuth Chaiprasat**Member of the Executive Director****Accounting and Finance Director / Chief Financial Officer**

Age 44 years old

Company's securities holding as of 31 December 2021

- Held by self: 100 shares
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Education

- Master of Business Administration (Management), Srinakharinwirot University
- Bachelor of Accounting, University of the Thai Chamber of Commerce

Training courses

- Orientation Course - CFO Focus on Financial Reporting 3/2017

Working experiences in the 5 preceding years

- 2016-Present Chief Financial Officer, Thai Plastic Industrial (1994) Public Company Limited

Mr. Decha Putkhuntod**Member of the Executive Director****Factory Operation Director**

Age 48 years old

Company's securities holding as of 31 December 2021

- Held by self: 11,000 Shares
- Held by Spouse and Minor Child: None

Family relationship among Directors and Executives

None

Education

- High Vocational Certificate, South-East Asia University

Training courses

None

Working experiences in the 5 preceding years

- 1999-Present Production Director, Thai Plastic Industrial (1994) Public Company Limited

Ms.Soontree Panaboot¹

Accounting Manager / Accountant

Age 36 years old

Company's securities holding as of 31 December 2021

- Held by self: None
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Education

- Master of Business Administration (Accounting), Ramkhamhaeng University
- Bachelor of Business Administration (Accounting), Khon Kaen University

Training courses

- Issued in Closing Entries, Preparing Financial Statement and filing Income taxes 1/2021
- TFRS 9, Financial instruments
- Financial reporting standards Overview 2/2019
- Actuarial Assumptions for Employees Benefits
- Thai Standard on Auditing Overview 2/2019
- TFRS 16, Lease

Working experiences in the 5 preceding years

- 2021-Present Accounting Manager, Thai Plastic Industrial (1994) Public Company Limited
- 2015-2021 Senior Auditor Assistant, SK Accountant Services Company Limited

Ms. Supanee Ngamroeng²

Accounting Manager / Accountant

Age 45 years old

Company's securities holding as of 31 December 2021

- Held by self: 3,300 shares
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Education

- Bachelor of Accounting, Suan Dusit University

Training courses

- Continuing profession development (CPD)

Working experiences in the 5 preceding years

- 2019-2021 Accounting Manager, Thai Plastic Industrial (1994) Public Company Limited

¹Ms.Soontree Panaboot has been appointed as the Accounting Manager / Accountant effective from 16 August 2021 onwards.

²Ms.Supanee Ngamroeng has resigned from the positions of the Accounting Manager / Accountant effective from 1 June 2021 onwards.

Ms. Arunthadee Thamrongsakulsiri¹**Company Secretary**

Age 31 years old

Company's securities holding as of 31 December 2021

- Held by self: None
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Education

- Bachelor of Accounting, University of the Thai Chamber of Commerce

Training courses

- Company Secretary Program (CSP) 124/2021
- Professional Development Program for Company Secretary 2021

Working experiences in the 5 preceding years

- 2021-Present Company Secretary, Thai Plastic Industrial (1994) Public Company Limited
- 2018-2021 Head of Internal Audit and ISO, VTEC Décor Company Limited

Scope of duties

- Prepare and maintain key documents, including the Board roster, meeting notices, minutes of Board meetings and shareholders' meetings, annual reports, and reports of vested interests
- Schedule Board meetings and shareholders' meetings under the law and company regulations. Coordinate conformance to the resolutions of Board and shareholders' meetings
- Advise and support the performance of directors and the management under the law and relevant regulations
- Coordinate between the Chairman and managing director together with his management team, which includes coordination between the Company and its shareholders
- Encourage the directors, management, and employees to conform to corporate governance
- Perform other lawful tasks and Board - assigned tasks.

Mr. Nuttaphat Phunphonhaveelarp²**Company Secretary**

Age 28 years old

Company's securities holding as of 31 December 2021

- Held by self: None
- Held by spouse and minor child: None

Family relationship among Directors and Executives

None

Education

- Bachelor of Economics, Chulalongkorn University

Training courses

- Company Secretary Program (CSP)
- Company Reporting Program (CRP)
- Effective Minute Taking (EMT)

Working experiences in the 5 preceding years

- 2021-Present Finance Manager, Thai Plastic Industrial (1994) Public Company Limited
- 2020-2021 Company Secretary / Finance Manager, Thai Plastic Industrial (1994) Public Company Limited
- 2019-2020 Assistant Company Secretary / Finance Supervisor, Thai Plastic Industrial (1994) Public Company Limited
- 2016-2019 Assistant Company Secretary / Sales Coordinator Officer, Thai Plastic Industrial (1994) Public Company Limited

¹Ms. Arunthadee Thamrongsakulsiri has been appointed as the company secretary effective from 17 December 2021 onwards.²Mr. Nuttaphat Phunphonhaveelarp has resigned from the positions of the company secretary effective from 17 December 2021 onwards.

Attachment 2

Details of Head of internal audit and Head of compliance

Details of Head of Internal Audit

1) Name - Surname : Ms. Valdee Sibunrueang

Education : Bachelor of Faculty of Commerce and Accountancy, Chulalongkorn University
 Training course : Director Accreditation Program (DAP)
 Audit Committee Program (DCP)
 Work Experience : 1994 - Present Senior Partner I VL Auditing Company Limited.
 Company's securities holding as of 31 December 2021 : None
 Family relationship among Directors and Executives : None

2) Name - Surname : Ms. Ungkana Thaijaratsatian

Education : Bachelor of Accounting, Bangkok University
 Master of Business Administration (Accounting), Ramkhamhaeng University
 Training course : None
 Work Experience : 2012 - Present Partner, I VL Audit Company Limited
 Company's securities holding as of 31 December 2021 : None
 Family relationship among Directors and Executives : None

Details of Head of Compliance

The Company assigning Mr. Apirat Teeraruji to be responsible for compliance with laws, rules, regulations, policies and requirements of the Stock Exchange of Thailand, the Securities and Exchange Commission of Thailand and Public Law.

1) Name - Surname : Mr. Apirat Teeraruji




Education : Master of Business Administration (M.B.A.), National Institute of Development Administration (NIDA)
 Bachelor of Arts Program in Economics (International Program) (EBA), Chulalongkorn University
 Training course : Company Secretary Program (CSP)
 Company Reporting Program (CRP)
 Effective Minutes Taking (EMT)
 Board Reporting Program (BRP)
 Work Experience : 2020 - Present Assistant Managing Director of Operation Group, Thai Plastic Industrial (1994)
 Public Company Limited
 2016 - 2020 Company Secretary, Thai Plastic Industrial (1994) Public Company Limited


Attachment 3

Review of Business Asset and Asset Revaluation

1) Commercial Assets as of December 31, 2021

Asset Items	Usage	Ownership	Book value(million)	Obligations
1. Land and land improvement				
1.1 Title deed no.99181 Bang MaeNang Sub-District, Bangyai District Nonthaburi, total area of 10-2-59.9 rai.	Factory, warehouse and Employee welfare housing Headquarters Factory	Ownership	19,292,765.00	Pledged with The Siam Commercial Bank Public Company Limited
1.2 Title deed no.99182 Bang MaeNang Sub-District, Bangyai District Nonthaburi, total area of 0-3-64.9 rai.		Ownership	18,342,750.00	
1.3 Land Improvements		Ownership	950,015.00	
2. Building and building improvement				
2.1 Building 1 floor no. 53/1 Moo 4 Kanjanapisek Rd., Bang MaeNang Sub-District, Bangyai District, area 5,183 square meters	Headquarters and factory	Ownership	120,651,621.34	Pledged with The Siam Commercial Bank Public Company Limited
2.2 Building 4 floor no. 53/2 Moo 4 Kanjanapisek Rd., Bang MaeNang Sub-District, Bangyai District, area 1,874 square meters	Employee welfare housing	Ownership	2,308,699.15	
2.3 Building 1 floor no. 53/3 Moo 4 Kanjanapisek Rd., Bang MaeNang Sub-District, Bangyai District, area 2,520 square meters	Factory and warehouse	Ownership	26,326,149.50	
2.4 Building 3 floor no. 53/2 Moo 4 Kanjanapisek Rd., Bang MaeNang Sub-District, Bangyai District, area 1,398 square meters	Employee welfare housing	Ownership	555,471.71	
2.5 Building 2 floor no. 53/1 Moo 4 Kanjanapisek Rd., Bang MaeNang Sub-District, Bangyai District, area 1,200 square meters	Headquarters	Ownership	9,270,424.87	
2.6 Building 4 floor no. 53/1 Moo 4 Kanjanapisek Rd., Bang MaeNang Sub-District, Bangyai District, area 3,928 square meters	Factory	Ownership	14,656,551.10	
2.7 Building Improvements	Headquarters and factory Improvements	Ownership	64,895,374.36	
3. Machine and equipment total 317 items	Used at office and factory	Ownership	2,638,950.65	Pledged with The Siam Commercial Bank Public Company Limited
4. Instruments total 361 items	Used at office and factory	Ownership	51,480,095.13	None Obligations
5. Office equipment total 475 items	Used at office and factory	Ownership	1,760,443.86	None Obligations
			1,567,079.83	None Obligations

Asset Items	Usage	Ownership / possessory right	Book value(million)	Obligations
6. Vehicle	Used at office and factory	Ownership / possessory right	1,657,576.04	None Obligations / finance with The Siam Commercial Bank Public Company Limited
2) Non-tangible assets for business operation as of December 31, 2021				
Asset Items	Objective of ownership		Ownership	Obligations
1. computer software total 453,688.49 THB				
1.1 Express	Used as a program for accounting management in the Company's operation	Ownership	Ownership	None Obligations
1.2 business plus HRM	Used as a program for compensation and personnel management	Ownership	Ownership	None Obligations
1.3 Microsoft Windows	Used as a basic operating system for business operation	Ownership	Ownership	None Obligations
1.4 Microsoft Office	Used as a program for office	Ownership	Ownership	None Obligations
1.5 Comodo Endpoint Security	Used as a system for management of system and security	Ownership	Ownership	None Obligations
1.6 SBC	Used as a program for selling management	Ownership	Ownership	None Obligations
2. computer software that are under installation Total 1,668,000.00 THB				
2.1 Similan	Used as a program for warehouse management	Ownership	Ownership	None Obligations
3) Trademark for Brand Logo				
Trademark	Ownership	Detail		
	Ownership	Trademark used for products designed of the company		
	Ownership	Trademark used for products designed of the company		
	Ownership	Trademark used for products designed of the company		

Trademark	Ownership	Detail
	Ownership	Trademark used for products designed of the company
	Ownership	Trademark used for products of the company
	Ownership	Trademark used for products of the company
	Ownership	Trademark used for products of the company
	Ownership	In the process of applying for trademark, used for products of the company
	Ownership	In the process of applying for trademark, used for products of the company

Attachment 4

Full version of Corporate Governance Policy, Guidelines, and Charter

Corporate Governance Policy of Thai Plastic Industrial (1994) Public Company Limited

The attachment appeared on the Company's website (www.tpic.co.th)
under section **"Sustainability"**

Charters of the Board of Directors and Sub-Committees

The attachment appeared on the Company's website (www.tpic.co.th)
under section **"Sustainability"**

Thai Plastic Industrial (1994) Public Company Limited

**53/1 Moo 4 Kanchanapisek Rd., Bang MaeNang,
Bangyai, Nonthaburi, 11140**

