



Sustainable Business Growth

Srinanaporn Marketing Public Company Limited





Srinanaporn Marketing Public Company Limited



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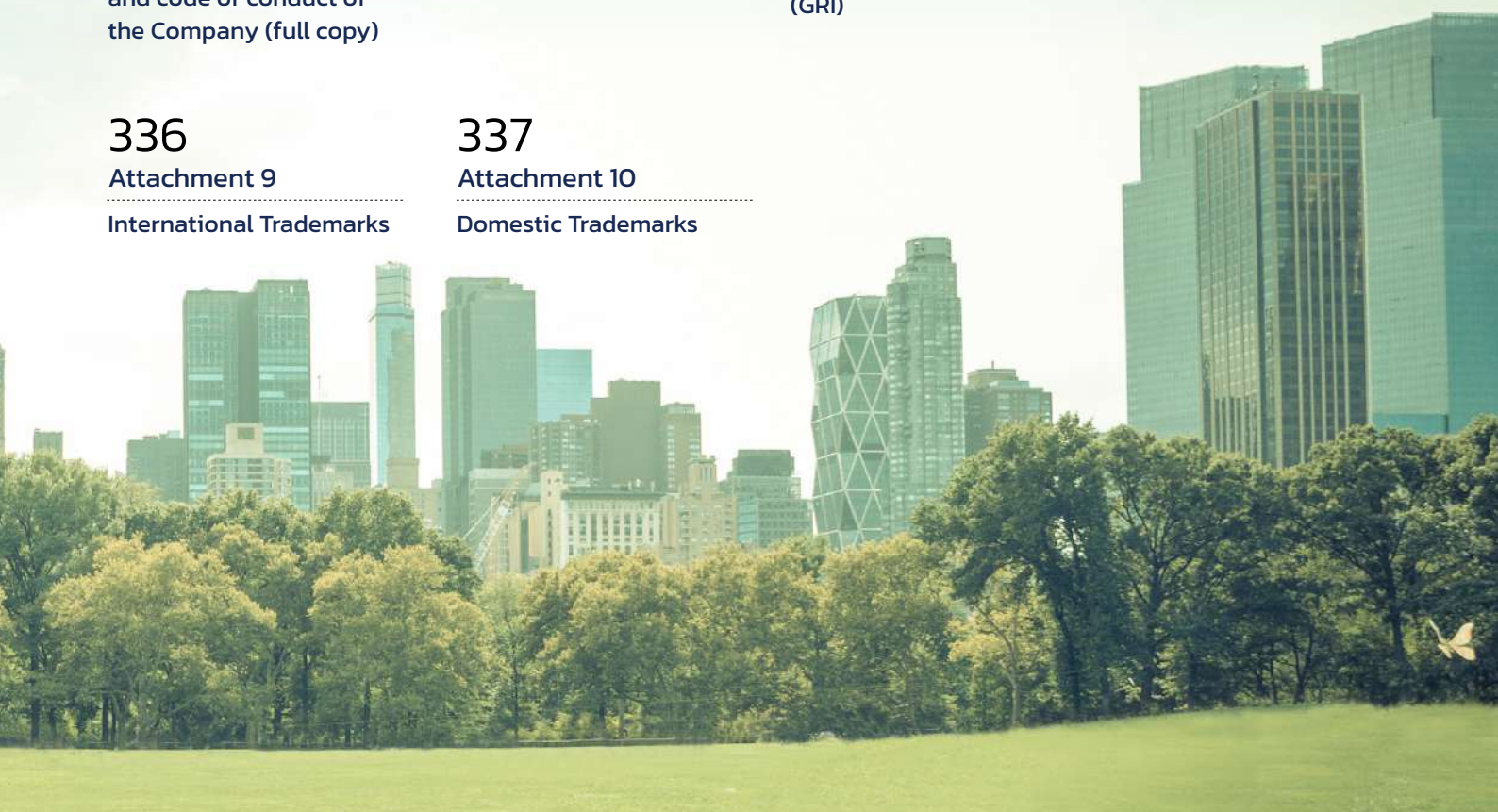
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International Trademarks

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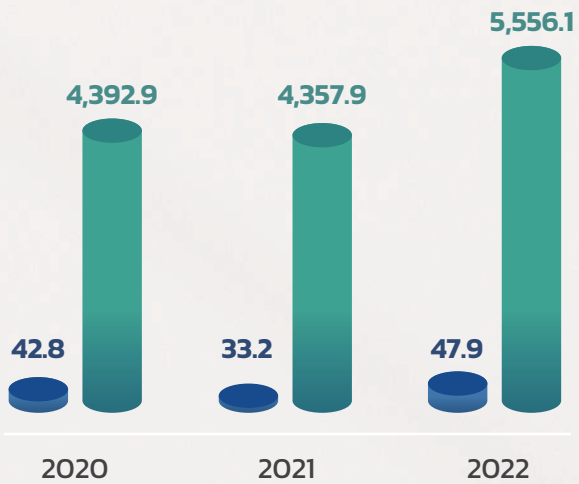
Attachment 10

Domestic Trademarks



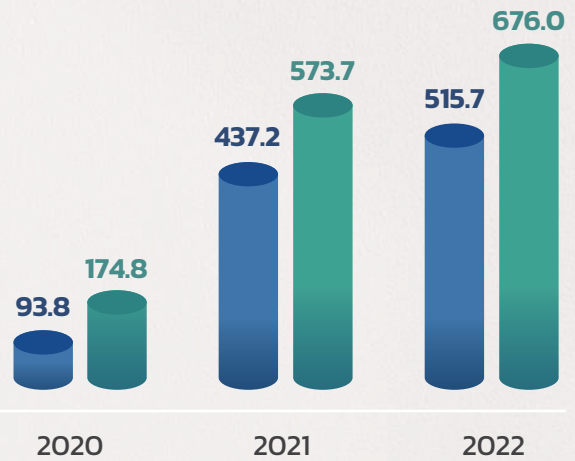
Financial Highlights

Total Revenues



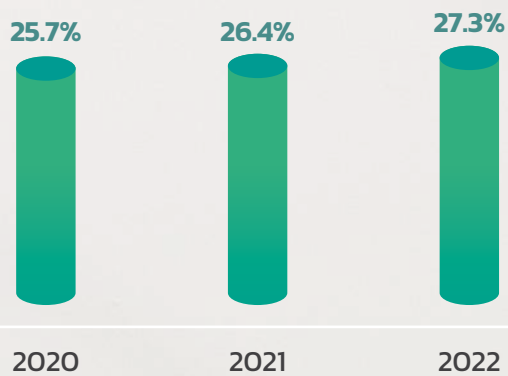
- Other Income
- Revenue from sales

Net profit : Owners of the parent

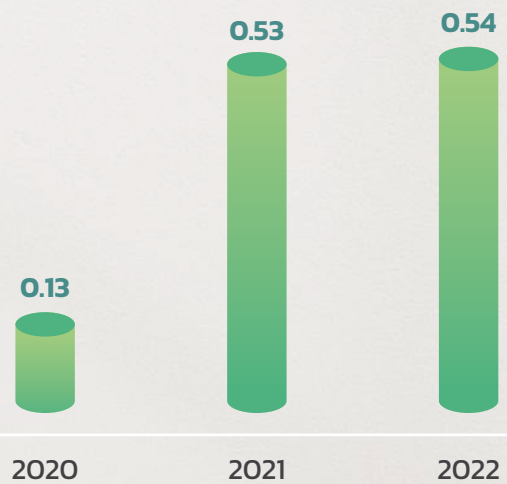


- Net profit : Owners of the parent
- EBIT

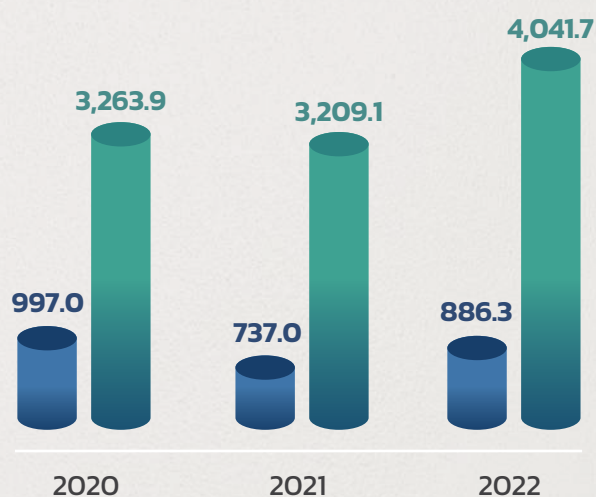
Gross profit margin



Earnings per share

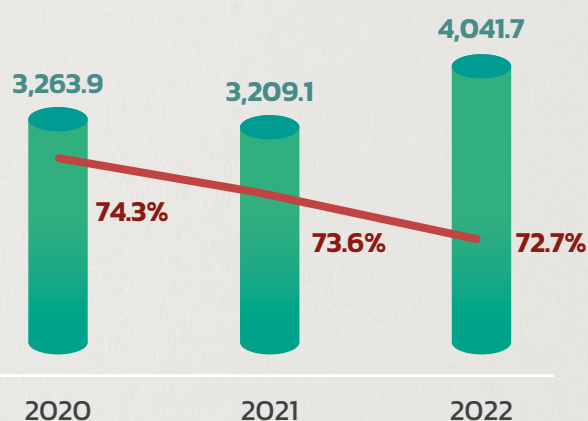


Cost of sales & Selling and administrative expenses

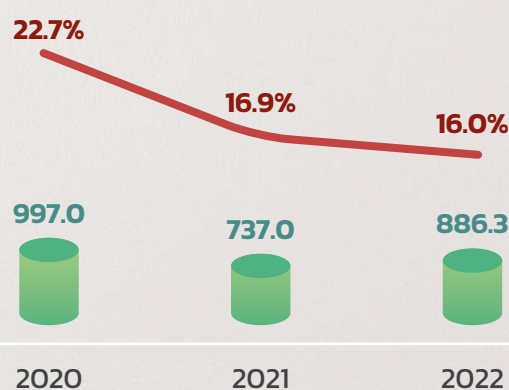


- Selling and administrative expenses
- Cost of sales

Cost of sales



Selling and administrative expenses



Financial ratios

	Unit	2020	2021	2022	Change
Average Collection Period	Day	86	90	89	(1)
Finished Goods Holding Period	Day	21	16	13	(3)
Direct Material Holding Period	Day	15	17	19	2
Average Payment Period	Day	108	105	96	(9)
Current Ratio	Time	0.60	1.84	1.72	(0.12)
IBD to EBITDA	Time	6.47	0.04	0.36	0.32

Achievement Awards



The Company was honored with the “Inspirational Brand Award” by the Asia Pacific Enterprise Awards (APEA) 2022. This award is an Asian regional award honoring entrepreneurs and business leaders across the Asia Pacific region for their excellence throughout 2022. It is awarded to leading organizations or brands with transformational ideas, visions, strategies, and management guidelines, allowing said organizations to grow in a sustainable manner and with good corporate governance and responsibility for both the environment and society as a whole. The award honors role model brands that inspire sustainable development and management according to international principles, setting them upon the global stage.

The Company was selected by the National Innovation Agency (NIA) (Public Organization) in the “Transforming Technology into Capital” project by the Subcommittee for Consideration and Screening of Economic Innovation Projects Necessary for the Development of the Country, and was considered for funding granted to the “Surimi-like: Mung Bean Protein to Replace Surimi” research and development project.



The Company was a recipient of the “Outstanding Deal Awards” in fundraising with an offering value not exceeding 3,000 million baht per the announcement of the SET Awards 2022, reflecting the strength and sustainability of the Company.

The Company achieved a good corporate governance assessment with a score of “4 stars” or “very good” in the Corporate Governance Report of Thai Listed Companies 2022 conducted by the Thai Institute of Directors (IOD).



Omnoi Branch

Srinaporn Marketing Public Company Limited, Omnoi Branch, received “Green Industry Level 3: Green System” certification from the Ministry of Industry. This award is presented to companies where the environmental management system has been systematically performed, monitored, evaluated, and reviewed for continuous improvement. The Omnoi branch received the honorary “CSR-DIW Continuous Award 2022” for Corporate Social Responsibility from the Department of Industrial Works, Ministry of Industry, for the 3rd consecutive year (from 2020-2023).



Setthakij Road Branch

Srinaporn Marketing Public Company Limited, Setthakij Road Branch, received the honorary “CSR-DIW Continuous Award 2022” for Corporate Social Responsibility from the Department of Industrial Works, Ministry of Industry, for the 3rd consecutive year (from 2020-2023). And the Setthakij Road Branch, received “Green Industry Level 3: Green System” certification from the Ministry of Industry for its environmental management system, which has been systematically performed, monitored, evaluated, and reviewed for continuous improvement.

Message from Chairman of the Board of Directors, Chairman of the Executive Committee and Chief Executive Officer



Mr. Niwat Kanjanaphoomin
Chairman
Board of Directors



Mr. Viwat Kraipisitkul
Chairman
Executive Committee



Mr. Thakorn Chaisathaporn
Chief Executive Officer

Srinanaporn Marketing Public Company Limited (SNNP) and its affiliates, known collectively as the Company, is a leader in beverages and snacks production and distribution. The Company has expanded its business to other countries particularly to the countries in Southeast Asia such as Vietnam and Cambodia. Our products have been exported worldwide.

The Company has a strong determination to develop its production and sale of beverages and snacks to satisfy the demand of domestic and overseas consumers as well as our trading partners. The Company operates business with corporate governance by maintaining quality of the product according to standards and being responsible for community and conducting sustainable business development for the benefit of all stakeholders in the business value chain. Moreover, the Company gives high importance to anti-corruption by conducting business operations based on honesty and promoting employees to perform their duty with transparency and corruption-free. In this connection, the Company has announced its policy on anti-bribery and corruption to be applied by all employees. The Company has set the goal to declare its intent to join the network of Private Sector Collective Action Against Corruption (CAC) in 2023 in order to emphasize the Company's commitment to stand against all forms of corruption and to materialize its anti-corruption policy.

The fast-changing situation and the continuous volatility resulted from different factors in 2022 particularly the spread of COVID -19 which lasted over 3 years has a wide impact. Among such impact are the economic slowdown and lower purchasing power, business interruption from the lockdown measures and the changing way of life of the people as never before to the New Normal. It was the situation which posed a great challenge for the Company. Like other company in the same industry, the Company has also been affected. However, with the proactive approach and customer-oriented operation as well as the resilience and close cooperation of the allies in various businesses, the year 2022 has become a remarkable step of growth and increased competitiveness for the Company. Our new products have been well received by consumers. From Nielsen ratings as of the end of 2022, we have the top market share for "Bento" 74% and "Jele'" 77% with an increase of 20% and 29% respectively. Furthermore, the noticeable growth is the continued income growth from the sale and the profit rate of each quarter of 2022. In 2022, the Company has a total income of 5,556 million baht and the net profit of 512 million baht. The Company has cash flow management and capital structure to have sufficient liquidity to conduct the business and to maintain financial stability continuously.

Another satisfying step for the Company is an opening of the factory to produce the products under the brands "Lotus", "Bento" and "Jele'" in Vietnam in the November 2023. The new factory will provide us with more production capacity to meet the increasing demand of the consumers in Vietnam and nearby countries which will result in the strong growth and enhanced competitiveness at the regional and international level and more achievements in the future.

The Company's continued growth would not have been possible without the excellent cooperation and the good feedback from all stakeholders. On this occasion, on behalf of the Board of Directors, the Executive Committee and the Management of Srinanaporn Marketing Public Company Limited (SNNP) and its affiliates, we would like to thank all shareholders, trading allies, trading partners, customers, financial institutions, employees and all stakeholders for your good support and confidence which have contributed to our stable growth as leader of the snack market of this region.

"As food and beverage producer, we are ready to take part in creating food security, social development and environmental conservation".

Board of Directors

1. Mr. Niwat Kanjanaphoomin

- Chairman, Board of Directors
- Independent Director

2. Mr. Jirasuk Sugandhajati

- Independent Director
- Member of Audit Committee
- Chairman of Risk Management Committee

3. Mr. Vira Jungjaroensuk

- Independent Director
- Member, Audit Committee
- Chairman, Nomination and Remuneration Committee

7. Mrs. Thanyanee Kraipisitkul

- Director
- Member, Executive Committee
- Member, Nomination and Remuneration Committee
- Managing Director

8. Mr. Wichian Chaisathaporn

- Director
- Member, Executive Committee
- Member, Risk Management Committee
- Deputy Managing Director, Production

9. Mrs. Kittiya Chaisathaporn

- Director
- Member, Executive Committee
- Member, Corporate Governance & Sustainable Development Committee



4. Mr. Yongyoot Luangrattanamart

- Independent Director
- Chairman, Audit Committee
- Chairman, Corporate Governance & Sustainable Development

5. Mr. Viwat Kraipisitkul

- Director
- Chairman Executive Committee
- Chief Executive Officer
(Resigned from the position of Chief Executive Officer, effective January 27, 2023)

6. Mr. Thakorn Chaisathaporn

- Director
- Member, Executive Committee
- Member, Nomination & Remuneration Committee
- Member, Corporate Governance & Sustainable Development Committee
- Deputy Managing Director, Business 2
- Chief Executive Officer
Appointed as Chief Executive Officer effective January 27, 2023



Executives

1. Mr. Viwat Kraipisitkul

- Director
- Chairman Executive Committee
- Chief Executive Officer
(Resigned from the position of Chief Executive Officer, effective January 27, 2023)

7. Mr. Wiroj Wachiradechkul

- Member, Executive Committee
- Member, Risk Management Committee
- Senior Executive Vice President-Domestic Business
- Member, Corporate Governance & Sustainable Development Committee

2. Mrs. Thanyanee Kraipisitkul

- Director
- Member, Executive Committee
- Member, Nomination and Remuneration Committee
- Managing Director

8. Mrs. Kittiya Chaisathaporn

- Director
- Member, Executive Committee
- Member, Corporate Governance & Sustainable Development Committee

3. Mr. Thakorn Chaisathaporn

- Director
- Member, Executive Committee
- Member, Nomination & Remuneration Committee
- Member, Corporate Governance & Sustainable Development Committee
- Deputy Managing Director, Business 2
- Chief Executive Officer
Appointed as Chief Executive Officer effective January 27, 2023



4. Mr. Wichian Chaisathaporn

- Director
- Member, Executive Committee
- Member, Risk Management Committee
- Deputy Managing Director, Production

5. Mr. Chayut Leehacharoenkul

- Member, Executive Committee

6. Mr. Monchai Pongstabadee

- Member, Executive Committee
- Member, Risk Management Committee
- Member, Corporate Governance & Sustainable Development Committee



Chief Financial Officer



Mr. Supachoke Bumrungpun

Chief Financial Officer
Srinanaporn Marketing Public Company Limited

Since January 27, 2023



1

Part 1

Business Operations

1. Structures and Operations
2. Risk management
3. Driving business for sustainability
4. Management Discussion and Analysis
5. General information and other important information

1. Structures and Operations



1.1 Policy and Overview of the Business

Srinanaporn Marketing Public Co., Ltd. (the Company) was founded for over 30 years by Chaisathaporn Family and Kraipisitkul family. A biscuit store called “Sri Viwat”, the starting point of the beverage and snacks production and distribution of the Company, was founded in 1972. In 1991, the business was expanded to become limited companies called Kim Heng Food Products Co., Ltd. (KHF), Siam Daily Foods Co., Ltd. (SDF) and Srinanaporn Marketing Co., Ltd. with the objective of beverage and snacks production and distribution. The Company aims to achieve excellence as leader in beverage and snacks production and distribution which are good in quality of the products and service as well as the impressive brand for all consumers.

With its long experience of over 30 years, the Company has gained knowledge and understanding of consumers’ preference resulted in the popularity of its products among local and foreign consumers. The Company has become a leader in production and distribution of beverage and snacks of the unique and well-known trademarks. Throughout the duration of 30 years, the Company has invented and developed a variety of products to satisfy the consumers’ demand of every snacking moment and to cope with the continuously changing behavior of consumers. Moreover, the Company gives importance to the research and development believing that the efficient research and development team will enable the Company to present new quality products and to become the trend setter continuously to meet satisfactorily the changing behavior of consumers.

The Company distributes products in Thailand and abroad through different and inclusive channels as follows:

- 1) Modern trade distribution through leading stores such as Seven -Eleven, Family Mart, Lotus's, Big C, Tops, Makro and special store like King Power which accounts for 59% of the total income from domestic sales as of 31 December 2022
- 2) Traditional trade distribution which accounts for 41% of the total income from domestic sales as of 31 December 2022

The Company has an efficient product distribution system evidenced from the proportion of the products of the highly popular brands. In 2020, for example, the products under the trademarks "Jele' Beautie" "Bento" and "Lotus" were distributed to the stores all over the country at the rate of 83.0%, 90.0% and 87.0% respectively. These percentages were calculated based on the sales of stores selling products of the same group in the country which are ready-to-drink jelly, jelly carrageenan, pudding and custard for the trademark "Jele' Beautie" and snacks and biscuit for the trademarks "Bento" and "Lotus" according to the Weighted Distribution Coverage of Nielsen.

With its long experience in product development and having the leading products in the market, the ready-to-drink jelly and jelly carrageenan of the trademark "Jele'" has become the most popular beverage of the type of ready-to-drink jelly and jelly carrageenan. From the market share in the past 3 years, "Jele'" has the top market share in the product group of ready-to-drink jelly and jelly carrageenan which accounts for 73.9% in 2020, 72.0% in 2021 and 77.4% in 2022.

"Bento" the snacks comprising baked squid, squid strips and fish strips also has the top market share in the product group of seafood with fish and squid ingredient. The market share for "Bento" are 70.6% in 2020, 72.6% in 2021 and 73.9% in 2022. "Bento" has been very popular among the local and foreign consumers.

Apart from beverage and snack production and distribution business, the Company realized the potential growth of consumer products distribution by traditional trade and has invested in Siri Pro Co., Ltd. (Siri Pro). The revenue of Siri Pro is from distribution of the products of the Company as well as from other companies outside its affiliates. The Investment in Siri Pro has increased the capacity of the Company in products distribution by traditional trade, reduced the dependency of outside distributors and provided the Company with a new business. Moreover, Siri Pro supports the present core business in production and distribution and the business in the future in reaching wider consumer.

¹ Information disclosure as subsidiaries concerning the Notification of the Securities and Exchange Commission at Kor Jor 17/2551 (B.E.) on Definition of Issuance of Offering and Securities Offering according to clause 1(11) supplementary 1(13/1)

1.1.1 Vision, mission and business goal

Vision

To achieve excellence in order to become a leading manufacturer and distributor of snack and beverage products which are excellent in quality and in service with impressive trademark



Mission

- Give importance to the product quality and consumers' safety
- Focus on cooperation and teamwork with efficiency to achieve the common goal of the organization
- Focus on growth of business profits which will pay back as a good quality of life of employees, benefit for society and shareholders



Business goal

The Company intends to become a leading company in beverage and snacks production and distribution and to be recognized as a trustworthy leading company in this area in ASEAN. The Company intends to develop its corporate culture for the happiness of employees and for the enhanced competitiveness of the industry.

As the goal of the Company, the total revenue in 2026 is estimated to be approximately 8,000 million baht. The growth will be from the main products which are "Jele'" and "Bento". For the domestic revenue, it is estimated that the proportion will remain the same as in the present time. In 2026, the proportion of revenue from "Jele'" and "Bento" will be 75% to 80 % of the total domestic revenue from beverage and 60% to 65 % of the total domestic revenue from snacks. It is estimated that in 2026 the revenue from overseas sales will be approximately one third of the total revenue. For the sales in the CLMV countries in 2026, it is estimated that the revenue will be 70 to 75 % of the total overseas revenue . However, the achievements depend on the strategy of business operations of the Company.

1.1.2 Significant changes and development

Changes

The beverage and snacks production and distribution business of the Company consists of the following groups: (1) Ready-to-drink jelly and jelly carrageenan (2) Baked squid, squid strip and fish strip (3) Moulded snack and bread stick (4) Wafer and baked bread (5) Beverage

The beverage and snacks production and distribution business of Kraipisitkul family started from the founding of a biscuit store called “Sri Viwat” in 1972. In 1991, the business was expanded to become limited companies called Kim Heng Food Products Co., Ltd. (KHF), Siam Daily Foods Co., Ltd. (SDF) and Srinanaporn Marketing Co., Ltd. with the objective of production and distribution of beverage and snacks which is a starting point of the business in beverages and snacks production and distribution.

As the business has grown progressively, Sri Siam Food Product Co., Ltd. (SSF), V.S Food Marketing Co., Ltd. (VSF), Siam Ratchaburi Industry Co., Ltd. (SRI) and SNNP Intertrade Co., Ltd. (SNNPInter) were founded in 1993-1994. Grow Global (Thailand) Co., Ltd. was founded in 2015 to support the growth of the Company, production capacity expansion and product distribution.

In 2016, realizing the growth potential of snacks and beverages market in CLMV countries coupled with the fact that the trademark of the Company has become popular and well known in CLMV for a long time, the Company has co-invested with the local investor which has potential and expertise to strengthen marketing and to expand production base.

Moreover, in 2016, the Company was reorganized to become ready to register in the Stock Exchange of Thailand (Stock Exchange) by buying and renting all assets from all companies in the groups as well as to accept the transfer of employees and all trademarks. After that, the Company started to change and improve the working system in order to increase efficiency and competitiveness. Significant changes and improvement are as follows:

1. Development of infrastructure concerning

information system The Enterprise Resource Planning (ERP) system has been introduced in 2017 and the information system for the sales department has been improved to increase efficiency in the use of information in business operations and resource management. The Company is in the process of introducing smart visual workflow system to increase efficiency in working system.

2. **Improvement of production process** Modern machinery has been installed to increase the production quality and to reduce cost according to ISO 22000
3. **Improvement of product units (SKU rationalization)** The products with declining sales or low profit rate will be withdrawn
4. **Improvement of distribution channels** In the past, the distribution was made through traditional trade and distributor which resulted in some complication. Therefore, in 2019, investment was made with Siri Pro together with co-investor who is skillful and has experience in products distribution through traditional trade.
5. **Improvement of image, development and creation of uniqueness to the trademarks** By resources mobilization, focusing on core brand and using marketing strategy and consistent advertisement media to create brand awareness including developing of new products in time of the changing consumer behavior. Example of the improvement in this area is the rebranding of “Jele’ Beautie”
6. **Increase of skillful personnel** To attract knowledgeable and talented persons to work with the Company
7. **Investment in Cambodia** At present, the products of the Company are already well-known in Cambodia. Realizing that the production in CLMV countries has high potential to grow, therefore, the Company decided to invest in creating the production base in Cambodia in order to save cost in transportation, to increase efficiency in the production to be suitable for consumers and to have easier access to the distribution channels.

The above-mentioned reorganization and the improvement of the working system was carried out in order that the Company would become ready for registration in Stock Exchange of Thailand and for the future growth.

Significant Development of the Company

1991

Significant Development

Founding of 3 companies in beverages and snacks production and distribution, namely,

- Srinanaporn Marketing Co., Ltd. (initial authorized capital of 1.0 million baht)
- Kim Heng Food Products Co., Ltd. (KHF) (initial authorized capital of 10.0 million baht)
- Siam Daily Foods Co., Ltd. (SDF) (initial authorized capital of 9.9 million baht)

1993–1994

Significant Development

Founding of 2 production companies:

- Sri Siam Food Products Co., Ltd. (SSF) (initial authorized capital of 20.0 million baht)
- Siam Ratchaburi Industry Co., Ltd. (SRI) (initial authorized capital of 10.0 million baht)

Founding of 2 distribution companies:

- V.S. Food Marketing Co., Ltd. (VSF) (initial authorized capital of 1.0 million baht)
- SNNP Intertrade Co., Ltd. (SNNP Inter) (initial authorized capital of 2.0 million baht)

January 2015

Significant Development

Founding of Grow Global (Thailand) Co., Ltd. for distribution of the products of the Company (initial authorized capital of 1.0 million baht)

April 2016

Significant Development

- Starting business in Cambodia (April 2015–November 2018)
- Founding of STW Development Co., Ltd. (STW) which is a co-investment between the Company and the other investor. The initial authorized capital is 1.1 million US dollar. The objective is real estate holding in Cambodia.
- In 2016, SCFP made a 50-year land lease agreement with STW for construction of biscuit factory in Cambodia.
- In December 2016, SCFP was founded as a joint venture between the Company and a Cambodian investor. The initial authorized capital is 6 million US dollar.
- In November 2017, the two shareholders of STW signed a memorandum of agreement attached to the investment contract to change the conditions and the agreement of joint venture. The land lease agreement between SCFP and STW was also changed. In the objective of the land lease agreement, STW allowed only SCFP to use the land and for its business purpose.

April 2016 Significant Development

- As of 30 June 2019, the business in Cambodia has been in operation.

February 2019 Significant Development

- In the extraordinary general meeting of shareholders of the Company, the meeting agreed to the capital increase from 235.0 million baht to be 360.0 million baht by offering of common stock of 1.25 million shares of the value of 100.0 baht for 125 million baht of which the Company has registered the offering with the Ministry of Commerce.
- Register the capital increase of SCFP from 6.0 million US dollar to be 9.0 million US dollar for snacks and beverage distribution. The Company holds share in the proportion of 60.0% of the registered and paid-up capital.

January 2019 Significant Development

SNNP International Co., Ltd. (SNNPI), the Company's subsidiary, bought right offering of 35 million baht (70% of the registered and paid-up capital) from Siri Pro Co., Ltd. (Siri Pro) which is registered in Thailand for consumer products distribution.

March 2019 Significant Development

The Company co-invested in Vietnam in the establishment of S.T Food Marketing Co., Ltd. for beverage and snacks distribution in Vietnam. The initial registered capital was 6 million US dollar. The investment was made through its subsidiary, SNNP International Co., Ltd. and accounted for 60.0% of the registered capital.

April 2019 Significant Development

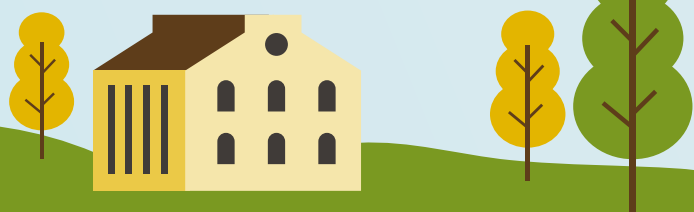
According to the resolution of the Board of Directors, SNNPI will increase capital in Siri Pro from 50.0 million baht to be 100.0 million baht and give some right offering to Absolute Palm Co., Ltd. Therefore, the shareholding proportion of the Company through SNNPI is 60% of the registered capital.

November 2019 Significant Development

The meeting of the Board of Directors gave approval to the capital increase of SNNP International Co., Ltd. of 480.0 million baht by common stock of 4.8 million shares at the par value of 100.0 baht.

December 2019 Significant Development

SNNP International Co., Ltd., the Company's subsidiary, made payment of 2.7 million US dollar to S.T. Food Marketing Co., Ltd. which completed the shareholding proportion of the Company in S.T. Food Marketing Co., Ltd.



May – November 2016 Significant Development

Restructuring of the Company. The beverage and snacks production and distribution business will be conducted by the Company only instead of by 8 companies. The Company bought and rented for a long term all business assets and accepted employees transferred from the other 6 companies which were previously involved in beverages and snacks production.

January 2017 Significant Development

Founding of SNNP International Co., Ltd. (SNNPI) with the initial authorized capital of 1.0 million baht to provide administrative and technical support to related business.

On 11 September 2016, the initial authorized capital was increased to be 19.0 million baht making the registered and paid-up capital of SNNPI 20.0 million baht.

November 2017 Significant Development

Founding of Srinanaporn Distribution Co., Ltd. (SDIS) with the authorized capital of 1.0 million baht for distribution of snacks and beverage (mobile distribution).

October 2017 Significant Development

The Company bought common stock of Harirama Ventures Inc. (Harirama) which is a limited company registered in the Philippines for snacks and beverage distribution. The Company holds share in the proportion of 80.0% of the registered and paid-up capital. As of 30 September 2020, Harirama is not in operation.

May 2019 Significant Development

The Company registered to become a public company and changed its name to be Srinanaporn Marketing Public Co., Ltd. The par value of the stock was changed from 100.0 baht to 0.5 baht. The registered capital was increased 180 million share at the par value of 0.5 baht or 90.0 million baht.

July 2019 Significant Development

- SNNP International Co., Ltd., the Company's subsidiary, made payment of 0.9 million US dollar to S.T. Food Marketing Co., Ltd. which is equivalent to 27.7 million baht or 25 % of the investment of the Company.
- S.T. Food Marketing Co., Ltd. made land lease agreement in Vietnam to be used as factory location.

September 2019 Significant Development

Signing of memorandum between Thai Faster products Co., Ltd. (TFP) and Thai Faster products and MK Co., Ltd. (TFMK) concerning the buying of common stock of TFMK.

August 2019 Significant Development

The meeting of the Board of Directors gave approval to SNNP International Co., Ltd. to buy acquisition in the proportion of 10% from Absolute Palm Co., Ltd. Therefore, the shareholding proportion of the Company is 70% of the registered capital of Siri Pro.

June 2020 Significant Development

SNNP International Co., Ltd., the Company's subsidiary, bought all shares of S.C. Food Trading Co., Ltd. which is the company registered in Cambodia From SCFP, the original owner and the Company's subsidiary which accounts for 1,000 shares at the par value of 102.5 US dollar per share totaling 102,500 US dollar which is equivalent to 3.2 million baht. Thus, the shareholding proportion of the Company has increased from 60% to be 100% of the total registered capital.

December 2020 Significant Development

The meeting of the Board of Directors agreed to cancel the buying and transaction relating to common stock buying of TFMK from TFP to avoid conflict of interest which may arise in the future. Mr. Thakorn Chaisathaporn and Mr. Wichian Chaisathaporn, in the capacity of major shareholder and directors of TFP signed the letter of intent not to perform competing business operations. (See 2.2.8 Other Important Information for further details) Moreover, the meeting of the Board of Directors agreed to raise capital in Siri Pro Co., Ltd. and gave guidelines for the negotiation of specification and condition of the contract relating to increase additional capital in Siri Pro Co., Ltd.

In March 2021, Siri Pro Co., Ltd., the Company's subsidiary, increased registered capital from 150.0 million baht to 225.1 million baht by the investment of Boonrawd Trading Co., Ltd. Thus, the shareholding proportion of the Company in Siri Pro Co., Ltd. through SNNP International Co., Ltd. is 50.01%.*

February 2021 Significant Development

The 1st/2021 meeting of the Board of Directors on 24 February 2021 gave approval to SNNP International Co., Ltd. to buy acquisition in the proportion of 40% from the original co-investor (Thai Nakorn Patana Vietnam Co., Ltd.). The buying of acquisition would be completed in the 2nd quarter of 2021. The Company was in the process of conducting feasibility study on factory construction for beverage and snacks under its trademarks for promotion of this product group in Vietnam and neighboring countries.

March 2021 Significant Development

- The meeting of the Board of Directors approved the founding of Jin Xinglong (Shenzhen) Import and Export Co., Ltd. which the Company holds share of 100%. Moreover, the meeting approved the investment of 1 million Yuan or approximately 5 million baht for the founding of company for distribution of the Company's products. The company founding was completed in May 2021.
- Siri Pro Co., Ltd. increased registered capital from 150.0 million baht to 225.1 million baht by the investment of Boonrawd Trading Co., Ltd. Thus, the shareholding proportion of the Company in Siri Pro Co., Ltd. through SNNP International Co., Ltd. was 50.01%. The capital increase resulted in the loss of control power from the reduction of shareholding proportion without using the right offering. Thus, the type of investment was changed to be investment in joint venture.

November 2022 Significant Development

The Company opened a manufacturing plant in Vietnam on November 4, 2021, in order to produce breadstick products under the "Lotus" brand. This move will increase sales in that country while reducing the costs involved with exporting products for sale in Vietnam

* Information disclosure as subsidiaries concerning the Notification of the Securities and Exchange Commission at Kor Jor 17/2551 (B.E.) on Definition of Issuance of Offering and Securities Offering according to clause 1(11) supplementary 1(13/1)

Significant Development of the Products

1987-1996 Significant Products

The Company developed jelly carrageenan under the trademarks “Heroboys” and “Daiyamoto” and started distribution in 1989. In 1994, ready-to-drink jelly was developed under the trademark “Jele’” and distributed as a novelty in the beverage market. As there was no ready-to-drink jelly in the market, the Company was the pioneer in the production of this kind of product.

2009 Significant Products

The Company started the distribution of other beverage under the trademark “Magic Farm”

2010 Significant Products

The Company started distribution of ready-to-drink jelly “Jele’ Beautie” as packaged drink as innovation in the ready-to-drink jelly market. In the same year, wafer under the trademark “Chocky” was put in the market.

2016 Significant Products

Based on the unique trademark and strong brand name, a new product “Jele’ Double Jelly” was distributed in response to the demand of young consumers

1997-2007 Significant Products

The Company developed seasoned baked squid under the trademark “Bento” and started distribution in 1998 as a novelty for the snack market as it was different from the product of the same group in the market at that time.

Moulded snack and bread stick were developed under the trademarks “Dok Bua” and “Lotus” and distributed in 2002. Drumstick biscuit was developed in 2007 for distribution as packet biscuit which is easy to carry and keeps its freshness to satisfy the demand of the new lifestyle of consumers

2017 Significant Products

New flavored baked squid and Bento Big sheet were introduced in the market as well as wafer and biscuit under the trademark “Bakery House”

2018 Significant Products

“Bento Crunchy” was introduced in the market. Based on the unique trademark and strong brand name, a new product “Jele’ Beautie Low Sugar” was distributed in response to the demand of healthcare consumers

2019 Significant Products

Based on the unique trademark and strong brand name, 2 new products, salted-egg flavor drumstick biscuit covered by chicken skin under the trademark “Lotus” and 240 g “Jele’” which is of larger size were introduced in the market.



2020 Significant Products

Vitamin -added mineral water and ready-to-drink jelly under the trademark “Jele’aquavit”, were the new beverage products placed in the market to respond to the changing behavior of the customers who pay more attention to health.

**2021 Significant Products**

Crispy fish strip under the trademark “Bento” and seasoned squid flavor drumstick biscuit were developed to add more variety to the product group and was placed in the market.

**February 2022 Significant Products**

The Company has Collaboration Marketing, which is a marketing strategy that is trending in this era. It is a combination of the power of 3 allies in the market, “Jele’”, the number 1 leader in the jelly market, “Nestle”, the world’s largest food and beverage producer, and “7-Eleven”, a Thai convenience store. with the launch of a new product, “Jele’ x NESTEA”, a new style of ready-to-drink jelly that comes from the cooperation of Jele’ and Nestea, who developed the formula together to obtain quality products under the standpoint of both brands.

**March 2022 Significant Products**

- The development company adds variety with Lotus crispy chicken skin, 4 original flavors / Chicken dipping sauce / Tom Yum / Spicy
- Bento has released a new flavor of roasted chili, grilled squid. Penetrate the market among teenagers and expand consumption among target groups. After the research results, it was found that “Roasted Squid Chili Sauce Flavor” is a taste that hits the hearts of teenagers and target groups.



May 2022

Significant Products

The Company has marketed new products under the brand “Jele’ Light Freshy Jelly” at a price of 10 baht per pack that maintains deliciousness. Enjoy chewing with beads, which come with 3 benefits: lycopene, beta-carotene and calcium, targeting the Gen Z age group. Let every age of him always have Jele’s products with him.



July 2022

Significant Products

The Company has adjusted the image of ready-to-drink jelly products under the brand. “Jele’ Beauty” with a new design image emphasizing modernity. This is a major change in the past 5 years to create a preference that is more in line with modern consumers by adhering to the consumer as the center (consumer centric), which the new design It has developed from the preferences of the target audience through research.

August 2022

Significant Products

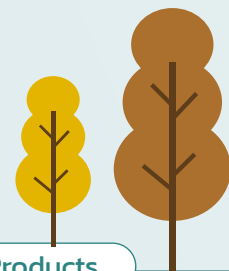
Increase the interest of the product with different flavors, Lotus x Larb Bento



November 2022

Significant Products

The Company has launched a new product under the brand Jele’ Beauty, focusing on the needs of health care groups, namely Jele’ Beauty, Acai Berry scent”, Chuluten, Zeaxanthin and Vitamin A, which are beneficial in nourishing the eyes. in order to be in line with the trend of consumer behavior



Outstanding Developments For SUSTAINABILITY



2020

SNNP Company International Co., Ltd., a subsidiary of the Company entered into an agreement to purchase all shares of S.C Food Trading Co., Ltd., a limited company registered in the Kingdom of Cambodia from SCFP, the former shareholder and a subsidiary of the Company by agreed to purchase 1,000 shares at a price of USD 102.5 per share, totaling USD 102,500 or equivalent to 3.2 million baht. The Company's shareholding in S.C Food Trading Co., Ltd. increased from 60 percent to 100 percent of the total registered capital.

2021

The Board of Directors' Meeting No. 1/2021 held on February 24, 2021 resolved to approve SNNPI to use its right to buy money. Invested in the proportion of 40 percent from the original investor (Thai Nakorn Patana Vietnam Co., Ltd.). It is expected to be completed by the second quarter of 2021. The Company processed on studying and planning to build a factory to produce and distributed beverage products and snacks under the Company's trademark to pushed beverage and snack products in Vietnam and neighboring countries

2022

In 2022, the Company has developed and distributed products to create more preferences in line with modern consumers, for example, the image of ready-to-drink jelly products has been adjusted under the brand. "Jele' Beauty" by upholding a new design image, emphasizing modernity, which is a major change in the past 5 years, including bento, has released a new flavor of roasted chili and grilled squid Penetrate the market among teenagers and expand the consumption of the target group even more. And there are many products that the company has developed and distributed, you can see the major developments of the company's products.

Another important factor in the fourth quarter, the company opened the production line of the Vietnam factory on November 4, 2022 for the "Lotus" chicken leg snacks in order to increase sales in Vietnam and reduce costs. in exporting products from Thailand to Vietnam



1.1.3 Use of IPO Proceeds

As of 31 December 2022, the Company used the funds raised via IPO of 2,138.14 million baht in financial restructuring to strengthen its finance and to reduce cost. This included repayment to financial institutions for loans and investments in Vietnam according to the objectives mentioned in the registration statement for securities offering. Details of the use of the raised fund are as follows:

Objectives	Utilization plan	Amount used in 2021	Amount used in 2022	Remaining fund as of 31 Dec 22
1. Investment in the Company's Subsidiaries to operate in Vietnam	60-450	79.59	0.00	0.00
2. Repayment to financial institutions	1,800-2,100	2,008.09	0.00	0.00
3. Revolving funds in business operations	30-200	0.00	50.46	0.00
Total	2,138.14	2,087.68	50.46	0.00

1.1.4 General Information

Company Profile

Company Name	: Srinanaporn Marketing Public Company Limited
Initial securities	: SNNP (listed in the Stock Exchange of Thailand)
Business type	: Snacks and beverages manufacturing and distribution
Main Product	: Snacks and beverages products
Company Registration	: 0107562000211
Head Office Address	: 325/6-9 Lanluang Road, Sriyakhmahanak Sub-District, Dusit District, Bangkok, 10300
Branches' Address	: Branch 1 234 Moo 4, Om- Noi Sub-district, Krathum Baen District, Samut Sakhon 74130 Branch 2 99/99 Moo 7, Om-Noi Sub-district, Krathum Baen District, Samut Sakhon 74130 Branch 3 99/99 Moo 4, Om-Noi Sub-district, Krathum Baen District, Samut Sakhon 74130 Branch 4 9/9 Moo 12, Rang Bua Sub-district, Chom Bueng District, Ratchaburi 70150
Contact	: 325/6-9 Lan Luang Road, Si Yaek Maha Nak, Dusit, Bangkok 10300
Registered Capital	: THB 480,000,000
Paid-up Capital	: THB 480,000,000
Issued and Paid Shares	: 960,000,000 shares
Par Value	: THB 0.50
Telephone	: 0 2628 0408
Fax	: 0 2281 5161
Website	: www.snnp.co.th
Company Secretary/Email	: comsec@snnp.co.th
Investor Relations	
Telephone	: 0 2628 0408
Email	: ir@snnp.co.th

Other Referral

Securities Registrar

Thailand Securities Depository Co., Ltd.

The Stock Exchange of Thailand Building, 93 Ratchadapisek Road, Din Daeng, Bangkok 10400

Telephone : + 66 (0) 2009 9999

Fax : + (0) 2009 9991

Auditor

PricewaterhouseCoopers ABAS Ltd.

15th Floor, 179/74-80, Bangkok City Tower, South Sathon Road, Thung Maha Mek, Sathon, Bangkok 10120

Telephone : +66 (0) 2844 1000

Legal Dispute

As of 31 December, 2022, the Company and its subsidiaries have no legal disputes which may affect the Company and its subsidiaries' equity of the shareholders more than 5% and have no disputes which may affect the business operation of the Company and its subsidiaries.

General information of the juristic person in which the Company holds shares

As of 31 December 2022, the Company holds shares in its subsidiaries which hold shares directly as follows:

Company	Location of head office	Investment according to share price method (million THB)	Share-holding ratio %	Registered capital	No. of shares issued	Par value per share	Paid-up capital	Business type
SNNP International Co., Ltd.	325/6-9 Lan Luang Road, Si Yak Mahanak, Dusit, Bangkok 10300	459.3	99.9	550 million THB	5,500,000	100 THB	520.5 million THB	Provide management or technical services to related business



As of 31 December 2022, the Company holds shares in its subsidiaries which hold shares indirectly as follows:

Company	Location of head office	Shareholding via	Shareholding ratio %	Registered capital	No. of shares issued	Par value per share	Paid-up capital	Business type
Srinanaporn Distribution Co., Ltd.	99/99 Moo 4, Om Noi Sub-district, Krathum Baen District, Samut Sakhon 74130	SNNP International Co., Ltd.	99.9	1.0 million THB	10,000	100 THB	1.0 million THB	Distribute snacks and beverages
S.C Food Products Co., Ltd.	National Road 2, Brolay, Boeung Khyang, Stueng Kandal, Kandal, Cambodia	SNNP International Co., Ltd.	60.0	9.0 million USD	90,000	100 USD	9.0 million USD	Produce and distribute snacks and beverages
STW Development Co., Ltd.	National Road No.2, Pralay Village, Boeng Khyang Commune, Kandal Stueng District, Kandal Province, Kingdom of Cambodia	SNNP International Co., Ltd.	49.0 ¹	1.1 million USD	1,000	1,100 USD	1.1 million USD	Hold real estate in Cambodia
Harirama Venture Incorporated Ltd.	NARRA Building, 2276 Chino Roces Avenue Extension, Makati City	SNNP International Co., Ltd.	80.0	50.0 million PHP	125,000	100 PHP	12.5 million PHP	Distribute snacks and beverages in the Philippines
S.C Food Trading Co., Ltd.	National Road No.2, Pralay Village, Boeng Khyang Commune, Kandal Stueng District, Kandal Province, Kingdom of Cambodia	SNNP International Co., Ltd.	100.0	0.1 million USD	1,000	100 million USD	0.1 million USD	Distribute snacks and beverages in Cambodia

Remark :

¹ The Company has the power to control STW Development Co., Ltd. which regarded to be its subsidiary

Company	Location of head office	Shareholding via	Shareholding ratio %	Registered capital	No. of shares issued	Par value per share	Paid-up capital	Business type
Siri Pro Co., Ltd.	15/6 Room No. A 104, 1 st Floor, The Bright Rama 2 A Building, Rama 2 Road, Tha Kham Sub-district, Bang Khun Thian District, Bangkok 10150	SNNP International Co., Ltd.	50.01	225.072 million THB	2,250.72	100 THB	225.072 million THB	Distribute snacks, beverages and other consumer goods
S.T. Food Marketing Co., Ltd.	No.5 VSIP II-A Road No. 24, Vietnam – Singapore Industrial Park II-A, Vinh Tan Commune, Tan Uyen Town, Binh Duong Province, Vietnam	SNNP International Co., Ltd.	100.0	6.0 million USD	-	-	6.0 million USD	Produce and distribute snacks and beverages in Cambodia
Jin Xinglong (Shenzhen) Import & Export Co., Ltd.	Room 301-B002, Block 4, Manjinghua Yiluan Building, 230 Xixiang Avenue, Longteng Community, Xixiang Sub-district, Baoan District, Shenzhen, China	SNNP International Co., Ltd.	100.0	1 million CNY	-	-	N/A	Distribute snacks and beverages in China

1.2 Nature of Business

Operational summary: 2022

In 2022, the economy was subject to fluctuations in every quarter, the first of which was caused by the number of new COVID-19 infections. The year 2022 actually saw an increase in COVID-19 infections compared to 2021 due to the spread of the Omicron variant. However, the symptoms of those infected were not severe. As such, government agencies relaxed various measures and economic activities returned to a more normal state. The recovery of the tourism industry and improvements in domestic economic conditions led to a better outlook for Thailand as well as other countries in the ASEAN region, particularly those in the CLMV subregion, where economic activities also showed positive trends compared to previous years.

There was a period of rising consumer goods prices during this year, whereby the cost of raw materials and transportation services increased for the Company. However, the Company's diverse range of products meant the impact of these price increases did not have a significantly effect. In addition, we were able to manage costs and expenses efficiently with the introduction of new, high-profit margin products. The result was a reduction of production costs and investment capital.

The Company continues to develop and innovate its products, while maintaining their quality, to meet the needs of consumers both domestically and abroad. We consistently strive to boost standards and provide consumer confidence through investments in all important sectors of the business. One of the most vital of these sectors is research and development, which is aimed at providing valuable market insights into distribution channels as well as competitor and consumer behaviors in Thailand and abroad. This sector is therefore crucial in terms of helping us better respond to market trends and continuously-changing consumer behaviors. Another vital area for investment for our Company is human resources, which hold the key to driving the organization forward. To this end, the Company has organized activities and courses to enhance the knowledge and skillsets of our employees, both in terms of their work with us and their own personal development. We have also recruited personnel with expertise and experience from the consumer goods industry to further strengthen our organization. Such progress means we are able to mark 2022 down as another outstanding year, in which strong foundations have been built in product development, brand image, and competitive strategy.

1.2.1 Revenue Structure

The years 2020, 2021, and 2022 saw the Company and its affiliates generate revenue from sales totaling THB 4,392.9 million, THB 4,357.9 million, and THB 5,556.1 million, respectively. The revenue from sales are classified by product group below.

	As of the end of the fiscal year on 31 December					
	2020		2021		2022	
	Consolidated financial statement					
	Million Baht	%	Million Baht	%	Million Baht	%
Beverages	1,790.2	40.7	1,862.0	42.7	2,433.5	43.8
Snacks	2,361.8	53.8	2,411.2	55.3	3,122.6	56.2
Other product sales	240.9	5.5	84.7	1.9	-	-
Revenue from sales	4,392.9	100.0	4,357.9	100.0	5,556.1	100.0

Our sales structure in Thailand can be classified into two main channels, as follows:

- 1) Modern trade channels, which comprise leading retail providers, including 7-Eleven, Eleventh Avenue, Family Mart, Lotus, Big C, Tops, Makro, and special stores such as King Power. Sales through modern trade channels accounted for 59.0% of total domestic sales revenue as of December 31, 2022.
- 2) Traditional trade channels, which accounted for 41.0% of total domestic sales revenue in the of December 31, 2022.

Important financial information

Unit: Million THB

	2020	2021	2020
Financial data			
Total assets	3,976.2	4,152.3	5,068.9
Total liabilities	3,515.8	1,061.6	1,762.9
Total equity	460.4	3,090.7	3,306.0
Equity attributable to owners of the Company	221.0	2,837.7	3,049.4
Revenue from sales	4,392.9	4,357.9	5,556.1
Total Revenues	4,435.7	4,519.8	5,604.0
Gross profit	1,129.0	1,148.8	1,514.5
Profit before interest, taxes, depreciation costs, and amortization	380.9	746.4	834.8
Profit for the period	74.2	421.6	511.8
Net Profit: Owner of the parent	93.8	437.2	515.7
Financial ratio			
Gross profit margin (percentage)	25.7	26.4	27.3
Profit before interest, taxes, depreciation costs, and amortization margin (percentage)	8.7	17.1	15.0
Net profit margin (percentage)	1.7	9.3	9.1

1.2.2 Information about the product

The Company's main operations are the sale of beverages and snack products.

The Company's beverage products include

- (1) Ready-to-drink jelly products and carrageenan jelly products under the Jele' brand, including Daiyamoto, Cooly Cool and Magic Farm products.
- (2) Other beverage products, such as Asian drinks like grass jelly juice and coconut juice with fresh coconut pieces which are sold under the Magic Farm Fresh brand.

The Company produces and distributes ready-to-drink jelly drinks and carrageenan jelly products under the Jele' and Daiyamoto brands as well as other beverages including Asian drinks like coconut juice, grass jelly juice and fruit juices under the Magic Farm Fresh brand. As of December 31, 2022, the company has

approximately 20 different types of jelly and carrageenan jelly products for sale, in addition to around 13 other beverage products.

The snacks arm of the Company comprises the following:

- (1) Baked squid, squid strip and fish strip products sold under the Bento brand.
- (2) Ready-to-eat snacks and stick biscuit products sold under Dokbua the Lotus brands.
- (3) Wafer and baked bread products sold under the Bakery House brand.

In addition to operations involving the production and distribution of beverages and snack products, the Company recognizes the potential for growth in the consumer goods distribution business, particularly through traditional trade channels. The Company therefore invested in Siri Pro, which generates revenue from distributing products to the Company and third parties, such as Carmart Co., Ltd. (toothpaste, Skin Lab+ brand), Tera Food & Beverage Co., Ltd. (turmeric and lemon extract drink, QminC brand), Handy Health Co., Ltd. (Handy herbal extract juices), Hun Chew Drug Factory Co., Ltd. (Som OT drinks and GSD Korean herbal extract drinks), and Sino-Pacific Trading (Thailand) Co., Ltd. (Yupi jelly Brand, Menthos Brand, and Bon O Bon chocolate Brand). However, on March 16, 2021, Boon Rawd Trading Co., Ltd. (Boon Rawd) acquired a 30% stake in Siri Pro, causing the Company to reduce its shareholding to 50.01%. This means the Company's consolidated financial statements are unable to include Siri Pro., with the Company recognizing profits or losses from joint ventures instead.



Jele'

- These ready-to-drink jelly drinks were first released in 1994 and currently comprise the following products: Jele' Light, Jele' Superlight, Jele' Beauty, Jele' Beauty Low Sugar, and Jele' Double Jelly.
- The target consumer groups are children, students, adolescents, and young adults. Additionally, the Company is developing new ready-to-drink jelly products to meet the ever-changing needs of our target consumer groups, for which the most engaged are children and adolescents.
- These products contain carrageenan, a substance that stays in the stomach and increases the levels of certain substances, such as collagen and other vitamins, that improve health and nourish skin. These products come in various fruit flavors. Moreover, to ensure we were effectively responding to consumer needs and providing a diverse range of products, the Company released a new line of Jele' products in 2021. These products, named Jele' ChewY, contain chewy jelly

pieces to attract a new audience of students and adolescents to the brand, and this strategy has so far been very successful. Nevertheless, the Jele' brand is continuing to work with world-renowned brands to develop new and interesting products, such as the partnership with Nestlé that has brought about Jele' Nestea, a fruit jelly flavored tea product that has increased our market share of ready-to-drink jelly products significantly. This advancement led to us releasing new flavors in 2021, for which more details can be found in our product catalogue.



Magic farm

- This product range was first released in 2009 with students, adolescents, and adults as the target consumer groups. Magic Farm fruit juices contain Thai fruits and other ingredients to create an Asian cultural experience in various forms, such as coconut juice containing coconut flesh, grass jelly juice, and soya milk drinks containing coconut flesh and basil seeds, which can be used by consumers of any age or gender as a refreshment or light meal substitute.
- In 2021, Magic Farm Fresh released the following popular fruit flavors onto the market: mixed berry, lychee, and pineapple. These drinks have been approved by the Thai FDA, making us the first such provider of such drinks in Thailand.

Snack Products

Our snack offerings can be classified into 3 main groups, as follows:

- (1) Baked squid, squid strip and fish strip products sold under the Bento and Tako brands.
- (2) Ready-to-eat snacks and stick biscuit products sold under Dokbua the Lotus brands.
- (3) Wafer and baked bread products sold under the Dokbua, Chocky, and Bakery House brands. As of December 31, 2022, the Company had around 26 different baked squid, squid strip and fish strip products on sale; approximately 18 types of ready-to-eat snacks and breadstick products; and roughly 19 types of bread and wafer products on the market.



Bento

- We first started selling baked squid, squid strip and fish strip products under the Bento brand in 1998.
- In 2020, this brand was the foremost provider of squid-based seafood snacks in Thailand, with most customers adolescents and adults familiar with the brand's offerings.
- Bento's unique selling points are that its squid and fish products come in large sheets that fill the packets and which offer a uniquely rich flavor. Because of this, its target consumer groups are children, students, adolescents, and adults.
- Crispy Bento offers baked and dried fish and squid products that are also known for their rich flavors. These products are aimed at university students and adults.
- Bento fish strip products are long, stringy fish flavored fibers aimed at students from high school and university, as well as adults.



Lotus

- Lotus is the brand through which we mainly offer breadstick snacks. These products were first released in 2002 and aimed at children, high school and university students, and adults. These products come in small shapes that are heavily seasoned to offer a unique taste.
- There are also smaller versions of these breadsticks on the market, which are aimed at teenagers and professionals.
- In 2022, Lotus became the first brand in Thailand to begin offering tiny breadsticks containing cannabis leaf and seed extracts. These were put on sale in convenience stores throughout the country and have been received extremely well by customers.



Bakery House

- Our pineapple bread products are a form of pineapple flavored cookie sold under the Bakery House brand. Its target market is university students and health enthusiasts.



Dokbua

- This brand offers various flavors of crackers containing fresh butter, which are aimed at children and students.



Chocky

- Chocky wafers sold under the Chocky brand contain cream layers with attractive flavors such as butter, milk, or chocolate. These products are aimed at university students and adults.

1) Product characteristics and sustainable development

Details of the Company's sustainable development initiatives can be found in section 3 of this report.

2) Marketing and competitiveness

The world underwent significant and impactful changes in 2022, especially with regard to the ongoing impacts of the COVID-19 pandemic. Indeed, this situation has led to the emergence of new standards for living, not only in terms of consumer behavior, business practices, and work habits, but also the products and services now required to meet these changing needs. Despite these challenges, we have persevered to ensure we achieve sustainable business growth by conducting market research aimed at better understanding consumer demands. This has led to the creation and development of new products that cater to these complex and diverse needs, especially during the pandemic, where consumers were more cautious and prioritized consumption. Additionally, new products are still being introduced into traditional trade channels to ensure these needs continue to be met domestically.

Competitive strategy

The Company has developed short-term and long-term strategies to meet the needs of the market and consumers, in addition to constantly evolving our use of technologies in response to trends and our competition. This involves careful planning and coordination on an organization-wide level, not only between sales and production departments, but also with support departments, to create and produce high-quality, great tasting products, while still striving to improve and develop our production processes. The Company continues to develop the organization by employing initiatives aimed at maintaining employee satisfaction and a willingness to learn new skills, which involves research, production, transportation, and looking at the overall working environment. Doing so will make it simpler to develop products with the necessary quality and variety to meet the needs of consumers of all ages and backgrounds. Indeed, we view this as an opportunity to build consumer confidence in our products, which will ultimately inspire brand loyalty and improve brand value.

Marketing and competitive policy

Strengthening brands and products

The Company has set the direction of the organization and developed brands to help us move toward becoming a global brand. The Company holds training sessions conducted by executives and special guest speakers, as well as instilling understanding of the direction of the organization in our employees, who act as representatives of all brands within the company on our journey toward global recognition. In international markets, the Company has devised strategies and made investments to create brands that are shaped by the readiness, size, growth rate, distribution channel coverage, and partners in the target market, with business and strategic planning in place designed to be competitive while responding to the unique consumer needs of that country. There are also strategies in place for the promotion and creation of brand recognition for the Company's champion products, such as Jele' and Bento. The Company has a strategy to take advantage of being a market leader in the beverage and snack industry through its ownership of strong-performing brands. In developing existing products and launching new products under these brands, the Company is achieving a diversity that will ensure greater accessibility to a wider range of consumers than ever before.

With regard to the next level of brands we own, such as Lotus, Magic Farm Fresh, and Dokbua, the Company has been implementing a passive marketing strategy. However, due to the continuous increase in the popularity of these products, the Company has now implemented a plan to create a stronger presence to promote and elevate the

popularity of this product group. Various strategies will be used, including 360° branding through above the line (ATL) marketing channels, such as print, radio, television, or online media advertising, in addition to below the line (BTL) marketing channels, such as organizing activities in community areas or supporting various musicians, sports stars, or social events which promote our brands. Each of these strategies is organized according to the specific market trends in each country to ensure we give each of our products the best chance of becoming a top choice in the eyes of our consumers. Nevertheless, the Company is also seeking to increase the visibility of products and use a brand differentiation strategy to increase the market share for this group of products wherever they are marketed.

Marketing and promotional activities

Marketing policy is a vital aspect of Company strategy, so we are focused on continuous marketing efforts to create brand awareness and to make sure our products are at the top of the minds for our consumers. The Company engages in marketing activities to increase our reach through various channels, including above the line marketing through television commercials, digital media, and billboards that can reach a wide range of consumers. In addition, we engage in below the line marketing, which involves direct marketing to a specific consumer base, such as distributing product samples for customers to try, organizing product displays to promote and expand communication channels with customers, and expanding into new customer segments to increase sales from profitable products. The Company also uses trade promotion tactics, such as volume discounts, cash discounts, and product recommendations to stimulate sales in stores, which we believe adds value to the brand while building consumer confidence in newly released products, thus strengthening the Company's long-term outlook. The Company also employs a strategy called premiumization to increase the value placed on our products by offering a diverse range of items and through customer communications aimed at promoting higher levels of consumption using a technique known as frequency via snacking moments.

Strengthening distribution channels

The Company distributes products in Thailand and other countries through various channels. Within Thailand, the Company relies on modern trade channels, distributors, and traditional trade channels. The latter of these includes traditional trade, whereby products are distributed through the Company's cash vans and sold via wholesale traditional trade channels.

The Company places great importance on maintaining secure distribution channels to ensure efficient and extensive product distribution with the ultimate goal of making our products easily accessible to consumers.

Research and development of new products

Our customers are our top priority, so we aim to develop high-quality products that can benefit them. This has been a strength of the Company since its inception and has contributed to our success for over a decade. Every day, the Company distributes high-quality products that provide value for money for our target groups, which ensures the utmost satisfaction for a global consumer base with unique and diverse needs. In addition to developing new products for release into the market, the Company also looks to create a wide variety of products that are suitable for wide-ranging consumer preferences by adjusting product designs, tastes, and prices. We also localize our products depending on the unique tastes of our target groups both domestically and abroad. We are also committed to studying market trends, consumer habits, and new technologies in the food and beverage manufacturing industry to ensure we are at the forefront of innovation, offering unique products that bear the Company's distinctive hallmarks. Additionally, this localization of products by adapting the design, taste, and price to align with target group preferences in that country or region reflects the importance we place on remaining

ahead of the competition. This, in turn, allows us to expand our market share, while continuing to innovate through the creation of new products that allow us to build on the success of existing products and brands that are already well-known and enjoyed by many.

When developing new products, we typically begin with thorough research and surveys of consumer needs in order to inform the development of high-quality products that align with the tastes, appearance, and design desired by consumers. This can involve creating new products, developing existing production formulas, and/or modifying ingredients. Creating innovative products provides business growth opportunities through the release of new products and improvements to existing products, which can both meet the changing consumer needs and increase our competitiveness in the industry.

1. Analysis of the industry and competition

The competition within the snack and beverage industry in Thailand is highly fragmented, but in recent years, a few large players have emerged. Therefore, new entrants to the market must invest heavily in marketing in order to be competitive with established players. At the same time, local products and niche markets are growing rapidly, with new products being developed to meet changing consumer demands and the general move toward healthier eating habits. The competition in the snack and beverage industry is intense due to the diversity of existing players, new players entering the fray, the ease of product substitution, innovation in production, access to distribution channels, advertising, and sales promotion, all of which increase an organization's ability to respond rapidly to changing consumer preferences.

CLMV countries

There is intense competition among local and regional players from neighboring countries within the CLMV group of countries, such as China, Japan, Singapore, South Korea, Malaysia, and Thailand. Local and regional players are more competitive than similar products from Europe or America, due to lower production prices and better transportation advantages. The establishment of the ASEAN Economic Community has led to a transformation of the economic growth within leading markets, including the CLMV countries, such as Vietnam and Cambodia. Many countries are experiencing changes in their political and economic landscapes, such as an increase in disposable income, resulting in increased sales of food and beverages. The CLMV group is expected to continue growing rapidly in terms of the snack and beverage industry, with a wide and comprehensive product distribution and sales network considered particularly important for companies which are quickly looking to gain a sizeable market share in the region. This represents an exciting prospect for companies which are looking to build a large and loyal customers base using first mover advantage in this emerging market.

2. Last year's marketing policy

The overall performance of the Company in 2022 showed signs of recovery compared to the previous year, due to the improvement to the COVID-19 situation despite the emergence of new variants of the disease. Compared to the previous year, consumer concerns decreased and we are confident that sales in 2023 will continue to improve. This will generate more revenue both from domestic and international sales as a result of the Company's planning and strategy development, which includes launching new products with higher profit margins, cooperating with partners in modern trade channels for data analysis to study consumer behaviors for marketing purposes, and developing new products aimed at target consumer groups. In addition, we will expand our distribution channels to enable improved access to a wider consumer base than ever before.

Production in the CLMV region

One of the Company's main aims for 2022 was to expand its production base in the CLMV region as part of its long-term strategic plan to support revenue growth and reduce transportation costs. Currently, the Company has a factory operating under S.C Food Products Co., Ltd. (SCFP) in Cambodia. This factory has been operational since April 2019, and increased its production capacity in 2022. In addition, the company initiated phase 1 of its factory operations through Food Marketing Co., Ltd. (STFM) in Vietnam in November 2022.

3. Operational plans and target customers

Operational plans for 2023 – 2026: The Company now utilizes more natural proteins and healthier raw ingredients in its products, which will drive the innovation and creation of new products for release into the market over the coming years.

- The environment: We will install more solar rooftops and utilize biofuels made from palm and coconut husks to reduce reliance on fossil fuels, while we soon plan to release data related to our greenhouse gas emissions, including both direct and indirect emissions. We have been approved by the Thailand Greenhouse Gas Management Organisation (TGO) and we have long-term plans in place that comply with environmental management standards (ISO 14001) which will make our whole organization more environmentally friendly. In addition, our focus on sustainable business practice will see us make the necessary improvements to all our manufacturing plants in order to ensure they reach level 4 on the government's Green Industry scale by the year 2024. Moreover, we are working with our main partners (manufacturers, suppliers, raw material providers, and packaging producers) to help their plants reach level 1 on the same scale by 2024, and level 2 within 2025.
- Society: We have established human rights policies that have been approved by management and we have conducted surveys to gauge employee satisfaction on various issues in order to respond to employee needs and drive sustainable organizational growth. Additionally, we have begun to use natural proteins and healthier raw ingredients when developing new products to reduce the amount of sugar and food additives in products, which will ultimately benefit consumer health.

Short-term planning

- Jele' Chewy Vitamin Cup is a product that offers nutritional benefits, including vitamins, in a handy cup to increase convenience for consumers.

Long-term planning

- Bento Plant-Based Surimi from the Surimi Light stable, offers proteins sourced from green beans.

Target consumer groups

Expanding and developing new, diverse products with an emphasis on our flagship brands such as Jele', Bento, and Lotus.

- New subsegments: We are releasing Jele' Vitamin, Jele' Fruit Cola, and Jele' Chewy products as well as Bento Dried Crispy Squid, which will give us access to new consumer groups and develop our existing customer base, thus ensuring our brands reach diverse, wide-ranging groups of consumers.
- New pack sizes: We are increasing product variety by adding new product sizes such as a 240-gram Jele' Beauty package in addition to the original 150-gram size, which will provide more options for our customers. We are also adding a 36-gram size (Bento Big Size) package of Bento Crispy Spicy Squid to accommodate families.

- New flavors: We are releasing a range of new flavors including Bento Chargrilled Squid, and two new flavors of Bento extra-long to provide our customers with new and exciting snack choices. Additionally, we are developing a new range of Lotus X Bento products that will incorporate the popular flavors of Bento into the products of Lotus.
- Innovation: We are releasing cannabis infused breadstick snacks, becoming the first company to do so in Thailand.
- New collaborations: We have partnered with Nestlé-a globally recognized brand-to release fruit jelly flavored Jele´ Nestea drinks, which gives our Jele´ brand access to a new market of beverage consumers.

4. Sourcing of raw materials and production operations

The Company had 4 operational manufacturing facilities in Thailand during 2022, and another 2 plants, one each in Cambodia and Vietnam. Details of those facilities are as follows:

1. Factory 1, Siam Deli Foods (SDF): Produces dried squid, squid fibers, and fish fibers under the Bento and Tako brands. It is located in Om Noi Subdistrict, Krathum Baen District, Samut Sakhon Province. The Company has a lease agreement with Siam Deli Foods Co., Ltd., for this facility, which currently has a production capacity of 4.7 million kilograms per year.
2. Factory 2, Sri Siam Food Products (SSF): Produces ready-to-eat snacks, wafers, and bread products under the Dok Bua, Lotus, Chocky, and Bakery House brands. It is located in Om Noi Subdistrict, Krathum Baen District, Samut Sakhon Province, and currently has a production capacity of 18.3 million kilograms per year.
3. Factory 3, Kim Heng Foods (KHF): Produces ready-to-drink jelly products in cups, bottles, and sachets under the Jele´, Daiyamoto, and Cooly Cool brands. It is located in Om Noi Subdistrict, Krathum Baen District, Samut Sakhon Province. The company has a lease agreement with Kim Heng Foods Co., Ltd. for this facility, which currently has a production capacity of 111.4 million kilograms per year.
4. Factory 4, Siam Ratchaburi Industry (SRI): Produces various beverages, such as coconut juice, grass jelly juice, coconut jelly, and grass jelly. It is located in Ratchaburi Province and has a current production capacity of 64.4 million kilograms per year.
5. S.C. Food Products (SCFP) Factory: Produces ready-to-eat snacks and bread products, including wafer sticks, baked bread, and pastries, under the Dokbua, Lotus, Chocky, and Bakery House brands. It is located in Kandal Province, Cambodia, and currently has an annual production capacity of 7.4 million kilograms.
6. S.T. Food Marketing (STFM) Factory: Produces ready-to-eat snacks under the Lotus and Bakery House brands, squid and noodle snacks under the Bento brand, and beverages under the Jele´ trademark. It is located in Binh Duong Province, Vietnam.

The Company recognizes the importance of supplying our customers with high-quality products, so we are meticulous in every step of the production process, from the sourcing of raw ingredients to the delivery of finished products. The most advanced and modern production technologies have been installed in all 6 factories to produce consistently high-quality products. However, this innovation is not limited to the production process, as we have employed similarly advanced technologies in structural engineering and building design as we are looking to achieve maximum efficiency that is simple to manage. Additionally, systems to ensure adequate lighting and ventilation are also present throughout our network of factories.

Manufacturing capacity summary for the years 2020 to 2022

	2020	2021	2022
Manufacturing Capacity (millions of kilograms per year)	166.4	179.6	195.7
Utilization Rate (percentage)	42.1	41.7	43.3
Max Run Capacity ¹ (millions of kilograms per year)	106.5	115.6	125.7
Utilization Rate ² (percentage)	65.8	64.8	67.5

Remark:

^{/1} Production capacity according to Company production plans.

^{/2} Calculated using utilization rates and Company production plans.

Sourcing of raw materials

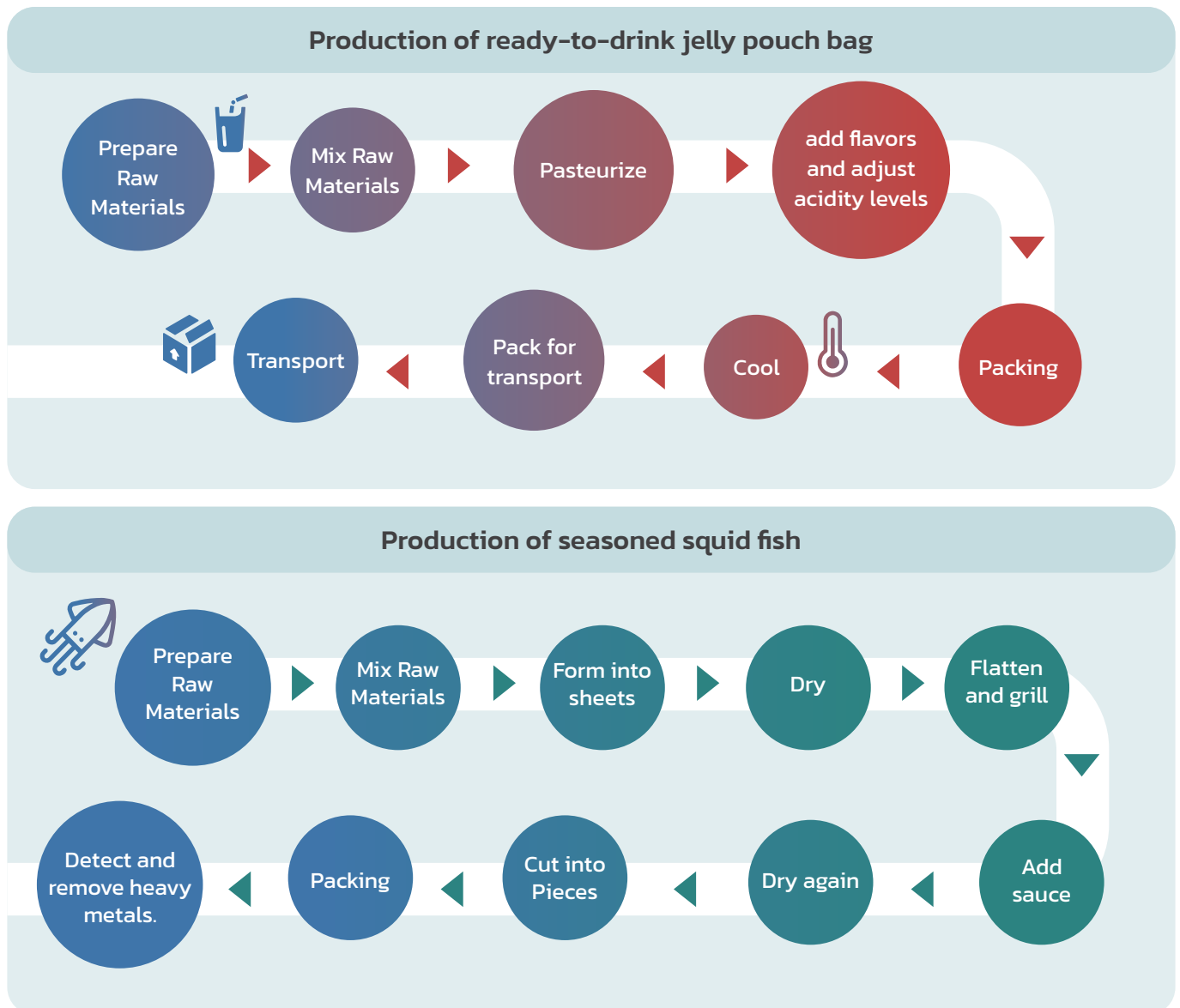
Our products consist of certain key ingredients, including fish and squid, sauces, seasoning, flour and sweeteners, in addition to packaging, such as bottles, sachets, and paper boxes. The Company prioritizes the quality and source of raw materials and has a Quality Control Department in place to ensure all specified standards are met. We also compare the prices of raw materials with similar materials found elsewhere for the purposes of price transparency and cost efficiency. Additionally, we search for new raw material suppliers and innovations that may replace existing raw materials to reduce the risk of a raw material shortages, as well as to reduce operational costs where possible. The Company maintains good relationships with raw material suppliers and conducts quarterly evaluations of their work with us. Furthermore, the Company has a strict policy of sourcing raw materials from at least two to three suppliers to avoid reliance on any single supplier, which also gives us bargaining power during negotiations.

In addition to the above, managing the Company's raw materials also involves planning production and supply chain systems, starting with raw material purchasing plans according to sales and production plans and extending to the expected delivery times of suppliers, the procurement process of suppliers, and minimum inventory levels of raw materials. The Company also has trade credit terms of 0-60 days for domestic and international purchases.

The production process

The production process begins with suppliers delivering raw materials to the Company's warehouses for inspection by the Quality Control Department. This department will randomly sample and inspect the raw materials to ensure they meet Company standards. Raw materials that pass inspection will be stored in the warehouse and the Production. Department will submit requests for raw materials, which are then delivered to factories. Once the raw materials enter the production process, employees will prepare and mix them according to specified production recipes.

There will be random quality checks of these mixtures, including the temperature, sweetness level, pH value, and taste, to ensure that they are in compliance with Company standards. Afterwards, the product will go through a sterilization process and be packaged accordingly. Products that pass the quality control inspection will be packaged in boxes and sent to the finished goods warehouse. The Quality Control Department will then conduct an additional check before delivering the products to the customers.



Product distribution process

Research and development

The Company places the utmost importance on quality, standards, and safety throughout the entire process of production and distribution. Our goal is to produce and distribute standardized, high-quality and safe products, while continuously developing new products and services that meet these requirements. Research and development are therefore crucial to ensure increased opportunities for business growth as it enables the introduction of new products as well as the improvement of existing offerings in response to changes in consumer preferences and legal regulations. Additionally, the Company is always on the lookout for alternative raw materials to manage production costs and respond to price fluctuations. We develop a diverse range of products that taste great, offer nutritional value at affordable prices, and come in attractive packaging. This is achieved by studying and analyzing consumer needs and contributing factors. Hence, having a Research and Development Department with high potential as well as modern manufacturing processes, will help enhance the Company's competitiveness in this area moving forward.

In 2022, we developed a variety of new products to meet the diverse needs of consumers and reach new consumer groups. For example, Bento Crispy Fish Fibers and Seasoned Squid Flavored Breadsticks were released to increase product diversity and give us access to a larger consumer base. We also introduced new Jele' Chewy products in the form of innovative gummy-style jelly drinks, which are aimed at trendy teenagers and young adults who love to try new and exciting things but who are also conscious about their health. We have also collaborated with Nestlé, a world-renowned brand, to develop a new range of exciting beverages.

5. Employee quality controls

We are proud to say that we treat all employees equally and provide appropriate remuneration for their work. We are committed to the continuous development of their skills, knowledge, abilities, and potential which is why we provide opportunities for them to undergo training, attend seminars, and conduct internships aimed at professional development. We believe that employees can be motivated by a desire to gain additional knowledge and expertise, as this will make them want to remain with the Company to help us develop together. The Company has also established guidelines to combat corruption and encourages all employees to comply with relevant laws and regulations, such as our strict Data Protection Policy.

We recognize the importance of upskilling employees, so we have developed an annual training plan distinguished by job category. The training plan includes outlines of the training courses and their curricula, employees required to attend each course, and the duration of each program. In addition, we have established clear guidelines for the training process for employees as training is considered an essential component for all staff. More information on this can be found in the “Driving Sustainable Business, Section 3.3.3: Social Commitments.”

6. Plans to increase sales

When planning advertising and sales promotion campaigns, we improve efficiency by implementing a range of techniques such as employing information technology systems that help us conduct market research to analyze market demands and organizing activities aimed at improving customer satisfaction. These actions create a positive feedback loop that enhances competitiveness throughout the value chain. The organization must learn what customers want and find desirable by continuously tracking and understanding their needs.

7. Pricing policy

All companies under our control have a policy of setting prices based on costs and major expenses such as raw material costs, operating expenses, rent and employee salaries. This includes considering market fluctuations and determining prices that our target customer group will be willing to accept. The products produced and sold by our companies are made with high-quality raw materials and attention to detail at every step of the production process. Therefore, the prices of the products are considered moderate to high when compared to market averages. However, we are confident that the pricing policy for our brands is appropriate and reasonable given the quality of the products we offer.

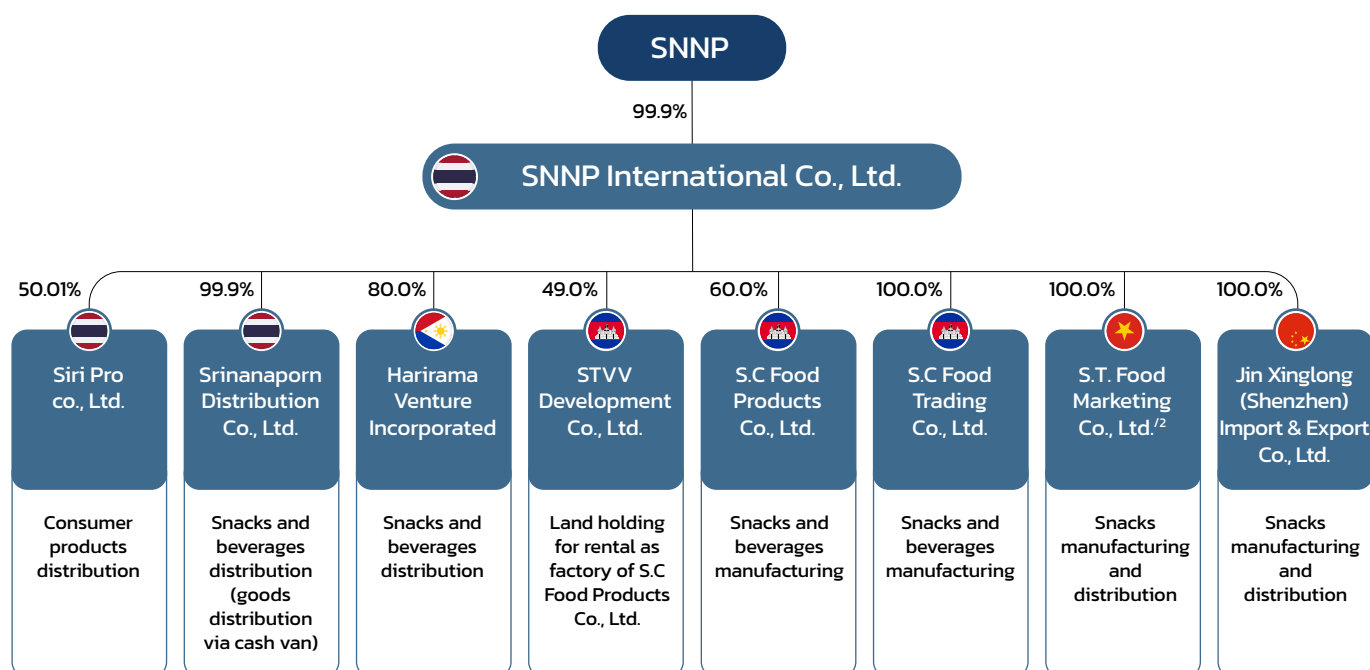
8. Indicators of satisfaction

***Additional details can be found in the Section 3 “Driving Sustainable Business”.

1.3 Shareholding structure of the Company

1.3.1 Shareholding structure

The Company conducts business in beverages and snacks manufacturing and distribution. The structure of the Company consists of the group of companies which manufacture products for distribution locally and overseas. SNNP International Co., Ltd. is founded to manage overseas business operations and product distribution. The shareholding structure of the Company is as follows:



Remark:

^{1/2} Information is disclosed in the same manner as other subsidiaries in accordance with the announcement of the Securities and Exchange Commission of Kor. Jor.17/2008 concerning definitions to be used in securities issuance and offering in clause 1 (11) and clause 1(13/1).

The shareholding details of other shareholders in the subsidiaries of the Company are as follows:

Siri Pro Co., Ltd.	30.0% held by Boonrawd Trading Co., Ltd. 8.0% held by Mr. Adisorn Limnarong 8.0% held by Mrs. Wittahawan Limnarong 4.0% held by Mr. Pricha Chatiang
Harirama Venture Inc.	20.0% held by Mr. Joseph Francis S.Moral
SCFP	20% held by Mr. Supachai Verapuchong 20% held by Mr. Varodom Verapuchong
STVV Development Co., Ltd.	51.0% held by Mr. Supachai Verapuchong

1.3.2 Persons who may have conflict of interest hold shares in the Company's subsidiaries or joint venture more than 10 % of the voting rights

-None-

1.3.3 Relationship with major shareholders

-None-



1.3.4 Shareholders

1) Major shareholders³

As of 31 December 2022, the top 10 major shareholders and the shareholding ratio are as follows:

	Name	Number of shares	Ratio %
1	Ascend I. Holding Co., Ltd. ¹	137,000,000	14.27
2	Concord I. Capital Ltd. ²	120,100,000	12.51
3	Mr. Thakorn Chaisathaporn	100,000,000	10.42
4	Mr. Wichian Chaisathaporn	72,000,000	7.50
5	UOB Kay Hian Pte. Ltd. A/C-RC	47,020,000	4.90
6	InnovestX Securities Co., Ltd. Strategic Invest L	43,249,700	4.51
7	Mr. Sataporn Ngamruangpong	26,032,900	2.71
8	Mrs. Kittiya Chaisathaporn	25,500,000	2.66
9	Mr. Piyawat Kraipisitkul	22,900,000	2.39
10	Mr. Thanawat Kraipisitkul	21,535,000	2.24
Total		615,337,600	64.11

Remarks:

¹ The shareholders of Ascend I. Holding Co., Ltd. are Mr. Viwat Kraipisitkul (35.00 %), Mrs. Thanyanee Kraipisitkul (35.0%), Ms.Thantaporn Kraipisitkul (10.0%), Mr. Piyawat Kraipisitkul (10.0%) and Mr. Thanawat Kraipisitkul (10.0%)

² The shareholders of Concord I. Capital Ltd. are Mr. Viwat Kraipisitkul (35.00 %), Mrs. Thanyanee Kraipisitkul (35.0%), Ms. Thantaporn Kraipisitkul (10.0%), Mr. Piyawat Kraipisitkul (10.0%) and Mr. Thanawat Kraipisitkul (10.0%)

³ The names of the shareholders are shown in the List of Shareholders (XO) as of 27 December 2022 prepared by Thailand Securities Depository Co., Ltd. (TSD)

2) Agreements between major shareholders which have an effect on the issuance and offering of securities or the management of the Company and its subsidiaries and have a significant impact on the business operations

-None-

1.4 Registered capital and paid-up capital

As of 31 December 2022, the Company has a registered capital of 480,000,000 baht comprising 960,000,000 ordinary shares valued at 0.50 baht per share and paid-up capital of 480,000,000 baht with no other types of shares issued other than the ordinary shares under the initial securities of “SNNP” (registered in the Stock Exchange of Thailand).

1.5 Other securities issuance

-None-

1.6 Dividend policy of the Company

The Company has a dividend payment rate of not less than 60% of the net profit from the separate financial statements after the corporate income taxes and all types of reserves in compliance with related laws and regulations of the Company taking into account performance, financial liquidity, cash flow, financial status, necessary revolving fund for business management and expansion, economic condition and other factors as considered appropriate by the Board of Directors.

However, the dividend rate must be approved by the shareholders’ meeting except for some occasional payment of interim dividend which can be approved by the Board of Directors when the Company has sufficient profit to do so.

Dividend policy of the subsidiaries

Payment of dividend of the subsidiaries are approved by the Board of Directors and/or shareholders’ meeting of each company taking into account performance, financial liquidity, cash flow, financial status, necessary revolving fund for business management and expansion, economic condition and other factors as considered appropriate by the Board of Directors and/or shareholders’ meeting.

Upon the dividend payment of each subsidiary, to comply with corporate governance, transparency and verifiability, the representative of the Company who is director in the subsidiary will make a report on the dividend payment to the following Company’s meeting.

2. Risk Management



2.1 Policy and Plan in Risk Management

1) Risk supervision

In the fast-changing environment of increasing fluctuation and complexity coupled with the changing expectation of stakeholders and investors which place greater importance to the environment, society and corporate governance, the Company believes that an effective risk management is essential for the sustainability of the organization. Risk Management will support the organization in achieving the goals under the changing environment of business, responding in equilibrium to the stakeholders of all groups, protecting the loss which may result from uncertainties and seeking opportunity to add more business value. Risk Management is considered to be an important component of all processes of the business operations and must be connected with all levels. Moreover, the Company gives importance to continuous awareness about risk

management of all employees and has formulated policy on risk management for employees to comply with. Enterprise Risk Management Committee (ERMC) was established to supervise overall risk management of the Company for the optimum effectiveness. The Company intends to have efficient and effective risk management to cover strategic risk, operation and business risk and investment risk in order to create sustainable value-added for the organization, shareholders and stakeholders.

In 2022, the Company has revised its policy on risk management to be consistent with its business direction and strategy which aims at corporate sustainability which places emphasis on the environment, society and governance coupled with the performance in equilibrium in order to grow sustainably with all stakeholders.

2) Risk Management

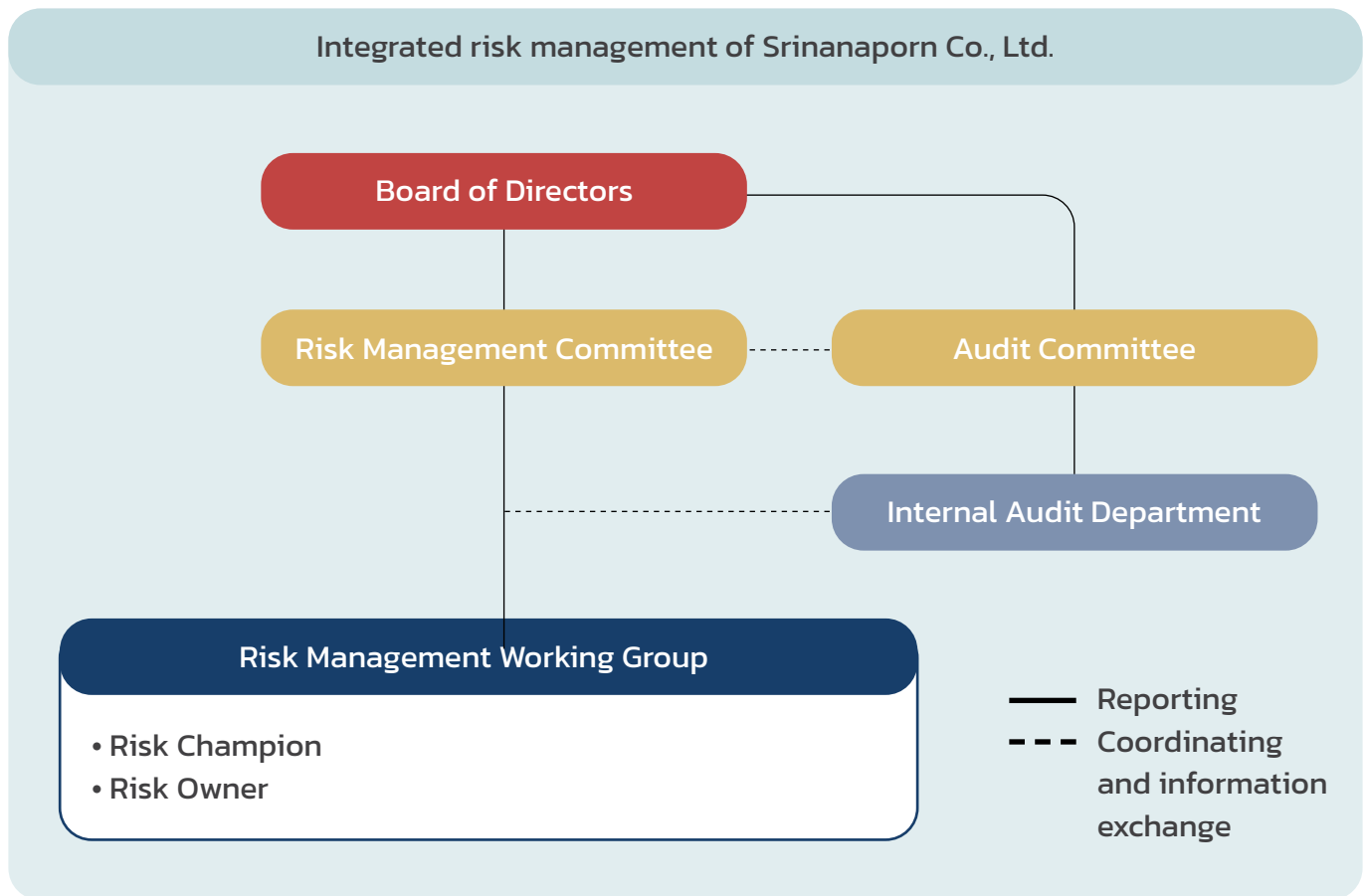
The Company has performed risk management continuously in accordance with the Principle and Guidelines for risk management of the Committee of Sponsoring Organization of the Treadway Commission (COSO-ERM) which is the international standard in risk management. Risk Management of the Company comprises the following:

1. Setting strategy in risk management

The objectives of risk management and the risk appetite are clearly defined so that the direction of risk management is the same for the whole organization.

2. Structure and responsibility in risk management

Structure, duty and responsibility in risk management is as shown in the following diagram.



Board of Directors and Risk Management Committee

The Board of Directors is responsible for supervising risk management. The Risk Management Committee is assigned by the Board of Directors to represent the Board in formulating policy, supervising the Company's risk management to be efficient and effective, identifying significant risk, evaluating the risk management and

taking any other appropriate action. The Management will take care of the Company's risk management and report regularly the result of the risk management to the Risk Management Committee and the Board of Directors respectively.

Internal Audit Department

The Internal Audit Department oversees the conduct of risk management at the operation level and executive level to ensure that the Company has appropriate risk management and report the result to the Risk Management Committee. Moreover, they give advice to the departments under inspection and vice versa, communicate comments and recommendations of the Risk Management Committee to the operation units for improvement.

Risk Management Working Group

The Risk Management Working Group comprises members of the Executive Committee and top executive of each line and chaired by Assistant Managing Director. The Working Group has the following responsibility.

1. Determine the risk management structure and responsible persons in risk management
2. Present risk management framework and risk management process to the Risk Management Committee for approval
3. Assess and review SNNP risk profile of the Department under their responsibility
4. Monitor the operation according to the annual risk management plan
5. Prepare information on risk management and report the result of risk management to the Risk Management Committee

3) Mitigation Plan

3.1) Strategic Risk

Risk	Risk Management Plan
<p>1. New Investment & Overseas Investment</p> <p>The Company has performed continuously proactive business operation in the snacks and beverage market as it perceives the opportunity and readiness for expanding business in ASEAN including China. However, in the overseas investment, the Company will encounter risk of delay and several uncertainties such as in acquiring necessary permission for business operation, machinery and equipment, source of investment fund, selection of customers, cost management, recruitment and</p>	<ul style="list-style-type: none"> • Send the high position executive who is knowledgeable, capable and skillful to be member of Board of Directors of the subsidiaries and/or joint venture to follow up closely their operations • Organize meeting regularly between high position executives of the Company and executives of the subsidiaries • Formulate investment policy on the subsidiaries in writing. Determine control measure according to internal control system for overseas subsidiary to apply.

6. Transfer knowledge of risk management, internal control and risk factors in the business operations of the Company to related personnel

Risk Management Policy

The Company conducts risk management as a system according to the international standard in integration with the business operations of the Company in order to identify risk or business opportunity appropriately and timely, to control risk within the risk appetite or to find opportunity to create the value-added for the organization, to achieve the goal, and respond to the demand of the stakeholders, to support sustainability in business and to comply with the corporate governance. See full copy of the Company's risk management policy at www.snnp.co.th

Risk Management Process

The Company's risk management covers 5 aspects of risk, namely, strategic risk, operation and business risk, financial risk, compliance risk, environment, social and governance (ESG) risk. Risk management process are as follows:

1. Set risk assessment criteria and risk appetite
2. Identify, analyze and assess risk for risk management
3. Evaluate the present measures in risk management and the remaining risk level
4. Manage the remaining risk
5. Follow up and evaluate the result of the risk management

Risk	Risk Management Plan
<p>selection of the management and skilled labor, political stability, demand and supply of the market, demand of the consumers, rules and regulations and tax of the countries of investment.</p>	
<p>2. Direction of Business Strategy</p> <p>The technological progress and the changing behavior of consumers which have resulted in a New Normal lifestyle may affect the direction of business strategy and prevent the Company from achieving its goal and from successful investing and gaining returns as planned.</p>	<ul style="list-style-type: none"> • Strategy and business direction is regularly reviewed to be consistent with the economic situation and the changing direction of the world. Meetings of high position executives are held for consultation and brainstorming. The strategy at the organization level will be communicated to employees of all levels through their superiors of each line to transform into the strategy at the operation level and to prepare business plan.
<p>3. Human resource and organization structure</p> <p>As the Company has expanded their business overseas to seek new business opportunity and has introduced digital technological system into the operations to drive its business, the following constraint may have negative impact on its long-term business: The Company cannot find and develop human resources with capability and sufficient and timely experience. The organization structure, manpower, capability, knowledge as well as the corporate culture does not allow the Company to compete with other companies or attract talented people to work with the Company.</p>	<p>Reorganization and working procedure to be consistent with the strategic direction of the business and determination of the guideline for overall human resources development and human resources management as follows:</p> <ul style="list-style-type: none"> • Review the organization structure to be consistent with the strategic direction and business operations of the Company and its subsidiaries • Review the manpower • Recruit employees from, as the first step, existing internal employees to provide them with appropriate career path • Recruit employees from outside people who are talented and have specific experience for important position • Develop capability of employees according to their career path • Improve working procedure with the assistance of technology to increase efficiency • Review the appropriateness of the delegation of authority (DOA)

3.2) Operational and business risk

Risk	Risk Management Plan
<p>1. Quality and Safety of the Products</p> <p>The Company places importance to maintaining the compliance with the international standards concerning quality and safety of the products. If the quality and safety of the products does not meet the international standards, it may affect negatively the satisfaction of customers and consumers, reputation and image of the organization.</p>	<ul style="list-style-type: none"> • As a measure in risk management regarding quality and safety of the products, the Company has applied the end-to-end process from the step of procurement up to the delivery of goods to the customers according to the International standards for quality management and safety of food (ISO 22000, GMP, HACCP, ISO/ IEC 17025). The Company's production system has been assessed regularly and certified by independent assessors of public and private organizations.

Risk	Risk Management Plan
	<ul style="list-style-type: none"> • The Company handles complaints and recommendations concerning products and service sent to our consumers hotline 02 023 4680 or contact@snnp.co.th • Label and warning to consumers according to the Notification of Ministry of Public Health are provided on the package of the products
<p>2. The Company's Reputation</p> <p>Expectation of the different groups of stakeholders and the present technological progress which have contributed to the fast communication may help to spread quickly and widely the events or news which have negative impact on the Company. If the Company cannot handle the negative issue which may happen to the Company completely and cannot communicate to the stakeholders with effectiveness, its image and trustworthiness will be affected.</p>	<ul style="list-style-type: none"> • Follow up closely information, news and issue involving the Company to build good understanding promptly according to the complaint handling mechanism of the Company and deal with the complaint to the end • Conduct proactive communication via the Company's website coupled with planning of negative issue management and communication in time of crisis. Predict the negative issue which may happen and make a regular review • Manage relationship with the mass media as a system and with efficiency
<p>3. Cyber Security</p> <p>The issue of cyber security has a tendency to be increasing and creates several forms of effects such as phishing, using ransomware and spyware virus to get important information and business secret or to interrupt the business operations resulted in overall damage of the Company including business loss and negative image.</p>	<ul style="list-style-type: none"> • Formulate policy on information security to be applied by all employees. Build good understanding of employees of how to work together in the same direction for efficiency and effectiveness of the operations of the Company • Formulate policy concerning structure of organization security for mutual inspection of personnel in information technology • Set the rules and regulations for users of information technology system as guidelines for information technology system security • Use firewall to specify the number of computers which can access the information • Specify username and password and limit appropriately and carefully the right to access the database of the users in the Company. Install secure shell to capture the passwords • Inspect the information system consistently and assess risk which may occur from the vulnerability of the system • Provide knowledge to the employees in protecting the information from leaking outside

Risk	Risk Management Plan
	<ul style="list-style-type: none"> • Install BCM system to cope with the threat on the information system of the Company and perform regular test on the system • In 2022, the IT General Control (ITGCs) audit according to ISO 27001: 2013 Information Security Management System (ISMS) was performed by independent auditor of P&L IT Audit Co., Ltd. According to the audit, the Company's information system has sufficient general control and has appropriate compliance with the standard.

3.3) Financial Risk

Risk	Risk Management Plan
<p>1. Foreign Currency Volatility</p> <p>For the benefit of the organization and the overseas subsidiaries, the Company gives importance to the management of foreign currency from the volatility, the difference in transaction in business operations and the environment which may have significant impact on the business operations of the Company.</p>	<p>The Company has formulated policy on risk management concerning foreign exchange to be within the risk appetite and does not intend to get profit from the foreign exchange as follows:</p> <ul style="list-style-type: none"> • In the agreement with the trading partner, local currency is used. In remittance and payment, Thai Baht or local currency will be used. • Foreign currency deposit account (FCD account) and management of revenue and expense account which is in foreign currency will be by natural hedge. • Review risk management and study the transaction of the overseas subsidiaries which have financial risk concerning the exchange rate • Follow up economic news and government policy on the overseas subsidiaries to find financial tools and guidelines for financial risk management concerning the exchange rate • Present guidelines for risk management and risk management plan concerning currency exchange rate with financial executives of the Company and of the overseas subsidiaries

3.4) Compliance Risk

Risk	Risk Management Plan
<p>1. Compliance with the Personal Data Protection</p> <p>The Company gives importance to risk management concerning information safety and ensures the compliance with legal requirements of personal data protection. If the Company cannot conduct risk</p>	<ul style="list-style-type: none"> • Formulate written policy concerning personal data protection • Communicate and organize training of the requirements of law in order to prepare the measures and operations of the Company to be consistent with the Personal Data Protection Act B.E. 2562 (2019)

Risk	Risk Management Plan
<p>management in this area, its business continuity, reliability, image, reputation will be affected and it may result in a legal action taken against the Company.</p>	<ul style="list-style-type: none"> • Prepare legal form to comply with the legal requirements. Prepare preventive and corrective measures for normal situation and an undesirable situation of personal data violation • Study, design and manage information technology system concerning relevant personal data collection such as management system for exercising the rights of the personal data owner
<p>2. Change of policy, rules and regulations of the government and regulatory bodies</p> <p>The Company intends to perform business operations correctly according to the corporate governance and gives importance to compliance with law, rules and regulations of the regulatory bodies, both public and independent organizations. Violation of law, rules and regulations will affect its business continuity, reliability, image and reputation and may result in a legal action against the Company.</p>	<ul style="list-style-type: none"> • Establish Legal Unit and Compliance Unit to follow up closely and regularly the amendments of law, rule, notification, order and regulation which may involve the Company • Organize communication and training and dissemination of information concerning the promulgation or amendment of law, rule, notification, order and regulation which may involve the Company • Hire local legal firm to give advice concerning compliance with law, rule, notification, order and regulations which may involve the overseas subsidiaries

3.5) Environment, social and governance risk (ESG risk)

Risk	Risk Management Plan
<p>1. Climate Change</p> <p>The Company intends to perform business which gives value to the stakeholders as well as to society and the environment. As the business is a type of production industry which should have involved climate change, its business continuity and trustworthiness can be affected if the Company cannot perform satisfactory risk management concerning climate change.</p>	<ul style="list-style-type: none"> • Formulate written policy on environment • Aim at environmentally -friendly production and procurement such as reduction of plastic container, improvement of machinery to reduce waste from production, wastewater treatment, use of solar energy in the factory, etc. • Control pollution to be within the specified limit or better according to the requirements of law and regulations • Initiate different projects to keep relationship with the community and stakeholders • Implement the project of carbon footprint for organization (CFO) to promote the implementation of carbon footprint for organization as a system • Implement the project of environmental management system according to ISO 14001: 2015 • Contract consultant for the implementation of sustainability development of the organization so that the Company has sustainable business operations according to the international standards

Risk	Risk Management Plan
<p>2. Water Management</p> <p>Realizing the importance of water in all dimensions, with the concept of “Without sustainable water management, risk of water crisis will occur with negative effects on the stakeholders and the business”, the Company intended to promote access to the source of clean and sanitary water for consumption.</p>	<ul style="list-style-type: none"> • Define water as one of the main drivers in business operation • Integrated collaboration of the employees of the Company and subsidiaries in water management as an efficient system • Promote the water saving project with a focus on efficient use of water to reduce the use of fresh water from natural water source • Comply with the requirements and regulations relating to water management such as water pumping and draining • Specify performance index and target in water pumping and draining • Conduct risk management from water crisis and water stress by evaluating risk of occurrence and impact. Determine sufficient and appropriate measures and plans to cope with the crisis and water stress • Conduct monitoring and inspecting system on the crisis and water stress and evaluate the use of water directly and indirectly throughout the life cycle of the products. Monitor the sufficiency of water in the river basin in the area where the factory is located • Operate to achieve the 6th Sustainable Development Goal of the United Nations on Clean Water and Sanitation • Promote participation of stakeholders by providing knowledge and raising their awareness about sustainable water management and water conservation • Cooperate with the government, trading partner and surrounding community in managing important issue regarding water in the location area of the Company • Disclose information concerning water management and possible impact with transparency and consistent with the Global Reporting Initiation (GRI)
<p>3. Human rights</p> <p>The Company upholds the ideology of conducting business based on business ethics and corporate governance coupled with social responsibility taking into account all groups of stakeholders according to the Company’s corporate governance and business ethics and code of conduct. If the Company cannot manage the risk of social and human rights satisfactorily, the business continuity, reliability, image of the Company will be affected. The Company will not get attention of customers</p>	<ul style="list-style-type: none"> • Create corporate culture as an organization adhering to respect to human rights according to the policy • Respect human rights and comply with law and principle of human rights. Give equitable treatment to stakeholders in all areas which the Company get involved in business operations. The Company will give mutual respect without preference to the difference in nationality, origin, religion, belief, gender, color, language, race, social status or other status • Take precaution and avoid action which violates human rights of the stakeholders directly and indirectly

Risk	Risk Management Plan
<p>and investors who place importance to human rights and may result in a legal action taken against the Company.</p>	<ul style="list-style-type: none"> • Communicate with stakeholders, publicize policy of the Company concerning human rights and provide them with knowledge, understanding and guidelines in this area in order to involve them in giving respect to human rights • Follow up, examine and assess risk and social impact regarding human rights regularly. Find appropriate guidelines or measure in risk management by assigning different units to be responsible for risk management of the unit under their responsibility
<p>4. Corporate governance and anti-corruption</p> <p>The Company intends to conduct business operations which create value for the stakeholders as well as creating social and environmental value on the basis of corporate governance and sustainable development. The Company expressed its intent to take part in the attempt to achieve the Sustainable Development Goals (SDGs) of the United Nations. If the Company cannot managed satisfactorily risk concerning social area and human rights, its business continuity, reliability and image can be affected. Moreover, it will not get attention of the customers and investors who give importance to sustainable business operations and may result in a legal action taken against the Company.</p>	<ul style="list-style-type: none"> • Establish organization structure staffed with competent management. Define scope of operations of the Board of Directors and executives with clarity • Appoint outsiders as independent directors to examine, give approval and perform as check and balance of decision before submitting to the meeting of shareholders • Define measures and guidelines for entry into connected transactions which comply with law, rules and regulations • Appoint Corporate Governance and Sustainable Development Committee to be responsible for the supervision of the Company and its subsidiaries to comply with Corporate Governance and anti-corruption • Define policy on anti-corruption in writing and circulate to employees for information and adoption correctly and consistently • Show evidence of transparent operations to stakeholders with a focus on corporate governance by participating in the evaluation of CG score rating conducted by the Thai Institute of Directors (IOD) • Organize efficient channel for complaints and whistle blowing • Organize risk management according to international standards • Have available standards for protection of network, equipment, program and data from cybercrime or unauthorized access. Protect safety of personal data of employees, customers and trading partners

4) Risk Management

The Company has monitored risk by specifying key risk indicators (KRIs) and key performance indicators (KPIs) to predict risk occurrence in order to modify the measure in risk management appropriately, timely and consistently with the risk which may be changing. Report on the risk management must be made to the Risk Management Committee and the Board of Directors respectively.

Moreover, in order to cope with the crisis which may occur and leads to the interruption of the business operations of the Company, in the 1st 2021 meeting of the Risk Management Committee, the Committee agreed to implement the written policy of crisis management and business continuity management and to organize crisis and business continuity management governance structure which has been adopted by the Company and its subsidiaries since 2021 up to 2022. In the preparation of the business continuity management system, business activities, important resource or asset, impacts which may occur in the event of business interruption have been taken into account. In addition, the system also includes risk evaluation and risk management plan, emergency response plan, recovery plan and business continuity management plan. Top management of each line and relevant employees must rehearse, maintain and review the above mentioned risk management plan regularly and take appropriate measure in crisis management.

5) Emerging risk management

5.1) Risk of drastically fast changing business

The present business world is in transition to the new age where there are important changes in several dimensions which involve business sector and global economic system. For example, the decrease of carbon dioxide emissions to be net zero in 2065, the trade protection policy which focuses more on the fulfillment of the requirements of environmental standards or labor standard than economic effectiveness, the introduction of technology in the operation of the organization, etc. These factors will affect significantly the business operations of the Company. Therefore, the Company may need to conduct energy transition to renewable energy earlier than the plan predicted in the past. Furthermore, the behavior of consumers changes very fast due to the progress of digital technology which changes their lifestyle, the environmental awareness, the important role of healthcare, convenience and speediness, new working style which consumers may require more time at home and demand for specific products for individual. With these factors, the Company needs to consider business operations pattern and distribution channels which are varied and available at all places and all time.

The impact of the changing business environment may affect the business operations of the Company in 3-5 years ahead. Among the impacts are marketing competition and raw material procurement which may become more severe. If the company cannot adjust their strategy and business pattern appropriately and timely, the business operation cost may become higher and reducing the revenue, profit and its competitiveness. Therefore, in order to cope with the changes, the following strategy will be used:

- Improvement of production process to be more flexible and support a variety of products
- Find additional sources of raw material as alternative
- Develop technology and production process
- Develop and distribute value-added products such as adding vitamin in Jele', etc.
- Manage portfolio to customers to be consistent with the competition market

- Value chain management to increase competitiveness
- Create new business for long term sustainable growth

5.2 Risk of change of aiming toward low carbon economy

The present problem of climate change and global warming has a tendency to become intensified and has direct effects on the environmental, economic and social condition. In the 26th United Nations Climate Change Conference (COP 26) of the parties who signed United Nations Framework Convention on Climate Change (UNFCCC), the parties achieved an agreement to control the climate change problem. Several countries in the world have actively accelerated their attempt to drive the economic activity with the aim to reduce pollution from greenhouse gas emissions. Several sectors have set their goal in achieving the net zero greenhouse gas emissions.

Moreover, the stakeholders of the Company such as investors, regulatory bodies and customers have paid more attention to the sustainable business operations by driving business in low carbon approach to reduce negative effect from the activity which produces greenhouse gas emissions throughout its value chain. Direct effect such as the use of resource and raw materials, land, water and pollution from waste and indirect effect which occurs upstream or downstream of the business operations such as transportation, use of product, waste management and other activities in the value chain will be decreased. The Company gives importance to climate related technologies which may replace the original working process or the technology presently used.

With several overseas investment, the Company has to face challenges from the impact of regulations of many countries to solve the increasing environmental problem in the future such as environmental tax, payment for carbon emissions from the production process and the adoption of carbon footprint as standard value in different industries. The more strict regulations may result negatively in the export to such countries. Moreover, from the consumer perspective, the challenging attitude of consumers to industry which produces carbon dioxide emissions may significantly create the change of consumer's behavior and market trend. Examples are preference to the products from low carbon industry, the industry which reduces greenhouse gas emissions and environmentally friendly. In addition, the Company has to face another challenge in the production cost which may be high at the beginning with the investment in low carbon and environmentally-friendly technology.

The above-mentioned changes can become both the business opportunity to offer to the market the environmentally-friendly products but can also become a risk if the Company cannot adjust the business operations pattern in time and the impact will be visible in the next 3-5 years. Apart from the direct impact on the image and reputation of the organization, the Company may have to bear the increasing production cost, financial cost as well as operation cost from the carbon tax. Otherwise, the revenue from the sales may be decreased as consumers prefer environmentally-friendly products. Therefore, the Company has prepared risk management as follows:

- Declare the intent to upgrade environmental management to be the policy on environmental and sustainable development goal based on environmental, social and governance (ESG)
- Implement the international standard ISO 14001 Environmental Management System
- Set the target to reduce net greenhouse gas emissions from its business operations 10.00% of the base year (2021) for direct greenhouse gas emissions that occur from sources that are owned or controlled by the Company (Scope 1 emissions) and indirect emissions from the use of energy (Scope 2 emissions). Report on greenhouse gas emissions and removals is made to Thailand Greenhouse Gas Management Organization (Public Organization) for verification and certification as annual footprint of the organization. The Company intends to achieve net zero of greenhouse gas emissions for Scope 1 and Scope 2 in 2032.

- Improve or change the process or equipment and use technology of increasing efficiency in energy use. Conduct research and development of technology to reduce greenhouse gas emissions and carbon
- Reduce the amount and proportion of the use of energy source which produces greenhouse gas emissions and increase the use of clean energy from solar rooftop
- Promote and develop products to be consistent with the principle of circular economy which helps to decrease greenhouse gas emissions throughout the value chain. Example is the collaboration with SCG Packaging Public Co., Ltd. in developing corrugated box, etc.

6) Crisis Management

The Company's crisis and business continuity of the organization management covers all risk dimensions such as fluctuation of exchange rate, cyber security, natural disaster, political unrest, etc. including epidemic such as COVID 19 pandemic which are uncertain and unpredictable. The occurrence may have an impact on economy continuously leading to an economic crisis of the country and of the world. Thus, the business operations of the Company will also be affected. Therefore, the Company gives importance to the management of risk from external factors. The Company's guidelines for crisis management and business continuity of the organization are as follows:

- Identify risk factor of crisis and risk which impacts the business continuity of the organization
- Evaluate the probability of occurrence and impact from crisis in each core process
- Analyze impact from the crisis which may occur to the organization
- Consider emergency response plan or guideline to cope with the crisis
- Prepare annual risk management plan to cope with the business interruption from crisis and business continuity management for consideration of the Risk Management Committee. Review the plan regularly
- Follow up regularly the situation of crisis and evaluate the key risk indicators of business interruption from crisis and business continuity management

7) Corporate culture in risk management

The Company intends to promote risk management culture throughout the organization. In this connection, executives will communicate to the employees on the importance of risk management and serve as role model in risk management as well as applying risk management with effective result. Risk terms and definitions, risk appetite and risk assessment, role and responsibility of different risk are specified as the same standard. Risk management will be included in the agenda of meeting of the operation level and management level. Risk management will be a topic in the training and development of Board of Directors and Committees, executives and employees. Experience in risk management is shared among different units concerning guidelines for the operations and for the benefit of continuous risk management. The Company promotes self-learning by digital learning to raise awareness about risk management of the employees. Throughout the year 2023 and the following years, the Company will upgrade the topic of risk management by different communication formats such as including the topic of risk management in the pre-test and post-test of the orientation and making publicity concerning risk management and participatory activities. Internal communication channel will be provided for enquiry on risk management. Ethics e-testing will be conducted annually. Corporate Governance & Business Code of Conduct Handbook containing corporate governance and business code of conduct will be prepared and circulated to employees for information and application. The handbook will be useful for the work of the Board of Directors and Committees, executives and employees in increasing the efficiency, reducing errors and achieving the business goal.

2.2. Risk factors

2.2.1 Risk of business operations of the Company or the Group

The COVID-19 pandemic was the major risk in 2022. The Company has followed the spread of disease closely and continuously. The impact on the business operations of the Company depended on several factors such as duration, severity, scope of the spread of disease, geographic impact, impact on domestic and overseas economic activities and strictness of the government measures. However, the Company has implemented the crisis management plan and business continuity management (BCM) such as preventive measures for the products distribution which involves a customer's visit, e-meeting or seminar and work-from-home which enabled the Company to continue its business operations under the COVID-19 situation.

From the crisis in 2022, the business environment was analyzed from the external and internal factors such as the economic trend, social and political situation, technology, competitor and others in order to determine important risk factors of the present and future business operations. In summary, corporate risk consists of 5 factors as mentioned in 3 (Mitigation Plan).

2.2.2 Risk factors of shareholders' investment

It is not possible for the Company to guarantee that the price of its shares will remain to be in the same level or not to become significantly lower. The fluctuation of price depends on the uncontrollable factors such as the following:

- Fluctuation of the actual or predicted performance of the business operations
- Local, regional, national, global economic, political circumstances or situation
- Epidemic occurring at present or in the future
- Market conditions in the stock exchange in general
- Market conditions for snacks and beverages business in Thailand and abroad
- Attitude to opportunity for conducting business and industry in general
- Difference between the actual performance and the one predicted by investors and analyst, recommendations or attitude of the analyst to the Company's securities
- Liquidity of the Company's securities in the stock exchange
- Changing circumstances which affect financial industry. General economic situation. Stock exchange conditions. Other events or factors
- Official rules and regulations or limitation in the industry of companies defined by relevant government agencies. Improvement or amendment of law, rules and regulations. Change in taxation.
- Fluctuation of interest rate and market price of securities which are debt instruments and equity instruments
- Exchange rate volatility and the exchange control measure of the Bank of Thailand
- Lawsuit and official investigation on the actual incident or the incident which may have happened
- Progress in competition, acquisition or to become strategic alliance in the industry of companies
- Acquisition or loss of important personnel of the Company or of its competitors
- The change of method of valuation of market value and stock price of the listed companies which perform the same business and the fluctuation of stock price in the Stock Exchange of Thailand

The above-mentioned factors and others may result in the fluctuation of the market price and the demand of the shares of the Company which may limit or restrict the immediate sales of shares of investors and may give a negative effect on the liquidity of the shares. During the time of market price fluctuation, shareholders may prosecute the case to the Company or the organization which issues securities. Thus, if a company is prosecuted, a large sum of money is required in fighting against a lawsuit. Moreover, if the court's verdict is negative for the Company, it will have to pay a large amount of money. The prosecution may involve the time allocation of the executives which should be spent on business operation.

2.2.3 Risk concerning overseas investment in securities

None. The Company has no overseas investment in securities.

2.2.4 Compliance risk

Violation of the law can result in negative effect on the business reputation, being punished by imprisonment or paying fee by responsible government agency or regulatory bodies. Therefore, the Company has studied and reviewed the applicable rules and regulations regularly. When there are some important changes, policy to cope with the changes will be formulated. Responsible persons and working group are appointed as necessary. Besides, Legal Unit and Compliance Unit have been established to follow up closely and regularly the revision and amendment of the law, rules, notification, order and regulations relating to the Company. Compliance with the above-mentioned requirements is reviewed and evaluated by the Internal Audit Department. Local legal firm has been contracted to provide advice and recommendations regarding compliance to overseas subsidiaries.

2.2.5 Risk concerning compliance of Personal Data Protection Act, B.E. 2562 (2019)

Personal data, the information which the criminal or ill-wisher may use illegally, is the risk which must be managed appropriately. If the responsible Unit cannot protect the personal data, reliability of the Company will be affected. Realizing the importance of protection of personal data of employees, customers and stakeholders which have been collected, used, disclosed and transferred, policy concerning personal data protection has been formulated by the Company with the aim of upgrading the strictness of the measure of information security system and cyber safety including the standard for information safety to be in line with the Personal Data Protection Act, B.E. 2562 (2019) such as establishment of data protection office (DPO), cookie and consent management, etc. Full copy of Personal Data Protection Policy is available at www.snp.co.th.

2.2.6 Risk of the change of digital technology

At present, information technology is used for efficiently recording and coordinating different working steps of the business operations process with speed and smoothness. On the other hand, information technology can become an important point which causes business interruption, damage from the system failure or the attack for hacking or holding information or system which are known as cybercrime. Realizing the importance of the information safety of all groups of stakeholders which includes customers, employees, raw material producers and others, the Company has formulated policy and guideline concerning information safety. Moreover, mechanism to prevent the access to the system which can cause damage to the business information is available. Protection of the information of the organization including the plan to cope with the cybercrime is provided. To ensure the efficiency of risk management and to reduce the impact which may occur to the organization and the business opportunity, risk assessment is conducted by the Information Technology Department by specifying key risk indicators. The result of risk assessment and the supervision of information safety and cyber security is reported to the Risk Assessment Committee.

2.2.7 Risk concerning environmental, social and governance (ESG)

2.2.7.1 Climate change

The Company intends to perform business which creates value to the stakeholders as well as value to society and the environment. However, the Company's business is a type of production industry which should have some involvement with climate change. Therefore, if the Company cannot perform satisfactory risk management concerning climate change, its business continuity, trustworthiness and image can be affected and the Company will not get attention from the customers and investors who place importance to this matter. The Company has performed risk management in this area as a system by formulate written policy on environment, focus on environmental-friendly production and procurement such as reduction of plastic container, improvement of machinery to reduce waste from production, wastewater treatment, use of solar energy in the factory, etc., control pollution to be within the specified limit or better according to the requirements of law and regulations, initiate different projects to keep relationship with the community and stakeholders, implement the project of carbon footprint for organization (CFO) to promote the implementation of carbon footprint for organization as a system, implement the project of environmental management system according to ISO 14001: 2015, contract consultant for the implementation of sustainability development of the organization so that the Company has sustainable business operations according to the international standard

2.2.7.2 Water Management

The Company is aware of the importance of water in all dimensions and has the intention to promote the access to the source of clean and sanitary water for consumption with the concept of "Without sustainable water management, risk of water crisis will occur with negative effects on the stakeholders and the business". The Company has performed risk management in this area as a system by define water as one of the main drivers in business operation, integrate collaboration of the employees of the Company and subsidiaries in water management as a system and with efficiency, promote the water saving project with a focus on efficient use of water to reduce the use of fresh water from the source, comply with the requirements and rules and regulations relating to water management such as water pumping and draining, specify performance index and target in water pumping and draining, conduct risk management from water crisis and water stress by evaluating risk of occurrence and impact. Determine sufficient and appropriate measures and plans to cope with the crisis and water stress, conduct monitoring and inspecting system on the crisis and water stress and evaluate the use of water directly and indirectly throughout the life cycle of the products. Monitor the sufficiency of water in the river basin in the area where the factory is located, attempt to achieve the 6th Sustainable Development Goal of the United Nations on Clean Water and Sanitation, promoting participation of the stakeholders by providing knowledge and raising their awareness in sustainable water management and water conservation, cooperate with the government, trading partner and surrounding community in managing important issue regarding water in the location area of the Company, disclose information concerning water management and possible impact with transparency and consistent with the Global Reporting Initiatives (GRI)

2.2.7.3 Human Rights

The Company intends to conduct business with morality by adhering to business ethics and corporate governance coupled with social responsibility taking into account all groups of stakeholders in accordance with corporate governance and business ethics of the Company. If the Company cannot manage risk concerning social and human rights satisfactorily, the business continuity, reliability, image of the Company will be affected. The Company will be ignored by customers and investors who place importance to human rights and may result in a significant legal action taken against the Company. The Company has performed risk management in this area as a system by creating corporate culture as an organization adhering to respect to human rights according to the policy, respect human rights and comply with law and principle of human rights. Give equitable treatment to stakeholders in all areas which the Company gets involved in business operations. The Company will give mutual respect without preference to the difference in nationality, origin, religion, belief, gender, color, language, race, social status or other status, take precaution and avoid action which violates human rights of the stakeholders directly and indirectly, communicate with stakeholders, publicize policy of the Company concerning human rights and provide them with knowledge, understanding and guidelines in this area in order to involve them in giving respect to human rights, follow up, examine and assess risk and social impact regarding human rights regularly. Find appropriate guidelines or measure for risk management by assigning different units to be responsible for risk management of the unit under their responsibility.

2.2.7.4 Corporate governance and anti-corruption

The Company intends to conduct business operations which create value to the stakeholders as well as creating social and environmental value on the basis of corporate governance and sustainable development. The Company expressed its intent to take part in the attempt to achieve the Sustainable Development Goals (SDGs) of the United Nations. If the Company cannot manage satisfactorily risk concerning social and human rights, its business continuity, reliability and image will be affected. It will not get attention of customers and investors who gives importance to sustainable business operations and may result in a legal action taken against the Company. The Company has performed risk management in this area as a system by establishing organizational structure staffed with competent management. Define scope of operations of the Board of Directors and executives with clarity appoint outsiders as independent directors to examine, give approval and perform as check and balance of decision before submitting to the meeting of shareholders, define measures and guidelines for entry into connected transactions which comply with law, rules and regulations, appoint Corporate Governance and Sustainable Development Committee to be responsible for the supervision of the Company and its subsidiaries to comply with Corporate Governance and anti-corruption, formulate written policy in anti-corruption and circulate to employees for information and adoption correctly and consistently. In 2023, the Company will join the Private Sector Collective Action Against Corruption (CAC), show evidence of transparent operations to stakeholders with a focus on corporate governance by participating in the evaluation of CG score rating conducted by the Thai Institute of Directors (IOD), Organize efficient channel for complaints and whistle blowing, organize risk management according to international standards, prepare standards for protection of network, equipment, program and data from cybercrime or unauthorized access. Protect safety of personal data of employees, customers and trading partners.

3. Driving business for sustainability



**Message from the Chairman of
Corporate Governance and Sustainable Development Committee
Srinanaporn Marketing Public Company Limited**



With a strong determination to drive the business with the principle of sustainable development on the basis of corporate governance for the economic growth of the organization and for maintaining the balance of environment conservation and creating shared value with the society for the optimum efficiency and effectiveness, the Company holds firmly the philosophy of harmonious coexistence as the basis for performing business believing that the equilibrium will support the business growth along with the economic, social and environmental development. Thus, the Board of Directors has appointed the Committee on Corporate Governance and Sustainable Development to formulate policy and guidelines for the operations concerning corporate governance, business ethics and code of conduct, anti-corruption, social responsibility and sustainable development leading to the transparent and fair organization management which will create confidence to the stakeholders, increase value and enhance sustainable competitiveness of the Company.

In 2022, realizing the importance of driving the business to achieve sustainability with agility, efficiency and according to the operational plan and policy of the Company, the Board of Directors, in the 1/2022 meeting on 14 July 2022, appointed the Working Group on Sustainable Development to be responsible for preparing appropriate guidelines and operational plan concerning sustainable development which is consistent with the policy. Moreover, the Working Group will be responsible for overseeing and reviewing the operational plan and promoting the implementation of the operational plan, promoting participation with relating internal and external organizations in the projects under the sustainable development framework, creating sustainable development culture, reporting on the performance in this area and preparing the annual report of sustainable development to publicize the achievements of the projects.

Mr. Yongyoot Luangrattanamart
Chairman of Corporate Governance and Sustainable
Development Committee

3.1 Policy and goal in sustainable management

Sustainable development policy

Sustainable development of the Company is the development of the supply chain which covers raw material acquisition process, efficient use of resources, working process development, products and service development, employee value proposition and competency building, community education and quality of life improvement and engagement in environmental solution. The purposes of sustainable development are as follows:

- 1) Reducing and controlling the environmental impact which may arise
- 2) Creating shared value between the Company and all groups of stakeholders
- 3) Supervising compliance of law and regulations of the Company

The Company is committed to become a good corporate citizen in conducting sustainable business operations which can manage the business to achieve stable growth with corporate social responsibility on the basis of business ethics and corporate governance to be consistent with its vision “to achieve excellence in being manufacturer and distributor of snacks and beverages of quality in products and services” and to fulfill its mission “to become a public company which performs sustainable business operations with fairness, responsibility to society, trading partners and environment”.



3.2 Management of impact to stakeholders in the business value chain

3.2.1 Business Chain



The Company realizes the importance of major stakeholders which involve in the business activities from upstream to downstream (Raw material supply to after sales service). Our business operations are conducted through the Company’s various policies and guidelines to be mentioned later in order to respond as much as possible to the demand and expectation of stakeholders.

3.2.2 Analysis and prioritization of stakeholders, demand and expectation and engagement

Stakeholders in the value chain are divided into 2 groups as follows:

- 1) Direct stakeholders are those who involved in the company's day-by-day activities such as suppliers, employees and consumers.
- 2) Indirect stakeholders are those who are affected by the business operations of the company such as international organizations and educational institutions.

The Company gives importance to analysis of stakeholder by carrying out proactive and reactive method as follows:

- **Proactive** - by sending questionnaire on attitude and usage assessment of the retail customers and distributors (B2B assessment). The above-mentioned questionnaire for employees will be carried out in the following years.

- **Reactive** – by providing hot mail for receiving complaints and collecting statistics for service development. Response to the complaints is made immediately or as soon as possible.



Stakeholders and Expectations Analysis

Stakeholders	Stakeholders' Expectation	Response to Stakeholders' Expectation	Communication channels	Engagement of stakeholders
Investors	<ul style="list-style-type: none"> - Business returns - Transparency of information - Governance - Social and environmental responsibility 	<ul style="list-style-type: none"> - Conduct business to produce good returns. - Creating continuous and sustainable growth. - Disclose information with transparency and reliability. 	<ul style="list-style-type: none"> - Website of the Company, under the topic of "Investors' Relations" - Annual shareholders' meeting - Annual report - Telephone and email 	<ul style="list-style-type: none"> - Attending annual shareholders' meeting. - Attending meetings of listed companies with investors (4). - Factory inspections and visits 5 times. - Attending meetings of Fund and investors (22) - Participating in roadshow (6). - Attending meetings with analysts (5) Total 43 meetings.
Partners	<ul style="list-style-type: none"> - Fair trade - Reliability in keeping confidential information. - Participation in business development. 	<ul style="list-style-type: none"> - Conduct fair business - Build good relationship with stakeholders and develop business together. 	<ul style="list-style-type: none"> - Meeting, Factory inspection and factory visit - Phone and email - Complaint channels 	<ul style="list-style-type: none"> - Factory inspection and factory visit (5) - Assessment of risk of new trading partners concerning environmental, social and governance (63 trading partners or 100%)
Customer	<ul style="list-style-type: none"> - fair trade - Credibility to maintain confidential information. - Participate in business development. - Deliver good, quality and timely products. 	<ul style="list-style-type: none"> - Conduct business fairly. - Build good relationship with stakeholders and develop business together. 	<ul style="list-style-type: none"> - Meetings, inspection visits and factory visits - Phone and email - Complaint channels 	<ul style="list-style-type: none"> - 18 customer satisfaction surveys (Modern Trade customers) - Satisfaction Survey consumers towards the product

stakeholders	Stakeholder expectations	Response Stakeholder of expectations	Communication channels with stakeholders	Stakeholder Engagement
Consumers	<ul style="list-style-type: none"> - Quality product (nutrition and health) - Environmental labelling - Price - Safety - Social responsibility 	<ul style="list-style-type: none"> - Presentation of all healthcare products - Reduced packaging size - Nutrition value in the product substance - Create products that represent the importance of the environment and the consumers. 	<ul style="list-style-type: none"> - Website of the Company, under the topic of "Trademarks and products" - Consumers' hotline for complaints 	<ul style="list-style-type: none"> - There is a process in place for receiving complaints and inquiries via the Customer Call Center Hotline at 02-023-4677 and via each brand's social media on Facebook. - Prepare Plan and Product Concept / Product design
Employees	<ul style="list-style-type: none"> - Fair compensation and benefit - Guideline on fair treatment - Occupational health and safety - Career path 	<ul style="list-style-type: none"> - Pay attention to employees' views in the suggestion box - Quality of life development - Equal treatment to employees with politeness - Employee welfare policy - Employee potential development plan 	<ul style="list-style-type: none"> - Suggestion box - Welfare Committee meeting 	<ul style="list-style-type: none"> - Company town hall meetings - Employee satisfaction surveys
Government agency	<ul style="list-style-type: none"> - Social responsibility - Participation in the social and environmental projects - Information disclosure 	<ul style="list-style-type: none"> - Participation in the social and environmental projects. - Perform business with transparency. 	<ul style="list-style-type: none"> - Meetings with various government agencies 	<ul style="list-style-type: none"> - Compliance with government policies - Meetings with the government sector - Integration of government policies into business management
Community	<ul style="list-style-type: none"> - Conducts business operations with responsibility. - Community development to sustainability - Community economic development. - Complying with law and regulations - Participation in public activities. 	<ul style="list-style-type: none"> - Organize community and social development projects and activities regularly. - Support activities which are of social benefit and without law violation. - Support local activities of the area in which the Company conducts the business operations by career building. - Comply with the procurement policy by looking for environmental-friendly products and service and comply with the environmental law. 	<ul style="list-style-type: none"> - Website of the Company, under the topic of "Srinanaporn for Society". 	<ul style="list-style-type: none"> - Organizing community activities - Community satisfaction surveys - Field visits to meet with the community and listen to opinions

3.2.3 Key Business Issues

Materiality Assessment			
Level of importance/and impact on stakeholders			Climate Change Wastewater Management and Energy Saving
		Raw Material Price Change	Law and Regulations Change and Amendment
	New Flavor Development	Distribution Competitiveness	Shortage of products
		Up-skill and Re-skill professional employees	
Level of importance / and impact on business			

The Company has identified key business issues in line with the United Nations Sustainable Development Goals, where the Company can identify and prioritize key issues and take urgent action to align with the international goals. The Corporate Governance and Sustainable Development Committee Meeting No. 1/2022 has approved the followings:

Business Highlights	Sustainable Development Goals
No. 1. Climate change	 
No. 2. Wastewater Management and Energy Saving	  
No. 3. Law and Regulations Change and Amendment	  
No. 4. Raw Material Price Change	  
No. 5. Shortage of products	  
No. 6. Distribution Competitiveness	 
No. 7. Up-skill and Re-skill professional employees	 
No. 8. New Flavor Development	  

Sustainability Operations and Reporting

The Company has formulated a plan to drive the business towards sustainability since 2021 and has continued to do so until now. Including plans to operate in the future. In order to drive the Company's business towards sustainability with flexibility efficient including operating in accordance with the operational plans and policies of the Company. As well as reporting the results of sustainable development to the Corporate Governance and Sustainable Development Committee for acknowledgment. Therefore, it was proposed that the meeting approve the appointment of a working group on sustainable development. There are the following list.



Name	Position	Department
1. Mrs. Kittiya Chaisathaporn	Deputy Managing Director for Procurement and New Business Development	Procurement
2. Mr. Supachoke Bumrungpun	Chief Financial Officer	Accounting and Finance Department
3. Mr. Seksan Taetarworn	General Manager	Domestic Sales
4. Mrs. Nuntiwa Wanwong	Senior Vice president Research and development	Research and development
5. Mrs. Srinuan Suphanusont	Human Resources and Administration Manager	Human Resources and Administration
6. Mr. Pichet Puntarwong	General Manager	Factory
7. Mr. Narong Netbangon	General Manager	Factory
8. Mr. Chamnan Vilaiwan	General Manager	Factory
9. Mr. Phithak Chuankayan	Senior Manager	Occupational Health Safety and Environment

The Company also promotes knowledge and capacity building in the area of sustainable business development for Company executives and employees through training courses and knowledge sharing, both inside and outside of the Company. These include courses on Business Sustainability Strategies organized by the Stock Exchange of Thailand, and courses for understanding sustainable organizational development, among others, in order to create a good organizational culture for conducting business and to ensure the Company's social and environmental responsibilities are founded on good corporate governance for sustainable growth.

3.3 Sustainability Management

3.3.1 Economic dimension

1. Business ethics and code of conduct

Code of Conduct in doing business

Srinanaporn Marketing Public Company Ltd., (“the Company”) adheres to the business ethics and code of conduct for doing business which executives and employees have to comply with as representative of the Company. The Company defines the business code of conduct as a good guideline which will promote its business to be transparent, build confidence of investors, stakeholders and related parties as follow:

1. Shareholder	The Company will operate the business with transparency and efficiency in order to create value to its business for sustainability. The Company aims to achieve successful work and stable growth for the maximum benefit to stakeholders in long term including the transparent and reliable information disclosure.
2. Staff	The Company will treat all employees equally with fairness and proper compensation. Moreover, the Company gives importance to the development of their skill, knowledge, capability and proficiency regularly such as organize training course, seminar and workshop while giving motivation to employees who are very skillful, have high proficiency to stay with the Company for organizational development later on. In addition, employees have to comply with anti- corruption policy, rule and relevant regulations such as Inside Information utilization is strictly prohibited, etc.
3. Trading partner	The Company has the process of selecting its trading partners by letting them compete with each other on the basis of having equal Information. The selection is carried out with justice under the criteria of evaluation and selection. Furthermore, the Company has made an appropriate and fair contract with the contract parties. The monitoring system is provided to ensure the complete compliance with the contract’s conditions and prevent dishonest action/ corruption in every step of procurement process. The Company purchases goods/material from its trading partners according to trading conditions as well as to comply strictly with the contract.
4. Customer	The Company is responsible for customers by maintaining the product quality, product standard and good services including to meet the demand of customers completely as much as possible for their satisfaction in long term. Moreover, the Company has to take in consideration customer’s hygiene and health in products consumption and services of the Company including giving accurate information on the products and services to customers. Channels for complaints or problems about products and services are provided for customers so that the Company will acknowledge and solve the problem rapidly. Information of customers will be kept confidential and will not be used wrongly for the benefit of anyone else or relevant persons

- | | |
|----------------------|--|
| 5. Creditor | The Company will perform importantly according to trading conditions to Creditor including the capital repayment, interest and taking care of collateral under related contract. |
| <hr/> | |
| 6. Competitor | The Company will behave well according to the good framework of competition, code of conduct and to be within the legal framework. The Company will support and promote the policy on free and fair competition. |

The Company gives importance and good care to community, society and environment together with quality of life of persons who have connection with the Company's business. Employees are promoted to have consciousness and responsibility for society and environment and to comply with law and relevant regulations strictly. Besides, the Company intends to participate in activities which build and conserve the environment as well as to promote local tradition in the area where the Company is located.

2. Risk Management

Risk management on anti-corruption

The Company gives importance to anti-corruption and intends to conduct business with morality under the framework of corporate governance based on principles of corporate governance, code of conduct and business ethics. The Company has carried out its business with fairness, equity and traceability while having responsibility for society, environment and all groups of stakeholders.

To ensure that the Company will act against corruption systematically under the framework of responsibility policy, guidelines and regulations of appropriate implementation on anti-corruption in all business activities of the Company and to make the right decision for conducting business which may have risk of corruption, the "policy on anti-corruption" is set clearly in writing to be the guidelines and to be developed toward being the organization of sustainability as follows:

(1) Policy on anti-corruption

- Directors, executives and employees must not request, act or accept corruption action in all forms directly or indirectly for the benefit of the Company, oneself, family, friends and an acquaintance or for business benefits covering domestic business and oversea business including relevant agencies of the Company.

- The Company must review the compliance with the policy on anti-corruption regularly as well as to review the guidelines and regulations to be consistent with the business change, order, regulations and law. If there is the violence against law or any action which leads to support or cooperate with corruption, disciplinary punishment will be imposed.

(2) Duty and responsibility for anti-corruption policy

- The Board of Directors has duty and responsibility for defining and approval for anti-corruption policy and corporate governance by providing an efficient system of supporting anti-corruption to ensure that the Management has realized the importance of anti-corruption and comply with it to become a corporate culture.
- The Audit Committee has the duty and responsibility for reviewing the sufficient internal control and review the performance to be complied with the policy on anti-corruption, the regulations and related law.
- The Management has duty and responsibility for formulating the system, promoting, supporting and controlling to ensure that employees and relevant departments have complied with the regulations of anti-corruption. The appropriate system and measures to be consistent with the change of business, regulations and law have to be reviewed.

- The Internal Audit Department has duty and responsibility for auditing and follow-up the result of performance to be in accordance with policy, guidelines, order, and related law to ensure the proper and sufficient internal audit to the possible risk of corruption which may arise and report to the Audit Committee.
- Directors, executives and employees have to comply with anti-corruption policy by avoiding the involvement in corruption directly or indirectly.
- Subsidiaries/associate companies or business representative of the Company under the control of the Company have to accept and comply with the policy on anti-corruption.

(3) Scope and guidelines

- Directors, executives and employees of all level have the duty to perform their work with caution to prevent corruption of all forms.
- Determine to create and maintain anti-corruption as the corporate culture which will not accept corruption in doing transactions with the public sector and private sector
- Directors, executives and employees of all levels will not ignore or neglect when finding the action leading to corruption involving with the Company. Superior or responsible persons have to be informed and investigate the truth. Channels for whistleblowing or receiving complaints from persons inside and outside the Company
- The Company will give justice and protect employee who denies corruption or inform about corruption involved with the Company. There will not be the demotion, punishment or negative effect on the employee who denies corruption even though it will cause the loss of business opportunity of the Company.
- Directors and executives of all level have to be honest and role model in complying with the

policy on anti-corruption by assigning the Company Secretary and Personnel Department to be responsible for disseminate knowledge, information and build the understanding to employees to uphold the policy of anti-corruption actively and continuously and take it as a corporate culture of the Company

- The anti-corruption policy covers the process of personnel administration ranging from recruitment, nomination, promotion, trainings and performance evaluation. Executives of all level have to communicate with employees to conduct business activities under their responsibilities and supervise the compliance with the policy with efficiency.
- Any actions concerning anti-corruption have to follow the guidelines described in “the policy on good corporate governance”, “Code of conduct” including order and handbook of relevant companies as well as other guideline set by the Company
- Doing public relations about anti-corruption policy by internal and external media such as the Company’s website, annual report etc. Such policy is practiced under the Thai law for anti-corruption

(4) Whistleblowing or corruption complaints

- When finding an action leads to corruption involving with the Company directly or indirectly such as a person in the Company accepts bribes from official government, or private sector
- When finding an action violating the process of work of the Company or resulting in the internal controlling system which is doubtful to be the channel of anti-corruption
- When finding the action which causes the disadvantage of the Company or affect the Company’s reputation
- When finding illegal action or action violating rule, regulation or business code of conduct

(5) Channels for whistleblowing or corruption complaints

The Board of Directors assigns the independent directors or the Audit Committee to investigate the complaints which are doubtful to be corruption in the Company directly or indirectly through the channel provided. The person who makes complaint has to inform the details of the complaint together with his/her name, address and telephone number for contact via the following persons as follows:

1. Independent Directors or the Audit Committee
E-mail: audit_committee@snp.co.th
Postal Independent Directors or Audit Committee
Srinanaporn Marketing Public Company Ltd.
325/6-9 Larn Luang Road, Si Yak Maha Nak
Dusit, Bangkok 10300
2. Secretary of the Company or Manager of Human Resource or Manager of Internal Audit
E-mail: cg@snp.co.th
Postal Secretary of the Company or Manager of Human Resource or Manager of Internal Audit
Srinanaporn Marketing Public Company Ltd.
325/6-9 Larn Luang Road, Si Yak Maha Nak
Dusit, Bangkok 10300

In case there is the whistleblower or the person who makes complaint against the Chief Executive Officer or the Executive Committee, that person is required to inform the Chairman of the Audit Committee directly. All groups of stakeholders of the Company can make complaints concerning corruption. The whistleblower or the person who makes complaint will be kept confidential.

Protective measure and keeping confidential

To protect the rights of complainant and the person who gives information with honesty, their names and address and other information will be kept confidential. Responsible persons for investigation can access such information only.

In case of the complaints, the company will set protective measure for the whistleblower or the complainant, witness and the person who gives information not to be disturbed, unsafe unrighteous or in danger caused by the complaints. The responsible person will keep information, complaints, evidence confidential. Such information will not be disclosed to other person except performing under responsibility according to law.

(6) Process of investigation and penalties

- Upon receiving whistleblowing or complaints, responsible person will screen, examine and investigate the truth
 - During the investigation, responsible person may inform the progress to the whistleblower or the complainant from time to time
 - After the investigation, it is found that the information and evidence are reasonable to believe that the accused has committed corruption. The accused will be informed of the allegations and can prove himself by finding more information and evidence to show that he is not involved in the corruption.
 - If the responsible person considers that the accused has really committed corruption, he will submit the case together with recommendations to the Audit Committee and/or Executive Committee for consideration and imposed the proper punishment
 - Corruption is the misconduct to the policy on anti-corruption and code of conduct of the Company. The accused has to be imposed disciplinary punishment as set by the order of the Company. If such corruption is illegal, the accused has to be punished legally too. The disciplinary punishment of the Chief Executive Officer and his decision is final.
- (7) Dissemination of anti-corruption policy
- The announcement of anti-corruption policy of the Company is attached in the prominent place where everyone can see and read.

- The policy on anti-corruption is publicized through communication channels of the Company such as website, annual report (56-1 One report) etc.
- The policy on anti-corruption will be reviewed regularly at least once a year.

(8) Determination of conducting anti-corruption

The Company adheres to ideology of conducting its business according to the code of conduct and will continue in upgrading the compliance with the policy on anti-corruption of the Company actively such as making public relations, communicating to executives, employees as well as trading to know and understand and comply with the policy correctly and regularly. However, in the near future, the Company will consider to announce the Declaration of Intent against Corruption and apply to participate in the Project of the private sector in anti-corruption (Thailand's Private Sector Collective Action Coalition against Corruption) with an aim to be a certified company from CAC within the year 2024. However, throughout the year 2022, complaints or any action leading to corruption are not found.

Emerging risk management

Important risk in 2022 was the risk of the outbreak of new COVID -19 pandemic. The Company has monitored the outbreak of COVID-19 closely and continuously. The effect on the Company's business caused by COVID-19 depended on several factors such as time, severity, scope of the outbreak, geographic effect, effect on domestic and international economic activities including the strict measures launched by the government. However, the Company has operated its business according to crisis management plan and business continuity management: BCM and handled the crisis which may affect negatively the business performance such as preventive measure for products distribution which has to be adjusted properly when meeting with clients, meetings and seminars on line as well as working from home. As a result, the Company could continue its operation under the situation of COVID-19 pandemic.

Moreover, the Company has analyzed business circumstance from several crises arising in 2022 both from internal and external factors such as economic trend, society, politics, technology, industry, competitor, and other relevant to set important risk for doing business at present and in the future. The above-mentioned is corporate risk covering 5 aspects as follows:

(1) Strategic Risk

Risk factors and risk management measures

1. **New investment and overseas investment**

The Company has performed continuously proactive business operation in snacks and beverages market as it perceives the opportunity and readiness for expanding business in ASEAN including China. However, in the oversea investment, the Company will encounter risk of delay and several uncertainties such as in acquiring necessary permission for business operation, machinery and equipment, source of investment fund, selection of customers, cost management, recruitment and selection of the Management and skilled labor, political stability, demand and supply of the market, demand of consumers, rules and regulations and tax of the countries of investment.

- Send the high-position executive who is knowledgeable, capable and skillful to be member of Board of Directors of the subsidiaries and/or joint venture to follow up closely their operations
- Organize meeting regularly between high-position executives of the Company and executives of subsidiaries
- Formulate investment policy on subsidiaries in writing. Determine control measure according to internal control system for overseas subsidiaries to apply.

2. Direction of business strategy

The technological progress and the changing behavior of consumers which have resulted in a New Normal lifestyle may affect the direction of business strategy and prevent the Company from achieving its goal and from successful investing and gaining returns as planned. Strategy and business direction is regularly reviewed to be consistent with the economic situation and the changing direction of the world. Meetings of high-position executives are held for consultation and brainstorming. The strategy at the organization level will be communicated to employees of all levels through their superior of each line to transform into the strategy at the operation level and to prepare business plan.

3. Human resource and organization structure

The Company has expanded their business overseas to seek new business opportunity and has introduced digital technological system and innovations into the operations to drive its business. However, if the Company cannot find and develop human resources with capability and sufficient and timely experience, or the organization structure, manpower, capability, knowledge as well as the corporate culture does not allow the Company to compete with other companies or attract talented people to work with the Company and build up growth with sustainability, it may affect the business operation and achieve the goal in long term.

The Company has reorganization and working process to be consistent with the strategic direction of the business and determination of the guideline for overall human resources development as well as the planning and manpower administration as follow:

- Review the organization structure to be consistent with the strategic direction and business operations of the Company and its subsidiaries
- Review the manpower
- Recruit employees from as the first step, existing internal employees to provide them with appropriate career path

- Recruit employees from outside people who are talented and have specific experience for importance position
- Develop capability of employees according to their career path
- Improve working procedure with the assistance of technology to increase efficiency
- Review the appropriateness of the delegation of authority (DOA)

(2) Operation and Business Risk

Risk factors and risk management measures

1. Quality and safety of the products

The Company places importance to maintaining the compliance with the international standards concerning quality and safety of the products. If the quality and safety of the products does not meet the international standards, it may affect negatively the satisfaction of customers, reputation and image of the organization.

- As a measure in risk management regarding the quality and safety of the products, the Company has applied the end-to-end process from the step of procurement up to the delivery of goods to the customers according to the International Standards for Quality Management and Safety of Food (ISO 2200, GMP, HACCP, ISO/IEC 17025), The Company's production system has been assessed regularly and certified by independent assessors of public and private organizations.
- The Company handles complaints and recommendations concerning products and service sent to our customers-hotline 02-023-4680 or contact@snp.co.th
- Label and warning to consumers according to the Notification of Ministry of Public Health are provided on the package of the products

2. The Company's reputation

Expectation of the different groups of stakeholders and the present technological progress which have contributed to the fast communication may help to spread quickly and widely the events or news which have negative impact on the Company. If the Company cannot handle completely the negative issue which may happen to the Company and cannot communicate to the stakeholders with effectiveness, its image and trustworthiness will be affected.

- Follow up closely information, news and issue involving the Company in order to create good understanding promptly according to the complaint handling mechanism of the Company and deal with the complaint to the end
- Conduct proactive communication via the Company's website coupled with planning of negative issue management and communication in time of crisis. Predict the negative issue which may happen and make a regular review
- Manage relations with the mass media as a system with efficiency

3. Cyber Security

The issue of cyber security has a tendency to be increasing and creates several forms of effect such as phishing, using ransomware and spyware virus to get important information and business operations resulted in the leakage of important information and business secret and overall damage of the Company including business loss and negative image.

- Formulate policy on Information Security to be applied by all employees. To build understanding of the employees to work together in the same direction for efficiency and effectiveness of the operations of the Company
- Formulate policy concerning structure of organization security for mutual inspection of personnel in information technology

- Set the rule and regulations for users of information technology system as a guideline for information technology system security
- Use firewall to specify the number of computers which can access the information
- Specify username and password and limit appropriately and carefully the right to access the database of the users in the Company. Install secure shell to capture the passwords
- Inspect the information system consistently and access risk which may occur from the vulnerability of the system
- Provide knowledge to the employees in protecting the information from leaking outside
- Install BCM system to cope with the threat on the information system of the Company and perform regular test on the system
- In 2022, the IT General Control (ITGCs) audit according to ISO 27001: 20013 Information Security Management System (ISMS) was performed independent auditor of P&L IT Audit Co., Ltd. According to the audit, the Company's information system has sufficient general control and has appropriate compliance with the standard.

4. Economic Crisis

Natural disaster risk, political unrest including the outbreak of COVID-19 which are still uncertain and unpredictable may have an effect on economy continuously leading to economic crisis of the country and global economic crisis and will also affect the business operations of the Company.

Thus, the Company gives importance to the management of risk from external factors, particularly epidemic such as COVID-19 pandemic which may lead to economic crisis. Risk management for economic crisis is as follows:

- Evaluate the probability of occurrence and impact from crisis in each core process

- Analyze an impact from the crisis which may occur to the organization
- Consider guidelines or emergency response plan to cope with the crisis
- Prepare annual risk management plan to cope with the business interruption from crisis and business continuity management for consideration of the Risk Management Committee. Review the plan regularly.
- Follow up regularly the situation of crisis and evaluate the key risk indicators of business interruption from crisis and business continuity management

(3) Financial Risk

Risk factors and risk management measures

1. **Fluctuation of the rate of exchange**

The Company gives importance to the management of the rate of exchange of the Company and overseas subsidiaries caused by the fluctuation and difference of transactions in business operations and circumstances which may affect significantly the performance of the Company. Thus, the Company set the policy on financial risk concerning the exchange rate to be risk appetite and will not make profit from the rate of exchange as follow:

- In the Agreement with trading partner (Local Currency) In remittance and payment, Thai Baht or local currency will be used.
- Foreign currency deposit account (FCD) and management of revenue and expense account which is in foreign currency will be natural hedge
- Review risk management and study the transaction of the overseas subsidiaries which have financial risk concerning the exchange rate
- Follow up economic news and government policy on the overseas subsidiaries to find financial tools and guidelines for financial risk management concerning the exchange rate

- Present guidelines for risk management and prepare risk management plan concerning the exchange rate with financial executives of the Company and financial executives of overseas subsidiaries

(4) Compliance Risk

1. **Compliance with Personal Data Protection Act**

The Company gives importance to risk management concerning information safety and ensures the compliance with legal requirements of personal data protection. If the Company cannot conduct risk management in this area, its business continuity, reliability, image, reputation will be affected and it may result in a legal action taken against the Company significantly.

- Formulate written policy concerning personal data protection
- Communicate and organize training of the requirement of law in order to prepare the measures and operations of the Company to be consistent with the Personal Data Protection Act B.E.2565 (2022)
- Prepare legal form to comply with the legal requirements. Prepare preventive and corrective measures for normal situation and an undesirable situation of personal data violation
- Study, design and manage information technology system concerning relevant personal data collection such as management system for exercising the rights of the personal data owner

2. **Change of policy, rules and regulations of the government and regulatory bodies**

The Company intends to perform business operations correctly according to the corporate governance and gives importance to compliance with law, rule and regulations of the regulatory bodies, both public and independent organizations. Violation against law, rule and regulations will affect its business continuity, reliability, image and reputation and may result in a legal action against the Company.

- Establish Legal Unit and Compliance Unit to follow up closely and regularly the amendments of law, rule, notification, order and regulation which may involve the Company.
- Organize communication and training and dissemination of information concerning the promulgation or amendment of law, rule, notification, order and regulations which may involve the Company
- Review and evaluate the compliance with law, order, notification and regulations related to the Company closely and regularly by the Internal Audit Unit of the Company
- Hire local legal firm to give advice concerning compliance with law, order, notification and regulations which is related to overseas subsidiaries

(5) Environment, Social and Governance Risk: ESG Risk

Risk factors and risk management measures

1. **Climate change**

The Company intends to perform business which gives value to stakeholders coupled with creating value for society and environment. As the Company's business is a type of production industry which should have involved the climate change, its business continuity and trustworthiness can be affected if the Company cannot perform satisfactorily risk management concerning climate change.

- Formulate written policy on environment
- Aim at environmentally-friendly production and procurement such as reduction of plastic container, improvement of machinery to reduce waste from production, waste water treatment, use of solar energy in the factory etc.
- Control pollution to be within the specified limit or better according to the requirements of law and regulations
- Initiate different projects to keep relations with community and stakeholders
- Implement the project of carbon footprint for organization (CFO) to promote the implementation of carbon footprint for organization as a system
- Implement the project of environmental management system according to ISO 14001: 2015
- Contract consultant for the implementation of sustainability development of the organization so that the Company has sustainable business operations according to the international standard

2. **Water Management**

Realizing the importance of water in all dimension, with the concept of "Without sustainable water management, risk of water crisis will occur with negative effects on the shareholders and the business", the Company intended to promote access to the source of clean and sanitary water for consumption.

- Define water as one of the main driver in business operations
- Integrated collaboration of the employees of the Company and subsidiaries in water management as an efficient system
- Promote the water-saving project with a focus on efficient use of water to reduce the use of fresh water from natural water source
- Comply with the requirements and regulations relating to water management such as water pumping and draining
- Specify performance index and target in water pumping and draining
- Conduct risk management from water crisis and water stress by evaluating risk of occurrence and impact. Determine sufficient and appropriate measures and plans to cope with the crisis and water stress

- Conduct monitoring and inspecting system on the crisis and water stress and evaluate the use of water directly and indirectly throughout the life cycle of the products. Monitor the sufficiency of water in the river basin in the area where the factory is located
- Operate to achieve the 6th Sustainable Development Goal of the United Nations on Clean Water and Sanitation
- Promote participation of stakeholders by providing knowledge and raising their awareness about sustainable water management and water conservation
- Cooperate with the government, trading partner and surrounding community in managing important issues regarding water in the location area of the Company
- Disclose information concerning water management and possible impact with transparency and consistent with the Global Reporting Initiation (GRI)

3. Human rights

The Company upholds the ideology of conducting business based on business ethics and corporate governance coupled with social responsibility taking into account all groups of stakeholders according to the Company's corporate governance and business ethics and code of conduct. If the Company fails to manage social and human rights risk satisfactorily, the business's continuity, reliability image of the Company will be affected. The Company will not get attention of customers and investors who place importance to human rights and may result in a legal action concerning human rights taken significantly against the Company.

- Create corporate culture as an organization adhering to respect to human rights according to the policy
- Respect human rights and comply with law and principle of human rights. Give equitable treatment

to stakeholders in all areas which the Company get involved in business operations. The Company will give mutual respect without preference to the difference of nationality, origin, religion, belief, gender, color, language, race, social status, or other status.

- Take precaution and avoid action which violates human rights of the stakeholders directly or indirectly
- Communicate with stakeholders, publicize the policy of the Company concerning human rights and provide them with knowledge, understanding in order to involve them in giving respect to human rights
- Follow up, examine and assess risk and social impact regarding human rights regularly. Find appropriate guidelines or measures in risk management by assigning different units to be responsible for risk management of the unit under their responsibility

4. Corporate governance and anti-corruption

The Company intends to conduct business operations which creates value for the stakeholders as well as creating social and environmental value on the basis of corporate governance and sustainable development. The Company expressed its intent to take part in the attempt to achieve the Sustainable Development Goals (SDGs) of the United Nations. If the Company cannot manage satisfactorily risk concerning social area and human rights, its business continuity, reliability and image can be affected. Moreover, it will not get attention of customers and investors who give importance to sustainable business operations and may result in a legal action against the Company significantly

- Establish organization structure staffed with competent management. Define scope of operations of the Board of Directors and executives with clarity

- Appoint outsider as independent directors to examine, give approval, and perform as check and balance of decision before submitting to the meeting of shareholders
- Define measures and guidelines for entry into connected transactions which comply with law, rule and regulations
- Appoint Corporate Governance and Sustainable Development Committee to be responsible for the supervision of the Company and its subsidiaries to comply with corporate governance and anti-corruption
- Define policy on anti-corruption in writing and circulate to employees for information and adoption correctly and consistently
- Show evidence of transparent operations to stakeholders with a focus on corporate governance by participating in the evaluation of CG score rating conducted by the Thai Institute of Directors (IOD)
- Organize efficient channel for complaints and whistleblowing
- Have the system of risk management according to international standard
- Have available standards for protection of network, equipment, program and data from cybercrime or unauthorized access. Protect safety of personnel data of employees, customers and trading partners.

Crisis Management

To handle the crisis management which may lead to business interruption, the Risk Management Committee of the Company has approved the policy on Risk and Business Continuity Management and establish the Crisis and Business Continuity Management Governance Structure. The policy has been implemented continuously since 2021 up to 2022 and has also been practiced at the subsidiaries. For the preparation of the system of business continuity, the Company has analyzed business activities, resources, or important

assets, possible impact caused by business interruption including evaluation and preparation of risk management plan, emergency respond plan, restoration plan after emergency and business continuity management plan. Top executive of each line as well as employees concerned have the duty to practice, rehearse, maintain, and review the risk management plan regularly. Appropriate measure for crisis management has to be considered and report the result of performance to the Risk Management Committee regularly.

Corporate culture in risk management

The Company intends to promote risk management culture throughout the organization. In this connection, executives will communicate to the employees on the importance of risk management and serve as role model in risk management as well as applying risk management with effective result. Risk term and definitions, risk appetite and risk assessment, role and responsibility of different risk are specified as the same standard. Risk management will be included in the agenda of meeting of the operational level and management level. Risk management will a topic in the training and development of Board of Directors and Committee executives and employees. Experience in risk management is shared among different units concerning guidelines for the operations and for the benefit of continuous risk management. The Company promotes self- learning by digital learning to raise awareness about risk management of the employees. Moreover, the Company will upgrade the topic of risk management by different communication formats such as including the topic of risk management in the pre-test and post-test of the orientation and making publicity concerning risk management and participatory activities. Internal communication channel will be provided for inquiry on risk management. Ethics e-testing will be conducted annually. Corporate Governance & Business Code of Conduct Handbook containing corporate governance and business code of conduct will be prepared and circulated to employees for information and application. The handbook will be useful for the work of the Board of Directors and Committees, executives and employees in increasing the efficiency, reducing errors and achieving the business goal.

Promotion of risk culture. The Company intends to promote risk management as a corporate culture. Executives will communicate with employees on the importance of risk management and serve as role model in risk management and find methods in implementing effectively risk management. The term and vocabulary about risk management will be used for common understanding. Risk appetite is specified. Criteria for risk assessment is set as the same standard. Role and responsibility of person in charge of risk is specified. Risk management is included in the agenda of the important meeting both in executive level and operational level. Risk management is included in the training and development of the Board of Directors, executives and employees. Experience in risk management is shared among different lines concerning guidelines and benefit of risk management. The Company promotes self-learning by digital learning to raise awareness about risk management of the employees. Moreover, the Company will upgrade the topic of risk management by different communication formats such as including the topic of risk management in the pre-test and post-test of the orientation and making publicity concerning risk management and participatory activities. Internal communication channel will be provided for inquiry on risk management. Ethics e-testing will be conducted annually. Corporate Governance & Business Code of Conduct Handbook containing corporate governance and business code of conduct will be prepared and circulated to employees for information and application. The handbook will be useful for the work of the Board of Directors and Committees, executives and employees in increasing the efficiency, reducing errors and achieving the business goal.

3. Customer-relations management

The Company intends to develop products and service to meet the customers' satisfaction and for the maximum benefit of the customers and to treat customers with responsibility, honesty and care. Sales and Marketing Department will organize meeting on joint business plan with modern trade and wholesale

distributor to create consistency between the business plan of the Company and the customers and to be informed on their opinion and find business opportunity from business allies.

Moreover, to evaluate the satisfaction of the customers to the Company, a survey on satisfaction was conducted on 18 modern trade customers (57% of the sales in 2022). From the survey result, if there is issue which needs improvement, the Company will consult with the concerned departments for improvement and re-evaluation. However, from the survey in 2022, there was only a few issues which need improvement.

In 2022, the Company had conducted marketing activities with customers continuously to promote the sales by hiring outside persons (third party) together with the employees of the Company who are in charge of product sorting and sales promotion to take care of the customers and give recommendations in sales. Moreover, in order to ensure that the product of the Company always have quality according to standard, the products which are about to expire can be returned to the Company at no cost.

Moreover, complaint and inquiries can be sent to different channels such as call center 020234677 and social media such as Facebook of every product such as Jele' Beautie club, Bento Squid, Lotus Yummy & Enjoy, Magic Farm Fresh. Page Administrator is available for enquiry service such as product return, etc.

For the consumers, the Company realizes the importance of production of food and beverage which are provided with quality, safety and healthy. In responding to the fast changing behavior of consumers, the Company has conducted research and development on the product continuously by the process of plan, product concept/product design before launching a new product. The focus group will consider the concept for each product for approval of the Company. The Company will listen the comments before developing the new product for the market.

Promotion of customer relations

1. Cooperate with customers in the preparation of joint business plan at the beginning of the year for common understanding as the basis for the preparation of the work plan for sales
2. Prepare a quarterly business review to evaluate the situation and to consider additional work plan (if necessary) for improvement of the work plan to be efficient and meet the target
3. Jointly determine KPIs, including sales and sales promotion expenses, as well as trading terms agreements (TTA), service levels (OTIF), and display and in-store visibility, etc.

4. Supply Chain Management

Risk from trading partners

Identifying major trading partners

As the Company gives importance to selection of the best quality raw materials for consumers, standard working procedure in evaluating and selecting new suppliers as a system. The supplier groups of raw materials, packaging and mixture are major trading partners. Major and minor trading partners have to be subject to the evaluation system as well as the annual evaluation as specified by the Company. In the evaluation, quality, price, delivery and the evidence of their responsibility to governance, social and environment provided with clear and adequate supporting document will be considered. The suppliers who have been selected will be included in the Approved Vendor List (AVL) of the company.

Economic Risk Assessment

Assessment of the economic risk of each trading partner is performed consistently, both in the stage of selection of new trading partner and in the annual evaluation of efficiency of the trading partners. In the assessment of the economic risk, financial status, organization size, performance, reputation in the business circle to ensure of their business stability and can deliver products and service in time, continuously and sustainably.

Assessment of governance, social and environment risk

The Company selects raw materials with care in order to get the best product in terms of quality and being environmentally-friendly for consumers and stakeholders. Clear criteria is set in selecting trading partners which conduct business by taking into account governance, social responsibility, environment (ESG) and occupational safety and health by 20% weighting. Thus, the trading partners which are selected have been certified against the ISO international standards in the area of food and environment. After the selection, the Company will monitor the operations of the trading partners quarterly to ensure that they continue to meet the standard as expected. In 2022, 65 trading partners (100%) were evaluated in ESG.

Procurement policy and criteria in selection of trading partners

Trading partners which are stakeholders of the Company are managed as a system. Written procurement policy has been issued, approved and applied throughout the organization. The policy includes scope of responsibility, type of procurement, procurement process (application, selection of suppliers, placing order, follow up goods or service), performance evaluation, review of Approved Vendor List (AVL). According to the review of the Internal Audit in 2022, the procurement policy has concise internal control. The policy is applied regularly.

Code of conduct for trading partners in procurement Monitoring compliance with Code of conduct

The Company has been existent in the Thai society for over 30 years. The Company has performed business operations based on business ethics and code of conduct by conforming with the standards for the products, social responsibility and self-development as a guideline in conducting business with stakeholders. The Company believes that sustainable business operations will be a strong foundation for business continuity in all circumstances.

As “trading partners” are essential stakeholders for the business growth, they will be treated on the basis of

equitability, transparency and fairness and in avoidance of situation or action which may create conflict of interest and in complying with the obligation or mutual agreement for good business relations in accordance with the guidelines in sustainable management of trading partners and responsibility to customers, consumers, community, society and environment.

To fulfil the purpose with effectiveness, importance is given to the supply chain management which will be materialized under the supervision of the Company. The “Guideline in sustainable treatment of trading partners” is prepared as manual for the trading partners to apply in the same direction as the Company. The Company wishes to receive cooperation from trading partners in performing business with business ethics, respect to human rights, care of occupational safety, health and environment for business stability and growth together. From the monitoring of the compliance with business ethics and code of conduct of the trading partners after the purchase in 2022, all trading partners passed the evaluation criteria. Noncompliant action was not found.

Inspection of the establishment on the compliance with Code of conduct

The Company has inspection system of the establishment of the suppliers of the main raw material used directly in the production in order to monitor its compliance with the Code of conduct concerning governance, social and environment. Such suppliers are producers and/or suppliers of fish meat, sugar and packaging. The inspection will be on quality and the compliance with the environmental law of the raw material which the supplier has conducted self- check together with the evaluation of the outside organization such as the report on the analysis of safety of fish meat to Department of Fisheries concerning the compliance with the law on fishing gear and illegal labor, etc.

Moreover, the Company has coordinated with the business allies who are packaging producers and distributors in waste reduction by reducing the dimension of packaging and used packaging from the producers who have been certified in accordance with the national and international standards for environment.

Assistance to trading partners and upgrading to sustainable business operations

Policy of payment and credit term

In considering the appropriateness of the credit term, payment conditions and punctuality in debt payment by specifying clearly the payment period and communicate to the trading partners on this matter. The credit term received from the trading partners is averagely 45-60 days which is normal for the business in general. In 2022, the Company made payment to trading partners according to the credit term and there was creditors who had to wait for a long time.

Promotion of Sustainability

The Company has constructed a factory in Ratchaburi which is close to the source of coconut water which is the raw material for the factory. The construction of the factory near to the source of raw material will save the transportation cost and keep the freshness of the raw material and help to reduce the greenhouse gas emissions. Moreover, the factory takes part in creating income and occupation for the agriculturalists in the surrounding community of the factory.

5. Taxation

Tax policy and tax privilege

The Company has guidelines concerning taxation to be applied in complying with the applicable and regulations. The Account Department is responsible for reviewing the guidelines for improvement to be up-to-date.

Effective tax rate

In 2021 and 2022, the Company had profit (loss) before tax of 507 million baht and 649 million baht. The income tax expense was 86 million baht and 137 million baht respectively. The effective rate of the Company in 2021 and 2022 was 16.86% and 21.14% respectively based on the income rate of the country at the rate of 20%. The different rate of tax mostly resulted from the loss share from investment in the joint venture, deferred tax and expenses that are not tax deductible.

6. Business, Social and Environmental Innovation

With the aim to achieve sustainable development goals, innovation to provide good health and well-being for the consumers is among the strategies of the organization in addition to driving the economic, social and environment aspects of the organization. In 2022, promotion of innovation is conducted as follows: 1. Innovation through new product 2. Innovation through process 3. Innovation from research and development

Innovation through new products

In supporting the farmers by buying agricultural products, the Company has produced new products, namely, coconut water mixed with palm juice and coconut jelly of the trademark “Magic Farm Fresh”.

Moreover, the Company provides knowledge and understanding in the hygienic processing and production to small scale producers such as producers of coconut water, coconut jelly and palm juice.

On 20 and 26 July 2022, the Company made inspection of the production site of coconut water to provide knowledge in hygienic practice to the supplier.



Future food and Alternative Protein

In 2022, the Company has dedicated effort to a research and development project to create innovation under the project of “Surimi-like, protein from green bean to substitute Surimi” which is in the category of future food innovation and alternative protein innovation. It is an important research and development project to find source of raw material for sustainable food production by the use of innovation and technology and standard and quality production process. The project will be beneficial for the Company in providing opportunity to deliver product of different form and taste and reasonable price resulting in variety of new products in the market.

The research and development project of “Surimi-like, protein from green bean, Surimi substitution” was proposed to the Subcommittee on innovation projects which are necessary for the country development under the National Innovation Agency (NIA). The project was approved by the Subcommittee in the 2nd/2022 meeting on 20 April 2022, with the financial support of 2,125,000 baht.

Goal of 2023-2024: The Company has a plan to develop natural protein and raw material with nutrient value for creation of new products as follows:

Short- term plan:

- Jele´ Chewy Vitamin Cup Product with nutrient.

Long- term plan:

- Bento, Plant-base surimi (From the Project of “Surimi-like, protein from green bean, Surimi substitution”).



Innovation through process

The Company realizes the importance of water management and gives support to the sustainable water management. Water used in the production process is vital. Therefore Branch 00004 Ratchaburi has created innovation to reduce water in the production process by installation of Cleaning in Place (CIP Mobile) in the production line which is useful in

- 1) Reducing waste water in the waste water treatment
- 2) Reducing working time
- 3) Reducing amount of water used in the production process
- 4) Increasing quality by reducing contamination

CIP Mobile helps to reduce the use of water in the production process by 37.5% from the normal use and can save the cost of water of 20,128 baht or can reduce greenhouse gas emissions of 1,072 kgCO₂e.



Innovation from research and development

Realizing the importance of reduction of the use of plastics to decrease the amount of plastics waste which is a global problem by developing plastic container with easy peel cover made of foil for Coconut Fresh and Grass Jelly Fresh of Ratchaburi Branch.



The above-mentioned innovation can reduce the use of plastic cover of 57,335 kg or greenhouse gas emissions of 384,552 kgCO₂e.

3.3.2 Environmental dimension

Environmental and resource management

1. Environmental management

The Company has strong determination to perform business in order to obtain high quality products which meets the demand of the customers coupled with its responsibility for the environment and society for balanced, stable and sustainable development.

Policy on internal environmental management

To achieve its goal, the policy on internal environmental management of the Company is as follows:

Environmental Management Policy

- 1) Environmental protection by conservation and use of the natural resources with sustainability, worthiness and with the maximum efficiency by using modern technology and preventing and controlling pollution at the source
- 2) Comply strictly with applicable law and requirements relating to environment
- 3) Promote and support knowledge and understanding of the environment among employees and relevant persons. Raise their awareness about environmental

conservation for the benefit of good environment, internal and external of the organization

- 4) Improve and develop continuously environmental management by specifying objectives and goal, monitoring and achieving the objectives, goal and work plan in environmental management of the organization

Departments in the Organization responsible for the environment

The Company appointed Environmental Management Representative (EMR) and Environmental Management System Team (EMS) consisting of representatives of factory, sales, supply and personnel of the 4 branches to be responsible for environmental management. Manager of each factory is EMR which reports directly to the General Manager of the branch.

Internal environmental action goals

Two overall goals are as follows:

1. Green Industry
 - All factories will become Green Industry at the level 4 in 2024
 - Promoting main trading partners (Raw material and packaging producers)



2. Eco Factory

- Three factories will receive Gold Awards in 2025



Participation of executives and employees in environmental management

Realizing the importance of environmental management in the organization, the Company transfers the knowledge of environmental management, promote the implementation of the policy on environmental management of the employees and relevant persons and follow-up the progress of the implementation regularly. Moreover, all employees are encouraged to participate in environmental management. The Company also participates in the preparation of ISO 14001:2015 Environmental Management System.

For the performance, the Company's Branch 2 on Bhuddhamonthon Road 5 has been certified to be Green Industry, level 2 on 24 January 2022. At present, the 4

Branches have been certified to be Green Industry at level 2 and level 3. Moreover, the Company's Branch 2 on Bhuddhamonthon Road 5 has been certified to be Eco Factory, Silver Award. The achievements reflect the attempt of the Company to perform business operations which takes into account the balance dimensions and eco-efficiency.

Responsibility of EMR

- To ensure that the environmental system of the Company complies with ISO 14001:2015 Environmental Management System and has been implemented with effectiveness
- To monitor, review and report to the executives on the performance of EMS and environmental performance with regular improvement
- To give advice to the EMS teams on cause and solution to the incompliance problem
- Follow up on the fulfillment of the requirements of law and regulations

Responsibility of EMS Team

- Ensure that the environmental system of the Company complies with ISO 14001:2015 Environmental Management System and has been implemented with effectiveness
- Digest the characteristics of the environmental issue, evaluate the significance, communicate and improve environmental issue as well as risk and opportunity for environment of the Unit under responsibility
- Solve environmental problem, inconformity with the requirements with efficiency
- Communicate efficiently with the responsible units to ensure that they comply with policy, objectives, workplan, improvement measures and operational control
- Follow up on the fulfillment of the requirements of law and regulations

6. Provided recommendations to the Environmental Management Representative (EMR) on improving the performance of EMS, including environmental performance and any other necessary improvements.
7. Organize working atmosphere which promotes environmental awareness

2. Efficient use of electricity and energy



Policy on energy management

Recognizing the importance of energy use with efficiency, guidelines for energy conservation has been provided for the implementation of employees to promote participation in energy conservation in the same direction leading to the goal of cost saving as well as energy saving according to the government policy. Details of the guidelines are as follows:

1. Energy conservation is considered to be a part of the business operations and the executives must give importance to energy management
2. The Company promotes participation of employees in energy conservation by complying with the energy management guidelines in order to reduce energy consumption and production cost
3. Energy conservation plan of each unit are collected to provide a basis for calculating energy consumption index target which will be reviewed regularly
4. Focus on the compliance with the Energy Conservation Promotion Act B. E.2535 (1992) amended in B. E.2550 (2007) in order to achieve energy conservation in the organization efficiently
5. Energy management policy, energy consumption reduction target and energy management workplan are reviewed at least once a year
6. Promote training of employees concerning energy conversations and guidelines for the implementation to be in the same direction
7. Develop efficiency in energy consumption of the organization to achieve the cost-effective use of energy

Goal in electricity consumption reduction

The Company sets the target in reduction of electricity bought from the power utilities 0.05 % of the sales (Electricity Use/Sales).

Energy management and evaluation

The Company promotes participation of all employees in energy conservation by proposing energy conservation plan of different units. Moreover, the Company conducts training on energy conservation for employees so that the implementation will be in the same direction. Moreover, the executives also give importance and support energy conservation as a whole. The Company uses electricity supplied by the power utilities as well as solar energy which can be classified as follows:

Electricity Use in 2022 (Unit: MJ)

Energy source	Branch 0001 Settakit Road	Branch 0002 Buddhamonthon Road 5	Branch 0003 Omnoi	Branch 0004 Ratchaburi	Total
Electricity from power utilities	15,503,616	11,897,467	35,768,261	18,229,248	81,398,592
Solar energy	1,642,370	95,969	2,972,059	4,134,660	8,845,058

Table of electricity consumption in 2021 (Unit: Megajoules)

Energy source	Branch 0001 Settakit Road	Branch 0002 Buddhamonthon Road 5	Branch 0003 Omnoi	Branch 0004 Ratchaburi	Total
Electricity from power utilities	12,840,927	13,008,240	31,323,146	16,032,672	73,204,985
Solar energy	1,652,983	-	3,273,773	3,535,357	8,462,113

Performance

Comparison of Electricity Use

Energy Use (THB)	2021	2022	% Change
Electricity Use	72,663,439.61	96,157,364.83	32.33%
FT-Diff	-	(15,375,289.60)	100.00%
Clean Energy	(2,350,586.94)	(2,456,960.56)	4.53%
Adjusted Electricity Use	64,263,926.42	78,325,114.67	21.88%
Sales	4,357,885,081.34	5,556,144,507.43	27.5%
Adjusted Electricity Use/Sales	1.47%	1.41%	-0.06%
Clean Energy (MJ)	8,462,113	8,845,058	5.00%

According to the target of reduction of electricity to be bought from power utilities by 0.5% of electricity use/sales, in 2022, the Company could reduce the use of electricity by 0.06% of electricity use/sales by using clean energy from the additional installation of solar roof of 5% of 2021. As a result, the Company could save electricity fee in 2022 in the amount of 2,456,969.56 baht or 4.3% higher than the previous year.

However, as at the end of 2022, electricity fee (Ft) was adjusted and it was not possible to make a direct comparison, therefore, the total of electricity use was adjusted to be equal to the one of last year by deducting the difference amounting 15,375,289.60 baht which was derived from the average electricity fee in 2022, subtracted the average electricity fee in 2021 and multiplied by the units used in 2022.

Average electricity fee of 2022	4.25 Baht/kWh
Average electricity fee of 2021	3.57 Baht/kWh
Difference	0.68 Baht/kWh
Number of kWh in 2022	22,619,720 kWh
Balance	15,735,286.60 Baht

Moreover, solar roof has been installed at Buddhamonthon Road 5. Thus, all the 4 branches are provided with solar roofs.



3. Efficient use of water

Policy on water management

The Company realizes the importance of water in all dimension and promotes the access of clean water for sanitary consumption under the concept “Without sustainable water management, risk of water crisis will occur with negative effects on the stakeholders and the business”

The sustainable water management in the value chain of the Company is as follows:

- 1) Water is regarded to be among the principal drivers of business
- 2) Integrated collaboration of employees of the Company and subsidiaries in water management as an efficient system
- 3) Promote the water saving project with a focus on efficient use of water to reduce the use of fresh water from the natural water source

- 4) Comply with the requirements and rules and regulations relating to water management such as water pumping and draining
- 5) To achieve the 5th Sustainable Development Goal of the United Nations on Clean Water and Sanitation
- 6) Promote participation of the stakeholders by providing knowledge and raising their awareness about sustainable water management and water conservation

Goal in water consumption reduction

The overall target rate of water use per production unit is 5% lower than the previous year (2021).

Water management and evaluation

The Company has waste water treatment system to control the waste water discharged from the factory in every step. Waste water will be subjected to pH analysis and quality inspection in all steps before being discharged from the factory. As a result, the rate of water use per production unit lowered by 5.41 % and achieved the target.

Risk management in water use

The Company conducted risk management concerning water use as follows:

Policy on risk management in water use

The Company's guidelines for sustainable water management in the value chain relating to risk management in water use are as follows:

- 1) Conduct risk management from water crisis and water stress by evaluating risk of occurrence and

impact. Determine sufficient and appropriate measures and plans to cope with the crisis and water stress

- 2) Conduct monitoring and inspecting system on the crisis and water stress and evaluate the use of water directly and indirectly throughout the life cycle of the products. Moreover, the Company monitors the sufficiency of water in the river basin in the area where the factory is located with collaboration of employees of all levels in fulfilling the target

Water use of each establishment

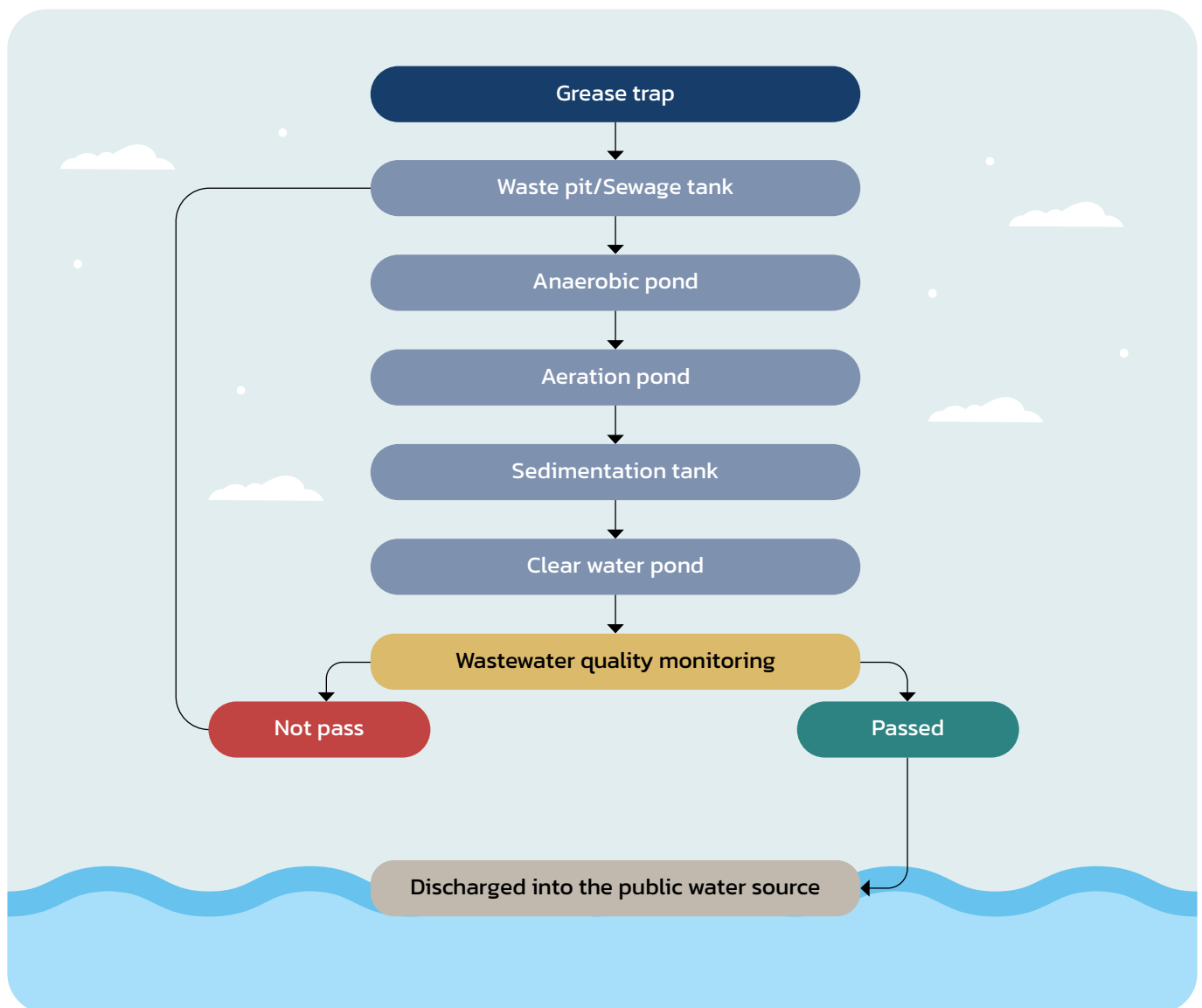
As a whole, the Company uses water from 3 sources, namely, water supply, ground water and surface water. Water use of each establishment is as follows:

(unit: m³)

Water source	Branch 0001 Settakit Road	Branch 0002 Buddhamonthon Road 5	Branch 0003 Omnoi	Branch 0004 Ratchaburi	Total
Water supply	1,493	6,128	626	-	8,247
Ground water	97,456	29,716	115,759	-	242,931
Surface water	-	-	-	233,709	233,709
Total	98,949	35,844	116,385	233,709	484,887

Waste water treatment and community

The Company has waste water drainage control system. The waste water treatment system can manage the waste water drainage to comply with the requirements of the standard for waste water drainage from factory specified by Ministry of Industry. For example, the value of pH is 5.5 - 9.0, BOD not exceeding 20 mg/l and COD not exceeding 20 mg/l, etc. The waste water treatment system is a fixed film operated by low energy which can be handled easily. Operating diagram is as follows:



In the determination of waste water quality to be discharged into public water, waste water sample is taken and sent to inspected registered testing company or laboratory of the Department of Industrial Works for inspection. If the result is satisfactory, the waste water can be discharged into the public water source.

Report on risk from water shortage for production

The Company has prepared emergency plan to cope with environment risk. The plan is reviewed according to the schedule.

Risk factor, cause, impact and risk management as follows:

Risk factor/cause: When the use of water exceeds the rate of water use per day (Based on the information of the maximum water use per day when the production is higher)

Important impact: Production line is interrupted.

Risk management:

1. As there are several branches, if the water shortage happens in the factory in Samut Sakhon, surface water from Branch 0004 in Ratchaburi can be brought in to help the operation to continue without interruption. On the contrary, the water from 3 branches in Samut Sakhon can provide water to the factory in Ratchaburi if there is water shortage problem.
2. Reduction of production without affecting customers or distribution as the Company keeps adequate stock to meet the customer demand of one week.

4. Waste disposal from business process

Policy on waste from business process management

The Company has sustainable waste management policy by reducing loss from the production waste, reducing unnecessary containers made of paper or plastics and/or single-use container in order to reduce the amount of garbage to be disposed by landfill. The Company tries to find way to make reuse of the waste and recycling to provide value to the waste suitably in order to use resource in recognition of its value and in maximizing the use.

Target of waste from business process reduction

Realizing the importance of waste reduction, the target of waste from the production is determined taking into account the type of products and the establishment. Work instruction (WI) is provided for employees to work in the same direction.

Waste from business process management and evaluation

Measures/guidelines for waste management of the Company covers general waste, recycled waste and hazardous waste as follows:

Table showing waste management measures/practices

Type of waste	Example	Method of disposal
General Waste	Fish scrap, flour, unqualified container, waste from canteen and house of employees	By outside organization <ul style="list-style-type: none"> Collect waste from canteen and house of employees to be sold as animal feed
Recycled waste	Box, cup, plate and bowl	<ul style="list-style-type: none"> Collect and forward to outside agencies to dispose of properly Destroy the products and sent to be recycled by outside organization
Hazardous waste	Laboratory chemicals, cleaning chemicals, chemicals container, toner cartridge	<ul style="list-style-type: none"> Dilute with water before subject to disposal process Place in chemical bottle and dispose in the specified area Sent to outside organizations which have permission from Department of Industrial Works for disposal

The amount or weight of all waste will be recorded and reported to the National Environment Board regularly. Responsible persons are available to control the cleanliness of the waste collection area and coordinate with the outside organizations to collect the waste. All waste to be taken outside the factory area will be controlled strictly and managed according to the law, rules and regulations. Waste from main raw materials and from containers production is as shown in the following Table.

(Unit: kg)

Amount of Waste	Branch 0001 Settakit Road	Branch 0002 Buddhamonthon Road	Branch 0003 Omnoi	Branch 0004 Ratchaburi	Total
Main Raw material	19,822	-	113	2,405	22,340
Container	4,655	6,330	40,438	12,317	63,740
Total	24,477	6,330	40,551	14,722	86,080

For waste disposal, at the beginning, waste will be classified into hazardous waste and general waste. The method used in waste disposal complies with the requirements of Department of Industrial Works. The contractors, Better World Transport Co., Ltd. and Better World Green Public Co., Ltd. Received permission from Department of Industrial Works to conduct waste disposal.

Activity to support and promote waste management

Realizing the importance of environmental management, a model project was prepared by the Company aiming toward the environmentally friendly organization in response to the Company's policy on environmental management system according to the International Standards of ISO. The Activity was organized on 22 June, 2022 as follows:

How to throw away your garbage to the bin of right color

Objectives

- To raise awareness of employees about garbage sorting before throwing away
- To organize garbage sorting system to minimize the workload in garbage disposal
- To promote behavior based on the 3RS principle (Reduce, reuse and recycle) among employees

Implementation

- Each Branch organizes training on initial garbage sorting for employees
- Sorted garbage (glass bottles, plastic bottles, aluminum can, etc.) are sold
- Income (other than operation cost) will be spent on food, equipment and reward for the following activities

Diagram of the activity



Benefits

- The garbage is reduced, reused and recycled and resulted in the overall decreasing amount of garbage of the country and solution of the garbage problem impacted on the people and environment
- The income from sales which helps save the Company's expense will be spent in organizing further activities and as welfare for employees
- The overall economic, social and environment benefit

Result of the activity of each Branch

Amount of Waste	Branch 0001 Settakit Road	Branch 0002 Buddhamonthon Road 5	Branch 0003 Omnoi	Branch 0004 Ratchaburi	Total
Amount of recycled waste sold (kg)	25,368	16,664	8,821	1,221	52,074
Income (after operation cost deduction) Baht	19,309	16,664	12,737	5,328	54,038
Money spent	In organizing internal activities, buying tools, providing welfare for employees	In buying New Year's gift for employees and in organizing this activity	In organizing internal activities, providing welfare for employees	In organizing internal activities, providing welfare for employees	



At present, each Branch organized training for employees concerning initial waste sorting and continue to sort waste for sales.

5. Greenhouse gas reduction

Policy on greenhouse gas management

The Company conducts risk management concerning greenhouse gas emissions and to conduct business to low carbon society by setting the target in terms of amount of carbon dioxide to be reduced from the business per production unit. Promoting cooperation of stakeholders in the supply chain such as agriculturalist, producers, SMEs, small-scale operators, trading partners, suppliers of the Company in decreasing impact and adjust themselves to the climate change. Promoting evaluation of the environmental impact throughout the life cycle of products and service. Conducting activities to reduce carbon dioxide emission. Promoting projects to cope with crisis from climate change with cooperation with stakeholders.

Goal in greenhouse gas management

Net greenhouse gas emission from the business performance of the Company is lower than the one of the base-year not less than 10% and will become net zero within 2032.

However, the Company wanted to add evaluation of Scope 3 emissions and use 2022 as base-year.

Greenhouse gas reduction and evaluation

The Company was assessed and certified Carbon Footprint for Organization (CFO) from Thailand Greenhouse Gas Management Organization (Public Organization) on 24 May 2022 for greenhouse gas emissions in 2021.

6. Responsible management of raw materials

Policy of responsible management of raw materials

The Company gives importance to supply chain management covering raw material development and looking for and development of trading partner. The



Company intends to encourage the trading partner to adopt the same guidelines and direction as the ones practiced by the Company by adopting the business ethics and code of conduct, respect of human right, taking care of occupational health and safety of employees and environmental management.

Therefore, the Company has prepared “SNNP Supplier Sustainable Code of Conduct” comprising the following content:

- Vision, Mission and Goal of the business
- Business ethics and code of conduct
- Responsibility for safety, occupational health and

environment

- Labor and Universal Declaration of Human Rights
- Responsibility for community and society
- Complaint

Inspection of corporate governance, social and environmental responsibility of the trading partner

To inspect suppliers who deliver raw materials and packaging used to produce products In terms of corporate governance, society and the environment, Purchasing department (central) has a guideline for the purchasing department. in each synchronization establishment and request documents related to governance, society and environment to main partners to be sent for inspection By considering the practice in accordance with the Company’s guidelines according to the “Sustainable Practice Guidelines for SNNP Suppliers” and considering the development of partners to be in accordance with such guidelines.

Supply process of raw materials according to corporate governance and social and environmental responsibility

In the procurement, inspection of corporate governance, social and environmental responsibility of the trading partner is performed. The Supply Department will look for the main trading partner from the companies which have similar practice with the Company.

3.3.3 Social Dimension

1. Respect to Human Rights

The Company gives importance to the respect of human rights believing that every man has equal right by birth. In human resource management, employees are entitled to equal treatment as well as equal benefit as specified by the labor law. Moreover, the Company gives importance to the management of human resource which are valuable resource and are essential for driving the organization to achieve growth with quality. Policy on human resource is clearly defined. The Company places importance on human resource development, appropriate compensation and welfare, their safety and occupational health. The Company promotes creating shared value between business and society by supporting knowledge, material and equipment to community continuously to create better quality of life and stable economy in their local area with sustainability.

Policy on respect to human rights

The Company intends to conduct business with morality by adhering to business ethics and corporate governance coupled with social responsibility taking into account all groups of stakeholders in accordance with corporate governance and business ethics. In human rights protection throughout the business process, the Company treats stakeholders under the principle of human rights in accordance with the recognized standard continuously and strictly, particularly the support and compliance with the Universal Declaration of Human rights(UNGC) of United Nations, the United Nations Global Compact (UNGC,) United Nations Guiding Principles on Business and Human Rights (UNGP), The International Labor Organization Declaration on Fundamental Principles and Rights at Work (ILO) and labor act of the countries which the Company have invested

Guidelines for preventing risk concerning human rights

To ensure that the Company has guidelines for preventing risk concerning human rights, in 2022, the Company formulated the policy on human rights to prevent violation of human rights in all business activities. The policy is used by Srinanaporn Marketing Public Co., Ltd., its subsidiaries and affiliates. The Company encourages trading partners throughout the supply chain to treat employees and stakeholders and to have relation with surrounding community in accordance with the principle of human rights.

Moreover, in 2022, the Company began to adjust the application form of the employees by omitting gender. In the application form, there is no choice of male or female only but opened for the applicant to choose. If the applicant does not want to mention about gender, he can do so. The Company has no preference about the applicant in terms of gender or status but they will be treated equitably. The Company supported the execution of rights of employees in expressing their view and proposing guidelines for organizing welfare which is beneficial to the employees through the Welfare Committee of the Company.

viewed at “Human Rights Policy” in the Company’s website



<https://investor.snp.co.th/storage/download/corporate-governance/20220523-human-rights-th.pdf>

Human rights management process and complaint process

In 2022, there was no complaint concerning violation of human rights and there was no incident concerning forced labor and child labor.

2. Fair treatment to labor and taking care of employees

Sickness and injury

The Company is committed to maintain good health and strong mind of employees and taking care of their well-being so that they will not become sick from abnormal working condition or from disease. Moreover, employees are protected from hazardous work or risk of disease. The working environment is organized to be suitable for the physical and mental requirements of the employees.

The absenteeism rate (excluding from accidents) of monthly employees in 2022 is as follows:

Total sick leaves per year	=	36,516.00 hours
Absenteeism rate	=	1.98%
Average number of employees in 2022	=	744
Number of working days	=	298 days or 2384 hours



$$\text{Absenteeism Rate} = \frac{100 \times (\text{Total number of employees} \times \text{Number of hours on sick leave})}{(\text{Total number of employees} \times \text{Total number of working hours})}$$

Labor Welfare Committee

Welfare Committees of the establishment have been appointed according to the Labor Protection Act B.E.2541(1998) to provide employees with a chance to give opinion in organizing welfare beneficial to them. The Committee is responsible for: Consultation with employers in organizing welfare, giving comments, suggestions on the matter, Checking, controlling and looking after the welfare provided by employers and Making proposal to the Labor Welfare Committee concerning guidelines for organizing welfare which are beneficial for employees. The Welfare Committees have meetings every 3 months.

Welfare Committees of the Establishment

Office	Terms of office
Welfare Committee of the Headquarters	18 Sept 22 – 17 Sept 24
Welfare Committee of Branch 00001	02 Aug 21 – 01 Aug 23
Welfare Committee of Branch 00002	18 Sept 22 – 17 Sept 24
Welfare Committee of Branch 00003	29 Jul 22 – 28 Jul 23
Welfare Committee of Branch 00004	02 Feb 22 – 01 Feb 24

Annual Health Check-Up and Nursing Room

In addition to the appointment of welfare committee of the establishment, nursing room providing medical advice in healthcare is available for employees. Moreover, annual health check-up by leading hospital as well as health insurance and provident fund of which the employees can choose the program according to their ability are provided. These projects are implemented by the Company to promote physical and mental quality of life of the employees based on the belief that happy personnel will work in happiness for the optimum benefit of the Company.

Welfare of SNNP

Welfare	Welfare according to type of employees	
	Monthly	Daily
Life insurance & medical treatment expense from accident	✓	-
Group health insurance	✓	-
Nursing rooms	✓	✓
Annual health check-up	✓	✓
Compensation fund	✓	✓
Provident fund	✓	-
Social security fund	✓	✓
Funeral benefits	✓	✓
Employee uniform	✓	✓
Employee dormitories	✓	✓
Provide cheap food	✓	✓
Annual party	✓	✓

Goal: During 2023-2024, the Company will provide the employees with the loan welfare or source of loan such as hire-purchase loans for automobiles, hire-purchase loans for motorcycles, loan welfare and/or source of loan for accommodation, house improvement and renovation, emergency loan and cost of living loan.

Recruitment, compensation, resignation and promotion of the disadvantaged

Recruitment

The Company has a clear policy on recruitment. The Human Resource Department is responsible for finding suitable tool for the application and selection. The decision to employ the person is under the responsibility of the executive of the unit. Moreover, the Company has a policy for promotion or rotation to fill the vacancy with appropriateness, continuity and goal achievement.

Performance in 2022. In 2022, owing to the situation of COVID -19, the Company gave importance to recruitment which was safe for the applicants and employees by conducting initial screening and interview by telephone or video call. For the applicants who came to the office directly, strict preventive measure was implemented.

At present, the total employees of 5 offices (including Headquarters) is 4, 210 (including 18 executives) which can be classified according to gender, age range and others as follows:

Nature of employment/Overview of employees

Criteria	2020		2021		2022	
	Number of employees	%	Number of employees	%	Number of employees	%
Total	3,192	100	2,755	100	4,210	100
Employee Type						
Monthly	812	25.44	764	27.73	792	18.81
Daily	2,380	74.56	1,991	72.27	3,418	81.19
Sex						
Male	1,348	42.23	1,144	41.52	1,547	36.75
Female	1,844	57.77	1,611	58.48	2,663	63.25
Nationality						
Thai	1,308	40.98	1,270	46.1	1,416	33.63
Foreigners	1,884	59.02	1,485	53.9	2,794	66.37
Age Range						
Below 30 years old	1,333	41.76	1,065	38.66	2,150	51.07
During 31-40 years	1,229	38.5	1,010	36.66	1,501	35.65
Over 41 years old	630	19.74	680	24.68	559	13.28

Remarks:

1. Number of employees includes monthly and daily employees
2. Number of employees and retirement rate includes retirement, early retirement, death, termination of employment, withdrawal, dismissal of all cases
3. Percentage is based on the total number of employees of each year

operational goals During 2023-2024, proactive recruitment will be conducted by organizing roadshow in universities and job fair in the target universities. Moreover, good image of the Company will be promoted by on-line media or in the educational institutions channel in order to attract new generations to join in the Company by apprenticeship. Recruitment website will be developed. Frequency in publicity through social media such as Facebook, Line will be increased.

Compensation

It is the policy of the Company to give compensation according to the fair structure which can motivate employees such as salary, wage, bonus, incentive comprising diligence allowance, responsibility allowance,

position allowance and social security contributions. Moreover, the Company encourages employees to be member of Provident Fund which is a long- term saving for financial health when they are not in the working age or when they are retired. Members of Provident Fund will pay the same amount of money as the contributions paid by the employer which varies from 2% to 15% up to their ability.

Performance in 2022 From the statistics of Provident Fund membership of 2022, it was found that 431 employees (54.42%) are members of Provident Fund whereas the number of employees which were members of Provident Fund in 2021 was 440 (57.59%). Membership of Provident Fund in 2022 was lower than the one in 2021 by 3.17%.

Statistics of membership of Provident Fund

Employees	2020		2021		2022	
	Number of employees	%	Number of employees	%	Number of employees	%
Total	812	100	764	100	792	100
Members of Provident Fund	461	56.77	440	57.59	431	54.42

Remarks:

1. Number of employees refers to monthly employees
2. Percentage is based on the total number of employees of each year

Operational goals , During 2023-2024 the Company will try to increase the number of employees who are member of Provident Fund averagely not less than 60% in 2024.

Wages In 2022, the wage rate was raised in accordance with the Notification on the Minimum Wages (No.11) which was published in the Government Gazette dated 19 September 2022. According to the Notification, the wage rate is raised from 331 Baht/day to be 353 Baht / day (applicable to the Headquarters in Bangkok and the Branch in Samut Sakhon) and from 315 Baht/day to be 332 Baht /day (applicable to the Branch in Ratchaburi).

In realizing the importance of the introduction of technology in human resource management, the software program “Tiger Soft” has been developed for use on mobile phone. With this program, employees can access information such as holiday, welfare and their personal information such as leaves and working time on their mobile phone.

Resignment in 2022

The resignation rate of monthly employees was 2.89% higher than the rate in 2021 and the resignation rate of the daily employees was 4.79 % lower than the rate in 2021.

Employee turnover rates

Employees	New employee rates						Employees Leave The Organization					
	2020		2021		2022		2020		2021		2022	
	Number of employees	%	Number of employees	%	Number of employees	%	Number of employees	%	Number of employees	%	Number of employees	%
Total number of employees	3,192	100	2,755	100	4,210	100	3,192	100	2,755	100	4,210	100
Employees paid a monthly salary	812	25.44	764	27.73	792	18.81	812	25.44	764	27.73	792	18.81
Employees paid a daily salary	2,380	74.56	1,991	72.27	3,418	81.19	2,380	74.56	1,991	72.27	3,418	81.19
Changes							Changes					
Employees paid a monthly salary	91	11.21	120	15.71	145	18.31	149	18.35	111	14.53	138	17.42
Employees paid a daily salary	716	30.08	430	21.6	2,454	71.8	1,329	55.84	685	34.4	1,012	29.61

Operational goals During 2023-2024, the Company will try to decrease the resignation rate of the monthly employees to not less than 10% and daily employees to not less than 30% in 2024.

Promotion of the disadvantaged

The Company promotes the disadvantaged by persons with disabilities employment. In 2022, the Company employed 12 persons with disabilities according to Section 33 of the Empowerment of Persons with Disabilities Act, B.E. 2550 (2007) 2nd amendment of B.E. 2556 (2013). The Company also employed 17 persons who are physically handicapped, hearing impaired and with movement disabilities according to Section 35. The proportion of persons with disabilities employment of 1% complies with the Act.

Employment of disabled persons

Disabled persons	2020	2021	2022
Nakhon Pathom Provincial Association for the Promotion of Persons with Disabilities (Section 35)	30	18	17
Direct employment (Section 33)	14	12	12
Total	44	30	29

3. Potential Development and opportunities for personnel growth

Analysis Of Development Needs And Evaluation Of Development

The company is aware of the importance of upskilling employees and therefore has prepared an annual training plan for employees in the organization. separated by each line of work There is a training plan. course name designation The target group of employees who must be trained in that course, including the duration of the training. In addition, the company has clearly defined the procedures for training procedures. for employees to use as operational guidelines It is considered that training is important for all employees.

Goal in human resource development

The goal for human resource development during 2023-2024 is aimed to cover 60% of the total employees. The average training hour within 2024 is not less than 10 hours/person/year.

Moreover, the potential development plan will be improved by taking into account the business strategic direction, goal, vision and mission of the Company in order to improve the employees to achieve excellence in their profession and become organization leaders. Potential employees will be developed to be ready for important position in the future and for business competition. The human resource development plan which includes reskill, upskill and new skill development will enhance the readiness of the employees to cope with the on-going change in business and technology and will serve as the masterplan of the long-term human resource development planning.

Training and development

In 2022, under the COVID-19 situation, the Human Resource Department conducted mainly in-house training on important training courses particularly on the training program which are essential for the business operations such as occupational safety and health, necessary professional skill and technique for each year, etc. In 2022, the number of trainees was 1,124 (30%) of the average number of employees. The average training hours was 6 hours/person/year.

Training and development of employees

Employees	2020 Hour/person/year	2021 Hour/person/year	2022 Hour/person/year
Trained employees (%)	10	20	30
Average training hours (Hour/person/year)	6	6	6

Benefit of training and development

Apart from the training and development according to the annual plan, the following workshops were conducted to increase efficiency of the employees, to reduce cost and to create value-added.

Workshop to increase efficiency

Training course/ Project	Benefit to Company	Quantitative benefit
Improvement of blade of fish strip cutting instrument	Reduction of cost of raw material	Fish scraps were reduced by 8,340 kg/year and Greenhouse gas emissions were reduced by 5,727 kg CO ₂ e/year
Improvement of seal	Reduction of cost of raw material	Packaging waste was reduced by 3,432 kg/year and Greenhouse gas emissions were reduced by 6,709 kg CO ₂ e/year
Garbage sorting	Reduction of cost of garbage disposal	General waste was reduced 10%/month

ISO 14000:2015 environmental awareness training



Basic hygiene training for employees working in food production



Basic fire safety and evacuation training



Waste sorting workshop



4. Motivation and employee retention

To acquire an employee to participate in the work, various processes are involved comprising recruitment, selection, interview and development. Financial and non-financial resource is required. Therefore, if the resignation rate is high, the Company will have to cope with the loss of resource in finding substitution. Moreover, as competent employees are essential for the Company's achievements, it is necessary to give importance to employee retention.

Guidelines and criteria for evaluation

Performance management is implemented in order to create consistency of the objectives and the working goal of all levels, to increase the appreciation of the employees in the value of their work on the success of their Company and to motivate employees to use the best of efforts to perform the work to achieve the goal. Moreover, employees will receive feedback and suggestion from their superior for improvement.

Performance evaluation is conducted annually. Evaluation according to the Company's goal will be conducted on 3 components, namely, Personal performance (KPI) (50%) which is the evaluation of the role or responsibility of the position and special assignment, Desirable working behavior (30%) which is based on the following 6 core competency: 1) Aiming to success 2) Learning ability 3) Team working 4) Ethics and transparency in the work 5) Vision and 6) Teamwork driving and Working consistency in the year (20%). Performance evaluation is performed 2 times a year, namely, the 1st evaluation (1 January-30 June) and the 2nd evaluation (1 June -31 December).

In 2022, 100% of the employees were evaluated based on the goal of 100%. From the evaluation, 80% of the performance of employees falls within the standard criteria specified by the Company (Grade B).

Privilege for the employees from the evaluation

The result of evaluation is used in the development and improvement of the performance, working methods or supporting equipment. Moreover, the evaluation result will be used in the consideration of compensation for employees such as reward (bonus), promotion and other suitable compensation.

In 2022, the employees who had higher performance than the standard (Grade A) would receive reward (bonus) of special rate, promoted and adjusted compensation.

Apart from the above-mentioned privileges such as rewards, employees will be able to learn about the level of their performance from the evaluation. Employees with lower performance than the standard will be closely monitored by the superior and developed by the individual development plan. Employees whose performance meets the expectation of the Company will be promoted to have higher satisfaction which will result in better working environment and achievement of the overall business plan. For the employees whose performance is continuously lower than the standard, the Human Resource Department will give advice to the relevant employees and responsible units for improvement of skill and performance as well as work rotation to be suitable for their property and interest.

5. Satisfaction and organizational commitment of the employees

Goal: Satisfaction and organizational commitment

In 2022, a study was conducted on the employee distribution according to generation in order to prepare questionnaire on organizational commitment. It was founded that the number of employees of generations Y and Z accounts for 86.95 % of the total employees. Different age range is a challenge which the Company

has to manage and respond to their expectation, attitude and way of life and to create a balance between the efficient work and the happy working environment so as to strengthen the organizational commitment of the employees.

From the survey of satisfaction and organizational commitment of the employees, 774 employees participated in answering the questionnaire. The result of the survey in which the full score is 5 is as follows:

The average factor affecting employee engagement in the amount of 12 aspects as follows:

No.	Factor	Average
1	Career path	3.14
2	Working environment	3.19
3	Acceptance	3.38
4	Salary and welfare	3.45
5	Private life	3.47
6	Policy and administration	3.5
7	Responsibility	3.51
8	Work stability	3.54
9	Type of work	3.63
10	Success in work	3.71
11	Chain of command and control	3.74
12	Relationship with colleagues	3.85

Average value of 3 organizational commitment of the employees

No.	Aspect	Average
1	Faith and acceptance of organization's goals and corporate value	3.49
2	Dedication for the benefit of the organization	3.58
3	Desire to maintain membership of the organization	3.74

Result of the evaluation

In 2022, the result of the survey was analyzed. It was found that the lowest average of the factor which contributes to the organizational commitment is career path (3.14%) and the lowest average value of 3 aspects of organizational commitment is faith and acceptance of organization's goals and corporate value (3.49).

In 2023-2024, the activity will be conducted on career path to motivate employees to increase knowledge, skill and competency in order to create motivation and organizational commitment. Focus will be on reaching employees in different lines and levels in order to listen to their opinion through different activities as follows:

- ✔ Site visit to be conducted by Personnel Department to explain to the employees on performance evaluation and promotion, welfare criteria
- ✔ Activities to communicate to employees concerning business direction, movement and news through various communication channels such as the Company's website, Outlook system, Application Line, direct communication from Chief Executive Officer, Managing Director, Deputy Managing Directors, etc.
- ✔ Activities to strengthen relations between top executives and employees through different projects such as blood donation project, 5-S project, annual merit-making project at the Headquarters and Branches, etc.

6. Occupational safety, health and environment

Occupational safety, health and environment of employees

The Company has formulated policy and guidelines for occupational safety, health and environment for employees, outside service providers who perform their work in the Company's area and those who made contact with the Company. The policy and guidelines comply with the Occupational Safety, Health and Environment Act B.E. 2554 (2011) and the Ministerial Regulation of 2549 (2006) concerning the standard for management of occupational safety, health and environment.

Occupational Safety, Health and Environment Committees for the establishment have been appointed by the Company. The responsibility of the Committee are as follows: Consider policy and plan in occupational safety in order to prevent and reduce accidents, injury, sickness, nuisance or unsafe condition, Report and recommend measures or guidelines for improvement to comply with law and standards in occupational safety, Consider projects or training program, Make a survey on the performance in occupational safety and check the hazard statistics at least once a month, Report on the annual performance and identify problem, constraints and give recommendations upon completion of its term. The committee consists of Chairman who is employer or representative of employer of the executive level, representative of employer of the commanding level, representative of employee and professional safety officer or representative of employer of the commanding level who serves as committee member and secretary. Employees of the operational level (permanent employee and contract employee) can participate in the committee by 95% of the total employees.

Occupational Safety, Health and Environment Committees of the establishment

office	Terms of office
Occupational Safety, Health and Environment Committee of the Headquarters	18 Sept 22 – 17 Sept 24
Occupational Safety, Health and Environment Committee of Branch 00001	21 Jul 22 – 20 Jul 24
Occupational Safety, Health and Environment Committee of Branch 00002	20 Sept 22 – 19 Sept 24
Occupational Safety, Health and Environment Committee of Branch 00003	29 Jul 21 – 28 Jul 23
Occupational Safety, Health and Environment Committee of Branch 00004	22 Jan 22 – 21 Jan 24

Prevention of occupational hazard

The Company gives importance to occupational safety, health and environment and realizes that safety in work will not be possible without the understanding and full cooperation of all employees. Therefore, new employees have to attend training course in accident prevention and occupational safety. The topic is a condition in probation. Moreover, safety talk is included in the weekly meeting of the factory in order to stress on the risky points to be improved and expanded. The Committee on Occupational safety, Health and Environment will make an inspection of the factory area and identify risky points and prevention. Guidelines for accident prevention is provided in the following training of employees:

- ★ Training course in correct and safe driving of forklift. The objective of the training is to increase skill in forklift driving, in initial checking and maintaining forklift. Employees can use the knowledge obtained from the training in moving things or product efficiently.



- ★ Training course in safety in electricity and machinery work. The objective of the training is to provide knowledge in electricity and machinery work with safety, cause and prevention of accident from electricity and machinery, use of personal protective equipment (PPE) and first aid for the person who has accident.



Statistics of injury and death in work

From the statistics in 2022, the total number of employees in 4 factories who had accident was 69 which was lower than the one in 2021 (71). There was no death involving the work.

Workplace injury statistics and fatality rates

Data	Unit	2020				2021				2022			
		1	2	3	4	1	2	3	4	1	2	3	4
Number of injuries	Person (s)	4	47	25	11	9	32	17	13	16	23	18	12
Injury frequency rate	Time	0.94	28.62	9.03	8.99	2.49	22.39	6.1	15.64	3.59	8.84	4.31	8.42
Injury severity rate	Times	11.27	145.53	51.65	26.17	9.98	-	71.76	24.85	18.86	103.45	24.91	34.38
Average severity index	Day	12	5.09	5.72	2.91	4	5.28	11.76	1.58	5.25	11.7	5.78	4.08
Work-related fatalities	Person (s)	-	-	-	-	-	-	-	-	-	-	-	-

Remarks:

Injury frequency rate (IFR) = (total number of employees who missed work through injury X 1,000,000) / total number of hours worked by employees in that department
 Injury severity rate (ISR) = total number of employees who left their role in the company due to injury X 1,000,000 / total number of hours worked by employees in that department

Average severity index (ASI) = ISR/IFR, meaning that each injury occurrence provides a daily ASI

Targets for 2023 – 2024:

We aim to reduce injuries in all 4 manufacturing plants to fewer than 50/year within 2024, and to ensure a rate of 0 workplace fatalities.

7. Community and social development

It is generally accepted that the Company should have good relations with the community in the area of business operation. Such relations should be on the participatory basis of the community as individual or group in community development in order to strengthen the community, reflecting value of democracy and promoting the exchange of experiences in working together.

Study of the impact from community development and community demand

In 2022, despite the on-going situation of COVID -19 and the measure of social distance was still implemented, the Company continued to take care of the community together with the CSR activities with a focus on the activity which creates shared value between the Company and the community.

In 2022, Branch 00003 of Srinanaporn Plc. with participation in the project of Corporate Social Responsibility, Department of Industrial Works (CSR-DIW), organized a dialogue with the Hua Koo Community which is around the factory within the distance of 5 km. The objective of the activity was to take part in solving the problems which is the demand of the community with the Company's skill, knowledge, or business operations process.

From the dialogue, it is found that the majority of the people living in the community which are foreign workers such as workers from Myanmar, Laos PDR, Cambodia has little knowledge about cleanliness, sanitation and living together will lead to contagious disease such as COVID -19. Based on the result of the dialogue, 2 projects were prepared, namely, "Srinanaporn's Care of the Community" and "Our Pleasant Srinanaporn Dormitory."



The Project "Srinanaporn's Care of the Community"

The objective of the project was to increase understanding and to raise awareness of the Hua Koo Community about the importance of cleanliness, tidiness and how to live together with happiness and satisfaction in the pleasant environment. The training is in the form of media which can be used for further training. The training is in line with the guidelines for sustainable development which is the integration of the goals of quality of life, health, sanitation and environmental quality. Environment is essential for the community as it is the foundation of health. The poor environment can result in poor health of the community. Moreover, good health, sanitation and environment are the fundamental rights of all people.

Goal 1: Not less than 80% of the people who stay in the community dormitories attended training in good hygienic practice.

Result: Organize training for the people who stay in the dormitories in the factory area. The workers of other factories who stay in the same dormitories and dormitory owners also attended the training. The training comprises morning and afternoon sessions and was held at 2 dormitories. Attendants of the training was not less than 80% of the people who stay in the community dormitories.



Goal 2 : Not less than 60% of the dormitory owners participating in the project have satisfaction of the better environmental condition.

Result: 80% of the dormitory owners participating in the project have satisfaction of the better environmental condition.



The Project "Our Pleasant Srinanaporn Dormitory"

The objective of the project was to promote the hygiene and living environment of the employees who stay in the Srinanaporn Dormitory which will result in good health and can live with other people in the Community. The training is in line with the guidelines for sustainable development which is the integration of the goals of quality of life, health, sanitation and environmental quality. Environment is essential for the community as it is the foundation of health. With poor hygiene and poor environment, the employees' health will be affected.

Goal 1: Not less than 80% of the people who stay in the community dormitories and dormitories of the factory attended the training in good hygienic practice.

Result: From the survey of 375 employees who stayed in the community, all of them attended the training (100%) which exceeds the goal. The training was on the following topics:

- Good hygiene
- Dormitory
- Living condition, living with the community



Goal 2: Not less than 60% of employees who participated in the project are satisfied with the better living condition.

Result: From the evaluation of satisfaction, 92 % of the employees who participated in the project gave feedback to the evaluation.

In 2022, Branch 00001 of Srinanaporn Plc., also participated in the project of Corporate Social Responsibility, Department of Industrial Works (CSR-DIW) by organizing an activity of “Clean Community”. As the factory has a lot of foreign workers, the activity has used the competency of the organization and the ability of employees in communicating with foreign workers together with the knowledge of sanitation to conduct training. The training of the Hua Koo community dormitories in sanitation can be further developed into an awareness raising of the people in the community and the discipline for living together.

Goal 1: Not less than 30 people who live in the community.

Result: There were 56 participants in the training.



Goal 2: Availability of the handbook concerning how to live in the community in Thai and Myanmar.

Result: The dormitories have regulations of cleanliness of the area in front of the room and regulations of how to live in the community.

กฎระเบียบของหอพัก	วิธีปฏิบัติตนในชุมชน
1. ห้ามทำเสียงดังรบกวนเพื่อนบ้าน	1. ห้ามทำเสียงดังรบกวนเพื่อนบ้าน
2. ห้ามสูบบุหรี่ในหอพัก	2. ห้ามสูบบุหรี่ในหอพัก
3. ห้ามดื่มสุราในหอพัก	3. ห้ามดื่มสุราในหอพัก
4. ห้ามพนันในหอพัก	4. ห้ามพนันในหอพัก
5. ห้ามใช้ของมีคมในหอพัก	5. ห้ามใช้ของมีคมในหอพัก
6. ห้ามใช้ไฟฟ้าในหอพัก	6. ห้ามใช้ไฟฟ้าในหอพัก
7. ห้ามใช้ของมีคมในหอพัก	7. ห้ามใช้ของมีคมในหอพัก
8. ห้ามใช้ของมีคมในหอพัก	8. ห้ามใช้ของมีคมในหอพัก
9. ห้ามใช้ของมีคมในหอพัก	9. ห้ามใช้ของมีคมในหอพัก
10. ห้ามใช้ของมีคมในหอพัก	10. ห้ามใช้ของมีคมในหอพัก



Image showing the team presenting the community halls of residence rules in Thai-Burmese languages



Image showing the team presenting cleaning supplies for the community halls of residence



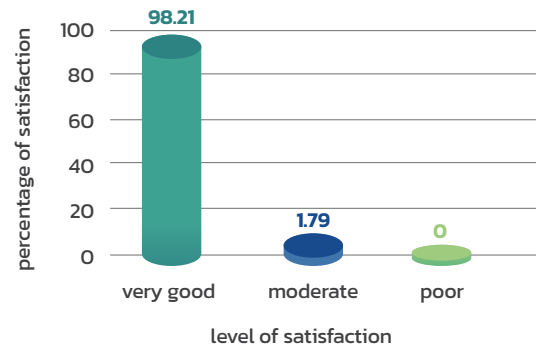
Produce and display signage encouraging residents to keep the community halls of residence clean

Goal 3: Not less than 60% of the participants are satisfied with the activity

Result: 98.21% of the participants are satisfied with the activity.

percentage of satisfaction in the overview of the audience plan

● very good
● moderate
● poor



Community and social development by business operations process

Apart from participating in community and social development in the project of Corporate Social Responsibility, Department of Industrial Works (CSR-DIW), the Company continued to implement the project “SNNP for Sustainability” which is the social activity which the Company has conducted continuously for sustainable coexistence. Such activities include offering scholarship to poor children, health promotion, promotion of custom and tradition and other participatory activities as follows:

Supporting education for the youth as education is a foundation of sustainable social development, in 2022, the Company provided scholarship to poor students through different projects: 120 scholarships (180,000 Baht) through Thanapat Fund of Phra Phrom Mongkolyan (Wiriyang Sirintharo) for educational institutions and students in Kok Srisuphan District, Sakhon Nakhon Province. Offering Jele’ Beautie to 506 monks and novices who sat in the religious examination at Bowornnivet Temple. Provided sport shirts to students in 3 provinces the South



120 scholarships (180,000 Baht) through Thanapat Fund of Phra Phrom Mongkolyan (Wiriya Sirintharo) for educational institutions



Offering Jele' Beautie to 506 monks and novices who sat in the religious examination at Bowornnivet Temple



Provided sport shirts to students in 3 provinces the South

Promotion of custom and tradition Realizing the importance of conserving local custom and tradition, the Company tries to promote the local identity to be developed further and create income for the local area. The good relations between the factory and the local people is strengthened through religious tradition as follows: Participated in Kathin /Thod Pha Pa ceremony in 2022 for 30 temples in Nakhon Pathom Province. Participated in Candle ceremony on the occasion of the Buddhist Lent at Om Noi Temple, Samut Sakhon Province. Organized almshouse on the occasion of Vesakha Bucha Day at Sri Rattana Dhammaram Temple, Bang Pli District, Samut Prakan Province for the maintenance of Buddhism and temple which is the spiritual anchor of the people.



Candle ceremony at Om Noi Temple



Hosts of Kathin Ceremony and
Thod Pha Pa Ceremony in 2022



Almshouse on the occasion of Visakha Bucha Day
at Sri Ratanathammaram Temple in
Bang Phlee District, Samut Prakan Province

Promotion of the Company's products. The Company delivered its products to different government organizations for public benefit and as an encouragement to medical personnel such as at the Red Cross Society, Police Hospital, Phra Mongkutklao Hospital.etc.

Offering the Company's products
to the National Blood Service,
Region 3, Chonburi Province,
Thai Red Cross Society



Offering the Company's
products to the Red
Cross Samut Songkham



Offering the Company's products
to Police Hospital



Offering the Company's products to
Phra Mongkutklao Hospital Foundation
in the project to fight against COVID-19



Presentation of the Company's products to volunteers at COVID-19 patient screening point, Krathumban District, Samut Sakhon Province

Community Relations Team. In addition to performing the role of the Company's representative in making a direct contact with the community, the Community Relations Team helped to look after the living condition of the surrounding community such as cleaning Sukhaphiban 2 road of Om Noi Sub-district, Krathumban District, Samut Sakhon Province and provided them with what they requested for, such as community garbage bins. The Company also supported the employees to become volunteer in providing service to the community.

Cleaning of Sukhaphiban 2 Road, Om Noi Sub-district, Krathumban District, Samut Sakhon



Donation of surplus raw material bins to Hua Koo community for use as community garbage bins



Sending employees to be trained as civil defense volunteers

Promotion and Development of Persons with Disabilities

The Company intends to provide opportunity and equal treatment to persons with disabilities so that they can have profession to take care of themselves and their families. In 2022, there were 29 persons with disabilities living in Nakhon Pathom and Samut Sakhon who were employed by the Company in accordance with the Empowerment of Persons with Disabilities Act, B.E. 2550 (2007) with the 2nd amendment B.E. 2556 (2013). They have been well paid and received equitable rights and welfare as general employees. They were assigned to be responsible for the job which is suitable for persons with disabilities to perform conveniently and safely.

 แบบรายงานผลการปฏิบัติตามกฎหมายว่าด้วยการจ้างงานคนพิการ ประจำปี ..2565..		ส่วนที่ 2
รายงานผลการปฏิบัติตามกฎหมายว่าด้วยการจ้างงาน ประจำปี ..2565.. ข้าพเจ้า บริษัท / ห้างหุ้นส่วน / โรงเรียน/อื่นๆ นายจ. ศรีนภาพร มารเกิดตั้ง สำนักงานใหญ่ตั้งอยู่ที่เขต ต.ลัด..... เลขทะเบียนนายจ้าง (ประกันสังคม) 1000166473		
การตรวจสอบเอกสารเบื้องต้น <input checked="" type="checkbox"/> เอกสารครบถ้วน		ตรวจสอบย้อนหลังพบว่า ยังไม่ได้ปฏิบัติตามกฎหมาย ปฏิบัติแต่ไม่ครบถ้วน
โทรศัพท์ 02-106-9327 ถึง 29, 31 อีเมล: borihan.....@gmail.com		ลงชื่อ ผู้แทนนิติบุคคล วันที่ 7/10/22



a physically handicapped person and hearing while working

The promotion of the well-being of people in the community and social activities reflect the Company's awareness of social responsibility. It is the policy of the Company to perform business for the economic and social benefit in compliance with law and resolutions.

Goal of 2023-2024. At present, 2 Branches (Branch 00001 and Branch 00003) have already participated in the in the project of Corporate Social Responsibility, Department of Industrial Works (CSR-DIW). It is expected that the remaining 2 Branches ((Branch 00002 and Branch 00004) will participate in the project in 2024.

4. Management Discussion and Analysis

for the year ended 31 December 2022



Srinanaporn Marketing Public Company Limited and its subsidiaries would like to clarify the the operating results for the year ended 31 December 2022, which has been audited by certified public accountant as follows

1. Business Overview 2022

In 2022, the economic fluctuation occurred every quarter, firstly, in Q1/2022 the number of new COVID-19 patients was increased compared to Q4/2021 due to the outbreak of COVID-19 Omicron Variant; however, the infected patients not in severe conditions. Along with the relaxed COVID-19 measures of the government and economic activities returning to normal, the improvement of domestic demand and the recovery of tourism, the Thailand's situation was in good trend as same as the countries alongside Mekong River or CLMV; particularly, Vietnam where the number of COVID-19 patients had been increased but economic activities improved compared to 2021.

On the other hand, the rise of commodity products prices and transportation fees shifted certain raw materials and logistic costs of the Company; however, they would not significantly affect the Company as the Company served plenty of products and maintained efficient cost management as well as the launch of new high margin products, the growth of sales from high

margin channel, resulting in low effect on the Company's costs.

In Q4/2022, the Company's total revenue from sales was Baht 1,631.7 million, increased 34.9% compared to Q4/2021 and increased 11.2% compared to Q3/2022. For the year 2022, the Company's total revenue from sales was Baht 5,556.1 million, increased 27.5% compared to the previous year.

Profit attributable to owners of the parent ("The Company's net profit") for Q4/2022 of Baht 152.5 million, increased 26.1% compared to Q4/2021, and increased 7.3% compared to Q3/2022, net profit for the year was Baht 515.7 million, increased 18.0% from the year 2021 from the growth was as the result of improvement of both domestic and overseas, the successful launch of new products, and good responses on the rebranding of the Company's products and the efficient cost management also supported the domestic and overseas growth.

2. Important events 2022

March	<ul style="list-style-type: none"> The Company has released new products. “Lotus Crispy Chicken Skin” is an expansion from the original product line that is more than snacks and the launch of a new product, “Magic Farm Fresh, Mixed Fruit Juice with Cannabis”, which is the first cannabis drink in Thailand that has been certified with standards and quality from Food and Drug Administration (FDA). The Company’s new products in the first quarter of 2022 as mentioned above have been responded overwhelming by consumers.
April	<ul style="list-style-type: none"> The Annual General Meeting of Shareholders for 2022 of the Company, there was a resolution to approve the dividend payment from the operating results of 2021 in the amount of 230,400,000 baht, equivalent to a rate of 0.24 baht per share, and equivalent to 64% of net profit for the year according to the separate financial statements. The Company has already paid an interim dividend on September 2, 2021, in the amount of 96,000,000 baht, equivalent to 0.10 baht per share. Therefore, the Company will pay the last dividend of 134,400,000 baht, equivalent to 0.14 baht per share, with the dividend payment being paid on May 18, 2022.
July	<ul style="list-style-type: none"> The Company has won ““Inspirational Brand Award” at Asia Pacific Enterprise Awards (APEA) 2022 which is the Asia regional award for an outstanding and leading business companies or brands across Asia Pacific Region in 2022 who have outstanding mission, vision, strategy, together with business management and driving the organization with sustainable growth, good governance, social and environmental responsibilities, and inspiring to develop and manage the organization with sustainability.
August	<ul style="list-style-type: none"> The Company launched Lotus’s crispy chicken skin with spicy flavor, including the new packaging design of Jele’ products with a new advertisement, “Kimberly Ann Tiamsiri” as a presenter to respond the consumer needs and reinforce the brand leadership which stimulated more sales for the Company. The Board of Directors meeting No.5/2565 held on 8 August 2022 resolved to approve the interim dividend for the period of 1 January 2022 - 30 June 2022 in the amount of 0.18 baht per share, paid on 6 September 2022.
September	<ul style="list-style-type: none"> The Company received the “Outstanding Deal Awards” for fundraising with the offering value did not exceed Baht 3,000 million from the announcement of the SET Awards 2022, organized by the Stock Exchange of Thailand.
October	<ul style="list-style-type: none"> The Company launched a new advertisement with new presenter “Kao Jirayu Laongmanee” under the brand of “Bento” to reflect the image of new generation and market leadership in squid snacks. The Company introduced new flavors to the market: Jele’ Chewy “Strawberry and Blackcurrant” flavors and Jele’ Beauty: “Acai Berry” flavor. The Company received “Very Good” or “4 Stars” assessment of good corporate governance from the Corporate Governance Survey of Listed Companies for 2022, from the Thai Institute of Directors Association (IOD).
November	<ul style="list-style-type: none"> The Company launched Vietnam Factory’s production line on November 4, 2022 for “Biscuit Stick” brand “Lotus” to increase sales in Vietnam, and reduce the exporting cost from Thailand to sell in Vietnam.

3. Consolidated Operating Results 2022

Statement of Income (Unit: million baht)	Three-month period ended 31 Dec					For the year ended of 31 Dec		
	Q4/64	Q3/65	Q4/65	Increased (Decreased)		2021	2022	Increased (Decreased)
				YoY (%)	QoQ (%)			YoY (%)
Revenue from sales	1,209.9	1,467.9	1,631.7	34.9%	11.2%	4,357.9	5,556.1	27.5%
Other income	11.7	19.0	2.3	-79.9%	-87.6%	33.2	47.9	-70.5%
Gain on loss of control of a subsidiary						128.7		-100.0%
Total Revenues	1,221.6	1,486.9	1,634.0	33.8%	9.9%	4,519.8	5,604.0	24.0%
Cost of sales	(869.7)	(1,067.4)	(1,173.5)	34.9%	9.9%	(3,209.1)	(4,041.7)	25.9%
Selling expenses	(139.0)	(176.9)	(208.0)	49.6%	17.6%	(512.5)	(668.9)	30.5%
Administrative expenses	(58.3)	(58.2)	(54.8)	-6.1%	-6.0%	(224.5)	(217.4)	-3.2%
Profit before finance costs and income taxes	154.6	184.4	197.7	27.9%	7.2%	573.7	676.0	17.8%
Finance costs	(0.2)	(0.3)	(1.1)	329.0%	268.5%	(40.3)	(1.7)	-95.8%
Share of loss of investment in a joint venture	(5.8)	(5.5)	(5.5)	-3.2%	1.5%	(26.0)	(25.4)	-2.5%
Profit before income taxes	148.6	178.6	191.1	28.6%	7.0%	507.4	648.9	27.9%
Income taxes	(32.4)	(36.5)	(42.0)	29.9%	15.3%	(85.7)	(137.1)	59.9%
Profit attributable to:								
- Owners of the parent	120.9	142.1	152.5	26.1%	7.3%	437.2	515.7	18.0%
- Non-controlling interests	(4.7)	0.0	(3.4)	27.3%	-6614.0%	(15.5)	(3.9)	74.6%
Profit for the period	116.2	142.1	149.1	28.3%	4.9%	421.7	511.8	21.4%
Basic earnings per share	0.13	0.15	0.16			0.53	0.54	

Revenues

The revenue from sales for the year 2022 was baht 5,556.1 million and 2021 was baht 4,357.9 million, increased baht 1,198.2 million or 27.5%, mainly due to the return-to-normal of economic activities throughout the year 2022, and the improvement of domestic and overseas demands, the recovery of the tourism industry, and the well-responded Company's new products by consumers, including the increase in revenue from overseas sales as overseas demands shifted due to relief of COVID-19 pandemic; which many countries announced it to be just a local disease.

Revenue from sales (Unit: million baht)	Three-month period ended 31 Dec					For the year ended 31 Dec		
	Q4/64	Q3/65	Q4/65	Increased (Decreased)		2021	2022	Increased (Decreased)
				YoY (%)	QoQ (%)			YoY (%)
Revenue from domestic sales	864.8	1,074.7	1,105.7	27.9%	2.9%	3,338.2	4,046.2	21.2%
Revenue from overseas sales	345.1	393.2	526.0	52.4%	33.8%	935.0	1,509.9	61.5%
Total revenue from sales of the Company's products	1,209.9	1,467.9	1,631.7	34.9%	11.2%	4,273.2	5,556.1	30.0%
Revenue from sales of other products						84.7		-100.0%
Total revenue from sales	1,209.9	1,467.9	1,631.7	34.9%	11.2%	4,357.9	5,556.1	27.5%

The revenue from sales grew both domestic and overseas. The domestic sales revenue for the year 2022 was baht 4,046.2 million and 2021 was baht 3,338.2 million, increased baht 708.0 million or 21.2%, and the overseas sales revenue for the year 2022 was baht 1,509.9 million and 2021 was baht 935.0 million, increased baht 574.9 million or 61.5%

Cost of sales

The Company's cost of sales for the year 2022 was baht 4,041.7 million and 2021 was baht 3,209.1 million, increased baht 832.6 million or 25.9%, in line with the sales growth. Notwithstanding the swing of raw material cost throughout the year 2022, the Company still well-maintained management and cost control efficiently including the launch of new products that increasing gross margin yet reducing costs.

Selling expenses and administrative expenses

Selling expenses and administrative expenses for the year 2022 were Baht 886.3 million and 2021 were Baht 737.0 million, increased Baht 149.3 million or 20.2% because of adjustment of accounting method for revenues and expenses records in the consolidated financial statements after changing the investment of Siri Pro from a subsidiary to a joint venture, along with the cost of new products costs and transportation fees which increased due to the rise in fuel prices within the year. However, in summary by considering the consolidated financial statements, it shows that administrative expenses decreased from the efficient management throughout the year 2022; the selling expenses increased in line with sales growth and new product launches.

Net Profit

The net profit for the year 2022 of the Company was Baht 511.8 million, and 2021 was Baht 421.7 million, increased Baht 90.1 million or 21.4% compared to the previous year. The earnings per share for the year 2022 was 0.54 baht, and 2021 was 0.53 baht respectively.

Description (Unit: million Baht)	Three-month period ended 31 Dec					For the year ended 31 Dec		
	Q4/64	Q3/65	Q4/65	Increased (Decreased)		2021	2022	Increased (Decreased)
				YoY (%)	QoQ (%)			YoY (%)
Net profit attribute to owners of the parent	120.9	142.1	152.5	26.1%	7.3%	437.2	515.7	18.0%
<u>Adjust</u> loss from invest in product distribution business ^{/1}						9.8		-100.0%
<u>Adjust</u> Share of loss of investment in a joint venture	5.8	5.5	5.5			26.0	25.4	
<u>Adjust</u> Gain on loss of control of a subsidiary						(128.7)		
Net profit attribute to owners of the parent from core business operating results	126.7	147.6	158.0	24.7%	7.0%	344.3	541.1	57.2%
Net profit from core business margin	10.5%	10.1%	9.7%			7.9%	9.7%	

Remark: ^{/1} Loss from investing in product distribution business is loss of the Company stake in share capital of Siri Pro of 70% before changing of investment in subsidiary into a joint venture of Siri Pro.

However, in Q1/2021, the Company had profit from loss of control of a subsidiary, amounting to Baht 128.7 million. It was derived from the increase in the share value of Siri Pro after Siri Pro issued new common shares at the price offered by the company, and Boonrawd Trading Co., Ltd. (Boonrawd) exercised its capital increase rights on 16 March 2021. By excluding the aforementioned amount and comparing the actual net profits, the Company had the net profit from its core business operations from the year 2022 in amount of Baht 541.1 million compared to Baht 344.3 million of the year 2021; it increased Baht 196.8 million or 57.2% from the growth of domestic and overseas sales, the improvement of profit margins, and the efficient cost and expense management.

4. Financial Position

Assets

As of 31 December 2022, the Company's assets of Baht 5,068.9 million increased by Baht 916.6 million or 22.1% compared to 31 December 2021, mainly due to an increase in trade receivables, inventories, and property plant and equipment.

Liabilities

As of 31 December 2022, the Company's liabilities of Baht 1,762.9 million increased by Baht 701.3 million or 66.1% compared to 31 December 2021, mainly due to an increase in trade payables and borrowings from financial institution.

Shareholders' equity

As of 31 December 2022, the Company's shareholders' equity of Baht 3,306.0 million increased by Baht 215.3 million or 7.0% compared to 31 December 2021, mainly due to an increase in the Company's retained earnings which growing continually.

Statement of Cash flow

The Company's net cash generated from operating activities for the year 2022 totaled Baht 403.5 million.

Net cash outflow from investment activities for the year 2022 totaled Baht 384.9 million due to additional investment in property plant and equipment.

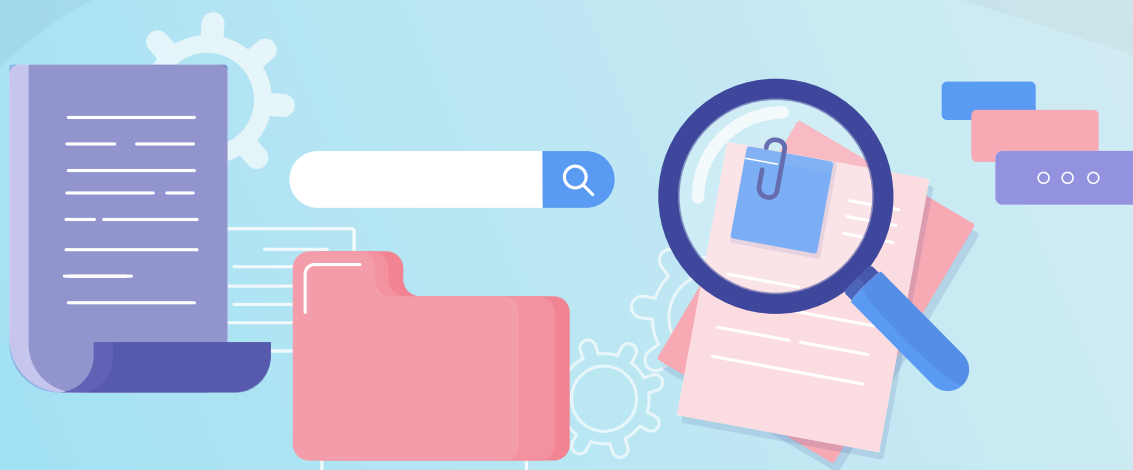
Net cash outflow from financing activities for the year 2022 totaled Baht 43.4 million, because of dividend payment for 2 times within the year 2022, paid 18 May 2022 and 6 September 2022.

4.2 Financial Ratios

Financial Ratios	For the ended 31 December 2022			
	Unit	2020	2021	2022
Liquidity Ratios				
Current Ratio	Time	0.60	1.84	1.72
Quick Ratio	Time	0.44	1.39	1.23
Average Cash Flow Liquidity Ratio	Time	0.18	0.25	0.35
Cash Cycle	Day	31	24	42
Activity Ratios				
Account Receivable Turnover	Time	4.35	4.89	4.10
Average Collection Period	Day	84	75	89
Account Payable Turnover	Time	4.98	5.41	3.79
Average Payment Period	Day	73	67	96
Inventory Turnover	Time	20.33	26.18	7.40
Average Sale (Inventory) Period	Day	18	14	49
Finished Goods Turnover	Time	17.64	22.24	27.78
Finished Goods Holding Period	Day	21	16	13
Direct Material Turnover	Time	24.72	21.22	18.82
Direct Material Holding Period	Day	15	17	19
Fixed Asset Turnover	Time	1.97	2.03	2.50
Total Asset Turnover	Time	1.09	1.11	1.22

Financial Ratios	For the ended 31 December 2022			
	Unit	2020	2021	2022
Leverage Ratios				
D/E Ratio	Time	7.64	0.34	0.53
Interest Bearing Debt to EBITDA	Time	6.47	0.04	0.36
Interest Bearing Debt to Equity	Time	5.35	0.01	0.09
Interest Coverage Ratio	Time	4.70	18.53	499.22
Debt Service Coverage Ratio	Time	0.22	46.95	13.40
Debt from Financial Institutions to Total Liabilities	Time	0.65	0.01	0.16
Interest Bearing Debt due in 1 Year to Total Interest Bearing Debt	Percentage	70.74	55.42	89.64
Financial Policy				
Dividend per Share	Baht	-	0.24	0.41
Dividend Payout Ratio	Percentage	-	54.64	76.91
Dividend Yield	Percentage	-	0.02	2.04
Profitability Ratios				
EBITDA Margin	Percentage	8.70	17.10	15.02
Gross Profit Margin	Percentage	25.70	26.36	27.26
Operating Margin	Percentage	3.00	9.45	11.31
Net Profit Margin	Percentage	1.67	9.33	9.13
Net Profit to Owners of The Parent Margin	Percentage	2.10	10.00	9.20
Return on Asset	Percentage	1.81	10.37	14.11
Return on Fixed Assets	Percentage	13.40	26.52	29.68
Return on Equity	Percentage	17.5	23.7	17.52
Other Income to Total Income	Percentage	0.96	3.58	0.85
Cash From Operation to Operating Profit	Percentage	377.48	111.00	64.23

5. General Information and Other Important Information



5.1 General Information

Company Profile

Company Name	: Srinanaporn Marketing Public Company Limited
Initial securities	: SNNP (listed in the Stock Exchange of Thailand)
Business type	: Snacks and beverages manufacturing and distribution
Main Product	: Snacks and beverages products
Company Registration	: 0107562000211
Head Office Address	: 325/6-9 Lanluang Road, Sriyakhmahanak Sub-District, Dusit District, Bangkok, 10300
Branches' Address	: Branch 1 234 Moo 4, Om-Noi Sub-district, Krathum Baen District, Samut Sakhon 74130 Branch 2 99/99 Moo 7, Om-Noi Sub-district, Krathum Baen District, Samut Sakhon 74130 Branch 3 99/99 Moo 4, Om-Noi Sub-district, Krathum Baen District, Samut Sakhon 74130 Branch 4 9/9 Moo 12, Rang Bua Sub-district, Chom Bueng District, Ratchaburi 70150
Contact	: 325/6-9 Lanluang Road, Sriyakhmahanak Sub-District, Dusit DistrictBangkok 10300
Registered Capital	: THB 480,000,000
Paid-up Capital	: THB 480,000,000
Issued and Paid Shares	: 960,000,000 shares
Par Value	: THB 0.50
Telephone	: 0 2628 0408
Fax	: 0 2281 5161
Website	: www.snnp.co.th
Company Secretary/Email	: comsec@snnp.co.th
Investor Relations	
Telephone	: 0 2628 0408
Email	: ir@snnp.co.th

General information of the juristic person in which the Company holds shares

As of 31 December 2022, the Company holds shares in its subsidiaries which hold shares directly as follows:

Company	Location of head office	Investment according to share price method (million THB)	Share-holding ratio %	Registered capital	No. of shares issued	Par value per share	Paid –up capital	Business type
SNNP International Co., Ltd.	325/6-9 Lan Luang Road, Si Yak Mahanak, Dusit, Bangkok 10300	459.3	99.9	550 million THB	5,500,000	100 THB	520.5 million THB	Provide management or technical services to related business

As of 31 December 2022, the Company holds shares in its subsidiaries which hold shares indirectly as follows:

Company	Location of head office	Investment according to share price method (million THB)	Share-holding ratio %	Registered capital	No. of shares issued	Par value per share	Paid –up capital	Business type
Srinanaporn Distribution Co., Ltd.	99/99 Moo 4, Om Noi Sub-district, Krathum Baen District, Samut Sakhon 74130	SNNP International Co., Ltd.	99.9	1.0 million THB	10,000	100 THB	1.0 million THB	Distribute snacks and beverages
S.C. Food Products Co., Ltd.	National Road 2, Brolay, Boeung Khyang, Stueng Kandal, Kandal, Cambodia	SNNP International Co., Ltd.	60.0	9.0 million USD	90,000	100 USD	9.0 million USD	Produce and distribute snacks and beverages
STW Development Co., Ltd.	National Road No.2, Pralay Village, Boeng Khyang Commune, Kandal Stueng District, Kandal Province, Kingdom of Cambodia	SNNP International Co., Ltd.	49.0 ¹	1.1 million USD	1,000	1,100 USD	1.1 million USD	Hold real estate in Cambodia
Harirama Venture Incorporated Ltd.	NARRA Building, 2276 Chino Roces Avenue Extension, Makati City	SNNP International Co., Ltd.	80.0	50.0 million PHP	125,000	100 PHP	12.5 million PHP	Distribute snacks and beverages in the Philippines

Remark:

¹ The Company has the power to control STW Development Co., Ltd. which regarded to be its subsidiary

Company	Location of head office	Investment according to share price method (million THB)	Share-holding ratio %	Registered capital	No. of shares issued	Par value per share	Paid –up capital	Business type
S.C. Food Trading Co., Ltd.	National Road No.2, Pralay Village, Boeng Khyang Commune, Kandal Stueng District, Kandal Province, Kingdom of Cambodia	SNNP International Co., Ltd.	100.0	0.1 million USD	1,000	100 million USD	0.1 million USD	Distribute snacks and beverages in Cambodia
Siri Pro Co., Ltd.	15/6 Room No. A 104, 1st Floor, The Bright Rama 2 A Building, Rama 2 Road, Tha Kham Sub-district, Bang Khun Thian District, Bangkok 10150	SNNP International Co., Ltd.	50.01	225.072 million THB	2,250.72	100 THB	225.072 million THB	Distribute snacks, beverages and other consumer goods
S.T. Food Marketing Co., Ltd.	No.5 VSIP II-A Road No. 24, Vietnam – Singapore Industrial Park II-A, Vinh Tan Commune, Tan Uyen Town, Binh Duong Province, Vietnam	SNNP International Co., Ltd.	100.0	6.0 million USD	-	-	6.0 million USD	Produce and distribute snacks and beverages in Cambodia
Jin Xinglong (Shenzhen) Import & Export Co., Ltd.	Room 301-B002, Block 4, Manjinghua Yiluan Building, 230 Xixiang Avenue, Longteng Community, Xixiang Sub-district, Baoan District, Shenzhen, China	SNNP International Co., Ltd.	100.0	1 million CNY	-	-	N/A	Distribute snacks and beverages in China

Other Referral

Securities Registrar

Thailand Securities Depository Co., Ltd.
The Stock Exchange of Thailand Building,
93 Ratchadapisek Road,
Din Daeng, Bangkok 10400
Telephone : + 66 (0) 2009 9999
Fax : + (0) 2009 9991

Auditor

PricewaterhouseCoopers ABAS Ltd.
15th Floor, 179/74-80, Bangkok City Tower,
South Sathon Road,
Thung Maha Mek,
Sathon, Bangkok 10120
Telephone : +66 (0) 2844 1000

5.2 Other Important Information

-None-

5.3 Legal Dispute

As of 31 December, 2022, the Company and its subsidiaries have no legal disputes which may affect the Company and its subsidiaries' equity of the shareholders more than 5% and have no disputes which may affect the business operation of the Company and its subsidiaries.

2

Part 2

Corporate Governance

6. Corporate governance
7. Structure of corporate governance and important information of Board of Directors, Committees, executives, employees and others
8. Report of important activities for corporate governance
9. Internal control and related party transactions

6. Corporate Governance



The Company conducts its business operations under the Corporate Sustainability framework with the responsibility to the environment, society and governance (Environment Social and Governance: ESG) adhering to the ideology which has been adopted continuously within the business ethics framework and on the basis of the balanced and sustainable benefits of all stakeholders. The Board of Directors serves as a role model in complying with the principle of corporate governance and business ethics and code of conduct. It is the intention of the Company to develop the organization to be a Company based on corporate governance. We believe that corporate governance is the management system which enhances justice and transparency and can create return and long-term value for the shareholders as well as confidence for all

stakeholders. Moreover, it will enhance the sustainable competitiveness and growth of the Company.

The Corporate Governance and Sustainable Development Committee is responsible for overseeing the work in corporate governance of the Company, formulating policy and operating guidelines, monitoring the compliance of the Board of Directors and the management with the policy on corporate governance, evaluating the performance in complying with the policy and reviewing regularly the operating guidelines to be appropriate with the business operations and complying with corporate governance at the national and international level. Corporate governance is included in the main agenda in the meeting of the Board of Directors.

6.1 Overall policy and guidelines for corporate governance

The Company recognizes the important role of corporate governance as an important foundation for sustainable business operations. The Company aims to conduct business operations based on corporate governance and business ethics with transparency and verifiability in order to upgrade the existing business operations of the Company which has standard operation guidelines, to increase the understanding of corporate governance and to promote the corporate culture in the Company and its subsidiaries. The Board of Directors and the executives adhere to the principles of corporate governance

according to Corporate Governance Code for Listed Companies 2017(CG Code) of the Securities and Stock Exchange Commission of Thailand.

In 2022, according to the report of the survey in corporate governance of Thai Listed Companies (CGR) organized by the Thai Institute of Directors (IOD), the Company has been evaluated to be in a “very good” status.



6.1.1 Policy and guidelines for corporate governance

1) Nomination of the candidates to be appointed as Director and high position executives

Committee on Nomination and Remuneration was appointed to recruit persons and consider suitable candidates for appointment as member of the Board of Directors. Selection is made from the proposal of the shareholders and list of Directors' Pool which is a database of professionals in several areas. Committee on Nomination and Remuneration will consider candidate from their qualifications such as qualifications according to the law and related regulation, their expertise, and work experience which is beneficial to the Company and consistent with the strategy in the business operations of the Company together with the Board of Directors' Skill Matrix. The consideration of the Committee will not be limited by gender, nationality, religion or any differentiation. The nomination process is as follows:

- (1) The Nomination and Remuneration Committee considers the qualifications and criteria for recruiting members of the Board of Directors, of the Committee, Chief Executive Officer, Managing Director by selecting the candidate who has knowledge, skill, experience and essential attributes for the driving of the organization to the goal. Name of the candidate will be proposed to the meeting of the Board of Directors or the shareholders (whichever is the case) for appointment.
- (2) The Managing Director is authorized to recruit and appoint executives of high position but lower than the position of Managing Director. The recruitment and appointment must be within the policy and framework prescribed by the Nomination and Remuneration Committee.
- (3) The recruitment process for members of the Board of Directors, of the Committee and executives of high position must be in a fair, equitable and transparent manner. Educational background, work experience, proficiency and other qualifications required for the post must be clearly identified in order to obtain the person of the skill, knowledge and experience which is beneficial for corporate governance and appropriate for the job.
- (4) When the position of Director, Chief Executive Officer, Managing Director are vacant or when the persons of such position cannot perform their duty, the persons of equivalent positions or of lower position as assigned by the Board of Directors or Managing Director shall act for the position temporarily until the recruitment and nomination of the qualified person according to the criteria set by the Nomination and Remuneration Committee has been completed.

2) Remuneration of the members of the Board of Directors, of the Committee and executives of high position

The remuneration of the members of the Board of Directors, of the Committee and executives of high position is determined in a comparable manner with the personnel of same level in other industry taking into account their experience, duty, role, accountability and responsibility. The Nomination and Remuneration Committee is responsible for considering the format and criteria for determining salary, salary increase, bonus, compensation and reward for members of the Board of Directors, Committee, Chief Executive Officer and Managing Director in an appropriate and fair manner and complies with the applicable law. The matter will be proposed for approval of the Board of Directors and/or the shareholders' meeting (whichever as the case).

In the 2nd /2022 meeting of the Board of Directors on 21 February 2022, the meeting opinion that the remuneration of the members of the Board of Directors, Committees, Chief Executive Officer and Managing Director was consistent with the number of members of the Board of Directors and of the Committee, the turnover, business size, responsibility and performance of each member. The proposed remuneration level was appropriate and comparable with the remuneration level of the other listed leading companies and the same group of industry. Moreover, the proposed remuneration level is adequate to motivate and keep quality personnel with the Company. Remuneration of the members of the Board of Directors and the Committees is the same as in 2021.

3) Independence of the Board of Directors from the Management

Responsibility of the Board of Directors is clearly separated from the Management. The Board of Directors is responsible for formulating policy and supervision at the policy level to be consistent with the objectives and the main goal of business operations whereas the Management is responsible for the routine work in different areas to be according to the policy and report to the Board of Directors regularly as appropriate. Thus, Chairman of the Board of Directors and Chief Executive Officer are not the same person. Moreover, the Chairman of the Board of Directors is not among the executives and does not take part in the management.

4) Development of the members of the Board of Directors, of the Committee and executives

The Board of Directors has placed importance to development of members of the Board of Directors and Committees and Executives in order to improve their efficiency. Orientation is organized focusing on corporate governance, business operations, structure and composition of the Board of Directors and Committees and organizational structure. New members of the Board of Directors and Committees will be provided with important information in order to acquaint them with the business operations and corporate governance and to ask for additional in-depth information concerning the business operations from the relevant executives.

Moreover, the Company promotes the attendance in the training courses relevant to the duty of the members of the Board of Directors and Committees organized by the Thai Institute of Directors and other expertise institutes. They will be informed of training courses which are useful for the work as members of the Board of Directors and Committees.

5) Assessment of the performance of members of the Board of Directors and Committees

Assessment of the performance of members of the Board of Directors and Committees is organized annually so that they can participate in analyzing the problems and constraint in the previous year and find guidelines for efficiency improvement for their future operations. Additional details are given in clause 8.1.1.

6.1.2 Policy and guidelines concerning Board of Directors, shareholders and stakeholders

The Company has formulated policy and guidelines concerning Board of Directors, shareholders and stakeholders covering 8 principles of corporate governance which is consistent with the Corporate Governance Code for Listed Companies 2017 (CG Code) of the Securities and Exchange Commission, Thailand.

Principle 1: Establish clear leadership role and responsibilities of the Board

1. The Board of Directors has a clear understanding and recognition of their role and responsibilities as leaders of the organization in governance and management. Charter of the Board of Directors has been established which defines clearly authority and responsibilities of the Board in supervising the business operations to comply with the law, objectives, regulations and resolutions of the meetings of the Board of Directors and shareholders with accountability, precaution, honesty taking into account protection of rights and benefit of all shareholders. Moreover, the Board of Directors is responsible for controlling the administration and management of the Management of the Company and its subsidiaries to comply with the policy, goals, work plan and budget for the optimum benefit of the Company and the shareholders.
2. The Board of Directors has formulated policy on different areas such as policy on corporate social responsibility, anti-corruption and business ethics so as to conduct business operations with ethics which are beneficial for the society and environment and adaptable to changes in order to create sustainable value for the Company. The Board of Directors is responsible for supervising the compliance with policy, revising and improving the policy to be consistent with the situation.
3. The Board of Directors is responsible for putting in place monitoring system and mechanism to ensure the compliance of the business operations with applicable law, objectives, regulations and resolutions of the meetings of the Board of Directors and the shareholders.
4. Charter of the Board of Directors and Committees must be available. The charters must be reviewed regularly at least annually in order to be improved to be consistent with the changing situation.

Principle 2: Define objectives that promote sustainable value creation

1. The Board of Directors must define the main objectives and goal in business operations of the Company which create sustainable value creation and consistent with the overall value creation to the business, customers, stakeholders and society. All levels of employees should be informed of the above-mentioned objectives and goal and perform their duty in order to achieve such objectives and goal as corporate culture.
2. The Board of Directors will promote the application of technology and innovation in the business operations in order to comply with the policy with efficiency. The objectives, goal and strategic plan must be reviewed annually to ensure that the Company's strategic plan is consistent with the economic situation, potential of the organization and the main goal. Monitoring closely and evaluation must be conducted.

Principle 3: Strengthen Board effectiveness

The Company's policy concerning the Board of Directors' structure is consistence with the business, operations size and applicable law as follows:

1. The Board of Directors consists of individuals of diverse qualifications in terms of knowledge, proficiency and experience which is appropriate in supporting the achievement of the objectives and main goal of the Company.
2. The Board of Directors must consist of at least 5 members but not more than 12 members having independent directors of at least one-third of the total number of directors. The above-mentioned proportion will provide the appropriate check and balance in the discussion and voting in the meeting. Qualifications of the independent directors comply with notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand as well as the applicable criteria, regulations and law.
3. The Board of Directors supervises over the recruitment of knowledgeable persons with appropriate proficiency and experience who can perform duty beneficial for the business operations of the Company. Names of candidates will be proposed to the meeting of the Board of Directors and/or shareholders (whichever as the case) for consideration and appointment. Details of the Directors and members of the Committees will be disclosed such as name, age, gender, educational background, work experience, shareholding proportion, number of years in office, meeting attendance, financial and nonfinancial remuneration, the directorship held in other listed companies, role and responsibility. Performance of the Board of Directors and Committees is included in the annual report and/or website of the Company.
4. The office term of the Board of Directors is not more than 3 years as required by the law. Independent directors shall hold office continuously of not more than 9 years unless there are special reasons or necessity given by the Board of Directors.
5. Members of the Board of Directors and the executives may hold position of directors or executives in the affiliated companies or other companies provided that it will not be constraint in performing duty of the Board of Directors of the Company. Moreover, they must comply with the regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand and applicable rules, regulations and law. Concerning meeting, members of the Board of Directors should attend meeting not less than 75% of the total number of meetings of that year.
6. To provide clarity between the responsibility in policy formulation and the management of routine operations, chairman of the Board of Directors and the Chief Executive Officer should not be the same person. The company has established a clear authority and responsibility of the Chief Executive Officer.
7. The Board of Directors has appointed Committees to support the Board of Directors in their duty and in the business operations of the Company comprising the following Committees:
 - Audit Committee
 - Executive Committee
 - Nomination and Remuneration Committee
 - Risk management Committee
 - Corporate Governance and Sustainable Development Committee

7.1 Audit Committee

The Audit Committee consists of at least 3 members. The Committee is responsible for supervising auditing and verifying financial statements, managing internal control and compliance with applicable law. The Committee ensures the independence of the internal audit unit so that the operations and the information disclosure is conducted in a transparent and reliable manner.

Details of the composition, qualification, authority and responsibility of Committee is as in the charter of the Audit Committee.

7.2 Executive Committee

The Executive Committee consists of at least 3 members. The Committee is responsible for supporting the Board of Directors in the administration of the Company in compliance with the policy, work plan, rules, orders, regulations and the goal set within the power framework assigned by the Board of Directors. Details of the composition, qualifications, authority and responsibility of Committee is as in the charter of the Executive Committee.

7.3 Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of at least 3 members. The Committee is responsible for recruitment of qualified persons for the position of members of the Board of Directors and Committees, Chief Executive Officer and Managing Director for nomination for appointment of the meeting of Board of Directors and/or shareholders (whichever is the case). Details of the composition, qualifications, authority and responsibility of Committee is as in the charter of the Nomination and Remuneration Committee.

7.4 Risk Management Committee

The Risk Management Committee consists of at least 3 members. The Committee is responsible for formulating policy in risk management based on the principle of Good Corporate Governance and COSO, and Enterprise Risk Management Framework (COSO ERM) to cover the whole organization in order to ensure that the administration of the Company has included the risk management to reduce the impact on the business operations. Details of the composition, qualifications, authority and responsibility of Committee is as in the charter of the Risk Management Committee.

7.5 Corporate Governance and Sustainable Development Committee

The Corporate Governance and Sustainable Development Committee consists of at least 3 members. The chairman of the Committee must not be chairman of the Board of Directors nor Chief Executive Officer. The Committee is responsible for supervising the corporate governance and sustainable development of the Company to ensure that the business operations is conducted in compliance with the direction, policy and strategy of the Company and integration of governance and sustainable development. Clear guidelines will be provided to enable the Company to operate as the Company with corporate governance which delivers sustainable value to the shareholders and stakeholders. Details of the composition, qualifications, authority and responsibility of Committee is as in the charter of the Corporate Governance and Sustainable Development Committee.

8. Secretary will be provided to be responsible for organizing meeting of the Board of Directors and shareholders and gives recommendations to the Board of Directors concerning legal requirements and regulations which are relevant to the Board of Directors' operations.
9. In the supervision of the subsidiaries or the joint ventures, the Company will designate representative which has qualifications and experience appropriate to the businesses which the Company has invested to be member of the Board of Directors in order to oversee the management and report to the Board of Directors quarterly.

The proportion of the representatives of the Company in the subsidiaries or associate companies' Board of Directors must reflect the proportion of shareholding of the Company and/or as agreed upon among the shareholders of each company. Moreover, in the meeting of the Board of Directors of the subsidiaries or associate companies for formulation of important policy or in the voting of important agenda, approval of the Board of Directors of the Company must be obtained before voting in the same manner as in the Company.

For the subsidiaries, the person appointed to supervise the subsidiaries is required to ensure that the subsidiaries have regulation concerning connected transactions, acquisition and disposition of assets as well as the accurate and complete financial statements which can be provided to the Company for preparing the overall financial statements in time.

10. According to the charters of the Board of Directors and Committees, the Board of Directors and Committees must conduct annual assessment as a whole and self-assessment. The result of the self-assessment of the Committees will be reported to the Board of Directors every year.

The assessment form will be distributed by the Secretary to every member of the Board of Directors to assess the performance of the Board of Directors and their performance as member of the Committees which the Secretary will collect the result and report to the Board of Directors.

Principle 4: Ensure effective CEO and people management

To ensure that the Company has effective recruitment and development of executive of the top level and human resource management, the Board of Directors has carried out the following:

1. Appointment of the Nomination and Remuneration Committee to be responsible for recruiting qualified persons for nominating as candidates for the position of Chief Executive Officer and Managing Director, determine framework and policy concerning recruitment and selection of executives of top level, format and process in training and development for the Chief Executive Officer and Managing Director to be consistent with the business operations and situation such as training for knowledge development. Moreover, the Committee is responsible for the appraisal of performance and determination of the format and criteria for remuneration of the Chief Executive Officer and Managing Director as well as remuneration of the executives.
2. For the executives who hold position below the level of the Managing Director, the Managing Director is responsible for determining the format and criteria for remuneration within the framework and policy prescribed by the Board of Directors.
3. For the purpose of business continuity, the Board of Directors ensures the availability of Succession Plan for the position of Chief Executive Officer and Managing Director.
4. The Board of Directors will supervise the preparation of appropriate remuneration structure and performance evaluation. Moreover, the Board of Directors will ensure that the Company has human resource development so that the employees have appropriate knowledge, skill, experience and motivation. The human resource management has to be consistent with the direction and strategy in business operations. The employees will be promoted to attend training courses to increase their knowledge and proficiency. The Board of Directors will ensure fair and equitable treatment to the employees in order to keep quality employees with the Company.

5. The Board of Directors will ensure the availability of the provident fund to encourage sufficient savings of the employees for retirement. Moreover, employees are encouraged to have knowledge and understanding of financial management for better quality of life and long-term employment with the Company.

Principle 5: Nurture innovation and responsible business

The Board of Directors places importance to the innovation which creates value to the business coupled with giving benefits to the customers and relevant persons. Realizing the importance of social and environmental responsibility, the Board of Directors supervises the allocation of resource of the Management to be with efficiency and effectiveness taking into account the environmental impact and development of resources in order to achieve the objectives and main goal of the business operations with sustainability.

Furthermore, recognizing the rights of all stakeholders, the Company has prepared the business ethics and code of conduct in writing to be implemented by the Board of Directors, the executives and the employees on behalf of the Company.

Shareholders The Company will conduct business operations with transparency and efficiency to create sustainable value to the business. The Company intends to create satisfactory return and stable growth to give the optimum benefits to the shareholders in the long run. The Company will disclose information with transparency and reliability to the shareholders.

Employees The Company will treat all employees in an equitable and fair manner and give appropriate compensation to the employees and will give importance to them. The Company gives importance to regular development of their skill, knowledge, competence and potential by organizing training and seminar which are open to all employees. The Company tries to motivate employees with high ability to stay with the organization for further development. Moreover, the Company has developed guidelines for anti-corruption and encouraged the employees to comply with the applicable law, rules and regulations such as strict prohibition to use internal information, etc.

Trading partners In selecting the trading partners, the Company provides equivalent information to all competing companies and select the trading partners with fairness based on the Company's criteria for evaluation and selection of the trading partners. Moreover, the Company has prepared appropriate and fair purchase contract with monitoring system to ensure the complete compliance with the conditions of the contract and preventing dishonest in all steps of the acquisition. The Company buys goods from the trading partners according to the trading conditions and complying with the contract conditions completely.

Customers The Company is responsible for the customers by maintaining the quality and standard of their products and services and tries to meet the demand of customer as completely and inclusively as possible to create their satisfaction in the long run. Moreover, in recognizing the sanitary and hygienic aspect of the products and service, accurate and complete information is provided to the customers. Channels for complaints are provided for them to notify problems of the products or services so that the Company can prevent or solve the problem speedily. In this connection, the Company will keep information of the customers as confidential and will not make use of the information for advantage of the Company or other persons.

Creditors	The Company will comply with the condition in the contract with creditor and will repay principal and interest and take care of the business collateral under the contract.
Competitors	The Company will act and behave under good competition rules based on ethics and under the law. The Company supports the policy on free and fair competition.
Society and public	The Company pays attention and places importance to the safety of community, society, environment and quality of life of the people involving with the business operations of the Company. The Company promotes social and environmental awareness of employees and strict compliance with law and regulations. Moreover, the Company tries to participate in different activities which create and conserve environment and society as well as promoting the local tradition of the provinces where the business operations of the Company are located.

Contact channels for stakeholders

Stakeholders can give comments, inquiries, complaints or whistleblowing of illegal action, error of the financial statements, defects of the internal control system or the act or behavior which is against the business ethics and code of conduct concerning the business operations of the Company to the following channels. Comments, suggestions and complaints will be collected, screened and reported to the top executives and the Board of Directors respectively. Complaints and whistleblowing will be kept confidential.

• **Company Secretary** Tel: 0 2628 0408 ext. 360
Email: comsec@snnp.co.th

• **Investor Relations** Tel: 0 2628 0408
Email: ir@snnp.co.th

Moreover, employees and stakeholders can contact the Company or provide comments, complaints and whistleblowing at www.snnp.co.th and <https://investor.snnp.co.th> for addressing systematically complaints and whistleblowing by the following process:

- Complaints and whistleblowing provided by employees or stakeholders at the designated channel will be kept confidential with disclosure only when necessary. The Company has protective measure for the whistleblower or the one who makes complaint in writing.
- The Internal Audit Unit will collect whistleblowing and complaint from all channels and make initial investigation concisely to find the fact within 30-60 days. The whistleblower or the one who makes complaint will be informed of the progress in the investigation regularly (when whistleblower or the one who makes complaint is identifiable).

The investigation will be conducted without revealing the name of the whistleblower or the one who makes complaint or source of the information. The whistleblower or the one who makes complaint can request for appropriate protection or the Company can offer protective measure if it is likely to be create damage or danger.

- If the corruption is proven to be true, an investigation committee is appointed to decide the case and penalty. The corruption and complaint will be reported to the Audit Committee and the Board of Directors.

If the stakeholders wish to contact the Board of Directors directly bypassing the Management to make complaint concerning violation of personal rights, corruption, violation of law or ethics which may involve the executives, they can make complaint to the Board of Directors through the Audit Committee at e-mail: audit_committee@snp.co.th

Principle 6: Strengthen effective risk management and internal control

To ensure that the Company and its subsidiaries have an appropriate risk management system and internal control sufficient to achieve the objectives with effectiveness and comply with applicable law and standards, the Board of Directors will carry out the following:

1. Formulate policy on risk management. Ensure the effective risk management. Review and assess the risk management system regularly.
2. Appoint the Risk Management Committee to support the Board of Directors in formulating a policy on risk management which is appropriate and covers the whole organization and to ensure the availability of the overall risk management system and process which is efficient and effective to manage risk to the risk appetite. The duty of the Risk Management Committee are as follows:
 - Identification of risk and determine risk appetite
 - Formulate risk management policy, internal and external of the organization to be consistent with the strategy and business direction for approval of the Board of Directors
 - Strategic planning and set guidelines for risk management to be consistent with the risk management policy in order to be able to assess, monitor and manage risk to be at risk appetite
3. Report to the Board of Directors on risk and risk management. Authority and responsibility of the Risk Management Committee are as in the charter of the Committee.
4. Appoint the Audit Committee with the qualifications as required by the applicable law and regulations to be responsible for, among others, consideration of financial statements and the sufficiency of internal control system before requesting approval of the Board of Directors.
5. Establish the Internal Audit Unit to perform its task efficiently and independently to be responsible for reviewing the efficiency of the risk management and internal control and submit for consideration of the Board of Directors.
6. Formulate policy on preventing conflict of interest and guidelines for handling the conflict of interest which may occur. The Audit Committee will review and give an opinion in the reasonability of the transaction which may cause conflict of interest before proposing the matter to the meeting of the Board of Directors and/or the shareholders (whichever is the case).
7. Provide a business Code of Conduct, a policy on preventing the use of inside information in order to prevent the misuse of assets, information and opportunity of the Company and its subsidiaries and a policy on connected transactions to prevent the inappropriate transaction with the connected people or to prevent the noncompliance with the relevant regulations.

8. Formulate a clear policy on anti-corruption and communicate to employees of all levels and outside people to apply the policy. Prepare project or guidelines for anti-corruption. Support activities which promote compliance with law, rules and regulations.
9. Provide complaint channel and handling of whistleblowing and clear guidelines for the anti-corruption policy. Organize communication channels to receive complaints and whistleblowing from employees and stakeholders appropriately and conveniently. The Company has protective measure for whistleblower, complainant, witness and the people who give information in the investigation so that they will not be in difficulty or danger or injustice from provide whistleblowing, making complaint, being witness or for giving information to the Company.
10. The Board of Directors and executives have to inform the Company of their conflict of interest or conflict of interest of the connected persons with the business operations within 30 days from the date of appointment or the change of the conflict of interest.

In the meeting of the Board of Directors, members of the Board of Directors have to report on their conflict of interest in relation to any agenda before the consideration of such agenda. The conflict of interest will be recorded in report of the meeting. Member of the Board of Directors who has significant conflict of interest is prohibited to give an opinion independently in the relevant agenda.

Principle 7: Ensure disclosure and financial integrity

The Board of Directors has the following duties:

1. Monitoring the financial liquidity and debt repayment capacity including plan and mechanism in problem solving.
2. Overseeing the preparation system of financial statements and information disclosure to be accurate, adequate, timely and complying with the applicable regulations and guidelines.

Information disclosure and transparency

The Company has included clear guidelines in writing for information disclosure in the corporate governance policy for the employees to apply. The guidelines which are consistent with the effective law and the regulations of the Securities and Exchange Commission of Thailand and the Stock Exchange of Thailand are intended to be used by the employees and to ensure the shareholders, investors, stakeholders and the public that the information disclosure of the Company is correct, clear, equitable and complied with the law. The above-mentioned guidelines are available on the Company's website.

The Company complies strictly with the law, regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand and regulators. Moreover, information has been updated regularly to ensure correct information disclosure and to create confidence to shareholders in the transparency of the Company. Examples of information disclosure of the Company are as follows:

1. Prepare reports of the Board of Directors and high-level executives and submit to the Securities and Exchange Commission and related organizations according to the requirements in the regulations of report.
2. Formulate the policy for the Board of Directors and high-level executives to report to the Company their own interest and their related parties in the administration and management of the Company or subsidiaries according to the criteria, format and method required by the Company.

3. Formulate the policy for the Board of Directors to disclose or report on securities trading or common stock holding of the Company at the Board of Directors' meeting including the report of holding debentures and/or common stock of affiliate companies of Board of Directors and high-level executives as well as the common stock holding of spouse or a couple living together as spouse and minor children. The report has to be informed to the Board of Directors at least once a year.
4. Prepare reports on the responsibility of the Board of Directors for the financial statements to be displayed with the auditor's report in the annual report.
5. Publicize the invitation to the annual general meeting of the shareholders and the annual report within 120 days from the end of the fiscal year.
6. Publicize the most recent report of annual general meeting on the Company's website.
7. Disclose information about responsibility of the Board of Directors and Committees, number of meetings and meeting attendance of each member.
8. Disclose information about the date of appointment of members of the Board of Directors in the annual report.
9. Disclose information about the recruitment and performance evaluation.
10. Disclose information about compensation policy to members of the Board of Directors and high-level executives which includes format, financial or non-financial compensation and amount for each member of the Board of Directors and Committees.
11. Disclose information about attendance in the training courses organized by Institute of Directors (IOD).
12. Disclose clear information about the operational structure and investment in subsidiaries, joint ventures and other companies.
13. Disclose information about audit fees and other services in the annual report.
14. Disclose information about Memorandum of Association and Articles of Association on the Company's website.
15. Disclose information about policy on environmental and social responsibility and the achievements.
16. Disclose information about corporate governance policy and the achievements.
17. Disclose information about major investment projects and the impact on the projects via the SET Link system of the Stock Exchange of Thailand and on the Company's website to give correct, inclusive and transparent information to the shareholders, investors, mass media and relevant persons.

Moreover, to ensure that the employees responsible for investor relations have performed their duty correctly, appropriately and in equitable manner to all groups of stakeholders, the Company has prepared the "Ethics for Investor Relations" which provide guidelines for corporate governance for the investor relations so that they can create value-added and have confidence to the shareholders, investors, public and stakeholders in the sustainable business operations.

Information dissemination channels

The Company places importance to the disclosure of financial information, achievements and related information which is correct, complete and transparent. In addition to the information disclosure as required by the law, the Company has developed communication channels and other media for the benefit of relevant persons:

- Establish the Investor Relations as a unit which makes direct contact with local and foreign investors
- Organize regularly press conference on the quarterly operating results, investment and important activities of the Company
- Announcement of the quarterly operating results to the investors and analysts
- Organize meetings with local and foreign investors and relevant persons
- Organize visits to the operations and factories of the Company for the shareholders, investors, analysts, academics, community, mass media and relevant persons when it is convenient
- Publicize information in various form on social media such as press release, article, advertisement media and social media
- Publish and prepare other forms of media for publicity such as annual report, information on sustainable development
- Disclose information on the Company's website www.snnp.co.th

Investor Relations

The Investor Relations Unit is responsible for making contact with institutional investors, retail investors, shareholders, analysts and government agency in a fair and equitable manner. In 2022, regular meetings were organized for the Board of Directors and high-level executives of the Company and institutional investors, retail investors and analysts with presentation of the operating results, financial statements, financial position, explanation and analysis of the Management as well as the future trend.

Principle 8: Ensure engagement and communication with stakeholders

The Board of Directors is responsible for ensuring that the shareholders are involved in decision making of significant issue of the Company, respecting the rights and treating major and minor shareholders and all stakeholders in a fair and equitable manner and on the basis of transparency, overseeing the complaint channel, effective handling of complaint from whistleblower or stakeholder with opportunity to have direct contact or make a complaint with the Board of Directors on the issue which may cause problem.

It is the policy of the Company to support and facilitate all shareholders including institutional investors to exercise the rights they are entitled to as an investor or as an owner of the business by an acceptable and recognized method and standards as follows:

- To purchase, sell or transfer the securities held independently
- The right to profit sharing
- To attend shareholders' meeting
- To propose agenda for the meeting
- To nominate candidate to the Board of Directors
- To express opinion in the meeting independently

- To participate in the decision making of significant matter of the Company such as the appointment of the Board of Directors, the appointment of the auditor and determination of the audit fee, amendment of the Memorandum of Association and Articles of Association and approval of significant transactions which has affected the direction of the business operations of the Company.

Apart from the exercising the basic rights mentioned above, the Company has performed additional task to facilitate the exercise of rights of the shareholders:

1. Provide important and necessary information for shareholders clearly and timely on the Company's website and through the Stock Exchange of Thailand
2. In order to provide opportunity to all stakeholders to have clear and sufficient information and to have sufficient time to study information in advance of the shareholders' meeting, the Company has publicized information concerning the date, time, venue and agenda of the shareholders' meeting clearly in Thai and English 30 days in advance of the meeting.

The letter of invitation to the shareholders' meeting included details of each agenda item, explanatory information and comments of the Board of Directors. The Company has publicized the letter of invitation to the meeting and related document such as registration form, evidence to be used in attending meeting, appointment of proxy holder and proxy forms in Thai and English on the Company's website 30 days prior to the meeting. The shareholders will be provided with the letter of invitation and the document at least 21 days before the meeting.

3. The shareholders can appoint independent director or any person as proxy holder by using one of the proxy forms prescribed by Department of Business Development, Ministry of Commerce which allows the shareholders to determine the voting direction. The proxy forms and information of the independent directors were attached to the invitation letter.

For the institutional investors or foreign investor who have appointed custodian in Thailand as depository and to take care of the securities, the Company has contacted them in advance regarding the document and evidence to show in attending the shareholders' meeting in order to facilitate their registration in the meeting.

4. The shareholders can request for additional information for each agenda or other information before the meeting date at comsec@snp.co.th or at the address of the Company.

For additional information, the shareholders can contact the Secretary Unit at the following address:

Secretary Unit, Srinanaporn Marketing Public Co., Ltd.

325/6-9 Larnluang Road, Sriyakhmahanak Sub-District, Dusit District, Bangkok 10300

Tel: 0 2628 0408 ext. 360

Email comsec@snp.co.th

5. In 2022, 9 Board members attended the annual General Shareholders' Meeting (100%).
6. In 2022, due to the COVID -19 situation, the annual General Shareholders' Meeting was held online by E-AGM system provided by Digital Access Platform Company Limited (SET Venture Holding Company Limited) as DAP

e-Shareholder Meeting which complied with the Emergency Decree on Electronic Meetings B.E.2563 (2020) and applicable law and regulations. The electronic meeting of the Company has been proved to comply with the standard for maintenance of security for electronic meetings prescribed by the Ministry of Digital Economy and Society. The meeting was recorded and videotaped as evidence.

7. Registration to the DAP e-Shareholder Meeting was possible as follows:
 - (1) By e-Registration of the DAP e-Shareholder Meeting by using the manual provided in the letter of Invitation.
 - (2) By written registration and sent to the Company for checking and registering on behalf of the shareholders. The shareholders would be informed of the result of the registration and their username in the meeting.
8. Enquiry session was provided before concluding each agenda. The shareholders can ask question or give comments on the agenda. Moreover, during the meeting, question can be sent in advance of the agenda through the DAP e-Shareholder Meeting and the camera and microphone will be provided for the shareholder for discussion.
9. In voting on each agenda through the DAP e-Shareholder Meeting, one share is considered to be equivalent to one voting right. In voting, the shareholder or the proxy can vote either “approve”, “disapprove” or “abstain”. In the voting by proxy, if any vote has already been granted to the proxy holder by the shareholder in the proxy form, only the vote specified in the proxy form will be taken into account.
10. Criteria in counting the vote and announcing the voting result.
 - (1) One share is regarded to be equivalent to one vote. The voting is by majority rule except for when it is otherwise specified in the law. If the score is equal, the chairman will have a casting vote.
 - (2) In counting the vote for each agenda, only the vote “disapprove” and/or “abstain” will be calculated and deducted from the total votes and the rest will be considered as “Approve”. The vote specified in the proxy form is also included and recorded in the registration to attend the meeting.
 - (3) The result of the voting will classify approval, disapproval and abstention voting for each agenda based on the most recent number of the shares held by the shareholders. If the data processing is delayed, the meeting will be proceeded to the next agenda immediately and the result of voting of the previous agenda will be declared when it is ready. The number of shareholders and shares in each agenda may be different as there may be additional attendance later.
11. In the annual General Meeting of Shareholders in 2022, the Company authorized law consultant from the Capital Law Office Co., Ltd. to take care and oversee the vote counting so that the voting is transparent and complies with the law and the Company’s Article of Association. Moreover, there were observers from independent organizations attending the meeting such as representative of the Stock Exchange of Thailand and representative of the Shareholders’ Rights Protection Volunteer under the Thai Investors Association.

12. In the annual General Meeting of Shareholders in 2022, the meeting considered various items according to the agenda in the letter of invitation to the meeting which was delivered to the shareholders without any change of the agenda. There was no request for the meeting to consider any other matter apart from those included in the letter of invitation to the meeting.
13. The Company has informed the public of the resolution of the annual General Meeting of Shareholders in 2022 including the voting result of each agenda via SET Link of the Stock Exchange of Thailand and on the Company's website on the day the meeting was held after the adjournment of the meeting.
14. The Company has prepared a complete meeting report consisting of important information such as name of the Board of Directors and the Management which attended the meeting, procedure and method in voting, resolutions of the meeting, result of the voting of each agenda and questions and answers provided in advance and in the meeting. The meeting report of the annual General Meeting of Shareholders in 2022 was completed within 14 days from the date of the meeting. The meeting report was sent to the Stock Exchange of Thailand and Ministry of Commerce within the timeframe required by the law. Moreover, it was publicized on the Company's website.

6.2 Business ethics and code of conduct

Business ethics and code of conduct for human resource

1. Objectives

The business ethics and code of conduct for human resource serves as a compilation of desirable behavior for the Company's personnel to maintain and promote the reputation and integrity of the Company. It collects pattern, scope and standard of behavior and conduct which all personnel including Board of Directors, executives or employees should apply in business operations or in performing their duties. They should conduct business in the direction which is based on morality, honesty and in a constructive, orderly and equality manner to provide a foundation for the organization and keep the good image of the Company of sustainable growth.

2. Business ethics and code of conduct for Board of Directors, executives and employees

- (1) Employees must comply with the policy, rules and regulations, notifications and orders of the Company and of their superiors.
- (2) Employees must perform duty with responsibility, precaution and honesty. They must report immediately on the occurrence which may negatively affect the reputation and assets of the Company.
- (3) Employees must be polite, give respect to their colleagues, ready to work as a team and listen to others' opinion.
- (4) Employees must perform their duty intentionally with perseverance and must act in compliance with regulations and corporate governance of the Company.
- (5) Employees must protect strictly the interest of the Company and keep secret of the Company, customers or any business operations which the Company does not want to reveal. In publicizing information concerning financial business and personnel of the Company, it must be performed in an appropriate manner, as allowed

and with cautiousness and efficiency. Throughout the duration of employment and after the termination of employment, all employees must keep the above-mentioned information as confidential. If the information is disclosed, transferred to other persons or is used for other purposes except for in performing their duty, they must agree to compensate for the actual damage which occurs.

- (6) Employees must not use inside information for their own benefit or for the benefit of other person in purchasing or selling securities of the Company or to be bound by derivatives trading involving the Company's securities. They must not reveal inside information to others knowing that the information receiver may use such information in purchasing or selling the Company's securities or to be bound by derivatives trading involving the Company's securities for their own benefit or for the benefit of other person.
- (7) Employees should cooperate, as far as possible, in protecting the Company's assets from damage or loss. They must not take any of the Company's equipment or assets for their own use or for the benefit of other persons which are not relevant with the Company.
- (8) The administration should be based on morality and ethics. Morality and ethics should be promoted among employees of all levels. Inspection of conflict of interest which may occur in the Company should be carried out in order to solve the problem.
- (9) Supervision should be carried out closely, fairly and without prejudice.
- (10) The superior must comply with rules and regulation, notification and order of the Company's computer system, computer data and computer traffic data. They must promote and control the subordinates to comply strictly with policy, rules and regulation, notification and order of the Company in using computer system, computer data and traffic data and ensure that the use of computer of the Company complies with computer, copyright and other laws to prevent negative affect to the reputation and image of the Company.
- (11) Employees must not use working time in anything else or for their own benefit.
- (12) Employees must not conduct the same business which is competing with the Company for its own benefit or for the benefit of others. They should not be shareholders which have dominant power over the management which may have negative affect to the Company directly and indirectly.
- (13) Employees must not behave improperly or in such a way that discredits the reputation of the Company.
- (14) Employees must not give false statement or conceal the truth from the Company.
- (15) Employees must not work in negligence or misconduct for their duty in order to achieve the success correctly and honestly.
- (16) Employees must not conceal the truth or distort the truth in order to get benefit for themselves or for others which may negatively affect the Company directly or indirectly.
- (17) Employees must not obstruct or take action in obstruction of any legal action of the authority of the Company or instruct the subordinates to misconduct or in violation of the Code of conduct.
- (18) Employees must not violate civil and commercial law and criminal law intentionally or unintentionally which will negatively affect themselves or other persons.

- (19) Employees must not reveal intentionally or unintentionally their wage or salary and rate of salary increase or of others.
- (20) Employees must not ask for gift or be willing to accept gift, other benefit or reception from customer, trader, trading partner, competitor or any person which has business with the Company except for gift according to tradition, dinner for normal business entertainment or the expense in business promotion for trade reputation and for exchange according to tradition not exceeding 3,000 baht.
- (21) Employees must not offer bribe and/or perform any action which affect negatively the Company. They must not involve in corruption directly or through the third party. Moreover, in conflict with the Company's policy. They must not use inappropriate influence on representative of the government, customer or trading partner.
- (22) Employees must not intentionally add, extract or amend any record or information to change or distort the information concerning operating results or accounting to be false, whatever their purpose is.
- (23) Employees must not make payment or conduct business administration with the intention to be understood that a part of payment or business administration has any other objective than the ones mentioned in the document for payment or business administration.
- (24) Employees must keep information of intellectual property of the Company or which the Company has obtained from the work of employees. They must not imitate the work or intellectual property of others.
- (25) Employees must not take any action to seek benefit for themselves or others.
- (26) Other units than the Procurement Unit must not ask for support from trader or trading partner. (If it is necessary to do so for the benefit of the Company, they must consult with the Procurement Unit to be responsible for this matter except for the joint marketing activity which will be under the responsibility of the Marketing under the Marketing and Business Development Unit)
- (27) Employees must not do anything in negligence or in facilitation of any persons to seek benefit from the Company by accessing, disrupting computer system, computer data and computer traffic data illegally or without permission from the Company. Employees must not intentionally support or allow the misconduct to the service provider according to computer, copyright or other applicable laws.

3. Report and investigation of violation of the code of conduct

The Company has circulated its policy in making complaint on violation of the code of conduct through the internal information channels such as through the superior, publicity board and the Company's website www.snp.co.th consisting of the clear guidelines for making complaint, investigation and penalty. In 2022, there was no complaint about violation of the code of conduct.

6.3 Changes and important development of the policy, guidelines and the corporate governance in 2022

6.3.1 Changes and important development of the policy, guidelines and the corporate governance system or charters of the Board of Directors and Committees in 2022

In 2022, the Company conducted the following important work in reviewing the policy, guidelines and the corporate governance or charters of the Board of Directors and Committees to ensure that the Company has continuously applied the principle of corporate governance and has increased efficiency in the governance and upgraded the standard for corporate governance to comply with the Corporate Governance Code for Listed Companies 2017 (CG Code 2017):

- (1) Review the charters of the Board of Directors and Committees and their assessment forms
- (2) Conduct self-assessment as a whole and individually
- (3) Review operational regulations and guidelines for corporate governance, authority in approval and performance
- (4) Formulate policy and set the goal in sustainable development, sustainable water management, personal data protection policy, environmental policy and human rights policy

6.3.2. The Company has applied the Corporate Governance Code

for Listed Companies 2017 (CG Code 2017) and has a procedure in reviewing annually the application of the Code in the context of the Company (see Corporate Governance Policy of the Company at www.snnp.co.th)

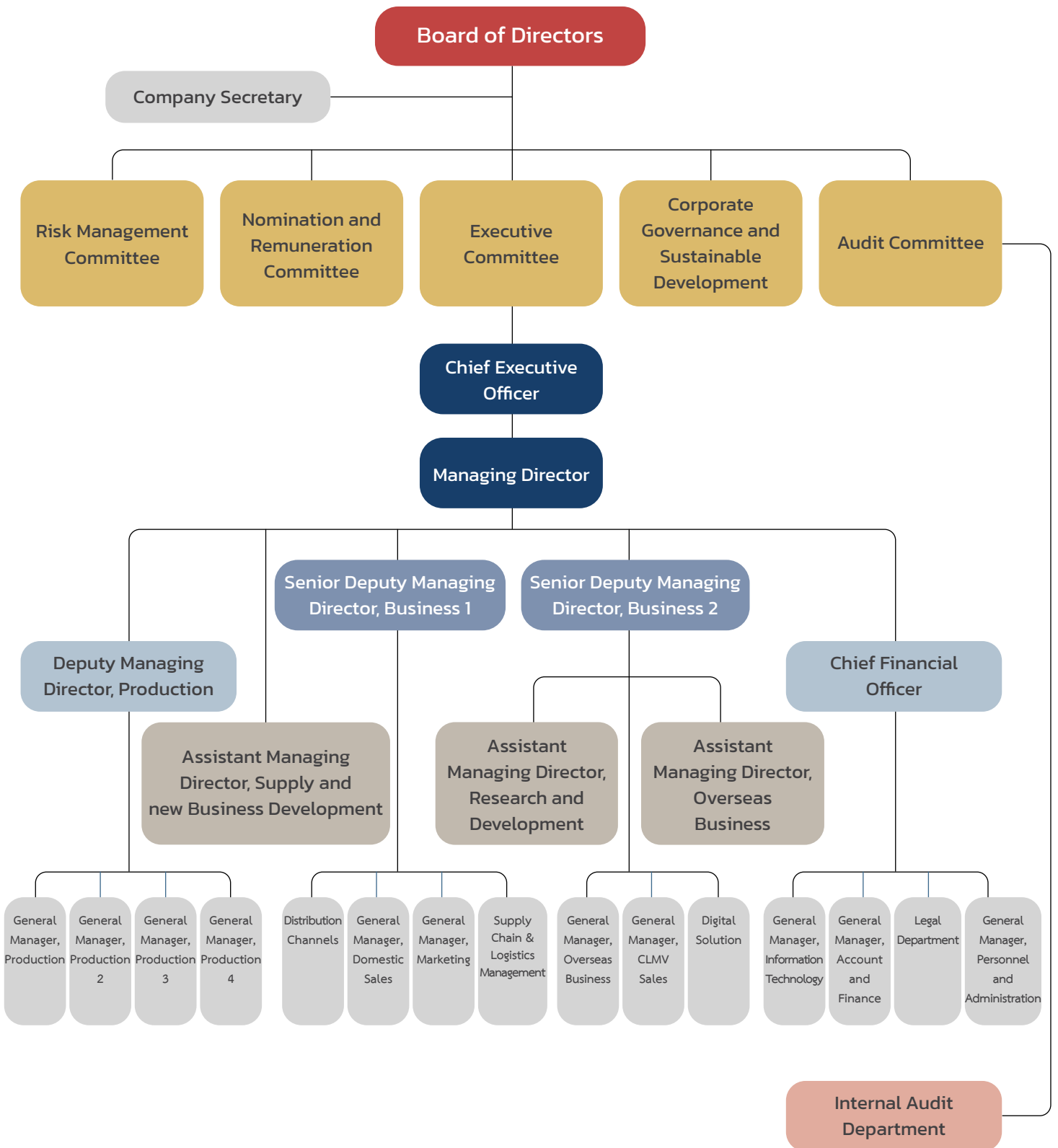
6.3.3. Other work related to corporate governance

1. The Company has ensured the availability of the succession plan for important positions as well as the human resource development plan conducted by Chief Executive Officer, Managing Director and high-level executive to obtain a reasonable number of qualified persons in knowledge, skill and experience for preparation of continuous succession plan for business continuity in the long run.
2. The Managing Director will report the progress in the preparation of human resource development and succession plan to the Board of Directors at least once a year.

7. Structure of corporate governance and important information of Board of Directors, Committees, executives, employees and others.



7.1 Organization structure



7.2 Information of the Board of Directors and Committees

7.2.1 Composition of the Board of Directors

As of 31 December 2022, the Board of Directors consisted of 9 members as follows:

Name	Position
1. Mr. Niwat Kanjanaphoomin	Chairman/Independent Director
2. Mr. Viwat Kraipisitkul	Director, Chairman of Executive Committee, Chief Executive Officer
3. Mrs. Thanyanee Kraipisitkul	Director, Member of Executive Committee, Member of Nomination and Remuneration Committee, Managing Director
4. Mr. Thakorn Chaisathaporn	Director, Member of Executive Committee, Member of Nomination and Remuneration Committee, Member of Corporate Governance and Sustainable Development Committee, Senior Executive Vice President-Business 2
5. Mr. Wichian Chaisathaporn	Director, Member of Executive Committee, Member of Risk Management Committee, Executive Vice President - Production
6. Mrs. Kittiya Chaisathaporn	Director, Member Executive Committee, Member of Corporate Governance and Sustainable Development Committee
7. Mr. Yongyoot Luangrattanamart	Independent Director, Chairman of Audit Committee, Chairman of Corporate Governance and Sustainable Development Committee
8. Mr. Vira Jungjaroensuk	Independent Director, Member of Audit Committee, Chairman of Nomination and Remuneration Committee
9. Mr. Jirasuk Sugandhajati	Independent Director, Member of Audit Committee, Chairman of Risk Management Committee

Miss Sukanya Rueakdee served as Secretary of the Board of Directors

(1) Authorized Directors to bind the Company

Authorized directors to bind the Company are Mr. Viwat Kraipisitkul, Mrs. Thanyanee Kraipisitkul and Mr. Thakorn Chaisathaporn. Two-third of the authorized directors shall sign and affix the seal of the Company.

7.2.2 Information of individual members of the Board of Directors and the Controllers of the Company

“Details are in attachment 1.”

7.2.3 Report of the securities holding in Srinanaporn Marketing Public Company Limited (SNNP) of members of the Board of Directors and executives and their spouses, underage children and juristic persons holding shares in the aggregate of exceeding 30 percent

See Attachment 1

7.2.4 Responsibility of the Board of Directors

1. Supervise the business operations of the Company to be according to the law, objectives, regulations and resolutions of the meetings of the Board of Directors and shareholders with responsibility, precaution and honesty to protect the rights and interest of the Company and the shareholders.
2. Give approval to the proposal of the management concerning vision, mission, strategy, business plan, financial goal, risk, budget, structure of organization management and approval authority of the Company and its subsidiaries. Supervise the Management and their performance or the persons entrusted to manage so as to comply with the policy with efficiency and effectiveness and to add maximum value to the Company and the shareholders.
3. Appoint committees such as the Audit Committee, Executive Committee, Nomination and Remuneration Committee and/or other Committees to support the work of the Board of Directors as appropriate. Policy, role, responsibility and working process of the committees shall be clearly defined.
4. Appoint secretary to assist the Board of Directors in performing its duty in conducting the business operations in compliance with law, notifications and related rules and regulations.
5. Follow-up regularly and keep informed of the reports and evaluation of the Management and committees in order to achieve the plans and the objectives.
6. Organize the internal control system, internal audit system and risk management system which is adequate, appropriate and inclusive to the whole organization. Complaint mechanism and whistle-blowing handling process will be available.
7. Ensure the business continuity in the long run and the availability of human resources development plan and succession plan.
8. Approve the interim dividend to the shareholders.
9. Approve the acquisition and disposition of assets (for the size which does not need to be considered in the shareholders' meeting), investment in new business and any other action in compliance with law, notifications and related rules and regulations.
10. Approve and give comments to related party transactions (for the size which does not need to be considered in the shareholders' meeting) of the Company and its subsidiaries in compliance with law, notifications and related rules and regulations.
11. Approve any other matters taking into account the benefit of the shareholders and stakeholders of the Company in a fair manner.
12. Ensure that there is no conflict of interest among the stakeholders of the Company and of subsidiaries. Member of the Board of Directors who is stakeholder of the Company or has higher or lower proportion of stake shall inform the Company of the matter without delay.
13. Organize the annual general meeting of the shareholders within 4 months from the end of the fiscal year of the Company.
14. Ensure that the annual report is available. Be responsible for the financial statements and the disclosure of financial statements in the shareholders' meeting in order to reveal the financial position and performance of the Company in the previous year.
15. Request for professional opinion, if necessary, for appropriate decision.
16. Ensure that the Company and its subsidiaries have appropriate and efficient accounting system. Organize financial report and reliable auditing.
17. Specify salary frame and policy for setting salary, salary raise, bonus, compensation and reward for employees and executives. Ensure that the compensation mechanism is appropriate.
18. Specify and verify policy on corporate governance, corporate social responsibility, anti-corruption, business ethics, etc. Ensure the effective implementation of the policy and ethical principle.
19. Report to the Company concerning securities holding and derivatives of member of the Board of Directors, their spouses and underage children who are shareholders in the Company and its subsidiaries

in accordance with the conditions in the Securities and Stock Exchange Act, Notification of the Securities and Exchange Commission as well as related rules and regulations of the Stock Exchange of Thailand.

20. Attend at least one training course organized by Thai Institute of Directors (IOD) either Director Accreditation Program (DAP) or Director Certification Program (DCP) or equivalent to increase competency in their work.
21. Assign one or more members of the Board of Directors or any other person to perform any duty on behalf of the Board of Directors. However, the authorization,

duty or responsibility of the Board of Directors shall not be in such a manner that the delegation or sub-delegation of power enable the authorized person to approve the transaction which he may have conflict of interest (the definition given in the notification of Securities and Exchange Commission, Thailand and/or the notification the Stock Exchange of Thailand), may be a stakeholder or may receive any kind of benefit or may have conflict of interest with the Company or its subsidiaries with exception of the approval of the transaction according to the policy or principle already approved by the Board of Directors.

7.3 Information of the Committees

7.3.1 Committees

Committees have been established by the Board of Directors to scrutinize and supervise specific matter of the Company so that the Board of Directors can perform their duty with efficiency for the maximum effectiveness and to comply with the rules and regulations of the Securities and Exchange Commission, Thailand (SEC) and the Stock Exchange of Thailand. To date, there are 5 Committees, namely, Audit Committee, Executive Committee, Risk Management Committee, Nomination and Remuneration Committee and Corporate Governance and Sustainable Development Committee. Name of members of the Board of Directors and Committees including scope of their responsibility as well as the Chief Executive Officer and Managing Director are as follows:

Audit Committee

As of 31 December 2022, the Audit Committee consisted of 3 independent members

Name	Position
1. Mr. Yongyoot Luangrattanamart	Chairman
2. Mr. Vira Jungjaroensuk	Member
3. Mr. Jirasuk Sugandhajati	Member

Mr. Yongyoot Luangrattanamart is knowledgeable and has experience in accountancy and finance. Mr. Supachoke Bumrunpun serves as Secretary of the Committee.

Executive Committee

As of 31 December 2022, the Executive Committee consisted of 8 members as follows:

Name	Position
1. Mr. Viwat Kraipisitkul	Chairman
2. Mrs. Thanyanee Kraipisitkul	Member
3. Mr. Thakorn Chaisathaporn	Member

Name	Position
4. Mr. Wichian Chaisathaporn	Member
5. Mr. Chayut Leehacharoenkul	Member
6. Mr. Monchai Pongstabadee	Member
7. Mr. Wiroj Wachiradechkul	Member
8. Mrs. Kittiya Chaisathaporn	Member

Mr. Supachoke Bumrungpun serves as Secretary of the Committee.

Risk Management Committee

As of 31 December 2022, the Risk Management Committee consisted of 5 members as follows:

Name	Position
1. Mr. Jirasuk Sugandhajati	Chairman
2. Mr. Wiroj Wachiradechkul	Member
3. Mr. Monchai Pongstabadee	Member
4. Mr. Wichian Chaisathaporn	Member
5. Mr. Supachoke Bumrungpun	Member

Mr. Thir Lukthan serves as Secretary of the Committee.

Nomination and Remuneration Committee

As of 31 December 2022, the Nomination and Remuneration Committee consisted of 3 members as follows:

Name	Position
1. Mr. Vira Jungjaroensuk	Chairman
2. Mrs. Thanyanee Kraipisitkul	Member
3. Mr. Thakorn Chaisathaporn	Member

Miss Sukanya Rueakdee serves as Secretary of the Committee.

Corporate Governance and Sustainable Development Committee

As of 31 December 2022, the Corporate Governance and Sustainable Development Committee consisted of 5 members as follows:

Name	Position
1. Mr. Yongyoot Luangrattanamart	Chairman
2. Mr. Thakorn Chaisathaporn	Member
3. Mr. Wiroj Wachiradechkul	Member
4. Mr. Monchai Pongstabadee	Member
5. Mrs. Kittiya Chaisathaporn	Member

Mr. Supachoke Bumrungpun serves as Secretary of the Committee.

7.3.2 Authority and Responsibility of the Committees

Authority and Responsibility of the Audit Committee

1. Verify the completeness and reliability of the Company's financial statements with adequate information disclosure.
2. Verify the sufficiency, appropriateness and efficiency of the internal control system and internal audit system and independence of the Internal Audit Unit. Approve the appointment, transfer and dismissal of the Head of Internal Audit Unit or of any other units responsible for internal audit as well as evaluate the performance of the Head of Internal Audit Unit. Give opinion to the Management concerning performance, budget and manpower of the Internal Audit Unit.
3. Verify the compliance of the Company with the Securities and Exchange Act, regulations and notifications of the Stock Exchange of Thailand and relevant law which enforces on the Company.
4. Select and nominate independent auditor to be the Company's auditor and propose for approval remuneration for the auditor.
5. Consider the connected transactions or related items which may have conflict of interest to comply with the Securities and Exchange Act, regulations and notifications of the Stock Exchange of Thailand and the law relevant to the Company and/or its business in order to ensure that the items are reasonable and are of the optimum benefit to the Company.
6. Prepare report of the Audit Committee consisting of information and comments of the Committee in several areas for information of the Board of Directors. The report, signed by the Chairman of the Audit Committee, will be disclosed in the annual report. The report must include, at least, the following:
 - (1) Comments on the correctness, completeness and reliability of the Company's financial statements
 - (2) Comments on the sufficiency of internal control system of the Company
 - (3) Comments on the compliance with the Securities and Exchange Act
 - (4) Comments on the compliance with regulations and notifications of the Stock Exchange of Thailand and the law which has effect on the Company
 - (5) Comments on the suitability of auditors
 - (6) Comments on the transactions which may have conflict of interest
 - (7) Number of meetings of the Audit Committee and attendance of each member
 - (8) General comments or observations of the Audit Committee in performing duty according to the charter
 - (9) Any other items, within the scope of authority and responsibility delegated by the Board of Directors, which the shareholders of the Company and the investors in general should be aware of
7. Investigate relevant persons within the scope of authority of the Audit Committee. The Audit Committee can hire or bring in experts in specific field to help in the investigation or to give opinion or advice.
8. The following items which may have significant effects on the financial status and the performance of the business operations of the Company, if found or suspected to be existing, shall be reported to Board of Directors for correction within the time limit considered appropriate by the Audit Committee.
 - (1) Transactions which have conflict of interest
 - (2) Corruption, irregularities or significant defects in the internal control system

- (3) Violation of the Securities and Exchange Act, regulations and notifications of the Stock Exchange of Thailand and the law which has effect on the Company.

If the Board of Directors or the executives do not make any correction within the specified time, any member of the Audit Committee may report to the Securities and Exchange Commission, Thailand (SEC) on such transaction or action.

9. Give comments on the annual assessment of corporate governance, social responsibility and anti-corruption of the Company.
10. Review and propose amendment of the charter of the Audit Committee to be consistent with the situation.
11. Report the achievements of the Audit Committee to Board of Directors every 6 months.
12. Perform any other task assigned by the Board of Directors.

Authority and Responsibility of the Executive Committee

1. Propose for approval of the Board of Directors the Company's policy, direction, strategy, business plan, budget, structure and management authority and proceed as approved from the Board of Directors. Examine and follow-up the performance of the operations to be efficient and effective.
2. Manage and supervise the normal business operations according to the goal, guidelines, policy, business plan and budget of the Company including the objectives in business operations according to the policy formulated by the Board of Directors.
3. Approve, within the authority limits or as specified by the Board of Directors, the conclusion of a contract or transaction related to the Company's normal business operations (such as purchase and sale, investment or joint venture with other persons

for normal business operations and for the advantage of the operations according to Company's objectives).

4. Approve the appointment of consultants in various areas necessary for the Company's business operations within the annual budget as approved by the Board of Directors.
5. Approve the work order, instruction, specification and operational criteria, control and management of every line within the scope of authority approved by the Board of Directors.
6. Review the scope of authority, duty and responsibility of the Executive Committee and propose to the Board of Directors for amendment to be consistent with the situation.
7. Delegate authority to the Chief Executive Officer and/or Managing Director to conduct business operations within the scope of authority, duty and responsibility specified by the Executive Committee under the supervision of the Executive Committee.
8. Perform any other task assigned by the Board of Directors or as mentioned in the policy specified by the Board of Directors.
9. Delegate authority to one or more persons to take an action on behalf of the Executive Committee.

However, the authorization of the Executive Committee must not be in such a manner that, by the delegation or sub-delegation, the Executive Committee or the authorized persons can approve the transaction which he or they may have conflict of interest (the definition contained in the notification of the Securities and Exchange Commission, Thailand or the notification of the Stock Exchange of Thailand) with the Company or its subsidiaries with exemption of the transaction which complies with the policy and criteria already approved by the Board of Directors is excluded.

Authority and Responsibility of the Risk Management Committee

1. Identify and review risk associated with the Company or may occur and have an effect on the Company and determine risk appetite.
2. Formulate external and internal risk management policy and supervise the implementation of the policy which must be consistent with the strategy and direction of the business operations and cover at least the following 5 risk:
 - (1) Financial and Liquidity Risk
 - (2) Operational Risk
 - (3) Strategic Risk
 - (4) Compliance Risk
 - (5) Marketing Risk
3. Setting strategy and guidelines for risk management to be consistent with the risk management policy in order to be able to assess, monitor and control the risk to be at the acceptable level.
4. Define structure of the Risk Management Committee. Form the Risk Management Committee as appropriate. Specify role and responsibility according to the objective and to assess and monitor the result of risk management.
5. Submit to the Board of Directors for approval preventive and corrective measures and measures to limit the risk occurrence and risk which may occur to be used as the principle for management of each type of risk.
6. Review the suitability and sufficiency of the policy, strategy, preventive measure and guidelines for risk management to ensure that they are consistent with the Company's strategy and direction and can manage risk to be at the appropriate and acceptable level.
7. Evaluate and oversee the risk management process. Verify the appropriateness of the risk management report in order to monitor significant risk to ensure that the Company has sufficient and appropriate risk management.
8. Coordinate with the Audit Committee concerning significant risk to ensure that the Company has appropriate internal control system for the risk management and the risk management is implemented appropriately and throughout the organization.
9. Report to the Board of Directors on risk and risk management.
10. Give advice, consultation and recommendation to the operating unit and personnel or working group involving risk management. Consider guidelines for the development of risk management system.
11. Perform any other task assigned by the Board of Directors or according to the policy given by the Board of Directors.

Authority and Responsibility of the Nomination and Remuneration Committee

1. Specify qualifications and criteria for recruitment of members of the Board of Directors, Committees, Chief Executive Officer and Managing Director. Select and nominate the qualified persons in terms of knowledge, experience and expertise for approval and appointment by the Board of Directors and/or for approval of the shareholders' meeting (whichever is the case).
2. Define the framework and policy in the recruitment and selection of the high executives of the position lower than Managing Director.
3. Consider the independence of each Independent Director to ensure that they possess full qualifications.
4. Consider the format and procedure in training and development concerning the work under their

responsibility and the Company's business for members of the Board of Directors, Committees, Chief Executive Officer and Managing Director to be consistent with the Company's business and the situation.

5. Consider the format and criteria for setting salary scale, salary increase, bonus, the remuneration, the reward for members of the Board of Directors, Committees, Chief Executive Officer and Managing Director on the basis of appropriateness, fairness and in compliance with related law. The abovementioned format and criteria will be submitted for approval of the Board of Directors and/or for approval of the shareholders' meeting (whichever is the case).
6. Approve, prior to seeking approval of the Board of Directors, proposal of the Managing Director concerning remuneration policy including salary, bonus and reward for the employees of the lower position than Managing Director.
7. Consider appraisal criteria for the performance of the Chief Executive Officer and Managing Director for approval of the Board of Directors.
8. Prepare succession plan of executives of high position, the Chief Executive Officer and Managing Director for approval of the Board of Directors.
9. Perform any other task assigned by the Board of Directors or according to the policy given by the Board of Directors.

Authority and Responsibility of the Corporate Governance and Sustainable Development Committee

1. Set guidelines and propose for consideration of the Board of Directors and the Management, policy, strategy, framework and goal for the Company to become the Company with corporate governance and sustainable development, based on business ethics and conducts and anti-corruption policy/ measures to issue operational regulations so that the Company will become an entity complying with

a standard having appropriate guidelines to achieve the objective of being a company which will create sustainable confidence in all groups of stakeholders.

2. Oversee the implementation of corporate governance and sustainable development. Provide consultation and review the work in this area leading to the implementation. Participate in the projects under the framework of corporate governance and sustainable development with internal and external organizations aiming to comply with the international standards.
3. Give consultation to the executives and employees of all levels concerning corporate governance and sustainable development. Promote and support them in terms of resources and manpower to publicize strategy and culture in implementing corporate governance and sustainable development in order to promote the implementation in the same direction throughout the whole company and the affiliates.
4. Support and provide advice to the Company in applying for assessment or ranking in corporate governance in order to develop and upgrade the standard for corporate governance of the Company continuously.
5. Summarize the performance in corporate governance and sustainable development consisting of information in management of corporate governance and sustainable development for information of the Board of Directors annually.
6. Review or amend charter of the Corporate Governance and Sustainable Development Committee, at least, once a year and submit to the Board of Directors for approval.

Authority and Responsibility of the Chief Executive Officer

1. Supervise and give opinion and recommendation concerning the normal business operations in the area of finance and accounting, marketing, human

resource management and others to be in accordance with the mission, vision, goals, policy, business plan and budget determined by the Board of Directors' meeting.

2. Perform any other task as assigned by the Executive Committee and/or the Board of Directors. Moreover, the Chief Executive Officer has the authority to take any other necessary action relevant to the abovementioned task.
3. Sub-delegate or delegate the task to one or more persons as he/she sees fit to perform the task on behalf of the Chief Executive Officer within the time limit. However, the delegation of authority or delegation of task must be within the scope of the Power of Attorney and/or in compliance with the rules, requirements or instructions of the Board of Directors. The Chief Executive Officer may cancel, revoke, alter or amend the authorized person or authorization as necessary.

However, the authorization of the Chief Executive Officer must not be in such a manner that, by the delegation or sub-delegation, the Chief Executive Officer or the authorized person can approve the item which he or they may have conflict of interest with the Company or its subsidiaries. In this connection, the Chief Executive Officer must propose the matter to the Executive Committee to seek approval from the meetings of the Board of Directors and/or shareholders in accordance with the relevant rules, notification or law excluding the items which comply with the policy and criteria which have been approved by the meetings of Board of Directors and/or shareholders.

Authority and Responsibility of the Managing Director

1. Manage and carry out the routine work of normal business operations in accordance with the mission, vision, goals, policy, business plan and budget determined by the Board of Directors' meeting and/or as assigned by the Executive Committee and/or the Board of Directors. Follow-up and evaluate the performance of the Company regularly.

2. Approve the annual budget allocation prepared by the Management and seek approval from the Executive Committee and/or the Board of Directors. Control the use of the annual budget of each unit.
3. Approve issuance of directive and/or amendment of regulation, notification or memorandum to keep the operations complying with the goal, guidelines and policy given by the Executive Committee and/or the Board of Directors.
4. Approve, within the authority limits, the procurement and the expenditure related to the Company's normal business operations including acquisition of land, construction materials and related service, expense in the operations, sales and investment.
5. Approve, within the authority limits, the use of the Company's rights and assets to create obligations with individual, juristic person or financial institution prior to seeking approval of the Executive Committee and/or the Board of Directors.
6. Propose the Company's profit and loss appropriation, interim dividend and annual dividend for approval of the meetings of Executive Committee, the Board of Directors and the shareholders.
7. Approve, within the authority limits, the conclusion of a contract or transaction related to the Company's normal business operations (such as purchase and sale, investment or joint venture with other persons for normal business operations and for the advantage in the operations according to Company's objectives).
8. Approve, within the authority limits, the loan and loan application from financial institution including lending, pledge, the mortgage and to become a guarantor of the Company and/or its subsidiaries.
9. Approve the hiring, appointing, transferring and dismissing of employees of the lower position than Managing Director. Consider type of compensation and criteria for determining salary and other

compensation, financial and nonfinancial, within the frame and in accordance with the Company's policy.

10. Approve, within the authority limits, the appointment of advisors in different fields which are necessary for the business operations.
11. Perform any other task as assigned by Chief Executive Officer and/or Executive Committee and/or the Board of Directors and has an authority to take any other necessary action relevant to the abovementioned task.
12. Sub-delegate or assign the task to one or more persons as he/she sees fit to perform the task on behalf of the Managing Director within the time limit. However, the granting of authority or assignment must be within the scope of the Power of Attorney and/or in compliance with the

rules, requirements or instructions of the Board of Directors. The Managing Director may cancel, revoke, alter or amend the authorized person or authorization as necessary.

However, the authorization of the Managing Director must not be in such a manner that the Managing Director or the authorized person, by the delegation or sub-delegation, can approve the item which he or they may have conflict of interest with the Company or its subsidiaries. In this connection, the Managing Director must propose the matter to the Executive Committee to seek approval from the meetings of the Board of Directors and/or shareholders in accordance with the relevant rules, notification or law excluding the items which comply with the policy and criteria which have been approved by the meetings of Board of Directors and/or shareholders.

7.4 Information of the Executives

7.4.1 Name and position of the Executives as of 31 December 2022

1) Name and position of the Executives

As of 31 December 2022, the executives of the Company consisted of 6 members as follows:

Name		Position
1. Mr. Viwat	Kraipisitkul	Chief Executive Officer
2. Mrs. Thanyanee	Kraipisitkul	Managing Director
3. Mr. Thakorn	Chaisathaporn	Senior Executive Vice President-Business Division 2
4. Mr. Wichian	Chaisathaporn	Executive Vice President-Production
5. Mr. Wiroj	Wachiradechkul	Senior Executive Vice President-Business Division 1
6. Mr. Supachoke	Bumrungpun	Chief Financial Officer

2) Name and position of the Executives assigned to take position in other companies

Name	Position	Company
1. Mr. Viwat Kraipisitkul	Director	Kim Heng Daily Foods Co., Ltd.
	Director	Triple P Renewable Co., Ltd.
	Director	Kim Heng Food Products Co., Ltd.
	Director	Sricharoen Paiboon Pattana Co., Ltd.
	Director	Siam Ratchaburi Industry Co., Ltd.
	Director	Kao Tao Paradise Beach Co., Ltd.
	Director	Sermsang Corporation Co., Ltd.
	Director	Sermsang Power Corporation Public Co., Ltd.
	Director	Sermsang Infinite Co., Ltd.
	Director	Sermsang Solar Co., Ltd.
	Director	Sermsang Palang Ngan Co., Ltd.
	Director	Essential Power Co., Ltd.
	Director	Ascend I. Holding Co., Ltd.
	Director	Absolute Products Co., Ltd.
	Director	Uni Power Tec Co., Ltd.
	Director	Viwat Agriculture Corporation Limited
2. Mrs. Thanyanee Kraipisitkul	Chairman	Srinanaporn Distribution Co., Ltd.
	Chairman	SNNP International Co., Ltd.
	Director	Kim Heng Daily Foods Co., Ltd.
	Director	T.K.H. Wood Power Co., Ltd.
	Director	Sri Siam Food Products Co., Ltd.
	Director	Vivat Agriculture Corporation Ltd.
	Director	Sricharoen Paiboon Pattana Co., Ltd.
	Director	Siam Daily Food Co., Ltd.
	Director	Siri Pro Co., Ltd.
	Director	Vertical Holdings Co., Ltd.
	Director	Sermsang Power Corporation Public Co., Ltd.
	Director	Ascend I. Holding Co., Ltd.
	Director	S.C. Food Trading Co., Ltd.
	Director	S.C. Food Products Co., Ltd.

Name	Position	Company
3. Mr. Thakorn Chaisathaporn	Director	STW Development Co., Ltd.
	Director	Concord I. Capital Ltd.
	Director	AXEL Holding Co., Ltd.
	Director	Wonder Export and Export Co., Ltd.
	Director	SNNP International Co., Ltd.
	Director	Srinanaporn Distribution Co., Ltd.
	Director	Siri Pro Co., Ltd.
	Director	Thai Faster Products Co., Ltd.
	Director	S.C. Food Trading Co., Ltd.
	Director	S.C. Food Products Co., Ltd.
4. Mr. Wichian Chaisathaporn	Chairman	S.C. Food Trading Co., Ltd.
	Chairman	S.T. Food Marketing Co., Ltd.
	Chairman	S.C. Food Products Co., Ltd.
	Director	V.S. Food Marketing Co., Ltd.
	Director	Srinanaporn Distribution Co., Ltd.
	Director	AXEL Holding Co., Ltd.
	Director	Thai Faster Products Co., Ltd.
	Director	STW Development Co., Ltd.
	Director	Harirama Venture Incorporated
	Director	SNNP International Co., Ltd.
5. Mr. Wiroj Wachiradechkul	Director	Aero Media Group Co., Ltd.
6. Mr. Supachoke Bumrungpun	-	-

7.4.2 Remuneration policy for Directors and Executives

The Company determines the remuneration for Directors and Executives in a comparable manner to the persons of the same level in other industry and in accordance with their experience, duty and accountability and responsibility. Nomination and Remuneration Committee is set up to consider the remuneration type and criteria for determining salary, salary increase, bonus, compensation and rewards for members of Board of Directors, Committees, Chief Executive Officer and Managing Director to be appropriate, fair and in accordance with the relevant law. The abovementioned matter is proposed for approval of the meetings of Board of Directors and/or shareholders (whichever is the case).

7.4.3 Total remuneration of Board of Directors, Committees and Executives

Financial remuneration

In 2021 and 2022, the 6 executives (excluding Chief Financial Officer which is not in the same level as the 4th executive) received salary, bonus and other remuneration (excluding remuneration for the members of Board of Directors mentioned above) totaling 40,299,758.02 baht and 44,187,629.74 baht respectively.

Type	2021		2022	
	Number of Executives	Value (Baht)	Number of Executives	Value (Baht)
Salary and bonus	6	38,580,774.00	6	42,390,783.00
Provident fund and social security contributions	6	1,718,984.02	6	1,796,846.74
Total	6	40,299,758.02	6	44,187,629.74

Other compensation

-None-

7.5 Employee Information

7.5.1 Personnel of the Company and its subsidiaries

Total number of employees

As of December 31, 2021, and December 31, 2022, the company had a total of 3,254 employees and 4,524 employees respectively. These can be divided into work departments as follows:

Employee Information Departments	Number of Employees as of December 31, 2021		Number of Employees as of December 31, 2022	
	Monthly Employees	Daily Employees	Monthly Employees	Daily Employees
Production Department	375	2,327	412	3,527
Sales and Marketing Department	200	2	204	4
Product Research and Development Department	10	2	14	1
Warehouse and Delivery Department	82	60	81	75
Support Department	194	2	201	5
Total	861	2,393	912	3,612
Combined Total	3,254		4,524	

7.5.2 Significant changes in employee numbers in the past 3 years

During the past 3 years, the Company has changed the number of employees as shown in the table below. by an increase of 39.0 percent of the number of all employees as of December 31, 2022 from as of December 31, 2021, mainly due to the daily staffing of the production line to support increased production capacity Including the start of operation of the subsidiary's factory in Vietnam. which began to be copied in late 2022.

Number of Employees as of these dates	Number (of people)	Increase / (Decrease)	%
December 31, 2020	3,867	(868)	(18.3)
December 31, 2021	3,254	(613)	(15.9)
December 31, 2022	4,524	1,270	39.0

7.5.3 Significant labor disputes in the past 3 years

-None-

7.5.4 Total remunerations and nature of remunerations provided to employees of the Company and its subsidiaries

The total remuneration provided to employees in 2021 and 2022 was as follows:

(Unit: baht)

Return on investment	2021	2022
Number of people	3,254	4,524
Salaries	589,769,813	679,833,183
Bonuses	23,724,776	41,457,040
Provident fund contributions	11,848,658	11,691,109
Welfare and others	101,492,193	102,541,925
Shift Work fees; Overtime fees	155,240,805	219,440,476
Total	882,076,246	1,054,963,733

7.5.5 Provident funds

The Company and its subsidiaries have provident funds under the management of the Siam Commercial Bank Public Company Limited.

7.5.6 Human resource management and development

Additional details can be found in Driving Business for Sustainability, item 3.3 Social Dimensions; 2. Fair Labor Practices and Employee Care.

* Disclose information equivalent to subsidiaries Pursuant to the Notification of the Securities and Exchange Commission No. Kor Jor. 17/2551 Re: Determination of Definitions in Notifications Regarding the Issuance and Offer for Sale of Securities under Clause 1(11) in conjunction with Clause 1(13/1).

Human Resource Development Policy

The Company recognizes the importance of its human resources as the most valuable assets of the organization and key to the success of the organization. The Company has, therefore, established policies on human resource development, the nomination of directors and senior executives, and a succession plan in order to promote and develop the Company's employees at every level, providing them with the skills, knowledge, and expertise they need in order to have the ability to continually increase their work potential. In addition, criteria and procedures have been established for the recruitment of qualified persons to serve as directors and senior executives of the Company, along with a succession plan to prepare employees who can provide replacements for key positions in the event that persons in key executive positions are unable to perform their duties or complete their term of office, or in case the position becomes vacant for any other reason, including the reduction of risk or impact from lack of management continuity. The details of said policies are as follows:

1. Human Resource Development

- 1.1 The Company encourages and supports its personnel at all levels, allowing them to develop skills, knowledge, and expertise through experience gained from actual operations, giving supervisors from each department the responsibility of providing regular opportunities for employees to learn, share experiences, practice, and give advice.
- 1.2 The Company will provide training courses to increase work knowledge in various fields and work potential for personnel at all levels. This includes the organization of training courses within the Company and the sending of employees to attend training courses outside the Company as relevant and appropriate to the needs of the personnel in each department.
- 1.3 The Human Resource Department is responsible for assessing the personnel development needs and requirements at every level of the Company and for preparing a personnel development plan in line with the Company's business development plan and presenting it to the Executive Committee and the Board of Directors for approval respectively, as well as the continual monitoring and evaluation of the said personnel development plan.

2. Nomination of Directors and Senior Executives

- 2.1 The Nominations and Remuneration Committee will consider, screen, and determine the qualifications and criteria for the nomination of directors, subcommittee members, Chief Executive Officers, and managing directors of the Company, and, in its selections, will consider personnel with the knowledge, skills, experiences, and characteristics necessary to drive the organization forward to its goals and will propose these at the Board of Directors' Meeting or the Shareholders' Meeting (as the case may be) for consideration and appointment.
- 2.2 The Managing Director has the authority to consider, recruit, and select senior executives in positions lower than managing director, operating under the framework and policies set by the Nomination and Remunerations Committee.
- 2.3 The recruitment process for directors and senior executives must be fair, equal, and transparent. The education history, work experience, expertise, and any other qualifications required for the advertised position must be clearly stated in order to obtain the person with the skills, knowledge, and experience that will be most beneficial to corporate governance suitable for the job position for which the Company is recruiting.

- 2.4 When an executive director, Chief Executive Officer, managing director, or senior management position becomes vacant or if the incumbent is unable to perform his or her duties, a person holding a comparable or lower position shall act temporarily in the position as assigned by the Board of Directors or Managing Director and shall hold the position until the recruitment and selection of qualified persons has been carried out according to the criteria set by the Nomination and Remunerations Committee.

3. Succession Plan

The Company will supervise the preparation of the plan and process for the recruitment of key successors, including the personnel development plan for the amount of knowledge, skills, experience, and other suitable characteristics needed for the position. The Chief Executive Officer, Managing Director, and senior executives must prepare a succession plan so that the Company can continue its business operations long-term. The Managing Director will periodically provide performance reports according to the development and succession plan to the Board of Directors for their information at least once per year. Additional details can be found in Driving Business for Sustainability, item 3.3 Social Dimensions; item 3. Potential Development and Opportunities for Personnel Growth.

7.6 Other Important Information

7.6.1 Persons assigned to be responsible for the following posts

1) Company Secretary

In the 2nd/2020 meeting of the Board of Directors on 25 February 2020, Ms. Sukanya Ruekdee was appointed to be Company Secretary from 25 February 2020. Responsibilities of the Company Secretary are as in the Attachment 1.

2) Persons assigned to be responsible for overseeing bookkeeping

Miss Vijjuporn Komindr was assigned to be responsible for overseeing bookkeeping of the Company to conform with the specified financial reporting standards and to oversee the compliance with rules, regulations and principles of the Company. Miss Vijjuporn Komindr has participated in the bookkeeping and control of the bookkeeping of the Company's subsidiaries since April 2022.

3) Head of Internal Audit of the Company

Mr. Athtapong Santhai was appointed to be Head of Internal Audit of the Company. Qualifications of Head of Internal Audit are as in the Attachment 3.

4) Head of Supervision of the Company's Performance

Mr. Athtapong Santhai was appointed to be Head of Supervision of the Company. Qualifications of Head of Internal Audit are as in the Attachment 3.

7.6.2 Head of Investor Relations

At present, Mr. Rio Khundeechai was appointed to be Head of Investor Relations. The Investor Relations can be contacted at the following address: 325/6-9 Lanluang Road, Sriyakhmahanak Sub-District, Dusit District, Bangkok 10300. Telephone: 02-628-0408. Email: ir@snp.co.th

7.6.3 Remuneration of Auditor

For the fiscal year 2022, the Company and its subsidiaries paid remuneration to the audit office of the auditor as follows:

1) Audit fee

For the fiscal year ended December 31, 2022, the Company and its subsidiaries Paid remuneration to Price water house Coopers ABAS Ltd. and companies in the group of companies Price water house Coopers ABAS Ltd. as follows:

2) Other service fee

None

3) Type and scope of other service fee

None

(Unit : Million Baht)

Auditor's remuneration	Company	Subsidiaries
A. Audit Fee	4.34	2.12
1. Annual financial statement audit fee		
2. Quarterly review of financial information (total 3 quarters)		
B. Other service fees (Non Audit Fee)	-	-
Total auditor fee	4.34	2.12

8. Report of Important Activities for Corporate Governance



8.1 Summary of Performance of the Board of Directors and the Committees over the Past Year

8.1.1 Nomination, development and performance assessment of the Board of Directors and the Committee Members

1. Independent Directors

The Nomination and Remuneration Committee is responsible for considering the qualifications of independent directors and prohibited characteristics in accordance with the Public Limited Companies Act, Securities and Exchange Act, announcement of Capital Market Supervisory Board and related laws and regulations. Moreover, the Company's Board of Directors will select

independent directors on the basis of their work experience and other appropriate qualities. The Board will then propose them at the shareholders' meeting and later appoint them to be directors of the Company. The Company has the policy to appoint independent directors at least one-third of total directors and there should be no less than 3 independent directors. The criteria of qualifications of independent directors set by the Board of Directors are as follows:

- (a) Holding not more than 1% of the total voting shares of the Company, its parent company, subsidiaries, associate companies, major shareholders or

controlling persons of the Company, including shares held by connected persons of independent directors

- (b) Not being or having been an executive director, employee, staff, advisor who receives salary or the controlling person of the Company, its parent company, subsidiaries, associate companies, the same-level subsidiaries, major shareholders or controlling persons of the Company unless the foregoing status ended not less than 2 years prior to the date of submission for approval to the Securities and Exchange Commission (SEC)
- (c) Not being a person who is related by blood or registration under laws, such as father, mother, spouse, brother and sister including spouse of son/daughter of other directors, executives, major shareholders or controlling person of a person to be nominated as director, executive or controlling person of the Company or subsidiaries
- (d) Not having or having business relationship with the Company, its parent company, subsidiaries, associate companies, major shareholders or controlling person in a manner that may interfere with his/her independent judgment, and neither being or having been a significant shareholder or a controlling person of any person having business relationship with the Company, subsidiaries, associate companies, major shareholders or controlling person unless the foregoing relationship has ended not less than 2 years prior to the date of submission for approval to the Securities and Exchange Commission (SEC)
- (e) Not being or having been an auditor of the Company, its parent company, subsidiaries, associate companies, major shareholders or controlling person nor having been a significant shareholder or a controlling person or partner of an audit office which employs the auditor of the Company, its parent company, subsidiaries, associate companies, major shareholders, or controlling person unless the foregoing relationship has ended not less than 2 years prior to the date of submission for approval to the Securities and Exchange Commission (SEC)
- (f) Not being or having been any professional advisor including legal advisor or financial advisor being paid with a service fee of more than 2 million baht per year by the Company, its parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the Company, and not being a significant shareholder, controlling person, or partner of the professional advisor unless the foregoing relationship has ended not less than 2 years prior to the date of submission for approval to the Securities and Exchange Commission (SEC)
- (g) Not being a director who is appointed to be a representative of the Company's directors, major shareholders, or a shareholder who is a connected person of the Company's major shareholders
- (h) Not operate any business of the same nature and in a significant competition with the business of the Company or its subsidiaries, or not being a principal partner in any partnership, or not being an executive director, employee, staff, advisor earning regular monthly salary, or not holding shares exceeding 1% of the total number of voting rights of any other company operating business that has the same nature and is in a significant competition with the business of the Company or its subsidiaries
- (i) Not having any other characteristics that make him/her incapable of giving opinion freely concerning the Company's operations and the nomination of directors and high position executives

2. Nomination of Directors and High Position Executives

1. The Nomination and Remuneration Committee is responsible for screening qualifications and setting criteria for the nomination of Directors, members of the Committees, Chief Executive Officer and Managing Director of the Company. Those who are knowledgeable, skillful and have experience together with special characteristics to drive the organization to achieve the target will be nominated and be proposed at the Committee meeting or shareholders' meeting (depending on the case) for consideration and appointment.

2. The Managing Director is authorized to nominate and select high position executives whose positions are lower than the position of Managing Director by implementing under the framework and policy set by the Nomination and Remuneration Committee.
3. The process of nomination of directors and high position executives must be carried out with fairness, equality and transparency. Educational background, work experience, expertise, and other qualifications required for the position must be clearly specified to ensure that the Company can recruit persons with knowledge, skill, and experience which will benefit the Company's governance and appropriate for the positions.
4. Once the position of Executive Director, Chief Executive Officer, Managing Director or a high position executive is vacant or they cannot perform their duties, the person whose position is in the same level or lower has been designated by the Board of Directors or the Managing Director to act for the position temporarily until the Nomination and Remuneration Committee can nominate the qualified persons.

3. Succession Plan

The Company will supervise the preparation of Succession Plan and process of successor nomination for important positions including the Plan for Personnel Development to have wider knowledge, higher skills, experience and appropriate characteristics for their position. The Succession Plan must be a continued plan for successor so that the Company can operate the business continuously in long term. The Managing Director will report the results of Succession Plan and Personnel Development Plan to the Board of Directors at least once a year.

4. Form of Performance Assessment of Committees

According to the corporate governance code for the listed companies, it is advised to have self-performance assessment by the Board of Directors and the Committees at least once a year so that they can consider their work performance and make some improvements. The

assessment should be carried out both group assessment and individual assessment. In order to promote and support the listed companies to have performance assessment of the Board of Directors and the Committees continuously every year, the Secretary Office of Srinanaporn Marketing Plc. has prepared the form of self-assessment comprising 4 categories as follows;

- **Papers 1** “Form of Self-Assessment of Board of Directors” to assess work performance of the Board members as a group
- **Papers 2** “Form of Self-Assessment of Committees Members” to assess work performance of the Committees members which are delegated by the Board of Directors as a group
- **Papers 3** “Form of Performance Assessment of individual Board Members” to assess the proper performance of each Board member
- **Papers 4** “Form of Performance Assessment of individual Committee member” to assess the proper performance of each Committee member

Process of conducting Self-Assessment

1. The Nomination and Remuneration Committee reviews the form of assessment to be correct, complete and complies with the Corporate Governance Code.
2. Secretary of the Company sends the form of performance assessment of the Board of Directors to each member to assess the work performance as a whole.
3. Secretary of the Nomination and Remuneration Committee makes a summary and report the results of assessment to the Nomination and Remuneration Committee.
4. The Nomination and Remuneration Committee reports the results of assessment to the Board of Directors for acknowledgement and improvement for performance efficiency.

The criteria of assessment is calculated as a percentage of the total score comprising: >95% = Excellent; >90% = Very good; >80% = good; >70% = Rather good; >60% = Moderate; and <= 50% = Needs improvement.

Summary of Assessment

1. Self-Assessment of Board Members

The self-assessment of Board members as a whole is divided into 3 items comprising: 1) Structure and qualifications of Board members: 2) Meeting attendance of the Board members: 3) Role, duties and responsibilities of the Board of Directors. In 2022, the Company's Secretary sent the form of self-assessment of the Board of Directors to each member to assess the work performance as a whole and reported the result of assessment to the Board of Directors for consideration and improvement. The results of self-assessment of the Board members had an average score of 99% representing "Excellent". The opinions of most members are summarized as the following:

1) Structure and Qualifications of the Board members

Most members view that structure and qualifications of the Board of Directors are excellent with proper number of members and consistent with the nature and characteristics of the Company's business. The Board of Directors consists of qualified persons of many areas such as industrial management, marketing, accounting and finance, general management, laws, corporate governance, risk management, human resource management, and auditing. As a result, the business operations of the Company can run smoothly with efficiency. The Board of Directors has appointed 5 Committees comprising: Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Governance and Sustainable Development Committee, and Executive Committee to perform their duties and supervise the operations under the Company's policy and target.

The Company has Board diversity with skills consistent with business characteristics of the

Company according to the Board Skills Matrix. There are one-third of independent directors of the total directors, according to good corporate governance code. Presently, there are 4 independent directors among 9 members. Moreover, Chairman of the Board of Directors is not the same person as Chief Executive Officer and Managing Director and having no position in the Committee. The duties and responsibilities of each position are clearly defined.

2) Meeting Attendance of the Board Members

Most members give opinions that the Meeting of Board of Directors is considered "excellent" as they are informed of the venue of the meeting in advance each year which helps them to be available for every meeting. The proper number of meetings and meeting agenda has supported efficient performance of the members. Furthermore, the Board members have received the documents for the meeting in advance to study the information sufficiently before making decision. The environment of the meeting has also facilitated to have constructive opinions and creative ideas. However, the Board member who is a stakeholder cannot participate in the decision of a certain case in that agenda.

There are 4 meeting of the Board of Directors each year or held as necessary. Venue and agenda of the meetings have been prepared in advance. Invitation for the meeting and document attached are sent to the Board members in advance at least 7 days before the meeting.

3) Role, Duties and Responsibilities of the Board Members

Most members agree that the role, duties and responsibilities of the Board of Directors are considered "excellent". The Board members have given importance and sufficient time for considering important items concerning the Company's direction, strategy, business plan, the review of policy on good corporate governance including the supervision of work performance following the Company's

policy and revision of business code of conduct. At the same time, the policy on non-conflict of interest has been set up and internal control system has been reviewed regularly to ensure its good system. Risk management is properly controlled together with the follow-up of performance of the Company's Management team to be in line with the policy delegated by the Board Committee.

Skill Matrix¹

Name/Proficiency	Industrial Management	Marketing	Accounting & Finance	Management	Law	Corporate governance	Risk Management	Human Resource Management	Auditing
Mr. Niwat Kanjanaphoomin		x		x	x	x	x		
Mr. Viwat Kraipisitkul	x			x		x	x	x	
Mrs. Thanyanee Kraipisitkul	x		x	x		x	x	x	
Mr. Thakorn Chaisathaporn	x			x					
Mr. Wichien Chaisathaporn	x			x				x	
Mr. Piyawat Kraipisitkul		x		x		x	x		
Mr. Yongyoot Luangrattanamart			x	x	x	x	x		x
Mr. Vira Jungjaroensuk			x	x	x	x	x	x	x
Mr. Jirasuk Sugandhajati				x	x		x		x
Mrs. Kittiya Chaisathaporn	x	x		x		x		x	

Remark: Mr. Piyawat Kraipisitkul resigned from Board of Directors on 18 July 2022 and has been replaced by Mrs. Kittiya Chaisathaporn since 18 July 2022.

2. Self-Assessment of Committees

The Board of Directors assigned performance assessment of 5 Committees comprising Executive Committee, Audit Committee, Nomination and Remuneration Committee, Corporate Governance and Sustainable Development and Risk Management Committee. The results of assessment would be used for improvement of the Committees' performance to be more efficient. The assessment is divided into 3 items consisting of structure and qualifications of the Committees, meetings of the Committees, roles, duties and responsibilities of the Committees.

The results of performance assessment of 5 Committees can be summarized as follows:

Self-Assessment of Committees	Average score (%)	Rating
Executive Committee	99	Excellent
Audit Committee	98	Excellent
Nomination and Remuneration Committee	99	Excellent
Risk Management Committee	99	Excellent
Corporate Governance and Sustainable Development	100	Excellent

Comments of the Committees are summarized as the following:

1) Structure and Qualifications of the Committees

The score is rated excellent. The number of Committees is proper for the Company's business which helps support the efficiency of performance of the Committees. The Committees include knowledgeable and experienced persons in many areas sufficient for performing their duties efficiently. Moreover, the Committees help oversee the Company's business, recruiting the qualified persons to take position of the Board of Directors including appropriate compensation, policy making, corporate governance performance, the Company's business ethics, risk management and give advice to the Management of the Company.

2) Meeting of the Committees

The score is rated excellent. The Company has informed members of the Committees the venue of the meeting in advance each year so that they are available for the meeting. The number of meetings and meeting's agenda is proper for the Committees to perform their duties efficiently and to support the business operation with success. The Committees have received document of the meeting beforehand so that they have enough time to study the documents and can make good decision. The environment in the meeting enhances positive comments from the Committee members independently.

3) Role, Duties and Responsibilities of the Committee

The score and rating is excellent. Performance of each Committee is as follows:

Executive Committee: To supervise the Company's administration according to the policy of the Company and administration authority delegated by the Board of Directors, to give advice to Managing Director and the Management, prepare the business plan, budget allocation, monitor and follow up the Company's activities and plans to be carried out efficiently, feasibility study of the new projects and report to the Board of Directors.

Audit Committee: to review financial report to ensure the correctness and reliability. To supervise the Company's

internal audit to ensure the proper and effective internal audit system. To consider the transactions of conflict of interest to be managed according to the process as set. To oversee the Company's adherence to Securities and Exchange Act and other related rules. To appoint account auditor with proper remuneration.

Nomination and Remuneration Committee: There is a criteria for recruiting a qualified person and nominate as a Board member and a criteria for appropriate remuneration. Performance evaluation of Managing Director and consideration of his/her remuneration has to be consistent with the evaluation.

Risk Management Committee: The Committee can make a recommendation for corporate governance policy of the Company, monitor and follow-up the results of performance according to the principles of corporate governance, supervise and monitor the policy and work plans of risk management, review the total risk management of the Company and its strategy, report the results of risk management to the Audit Committee before submission to the Board of Directors.

Corporate Governance and Sustainable Development Committee: To set the guidelines and recommend policy, strategy, frame of operation including the Company's target of having corporate governance and sustainable development. The Committee will take care of the Company's code of conduct, business's ethics, as well as recommend the policy/anti-corruption measures to the Board of Directors and the Management to establish them as regulations for the staff to adhere to. Therefore, the Company is the organization which builds trust, reliability and sustainability to all stakeholders. The Committee supports public participation in implementing many projects under corporate governance and sustainable development with relevant organizations inside and outside towards international standard. The Committee promotes and supports both resources and personnel to disseminate strategy and culture of having corporate governance and sustainable development to executives and employees of all level to understand and practice in the Company and its subsidiaries in the same direction.

3. Assessment of Individual Board Member (Cross-Assessment)

The rating scores of assessment of individual Board member (Cross-Assessment) is averagely 99% representing “excellent”. The main point of assessment focuses on qualifications and appropriateness to be director, role, duties and responsibilities, relationship among the Board members, work efficiency and complete performance of director.

4. Assessment of Individual Committee (Cross-Assessment)

The score of assessment of individual Committee is averagely 99% marking “excellent”. The main point of assessment focuses on qualifications and appropriateness to be a Committee, role, duties and responsibilities, relationship among the Committees, work efficiency and complete performance of Committee.

8.1.2 Meeting attendance and payment of allowance for each member

The meeting of Board of Directors is held every quarter. The Company’s Secretary will inform the Board member the venue of the meeting in advance every year so that they can prepare the timetable and available for the meeting. Letter of invitation, document and meeting agenda will be sent beforehand not less than 7 days. In every meeting, high position executives can attend the meeting to inform the details and answers questions of directors. Chairman of the Board of Directors gives an opportunity to the members to express their opinion/idea openly before voting and making a summary of the resolution of the meeting for each agenda. The directors who are directly or indirectly stakeholders have no right to vote and have to leave the meeting room during the consideration of that agenda. The minutes of the meeting in written form together letter of invitation for the meeting and related documents are kept in electronics files for convenience of the Board member and concerned persons to audit.

1) Board of Directors’ Meetings

In 2021 and 2022, the number of meetings of the Board of Directors and the number of times each director attended the meeting the following

Name	Meeting Attendance	
	2021	2022
1. Mr. Niwat Kanjanaphoomin	4/4	6/6
2. Mr. Viwat Kraipisitkul	4/4	6/6
3. Mrs. Thanyanee Kraipisitkul	4/4	6/6
4. Mr. Thakorn Chaisathaporn	4/4	5/6
5. Mr. Wichian Chaisathaporn	4/4	6/6
6. Mr. Piyawat Kraipisitkul	4/4	3/4
7. Mr. Yongyoot Luangrattanamart	4/4	6/6
8. Mr. Vira Jungjaroensuk	4/4	6/6
9. Mr. Jirasak Sugandhajati	4/4	6/6
10. Mrs. Kittiya Chaisathaporn ¹	-	2/2

Remark ¹ Mrs. Kittiya Chaisathaporn was appointed a director on July 18, 2022 replacing Mr. Piyawat Kraipisitkul who resigned on July 18, 2022.

Independent Directors' Meetings

In 2021 and 2022, the number of independent Director's meetings and the number of meetings' attendance of Committee members are the following:

Name	Meeting attendance	
	2021	2022
1. Mr. Niwat Kanjanaphoomin	1/1	1/1
2. Mr. Jirasak Sugandhajati	1/1	1/1
3. Mr. Vira Jungjaroensuk	1/1	1/1
4. Mr. Yongyoot Luangrattanamart	1/1	1/1

2) Remuneration

Policy on remuneration payment for Committee members and executives

The Company defines remuneration of the Committee and executives which is comparable to the same manner in industry, experience, duty, scope of accountability and responsibility. The Nomination and Remuneration Committee will consider the format, set the criteria for salary scale, salary increase, bonus, compensation, and reward for the Board members, Committee members, Chief Executive Officer, and Managing Director on the basis of appropriateness and fairness in compliance with related law. The above mentioned format and criteria will be submitted for approval of the Board of Directors and/or for approval of the shareholders' meeting (whichever is the case).

Financial Remuneration

Each Committee member are paid monthly remuneration/allowance as follows:

Position	Monthly Bath/month	Allowance Bath/times
Chairman of the Board of Directors	30,000	24,000
Member of the Board of Directors	20,000	20,000
Chairman, Audit Committee	-	24,000
Member of the Audit Committee	-	20,000
Chairman, Executive Committee	-	24,000
Member of the Executive Committee	-	20,000
Chairman, Risk Management Committee	-	24,000
Member of the Risk Management Committee	-	20,000
Chairman, Nomination and Remuneration Committee	-	24,000
Member of the Nomination and Remuneration Committee	-	20,000
Chairman, Corporate Governance and Sustainable Development Committee	-	24,000
Member of the Corporate Governance and Sustainable Development Committee	-	20,000

Nonfinancial remuneration

-None-

3) Remuneration for individual directors

In 2021 and 2022, the Board of Directors received a total remuneration of 2,008,000 baht and 2,396,000 baht, respectively, with the remuneration received by each director as follows:

Table showing individual director remuneration in 2021

(Unit: Baht)

Name	Director		Audit Committee	Executive Director	Risk Management Committee	Member of the Nomination and Remuneration Committee	Total
	Monthly Remuneration	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	
1. Mr. Niwat Kanjanaphoomin	360,000	96,000	-	-	-	-	456,000
2. Mr. Viwat Kraipisitkul ¹	-	-	-	-	-	-	-
3. Mrs. Thanyanee Kraipisitkul ¹	-	-	-	-	-	-	-
4. Mr. Thakorn Chaisathaporn ¹	-	-	-	-	-	-	-
5. Mr. Wichian Chaisathaporn ¹	-	-	-	-	-	-	-
6. Mr. Piyawat Kraipisitkul ¹	-	-	-	-	-	-	-
7. Mr. Yongyoot Luangrattanamart	240,000	80,000	96,000	-	-	-	416,000
8. Mr. Monchai Pongstabadee	-	-	-	200,000	40,000	-	240,000
9. Mr. Vira Jungjaroensuk	240,000	80,000	80,000	-	-	48,000	448,000
10. Mr. Jirasuk Sugandhajati	240,000	80,000	80,000	-	48,000	-	448,000
Total	1,080,000	336,000	256,000	200,000	88,000	48,000	2,008,000

Remark: ¹ is a company director who receives a regular salary, and did not receive remuneration as a director. Please consider the information of the regular salary of executive directors in the section of monetary remuneration of executives.

Financial compensation of 2022

(Unit: Baht)

Name	Board of Directors		Audit Committee	Executive Committee	Risk Management Committee	Nomination & Remuneration Committee	Corporate Governance & Sustainable Development Committee	Total
	Monthly salary	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	
1. Mr. Niwat Kanchanaphoomin	360,000	144,000	-	-	-	-	-	504,000
2. Mr. Viwat Kraipisitkul ¹	-	-	-	-	-	-	-	-
3. Mrs. Thanyanee Kraipisitkul ¹	-	-	-	-	-	-	-	-
4. Mr. Thakorn Chaisathaporn ¹	-	-	-	-	-	-	-	-
5. Mr. Wichian Chaisathaporn ¹	-	-	-	-	-	-	-	-
6. Mr. Piyawat Kraipisitkul ¹	-	-	-	-	-	-	-	-

Name	Board of Directors		Audit Committee	Executive Committee	Risk Management Committee	Nomination & Remuneration Committee	Corporate Governance & Sustainable Development Committee	Total
	Monthly salary	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	Meeting Allowance	
7. Mr. Yongyoot Luangrattanamart	240,000	120,000	96,000	-	-	-	24,000	480,000
8. Mr. Monchai Pongstabadee	-	-	-	240,000	20,000	-	20,000	280,000
9. Mr. Vira Jungjaroensuk	240,000	120,000	80,000	-	-	48,000	-	488,000
10. Mr. Jirasuk Sugandhajati	240,000	120,000	80,000	-	24,000	-	-	464,000
11. Mr. Wiroj Wachiradechkul	-	-	-	-	-	-	-	-
12. Mrs. Kittiya Chaisathaporn ^{1,3}	-	-	-	-	-	-	-	-
13. Mr. Chayut Leehacharoenkul	-	-	-	180,000	-	-	-	180,000
14. Mr. Suphachoke Bumrungrpan ²	-	-	-	-	-	-	-	-
Total	1,080,000	504,000	256,000	420,000	44,000	48,000	44,000	2,396,000

Remark:

¹ The Company executives who receive salary and will not be paid with remuneration as member of the Committee

² Appointed as member of Risk Management Committee on 9 May, 2023 replacing Mr. Chayut Leehacharoenkul who resigned and was effective on 9 May, 2022

³ Appointed as the Company executive on 18 July, 2022 replacing Mr. Piyawat Kraipisitkul who resigned and was effective on 18 July, 2022

8.1.3 Corporate Governance of Subsidiaries and Associate Companies

The Board of Directors has defined the “Investment policy, corporate governance of operations and administration of its subsidiaries and associate companies” since 2019 with reference to the principles of corporate governance for the listed companies of the Office of Securities and Exchange Commission. According to the Securities and Exchange Commission, the listed companies should establish the framework and mechanism for corporate governance for the policy and operations in their subsidiaries and associate companies or other businesses in which the Company has significantly invested at the proper level of each business.

1. Principle and appointment policy for persons to be the Board Member and Executive in subsidiaries

The Company has the investment policy and administration in its subsidiaries and associate companies by investing in related, similar business which will bring about benefits and support the Company’s business so as to strengthen stability and achievements. The Company will consider proportion of investment, expected returns, possible risk, and financial position before making decision on investing in any projects. The approval for investment has to be agreed from the meeting of Board of Directors and/or from the shareholders’ meeting within the authority limit.

For corporate governance of subsidiaries and associate companies, the Company will select the qualified person to be the Board Member. The representative of the Company can be recruited from the Chairman of the Committee, Chief Executive Officer, Committee, high position executive, or any person of the Company who has no conflict of interest with the business of subsidiaries and associate companies. The number of representatives of the Company is considered from the proportion of shareholding of the Company.

2. Authority of appointing persons to be Board Member and Executive in subsidiaries

The Board of Directors assigns the Nomination and Remuneration Committee to recruit and nominate qualified persons for appointment under the criteria and requirements of investment policy, corporate governance of operations and administration of subsidiaries and associate companies.

3. Duties and responsibilities of persons appointed as Board Member and Executive in subsidiaries

- (1) To supervise the operations of subsidiaries to comply with law, regulations, related order, to have good administration, adhere to the principles of corporate governance, ethics, anti-corruption policy and other policies related to the Company's policy.
- (2) To give guidelines for direction, strategy, policy and business plan of subsidiaries to be consistent with the Company's direction including innovation promotion and employment of modern technology for use in order to strengthen competency of business competitiveness of subsidiaries.
- (3) To report the accurate, complete and timely operational results of turnovers and operations of subsidiaries to the Company particularly, important items which may have an effect on financial position and operations of subsidiaries including other irregular items which may significantly affect them.
- (4) To oversee the business operations to be more efficient and manage the proper returns from investing in subsidiaries.

Moreover, the Company has supervised the disclosure of financial status and operating results, connected transactions between subsidiaries and/or associate companies and connected persons, acquisition or disposition of assets, or making important transaction to be correct and complete in compliance with the rules set by the Securities and Exchange Commission and/or the Stock Exchange of Thailand.

Furthermore, the Audit Committee as the Sub-Committee responsible for supervision has evaluated the effectiveness of corporate governance, risk management and internal control of subsidiaries and associate companies which have representatives of the Company taking part in administration. The Internal Audit Unit of the Company has prepared the risk-based audit approach planning for each subsidiary by auditing and evaluating its internal control system, its effectiveness and efficiency of work performance and preparation of financial statements. In addition, the internal control system has been used on the basis of check and balance of working procedure so that the staff can check each other's work to prevent possible mistakes. Subsidiaries and associate companies can apply properly the implementation of internal control system by emphasizing the process of value creation to its company. The Internal Audit Unit will coordinate with executive of the working unit to assess its risk, to check internal control measure, warning signs etc. The result of risk assessment will be collected for planning of risk assessment later.

For the management between the Company and joint venture, it is necessary for both sides to have an understanding in many aspects such as divided duties of administration, having authority of supervision, proper and fair distribution of returns. Therefore, the Company has made Shareholders' Agreement which the Company gives respect to the rights of joint venture and treats them fairly as well as gives good cooperation to them so that the business of joint venture has achieved and meets the objectives.

However, in order to supervise associate companies and joint venture, according to the financial statement which considers them as subsidiaries with reference to related definition of the Securities and Exchange Act B.E. 2535 (“associate company”), to carry out their business with responsibilities, caution and honesty as well as to conduct connected transactions or related items in compliance with related criteria with regard to internal policy, law and related contract or shareholders’ contract, the Board member of an associate company who represents the Company has been assigned to take part in the administration and management with responsibilities, caution and honesty. The Board member should recommend the associate company to have a mechanism to supervise the connected transactions and related items to be proper and complied with the criteria. The connected transactions and related items should have a reasonable and fair trading agreement as if it was made with an outsider so as to be in accordance with related criteria with regard to regulation, internal policy of associate company related to law and related agreement including the guidelines for practice of contract parties according to joint venture agreement and/or shareholders’ agreement.

4. Voting in the meeting

Voting in the shareholders’ meeting or in the meeting of Board of Directors of subsidiaries or associate companies must be agreed with the Company before for the following items:

- (1.) To invest in a business project which is not regular that has a time period of beginning and ending, to invest in a new business which has never conducted before.
- (2.) To establish a company or juristic person, to co-invest, to merge, to trade stocks/business transactions/ partial property or all property of subsidiaries or associate companies.
- (3.) To increase capital or reduce capital of subsidiaries or associate companies.
- (4.) To close down the company.
- (5.) To create financial obligations as defined by the Company which is likely to create obligations and/or have an effect on the Company.

However, the Board of Directors, executives, staff or persons who are assigned by the Company to attend the shareholders’ meeting of subsidiaries or associate companies as shareholders or as a Board member have responsibility as a representative of the Company but excluding representatives of the Company who are assigned to hold the position of Chief Executive Officer and Managing Director or top executive of subsidiaries or associate companies have to act according to the criteria which has no conflict with shareholders’ agreement and/or co-investment agreement and/or other related law (if any).

In the case that a meeting of Board of Directors of subsidiaries or associate companies has to vote and make a resolution for an urgent case, or a representative of the Company is not able to know the minute of the meeting in advance, the representative can consider to approve, not approve, or abstain from voting with regard to the benefit of the Company and reports to the Board of Directors of the Company at the first opportunity.

8.1.4 Monitoring the Compliance with Corporate Governance Policy and Guidelines

(1) Protection of Conflict of Interest

The Company has set the policy to eliminate the problem of conflict of interest carefully with honesty, reasonableness and independence under the frame of good ethics with regard to the Company's interest. To make connected transactions or connected persons which may bring conflict of interest will have to be considered thoroughly by the Audit Committee and if that connected transactions are important, it has to be approved by the Board of Directors' meeting or shareholders' meeting (if any). However, the characteristics and size of the transactions have to be in accordance with the rules of Capital Market Supervisory Board (SEC). Connected persons or related persons have to disclose the information of their interest and connected persons to the Company and will not participate in the consideration while having no authority of approval for those transactions. Anyway, if those transactions have to be done, they have to be under the normal trading condition with fair price and fair at arms' length basis. If the price cannot be set, the Company will refer to the report of an independent expert appointed by the Company to set the fair price for the Company and connected persons.

The Company has the policy to conduct connected transaction which complies with rules and regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board, Office of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as to disclose the transactions in the Annual Information Disclosure Form (Form 56-1).

(2) To Use Inside Information for exploitation

The Company prohibits the exploitation of the inside information which has not been disclosed to the public including securities trading. Disciplinary punishment is set for those who violates the regulations. The Company gives importance to the protection of inside information. The Directors, executives, staff and employees are prohibited from disclosing the Company's information which has not been disclosed to the public before as it will affect the change of price or the value of securities of the Company ("inside information"). They are prohibited from exploitation inside information for themselves or other persons directly or indirectly whether to receive compensation or not. Securities trading or to be involved in derivatives concerning the Company's securities by using inside information is also prohibited. However, the Company has set the guidelines for inside information protection and disciplinary punishment for the violation as follows:

1. The Company has set the internal control system to protect the leakage of inside information by defining the measure and information management process in written form to inform the Board of Directors, executives, staff, and employees to follow including the revision of that measure and process to be appropriate.
2. The Company will limit the number of persons to know the inside information as much as necessary (need to know basis) and the Company will take action to be confident that the Directors, executives, staff and employees who are in the position, or in charge of inside information realize their duty in keeping the secret.
3. The Company will assign the person who is responsible for being the center of information disclosure to the public.
4. The Company will assign the Internal Audit Unit to monitor the compliance with the measure and process set in item 1. to report to the Board of Directors quarterly.

5. The Company will make an agreement on confidentiality with advisor or other person who gives service before that person can make transactions concerning the Company's information. In selecting advisor or person who gives service, the Company will consider whether they have an efficient internal control system at their organization to protect the leakage of inside information of the Company which they receive.
6. The Company will give knowledge to Directors and executives about the preparation and disclosing report of their own securities and those of their spouse and minor children who hold securities in that company as well as changes in the holding of such securities and derivatives including juristic person holding the shares more than 30% of total voting right to Office of the Securities and Exchange Commission (SEC), Section 59 and Penalties Section 275. In addition, securities acquisition and disposal of their own, spouse and minor children have to be reported to SEC Office Section 246 and Penalties 298 of the Securities and Exchange Act B.E. 2535.
7. The Company requires the Directors and executives of the Company including their spouse or a couple living together as husband and wife and minor children to prepare and disclose the report of holding securities and derivatives and the report of changing securities and derivatives to the SEC Office Section 59 of the Securities and Exchange Act B.E. 2535 and relevant announcement. The copy of the report has to be sent to the Company Secretary on the same day that the report is sent to SEC Office.
8. Directors, executives, staff and employees of the Company including former Directors, executives, staff and employees are in charge of keeping inside information of the Company and used it only for the benefit of the Company's business. It is prohibited to use inside information for securities trading or to be involved in derivatives concerning securities whether for their own benefit or for others. The inside information is not allowed to disclose to other persons directly or indirectly or in any case that a person who receives inside information may make use of the information for securities trading or to be involved in derivatives concerning securities whether for their own benefit or for others or whether for the compensation payment or not.
9. The Company requires Directors, executives, staff, employees and its subsidiaries which know the inside information of the Company not to conduct securities trading of the Company during the period of 30 days prior to the disclosure of financial statements or the inside information to the public and the period of 24 hours after the information has been disclosed to the public. Persons who are involved in the information will not disclose the information to other persons until the information has been informed to the Stock Exchange of Thailand (SET). However, if there is a violation against the regulation of the Company, it is regarded as a disciplinary offense. Punishment has been defined for each misconduct, considering that it is done intentionally or seriously or not. Penalties include oral warning, writing warning, probation as well as dismissal.

(3) Anti-corruption, Policy on Protection of Corruption Involvement

The Company gives importance to anti-corruption and strives for conducting business with morality under the frame of good corporate governance based on governance principles, code of conduct, business ethics and responsibility for society, environment and all groups of stakeholders. The Company operates its business with transparency, fairness and traceability. To ensure that the Company will act against corruption systematically under the policy framework of accountability, practices, requirement for proper performance to prevent corruption in all business activities of the Company and to consider carefully the business which is risky for corruption, the Company has established "Anti-Corruption Policy" in writing to be a guideline for conducting business and

developing the Company to sustainability. Internal control system to protect the leakage of inside information has been set including the measure and process of information management is defined in writing so that the Directors, executives, and staff will follow. The measure and process of information management is regularly reviewed to be proper.

(3.1) Policy on Anti-corruption

1. Directors, executives and staff of the Company must not demand, carry out or accept corruption in all forms directly or indirectly for the benefit of the organization, family, friends, or the one they know or for the benefit of business which covers local and international business including all agencies involved with the Company.
2. The Company must review the compliance with anti-corruption policy regularly as well as revise the practices and regulations to be consistent with the changing business, order, regulations, and law. If there is a violation against anti-corruption in the form of supporting, giving assistance or cooperation with corruption, punishment will be considered according to the Company's regulations.

(3.2) Duty and responsibility under the anti-corruption policy

1. The Board of Directors has duty and responsibility for setting and approval anti-corruption policy as well as corporate governance. The efficient system to support anti-corruption is established to ensure that the Management has realized its importance and practice it to become the corporate culture.
2. The Audit Committee has the duty and responsibility for reviewing sufficient internal control and compliance with anti-corruption policy, regulations and related law.
3. The Management has the duty and responsibility for setting the system of promoting, supporting, and controlling the staff and related parties to comply with anti-corruption policy including reviewing appropriateness of the system and measures to be consistent with the changing business, regulations and law.
4. Internal Audit Unit has the duty and responsibilities for auditing and monitoring the correctness of performance and compliance with anti-corruption policy, guidelines, practices, and related law to ensure appropriate and sufficient internal control system to prevent the risk of possible corruption, and report to the Audit Committee.
5. Directors, executives and staff has the duty and responsibilities to comply with anti-corruption without involvement in corruption directly or indirectly.
6. Subsidiaries, associate companies or business agent of the Company have to accept compliance with anti-corruption policy of the Company.

(3.3) Scope and guidelines for practice

1. The Company requires Directors, executives, and staff of all level to perform their work carefully to prevent corruption of all forms as follows:
 - **To offer and take bribe;** it is prohibited to offer or take bribe in any form to repay for business benefit. To assign someone to offer bribe or to take bribe for oneself is not allowed.
 - **Gifts, reception and other benefits;** to offer or accept gifts, property, reception, or other benefits from customer, trading partner, or related person with the Company have to comply with the order and regulations of the Company.
 - **Political support;** the Company has a policy not to assist or support political party, political group, or politician directly or indirectly.
 - **To accept donation, donation for charity, public benefit, and to offer or take financial support;** the Company defines that to accept donation, donation for charity, public benefit, and to offer or take financial support have to be in accordance with the following:
 - 1) It has to be transparent, legal, not contrary to good morals and not causing any effect on the public.
 - 2) It has no relevance or to exploit as an excuse to accept bribe.
 - 3) It has to follow the procedure of review and approve the donation for charity, public benefit or financial support according to the regulation of the Company.
 - 4) In case of doubts which may affect the Company legally, advice in writing can be requested from the Legal Department or other important issues have to be considered by the Management.
2. The Company strives for creating and maintaining corporate culture that corruption is unacceptable whether to do transactions with the public sector or private sector.
3. Directors, executives, staff of all level will not ignore or neglect when seeing the conducts or behaviors that lead to corruption involved with the Company, they have to inform the superior or responsible person and gives cooperation for investigation. The channels for receiving whistleblowing and complaints from persons in the Company or people outside are provided.
4. The Company has to give fair treatment and protect the staff who denies corruption or who informs corruption involved in the Company. The Company will not demote, punish or give the negative effect to the whistleblower even though the Company may miss their business opportunity.
5. Directors, and executives of all level have to show their honesty and to be the role model in compliance with anti-corruption policy. The Secretary of the Company and the Human Resource Department are assigned to inform knowledge, to create better understanding and to promote all staff to adhere to anti-corruption policy actively and continuously as a corporate culture of the Company.

6. The policy on anti-corruption will cover personnel administration process ranging from recruitment, selection, promotion, training, and performance evaluation. The superior of all level have to communicate with the staff about anti-corruption and supervise the compliance with the policy efficiently.
7. To conduct any activities under the policy on anti-corruption, it has to follow the practices described in the “Corporate Governance Policy”, and “Business Ethics” including the order and work manual as well as other practices defined by the Company.
8. The Company requires to do public relations about anti-corruption policy via internal and external media such as announcement in the Company’s website and disclose in the Annual Report. Such policy is to be complied with by all staff under the Thai law in anti-corruption.

(3.4) Issues informed by whistleblower or complaints about corruption

1. To witness the act of corruption involving in the organization directly or indirectly such as to find the person in the organization offers or takes bribe from government official or from private agency.
2. To witness the act of violating the Company’s order/regulations or resulting in the internal control system of the Company which leads to the possible corruption.
3. To witness the act which makes the Company lose benefits or have an effect on the Company’s reputation.
4. To witness the act which is illegal, against the order/regulations of the Company or code of conduct in doing business of the Company.

(3.5) Channels for whistleblowing or corruption complaints

The Board of Directors has assigned independent directors or the Audit Committee to consider and investigate the whistleblowing or complaints about the acts which may lead to corruption in the Company directly or indirectly through the channels defined in the anti-corruption policy. The person who makes a complaint has to give details of the complaint together with his/her name, address and telephone number as follows:

- 1.) To inform Independent Director or The Audit Committee at audit_committee@snp.co.th or by post Independent Director or Audit Committee
Srinanaporn Marketing Public Company Ltd.
325/6-9 Lanluang Road, Sriyakhmahanak Sub-District, Dusit District, Bangkok 10300
- 2.) To inform the Company’s Secretary or Human Resource Manager or Internal Audit Manager at whistleblowing@snp.co.th or by post at Srinanaporn Marketing Public Company Ltd.
325/6-9 Lanluang Road, Sriyakhmahanak Sub-District, Dusit District, Bangkok 10300

In case the whistleblower or the person wants to make a complaint to Chief Executive Officer or Executive Committee, the complaint can be sent directly to Chairman of the Audit Committee.

The whistleblower or the person who can make a complaint are all group of stakeholders of the Company comprising shareholder, customer, trading competitor, debtor, public sector, community, society, executive and staff of the Company. All complaints will be kept confidential.

(3.6) Protective measure and confidentiality

In order to protect the rights of whistleblower and the person who makes complaint with good intention, the Company will keep their name and address including details of the information as confidential. The persons who are in charge of investigation can only access to the information. The Company has established protection measure for whistleblower, person who makes complaint, witness, person who gives information for the investigation to be safe, not to be in trouble or danger caused by his/her complaint.

At the same time, the person who is in charge of receiving complaints has to keep it confidential, not to disclose to any other irrelevant person except it is required by law.

(3.7) Investigation procedure and penalties

1. Once the whistleblowing or complaints is received, the person in charge will screen, check and investigate the truth.
2. During the investigation, the person in charge may inform its progress to whistleblower or the person who makes complaint from time to time.
3. After the investigation, the accused is found guilty of corruption as there is enough information and evidence which is believed to be true, the accused can find evidence to support the allegations.
4. If the accused is really found guilty of corruption, the person in charge will make a report together with his recommendations submitted to the Audit Committee and/or Executive Committee for consideration and impose appropriate punishment.
5. To commit corruption is regarded being against the policy on anti-corruption and code of conduct of doing business of the Company. Anyone who commits corruption must be considered for disciplinary action according to the regulations of the Company and the decision of Chief Executive Officer is considered final. Moreover, if the corruption is illegal, the accused must be punished according to law.

(3.8) Dissemination of anti-corruption policy

In order to inform the policy on anti-corruption to all staff in the organization, the Company has conducted the following activities:

1. The announcement of anti-corruption policy is attached in the prominent place for everyone to read it.
2. The policy on anti-corruption is disseminated through communication channels of the Company such as website, Annual report etc.
3. Policy on anti-corruption is reviewed regularly at least once a year.

(3.9) Striving for conducting anti-corruption

The Company is still committed to conducting its business in accordance with the principles of corporate governance and will continue to strengthen its compliance with anti-corruption such as making public relations for the staff as well as for trading allies of every sectors to be known, understood correctly and regularly. However, in the near future, the Company will announce its determination of anti-corruption and apply for participation in the Project of Thailand's Private Sector Collective Action Coalition Against Corruption: CAC.

(4) Whistle-blowing

The Company has set the "Whistle-blowing policy about misconduct" to show that the Company has placed importance to corporate governance and gives an opportunity to staff and stakeholders to give information or whistle-blow about the violation or irregularities in conducting business of the Company such as supervision, morale, ethics, dishonest, monetary transaction, compliance with criteria, regulations on law and anti-corruption policy. The whistle-blowing can be made through various channels as set to examine the complaint according to the process of whistle-blowing policy about misconduct as follows:

Persons to receive complaints

1. Audit Committee
2. Head of Human Resource Unit
3. Head of Internal Audit Unit
4. Secretary of the Company

How to make a complaint

1. To inform by yourself.
2. To send a letter to persons who receive complaints.
3. To make a complaint through E-mail Address of persons who receive complaints.
4. In the case of not showing the name of person who makes complaints, details of information and facts with clear and sufficient evidence which show a possible dishonest practice or violation of law, regulations, order or code of conduct of the Company must be given.

Channels of receiving complaints

The Board of Directors of the Company has assigned an independent director or the Audit Committee to investigate the whistle-blowing or the complaints which are doubtful whether it is dishonest or a corruption in the Company directly or indirectly. The person who makes complaints can inform the details of information of whistle-blowing together with his name, address and telephone number to the following channels:

- to: Independent Directors or Audit Committee
E-mail: audit_committee@snp.co.th
Postal Address: Independent Director or Audit Committee
Srinanaporn Marketing Co.,Ltd
325/6-9 Lanluang Road, Sriyakhmahanak Sub-District, Dusit District, Bangkok 10300
- to: Secretary of the Company/ Head of Human Resource Unit/ Head of Internal Audit Unit
E-mail: cg@snp.co.th
Postal Address: Secretary of the Company or Head of Human Resource or Head of Internal Audit Unit
Srinanaporn Marketing Co.,Ltd.
325/6-9 Lanluang Road, Sriyakhmahanak Sub-District, Dusit District, Bangkok 10300

The complaints are kept most confidential and can be sent more than one Channel. It is not necessary to disclose the name of a person who makes complaints except that if the name is disclosed, the Company can contact he/she for more information.

Process of investigation

1. Person who receives complaints will screen, examine, and collect facts.
2. Person who receives complaints will invite a staff to give information or to send relevant documents to find facts.
3. After the investigation, information and sufficient evidence are found to believe that the complaint is true, the person who receives complaints will make a report together with their comments to Executive Committee and/or Audit Committee for consideration and imposes an appropriate penalty. In the case of a complaint which causes damages to anyone, the person who receives a complaint will propose the proper and fair mitigation to the one who has suffered from damages.

Protection of the whistle-blower

1. The person who makes complaints can choose not to disclose his/her identity if it will cause damage to himself. Anyway, information, facts and sufficient evidence have to be specified so that it is reasonable to believe that there is misconduct which is considered dishonest, or a violation of law, regulations, order of the Company or principles of conducting the business of the Company. However, if the person who makes complaints chooses to disclose himself, the process of action will be faster.
2. Information about complaints is confidential and will be disclosed as necessary with regard to safety, and damages to the person who reports the source of information or connected persons. The person who is responsible for the process of protection will keep the information and all evidence as the most confidential and not disclose to other persons. If not, it is considered to break the Company's disciplines.
3. In the case that a person who makes complaints is worried about damage or unsafety, he can request the Company for the proper protection of himself or the Company may establish the protective measure for a person who makes complaints without his request if the complaints are likely to cause damage or unsafety to him.
4. An employee who treats other people unfairly or with improper manner or causes damage to him which is motivated by the information, complaints, or whistle-blowing about dishonesty, violation of law, regulations, order or principle of conducting the Company's business including, being a witness, interrogation or cooperation with the court and government agencies, is considered to break the Company's disciplines and is to be punished. That employee may be imposed a penalty set by law if he is found illegally guilty.
5. A person who suffers from damage will receive the proper and fair mitigation.

8.2 Performance Report of Audit Committee

In 2022, the Company had 4 meetings of the Audit Committee with a complete full quorum. The performance report of the Audit Committee is as follows:

Meetings of Audit Committee

Name	Number of attendance/Total meeting	
	2021	2022
1. Mr. Yongyoot Luangrattanamart	4/4	4/4
2. Mr. Vira Jungjaroensuk	4/4	4/4
3. Mr. Jirasuk Sugandhajati	4/4	4/4

8.3 Summary of Performance of other Committees

Meetings of Executive Committee

In 2021 and 2022, the number of meetings and attendance of each Committee member is as follows:

Name	Number of attendance/Total meeting	
	2021	2022
1. Mr. Viwat Kraipisitkul	10/10	12/12
2. Mrs. Thanyanee Kraipisitkul	10/10	12/12
3. Mr. Thakorn Chaisathaporn	10/10	12/12
4. Mr. Wichian Chaisathaporn	10/10	12/12
5. Mr. Chayut Leehacharoenkul	10/10	9/12
6. Mr. Monchai Pongstabadee	10/10	12/12
7. Mr. Wiroj Wachiradechkul	10/10	12/12
8. Mrs. Kittiya Chaisathaporn	10/10	12/12

Meetings of Risk Management Committee

In 2012 and 2022, the number of meetings and attendances of each Committee member is as follows:

Name	Number of attendance/Total meeting	
	2021	2022
1. Mr. Jirasuk Sugandhajati	2/2	1/1
2. Mr. Wiroj Wachiradechkul	2/2	0/1
3. Mr. Monchai Pongstabadee	2/2	1/1
4. Mr. Wichian Chaisathaporn	2/2	1/1
5. Mr. Chayut Leehacharoenkul	2/2	-
6. Mr. Supachoke Bumrungpun ^{/1}	-	1/1

Remark: ^{/1} Appointed to be member of Risk Management Committee on 9 May, 2022 replacing Mr.Chayut Leehacharoenkul who resigned on 9 May, 2022.

Meetings of Nomination and Remuneration Committee

In 2021 and 2022, the number of meetings and attendances of each Committee member is as follow:

Name	Number of attendance/Total meeting	
	2021	2022
1. Mr. Vira Jungjaroensuk	2/2	2/2
2. Mrs. Thanyanee Kraipisitkul	2/2	2/2
3. Mr. Thakorn Chaisathaporn	2/2	2/2

Meetings of Corporate Governance and Sustainable Development Committee

In 2021 and 2022, the number of meetings and attendances of each Committee member is as follows:

Name	Number of attendance/Total meeting	
	2021	2022
1. Mr. Thakorn Chaisathaporn	-	1/1
2. Mr. Yongyut Luangrattanamart	-	1/1
3. Mr. Monchai Pongstabadee	-	1/1
4. Mr. Wiroj Wachiradechkul	-	1/1
5. Mrs. Kittiya Chaisathaporn	-	1/1

9. Internal Control and Related Party Transactions



9.1 Internal Control

9.1.1 Sufficiency and Appropriateness of the Internal Control System

The Board of Directors realizes that it is important for the Company to have good internal control system and considers that it is their vital duty to ensure that the Company has internal control system which is appropriate and sufficient for the Company to achieve its goal, objectives and complies with law and related requirements. The internal control system can manage risk and prevent harmful effect which may happen to the Company, all groups of stakeholders and protect the assets from corruption, damage and loss. Moreover, the accurate and reliable accounting and financial statements with disclosed information will be available timely.

In the 2nd meeting of the Board of Directors on 22 February 2022, the Board of Directors were of the opinion that the internal control system of the Company was sufficient and appropriate. The assessment of 5 components of internal control system had been conducted in accordance with the Guidelines for internal control and risk management of the Securities and Stock Exchange, Thailand and of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) as follows:

(1) Control Environment

The Company adheres to honesty and ethics. Its policy and operational regulations are in writing. Corporate governance policy and business ethics are in accordance with the international standard. The executives and employees have the philosophy toward work and work style in line with the corporate governance. Rules and regulations, business ethics and disciplinary action are communicated to employees. Executives and employees are prohibited to behave in such a manner that conflict of interest is created. Executives and employees of all level have to disclose about conflict of interest. Corporate governance policy and business ethics are disseminated through various channels to executives and employees to adhere to. In addition, the Company gives importance to anti-corruption by setting it as anti-corruption policy in written form having guidelines for work performance which is transparent, traceability and strengthens the culture of the Company for prevention and anti-corruption.

Members of the Board of Directors are knowledgeable in the business of the Company and have proficiency useful for the business operations of the Company. The Board of Directors also consist of the independent directors who are knowledgeable and reliable as well as having freedom in performing their duty. The Board of Directors have appropriate number of members. The role and responsibility of the Board of Directors and their Committees, namely, Audit Committee, Executive Committee, Risk Management Committee, Nomination and Remuneration Committee, Corporate Governance and Sustainable Development are separated from the role and responsibility. Authority of important units is also clearly defined separately to provide appropriate checks and balances resulting in an efficient internal control. The Audit Committee has an important role in promoting the atmosphere of freedom of the control environment and inspection from the executive. The Internal Audit Unit which reports directly to the Audit Committee has available internal audit procedure which enables them to find errors early and are able to address them timely. The Internal Audit Unit is free to report the audit results to the executives. The Company has

put in place the appropriate punishment or correction process of the action which is against the principle of honesty and ethics within reasonable timeframe.

The organizational structure of the Company is appropriate and consistent with the strategy in business operation. Delegation of duty and responsibility is in writing. Operational regulations, supervision guidelines, approval and delegation of authority (DOA) is in place to limit the authority of Board of Directors and the executives in approval of actions or transactions. Annual work plan and key performance indicators (KPI) are available as guidelines in the operations without creating too much pressure on the employees. Follow-up is conducted regularly by benchmarking. The target is revised annually. All employees are informed of their role, duty and responsibility. The evaluation of the employees which consists of the appraisal of their performance as well as their behavior will be used in the consideration of the remuneration and as motivation in their work. The employees will be informed of the result of the evaluation, both satisfactory and unsatisfactory and needs improvement.

Moreover, the education level and necessary skill for the work as well as work experience has been specified. Job description is available to be used as criteria in the recruitment of suitable employees for the duty and responsibility. Employees are promoted to be developed according to the annual human resource development. Manpower is reviewed annually to be consistent with the business operations direction. The Company has the process of recruiting, developing and maintaining executives and employees of all levels. Succession plan for important positions is also available.

In addition, executives and employees are required to be responsible for the internal control of the work under their responsibility. Changes in the working process, if necessary, can be made by the executives.

In summary, the environment controlling of the Company is satisfactory, appropriate and sufficient. As a result, all employees realize the importance and necessity of the internal control.

(2) Risk assessment

The Company realizes the importance of risk management as well as compliance with law, rules and regulations and preparation of reliable reports. Risk is identified from external and internal factors in different areas associated with the Company. All kinds of risks which may have impact on the business operations are identified and assessed. Moreover, risk will be identified and assessed at all levels including the organization level, divisional level and unit level so as to achieve the overall objectives of the Company. Risk management is considered to be an important component of every process of the business operations and must be connected with all levels. Therefore, the Company has formulated risk management policy and risk management manual and publicized to the employees through various internal communication channels such as website, email, publicity board and communication via the head/boss so that the executives and employees will conduct risk assessment at all levels. In the risk assessment, corporate risk profile will be prepared by including risk identification and assessment of each unit and the existing control as well as additional control to reduce severity and opportunity to occur to the acceptable level (risk appetite). Furthermore, Risk Management Committee has been set up to supervise and support the work concerning risk management of the Company to be consistent with the strategy and business goal and changing situation. The Risk Management Committee will give advice, monitor and evaluate the work in this area so that the overall risk management can achieve the maximum effectiveness.

(3) Control activity

The Company has put the issued policy, rules and regulations, instructions, work plan and operational steps in writing. Moreover, the document has been reviewed and communicated to all employees so that they can put it into practice correctly.

The scope of authority and approval power of the executives is clearly defined in writing. Appropriate separation of authority and assignment of work such as separation of duty in preparing the report, in checking

and the one who gives approval or separation of duty in procurement, approval and acceptance inspection is intended to ensure the effective check and balance.

The Company has risk assessment and control activity sufficiently for the whole organization comprising both manual control and automated control, as appropriate. The Company supports the control activity by technological system such as approval of purchase order by ERP system (Microsoft Dynamic AX) and approval of leave by Tiger Soft, etc. to enhance efficiency of data management and other area of work under the preventive and follow-up measures.

Moreover, The Company has a concise policy concerning connected transaction and related items which complies with the regulation of the Securities and Exchange Commission, Thailand and the Stock Exchange of Thailand which requires that the person who may be stakeholder in making connected transaction has no rights in voting for the approval of connected transaction as if it was made with outsider (At arm's length basis). Moreover, the Company has a policy on confidentiality, information keeping and the use of internal information in order to prevent the disclosure of secret/ information of the Company from exploitation for employee or other persons.

(4) Information and communication

The Company has efficient communication all over the organization in order to convey complete information to employees through various channels such as website, e-mail, publicity board and information through the bosses to employees of all levels to help drive the organization in the same direction and to encourage the employees to perform their duty at best and to promote the corporate culture in giving cooperation.

The Company realizes the importance of information and has formulated standard and improved the work process concerning information management in order to make effective use of information with accuracy and safety, particularly complying with the Personal Data Protection Act B.E.2562 (2019). Moreover, the Company

has a standard system for collecting information and a process for collecting important business information with a backup. It is the Company's policy to keep information in paper and electronic form for an appropriate duration and not less than the time required in the law for use in the work and to ensure that in the case where there is an emergency happens to the main information center, the Company's business operations still have the backup available for use with accuracy and reliability. Furthermore, the Company has restricted rights to access information and make changes to the information in order to keep and protect information's safety to prevent the access to important information or confidential information of irrelevant persons.

For the meeting of the Board of Directors, documents for the meeting must be sent to the Board members at least 7 days which is the minimum duration required by the law so that the Board members can have adequate information for making decision. In order to consider the matter carefully, the Board members can request for additional information from the Management. Report of the meeting must consist of the results of consideration, questions and answers and views of the Board members which can trace back the performance of the Board members. Report of the meeting must be endorsed in the following meeting. Important document must be kept in a complete collection and classified as groups.

If the auditor or internal auditor has recommendation concerning the correction of any error found, the Company must correct as recommended and the Internal Audit Unit will follow up on the correction of the error which had been found.

The Company has several channels to receive comments, recommendations, complaints, compliments and whistle-blowing, i.e. website: www.snp.co.th or e-mail audit_committee@snp.co.th and cg@snp.co.th. Complaints will be kept confidential. For investment, the Investment Relations Unit is responsible for communicating with investors and stakeholders.

(5) Monitoring and evaluation

The Company has monitoring and evaluation system for the internal control in order to be ensured the

complete and consistent continuity of the internal control which is appropriate to the present situation as follows:

The Company has the monitoring system of the compliance with the business ethics and the prohibition of the executives and employees to behave in such a manner as creating conflict of interest. The Company has established a unit responsible for monitoring and reporting on the violation of business ethics and code of conduct to the Corporate Governance and Sustainable Development Committee. The Internal Control Unit is responsible for checking the operation process in the work plan of the annual audit. Irregularities or major defects, if found, will be reported to the Audit Committee and top executive. Moreover, the control self-assessment is conducted both at the management level and the operation level. The Company has included internal control as a part of duty of every employee in order to create confidence to all stakeholders in the Company's fulfillment of its objectives with the proper use of resources while taking care of the assets and preventing misuse, damage, leak and loss and corruption.

The Company has conducted monitoring and evaluation of internal control system by the internal auditor who is knowledgeable and has independence in his performance. The internal auditor will conduct auditing of internal control system with appropriate frequency in monitoring and evaluation. He will report directly to the Audit Committee. The Company gives support to the internal auditor to perform his duty in accordance with international standard for auditing and supports him to attend regularly the training in related areas.

When it is found that there are some items which need improvement, then it must be ensured that the items found and verified have been improved and corrected timely and was reported to the Audit Committee. If a law violation or irregularity which may significantly has an impact on the reputation and financial status of the Company is found, the Internal Audit Unit will report the matter, problem and solution and progress to the Executives and the Audit Committee to be forwarded to the Board of Directors.

9.1.2 Are there any defects concerning the internal control system? Has the correction been completed? Why?

In 2022, the Internal Audit Unit conducted the audit of 6 main working system according to the work plan approved by the Audit Committee. The Internal Audit Unit has evaluated the adequacy of the internal control system and monitored the improvement of the irregularities found. Moreover, the Internal Audit Unit monitored the adequacy of the internal control of the Company and its subsidiaries regarding the prevention of the misuse of assets by any members of the Board of Directors or the Executives and the connected transactions. The result of the audit is submitted for consideration of the Audit Committee prior to reporting to the Board of Directors every tri-quarterly.

From the audit result in 2022, there was no significant defects concerning the internal control. From the

monitoring of the improvement and correction of the internal control, the Management has made complete improvement and correction as to recommend. Moreover, according to the report of the auditor of PricewaterhouseCoopers ABAS Ltd. (PWC), there was no significant defect which impacts the financial status of the Company.

In summary, the Board of Directors are of the view that the internal control system of the Company is adequate and appropriate and there is no significant defect.

The Board of Directors agrees with the view of PricewaterhouseCoopers ABAS Ltd., the Company's auditor for the fiscal year ending on 31 December 2022 that the Company's internal control is reasonably in compliance in essence with the Financial Reporting Standards.

9.1.3 Opinion of the Audit Committee which is different from the Opinion of the Board of Directors

-None-

9.1.4 Opinion of the Audit Committee concerning the qualifications of the Head of Internal Audit Unit

The Audit Committee approved the appointment of Mr. Athatapong Santhai to be Head of Internal Audit Unit which reports directly to the Audit Committee. As the internal auditor of the Company, he is responsible for preparing audit report and giving recommendations for improvement to the Management according to the Company's policy and plan of internal control.

The Audit Committee has considered the qualification of Mr. Athatapong Santhai as adequately appropriate for the above mentioned position. The candidate has qualifications, educational background, work experience and training sufficient for the position of Head of Internal Audit. Qualification, educational background and work experience of the Head of Internal Audit Unit is given in Attachment 3.

9.1.5 Must the appointment, withdrawal and transfer of Head of Internal Audit Unit be approved by the Audit Committee? If not, what is the practice of the Company?

The appointment, withdrawal and transfer of the Head of Internal Audit Unit have to be approved by the Audit Committee.

9.2 Connected transactions that may result in a conflict of interest

Connection transactions between the company and its subsidiaries that involve parties that may have a conflict of interest as of December 31, 2022.

Individual/juristic party with potential conflict	Relationship	Description of connected transaction	Transaction value (THB Millions)	Transaction reasoning and rationale
Mr. Viwat Kraipisitkul	<ul style="list-style-type: none"> Company director Chairman of the Executive Committee Chief Executive Officer Major company shareholder, with holdings of 35.00% through Concord I. Capital Limited, which itself holds 12.50% of company shares. Major company shareholder, with holdings of 35.00% through Ascend I. Holdings Company Limited, which itself holds 14.30% of company shares. Married to Mrs. Thanyanee Kraipisitkul 	<ul style="list-style-type: none"> Building and other real estate leases Other creditors 	<p>1.20</p> <p>0.30</p>	<ul style="list-style-type: none"> The Company has a contract to lease areas in 4 commercial buildings from Mr. Viwat Kraipisitkul, with an area of 4*12m² across 5 floors, totaling around 1000m². The addresses of these buildings are 325/6-9 Lanluang Road, Sriyakhmahanak Sub-District, Dusit District, Bangkok The Company pays rental fees annually at a rate of 1,200,000 THB in accordance with the contract, with said fees payable in advance, on the last day of January. The lease term is for 1 year, from January 1st, 2022 to December 31st, 2022. On December 28th, 2022, the lease was extended for another year, from January 1st, 2023 to December 31st, 2023. The rental rate (100 baht/sq.m./month) and rental conditions are as agreed upon between the contracting parties, with the rental rate corresponding to that of similar commercial buildings in the vicinity.
	Mr. Wattana Chaisathaporn	<ul style="list-style-type: none"> Income from product sales 	0.07	<ul style="list-style-type: none"> The Company sells products to Mr. Wattana Chaisathaporn. The aforementioned sales occur for a certain period, acting as holiday gifts. The Company has established prices, conditions, and payment terms similar to those in transactions with third parties.
	Ms. Nathamon Chaisathaporn	<ul style="list-style-type: none"> Younger sister of Mr. Viwat Kraipisitkul, Mr. Thakorn Chaisathaporn and Mr. Wichian Chaisathaporn, who are company directors. 	0.01	<ul style="list-style-type: none"> The Company sells products to Ms. Nathamon Chaisathaporn. The aforementioned sales occur for a certain period, acting as holiday gifts. The Company has established prices, conditions, and payment terms similar to those in transactions with third parties.

Individual/juristic party with potential conflict	Relationship	Description of connected transaction	Transaction value (THB Millions)	Transaction reasoning and rationale
Mrs. Wanida Jeungthamdeerungkajorn	<ul style="list-style-type: none"> Company shareholder Older sister of Mr. Viwat Kraipisitkul, Mr. Thakorn Chaisathaporn and Mr. Wichian Chaisathaporn, who are company directors. 	<ul style="list-style-type: none"> Product purchasing 	0.54	<ul style="list-style-type: none"> The Company purchases products from Ms. Wannida when there is a specific, limited need for said product, but not on a regular basis. Therefore, if the Company orders from other sellers, we will purchase the minimum quantity as specified by the seller, even if that may exceed the company's requirements. In addition to being able to purchase the required quantities, the Company can also order the aforementioned products at any time, which the seller can then deliver as promptly as is necessary. However, the price paid for said products will be in accordance with current market rates. Payment terms are in accordance with regulations and practices applicable to other vendors.
Kim Heng Food Products Company Limited (A producer and purveyor of food and snacks. This company adjusted its objectives as of May 15, 2019, and now offers real estate leasing services).	<p>A juristic party with the following company directors as major shareholders:</p> <ol style="list-style-type: none"> 1) Mr. Viwat Kraipisitkul, who holds 20.0% of KHF shares. 2) Mrs. Thanyanee Kraipisitkul who holds 18.0% of KHF shares. 3) Mr. Thakorn Chaisathaporn, who holds 25.0% of KHF shares. 4) Mr. Wichian Chaisathaporn, who holds 20.0% of KHF shares. <ul style="list-style-type: none"> Mr. Viwat Kraipisitkul is a company director for both companies. 	<ul style="list-style-type: none"> Asset usage rights Land and building lease fees 	<p>165.30</p> <p>7.03</p>	<ul style="list-style-type: none"> The Company leases land and buildings from Kim Heng Food Products Co., Ltd. For the purpose of snack production and other related operations. The lease contract applies to an area of land measuring 56,062.4m², which includes an office building with 940m² of serviceable space and a factory covering 21,982m². The address is 99/99, Moo 4, Petchkasem Soi 99 (Pongsirichai 1), Petchkasem Rd., Aom Noi Subdistrict, Krathumbaen District, Samuth Sakorn Province. The lease contract is for 30 years, effective July 1, 2016 until June 30, 2046. The Company paid a combined fee of 300m THB for the 30-year lease up front on the day the lease began, in accordance with the lease terms. This was based on the report for the 1st/2016 Board of Directors Meeting held on March 10, 2016, at which the Board approved the restructuring of the Company's business operations to ensure that the financial structure of each company within the group is appropriate for business operations. Before the restructuring,

Individual/juristic party with potential conflict	Relationship	Description of connected transaction	Transaction value (THB Millions)	Transaction reasoning and rationale
				<p>Siam Daily Foods Co., Ltd. (SDF), Sri Siam Food Products Co., Ltd. (SSF), and Kim Heng Foods Co., Ltd. (KH) had borrowed money from financial institutions to operate their production businesses. As part of the restructuring, the company paid one installment of this loan back in full, meaning SDF, SSF, and KH, which would cease their production businesses after the restructuring, could repay their loans. After restructuring, the Company would be the sole manufacturer and distributor of its products. Therefore, the Company entered into a land and factory lease agreement to ensure the continuity of its operations and to reduce the impact of the restructuring. The locations of the SDF, SSF, and KH factories were deemed to be in beneficial locations, adjacent to major roads and public utilities. Hence, the Company decided to enter into a lease agreement for the aforementioned land and factory for the longest lease term allowed by law, which is 30 years.</p> <ul style="list-style-type: none"> The rental rate and leasing terms are in accordance with the agreement between the parties, with reference to market rates. The market rental value was assessed at 348.74m THB using the 'Income Approach' method and evaluated by The Valuation and Consultants Co., Ltd.
<p>Siam Daily Foods Co., Ltd.</p> <p><i>(A producer and purveyor of food and snacks. This company adjusted its objectives as of May 15, 2019, and now offers real estate leasing services).</i></p>	<p>A juristic party with the following company directors as major shareholders:</p> <p>1) Mr. Viwat Kraipisitkul, who holds 12.5% of SDF shares.</p> <p>2) Mrs. Thanyanee Kraipisitkul, who holds 30.0% of SDF shares.</p>	<ul style="list-style-type: none"> Asset usage rights Land and building lease fees 	<p>54.60</p> <p>2.32</p>	<ul style="list-style-type: none"> The Company leases land and buildings from Siam Daily Foods Co., Ltd. for the purpose of snack production and other related operations. The lease contract applies to an area of land measuring 14,028m², which includes a factory with 12,631m² of serviceable space. The address is 234, Moo 4, Setthakit Rd. (Highway 3091), Aom Noi Subdistrict, Krathumbaen District, Samuth Sakorn Province. The lease contract is for 30 years, effective July 1, 2016 until June 30, 2046.

Individual/Juristic party with potential conflict	Relationship	Description of connected transaction	Transaction value (THB Millions)	Transaction reasoning and rationale
	<p>3) Mr. Thakorn Chaisathaporn, who holds 23.0% SDF shares.</p> <p>4) Mr. Wichian Chaisathaporn, who holds 18.25% of SDF shares.</p> <ul style="list-style-type: none"> • Mrs. Thanyanee Kraipisitkul is a company director for both companies. 			<ul style="list-style-type: none"> • The lease contract applies to an area of land measuring 56,062.4m², which includes an office building with 940m² of serviceable space and a factory covering 21,982m². The address is 99/99, Moo 4, Petchkasem Soi 99 (Pongsirichai 1), Petchkasem Rd., Aom Noi Subdistrict, Krathumbaen District, Samuth Sakorn Province. The lease contract is for 30 years, effective July 1, 2016 until June 30, 2046. <p>The Company paid a combined fee of 300m THB for the 30-year lease up front on the day the lease begun, in accordance with the lease terms. This was based on the report for the 1st/2016 Board of Directors Meeting held on March 10, 2016, at which the Board approved the restructuring of the Company's business operations to ensure that the financial structure of each company within the group is appropriate for business operations. Before the restructuring, Siam Daily Foods Co., Ltd. (SDF), Sri Siam Foods Products Co., Ltd. (SSF), and Kim Heng Foods Co., Ltd. (KH) had borrowed money from financial institutions to operate their production businesses. As part of the restructuring, the Companies paid one installment of this loan back in full, meaning SDF, SSF, and KH, which would cease their production businesses after the restructuring, could repay their loans. After restructuring, the Company would be the sole manufacturer and distributor of its products. Therefore, the Company entered into a land and factory lease agreement to ensure the continuity of its operations and to reduce the impact of the restructuring. The locations of the SDF, SSF, and KH factories were deemed to be in beneficial locations, adjacent to major roads and public utilities. Hence, the Company decided to enter into a lease agreement for the aforementioned land and factory for the longest lease term allowed by law, which is 30 years.</p>

Individual/juristic party with potential conflict	Relationship	Description of connected transaction	Transaction value (THB Millions)	Transaction reasoning and rationale
				<ul style="list-style-type: none"> The rental rate and leasing terms are in accordance with the agreement between the parties, with reference to market rates. The market rental value was assessed at 348.74m THB using the 'Income Approach' method and evaluated by The Valuation and Consultants Co., Ltd.
Sri Siam Food Product Company Limited <i>(A producer and purveyor of food and snacks. This company adjusted its objectives as of May 15, 2019, and now offers real estate leasing services).</i>	A juristic party with the following company directors as major shareholders: 1) Mr. Viwat Kraipisitkul, who holds 15.0% of SSF shares. 2) Mrs. Thanyanee Kraipisitkul, who holds 25.0% of SSF shares. 3) Mr. Thakorn Chaisathaporn, who holds 25.0% SSF shares. 4) Mr. Wichian Chaisathaporn, who holds 20.0% SSF shares. <ul style="list-style-type: none"> Mr. Viwat Kraipisitkul is a company director for both companies. 	<ul style="list-style-type: none"> Asset usage rights Land and building lease fees 	60.30 2.57	<ul style="list-style-type: none"> The Company leases land and buildings from Sri Siam Food Products Co., Ltd. for the purpose of snack production and other related operations. The lease contract applies to an area of land measuring 15,540m², which includes an office building with 1,650m² of serviceable space and a factory with 21,982m². The address is 99/99, Moo 7, Suphaphibal Soi 2, Puthamonthol 4 Rd., Aom Noi Subdistrict, Krathumbaen District, Samuth Sakorn Province. The lease contract is for 30 years, effective July 1, 2016 until June 30, 2046. The lease contract applies to an area of land measuring 56,062.4m², which includes an office building with 940m² of serviceable space and a factory covering 21,982m². The address is 99/99, Moo 4, Petchkasem Soi 99 (Pongsirichai 1), Petchkasem Rd., Aom Noi Subdistrict, Krathumbaen District, Samuth Sakorn Province. The lease contract is for 30 years, effective July 1, 2016 until June 30, 2046. <p>The Company paid a combined fee of 300m THB for the 30-year lease up front on the day the lease began, in accordance with the lease terms. This was based on the report for the 1st/2016 Board of Directors Meeting held on March 10, 2016, at which the Board approved the restructuring of the Company's business operations to ensure that the financial structure of each company within the group is appropriate for business operations. Before the restructuring,</p>

Individual/juristic party with potential conflict	Relationship	Description of connected transaction	Transaction value (THB Millions)	Transaction reasoning and rationale
				<p>Siam Deli Food Products Co., Ltd. (SDF), Sri Siam Foods Products Co., Ltd. (SSF), and Kim Heng Foods Co., Ltd. (KH) had borrowed money from financial institutions to operate their production businesses. As part of the restructuring, the Companies paid one installment of this loan back in full, meaning SDF, SSF, and KH, which would cease their production businesses after the restructuring, could repay their loans. After restructuring, the Company would be the sole manufacturer and distributor of its products. Therefore, the Company entered into a land and factory lease agreement to ensure the continuity of its operations and to reduce the impact of the restructuring. The location of the SDF, SSF, and KH factories was deemed to be in beneficial locations, adjacent to major roads and public utilities. Hence, the Company decided to enter into a lease agreement for the aforementioned land and factory for the longest lease term allowed by law, which is 30 years.</p> <ul style="list-style-type: none"> • The rental rate and leasing terms are in accordance with the agreement between the parties, with reference to market rates. The market rental value was assessed at 348.74m THB using the 'Income Approach' method and evaluated by The Valuation and Consultants Co., Ltd.
Thai Faster Products Company Limited (TFP) (<i>Producer, distributor and exporter of snack products</i>)	A juristic party with the following company directors as major shareholders: 1) Mr. Thakorn Chaisathaporn, who holds 45.0% of TFP shares. 2) Mr. Wichian Chaisathaporn, who holds 35.0% of TFP shares.	<ul style="list-style-type: none"> • Other debtors • Proceeds from sales of other products 	5.47 11.72	<ul style="list-style-type: none"> • The Company sells raw ingredients and some forms of packaging to TFP, which sells said raw ingredients and packaging on to Thai Faster Products and MK Company Limited or TFMK (for which TFP holds 60% of shares). These ingredients and packaging are used in the production and distribution of products to Myanmar. • TFMK is a company registered in Myanmar, established as an operational partner with TFP and other subsidiaries in 2012 to sell Jelly products. TFP company directors hold shares and manage operations as part of this partnership.

Individual/juristic party with potential conflict	Relationship	Description of connected transaction	Transaction value (THB Millions)	Transaction reasoning and rationale
	<ul style="list-style-type: none"> Mr. Thakorn Chaisathaporn and Mr. Wichian Chaisathaporn are company directors at both companies. 			<ul style="list-style-type: none"> However, to prevent conflicts of interest between the Company and its shareholders, a producer and distributor company has been set up to operate on TPF's behalf in Myanmar. This was based on the report for the 7th Board of Directors Meeting held on August 15, 2016, at which the Board approved TFP's investment in TFMK and holding of its shares, which were purchased at net book value. The Company entered an agreement for the purchase of TFMK shares on September 4, 2016, and on April 29, 2017, SNNP International Public Company Limited (a company affiliate) also put their name to an agreement to purchase TFMK shares. However, at a Board of Directors meeting held on December 15, 2017, it was agreed that all purchasing of shares and related activities between TFMK and TFP would be ceased. Additionally, to further protect against potential future conflicts of interest, Mr. Thakorn Chaisathaporn and Mr. Wichian Chaisathaporn, in their positions of major shareholders and directors of TFP, put their names to an agreement stating their intentions not to engage in activities on behalf of company competitors. On July 29, 2022, TFP submitted notification of the sale of TFMK shares to investors under the terms of its 'Right of First Refusal' agreement. Said investors declined to purchase any such shares from TFP, so all such shares belonging to TFP were sold to third parties. On August 31, 2022, at a TFMK Board of Directors meeting, approval was given to transfer all TFP-owned shares to third party ownership. TFP and its investors then put their names to an amended agreement, with Mr. Wichian Chaisathaporn resigning from his position as TFMK company director later than day.

Individual/juristic party with potential conflict	Relationship	Description of connected transaction	Transaction value (THB Millions)	Transaction reasoning and rationale
		<ul style="list-style-type: none"> Other income 	0.40	<ul style="list-style-type: none"> The Company has an agreement with TFMK over the use of TFP branding to ensure it can continue the production and distribution of Jelly products to Myanmar. The original agreement was effective from September 4, 2016, until March 31, 2017. Subsequently on April 1, 2018, TFP extended this agreement to run from April 1, 2018 until August 31, 2022. Rates of remuneration and terms are in accordance with the agreement, with reference to average industry rates.
Sernsang Infinite Company Limited <i>(A factory producing and distributing electricity sourced from solar panels and biofuels)</i>	A juristic party with the following company directors as major shareholders: 1) Mr. Viwat Kraipisitkul, who holds 23.8% of Sernsang Infinite Co. Ltd. shares. 2) Mr. Piyawat Kraipisitkul, who holds 16.9% of Sernsang Infinite Co. Ltd. shares. <ul style="list-style-type: none"> Mr. Viwat Kraipisitkul is a company director for both companies. 	<ul style="list-style-type: none"> Other debots 	0.02	<ul style="list-style-type: none"> The Company has a contract to purchase solar-produced electricity from Sernsang Infinite Co. Ltd., in addition to a partial lease agreement for land upon which the solar electricity plant is built.
		<ul style="list-style-type: none"> Other creditors 	0.79	
		<ul style="list-style-type: none"> Outstanding electricity bills 	0.67	<ul style="list-style-type: none"> The Company purchases solar energy for use in the production of its ready-to-drink Jelly products, caragenan Jelly products, baked squid products, dried squid fiber products, and dried fish fiber products. The details and rates at which the Company leases the land for solar panel use is as follows:
		<ul style="list-style-type: none"> Electricity bills 	8.94	
		<ul style="list-style-type: none"> Income from land leasing 	0.27	
		<ul style="list-style-type: none"> Outstanding income payments-associated operations 	0.04	<ol style="list-style-type: none"> 1) A 25-year contract to sell and purchase solar energy, effective from the first date of purchasing and lasting for the full 3-year land lease agreement. 2) The price of sale and purchase for the solar energy is in accordance with the pre-determined conditions of the contract between the two parties, which includes a minimum value condition. 3) The partial lease fees and terms are in accordance with the predetermined conditions of the contract between the two parties, with reference to comparable market rates. <ul style="list-style-type: none"> The Company purchases solar energy on a monthly basis in accordance with the units used each month or at the minimum value specified in the contract.

Individual/juristic party with potential conflict	Relationship	Description of connected transaction	Transaction value (THB Millions)	Transaction reasoning and rationale
Wonder Technology Development Company Limited	<ul style="list-style-type: none"> The child of major company shareholders and company directors (Mr. Thakorn and Mrs. Kittiya) is a manager, company director and major shareholder of this company (holding 89.6% of its shares). 	<ul style="list-style-type: none"> Other debtors-associated operations Outstanding transport bills Transport bills 	<p>2.45</p> <p>1.19</p> <p>11.53</p>	<ul style="list-style-type: none"> The Company has a longstanding agreement to rent HGVs from Wonder Technology Development Co. Ltd. and those vehicles are not currently required by the company The rental rates take the vehicle's condition, model, and length of use into account. All rates paid are comparable to general market rates. Vehicle rental fees and gasoline fees are paid on a monthly basis, with gasoline payments collected in accordance with the amount used plus 3% management fees. The Company pays product transportation fees at the same rates as it does to third party transportation providers. Transportation fees are paid over the same periods as they would be with third party transportation providers.
		<ul style="list-style-type: none"> Income from asset sales 	0.66	<ul style="list-style-type: none"> The Company has now changed its method of transporting goods from using its own vehicles to those hired vehicles in order to manage the cost of fuel, vehicle maintenance fees, as well as driver and delivery personnel wages. The Company considered the use of its own vehicles for transporting goods between factories and delivering them to customers nearby. However, the Company deemed that the management and maintenance of the unused and aging trucks in the fleet would not be cost-effective. Hence, the Company has decided to sell one 6-wheeled vehicle to Wonder Technology Development Co., Ltd. at market price.
		<ul style="list-style-type: none"> Other debtors-associated operations 	0.88	<ul style="list-style-type: none"> The Company has employed the services of Wonder Export & Import Co., Ltd. to handle the customs clearance of imported goods (raw materials and packaging materials from abroad) for the Company. This increases the efficiency of the customs clearance
Wonder Export & Import Company Limited	A major company shareholder and director (Mr. Thakorn) is a director at this company.			

Individual/juristic party with potential conflict	Relationship	Description of connected transaction	Transaction value (THB Millions)	Transaction reasoning and rationale
		<ul style="list-style-type: none"> Customs clearance fees for imported goods 	0.31	process (for raw materials and packaging materials from abroad) to meet the needs of the production department, and to manage the cost of importing goods from abroad more effectively.
Siam Clean Solutions Company Limited (SCS)	<ul style="list-style-type: none"> A major company shareholder and company director (Mr. Viwat Kraipisitkul) holds 1.25% of SCS shares and holds a total of 39.58% of SCS shares indirectly via close relatives and associates (Mrs. Thanyanee Kraipisitkul, Mr. Piyawat Kraipisitkul, Mr. Thanawun Kraipisitkul, Miss Thanthaporn Kraipisitkul, Concord I. Capital Limited, and Ascend I. Holdings Company Limited). 	<ul style="list-style-type: none"> Income from land lease agreements Deferred income 	0.07 0.44	<ul style="list-style-type: none"> The Company is leasing 755,148m² of land located in Jombeung district, Ratchaburi province, to Siam Clean Solutions Co. Ltd. (SCS), with a rental period of 30 years effective from the date of the lease agreement. The total rental value for the entire lease term is 16.4m THB. Previously, the Company had plans to utilize the Company's unused land in Ratchaburi province for the purpose of building a factory to expand its production base in Thailand, as well as to expand production to factories in other countries to meet the increasing demand for products from customers in Thailand and the CLMV group of countries. However, an operational factory in Vietnam (STFM) has sufficient production capacity to meet the market demand in Vietnam and other CLMV countries. Therefore, the Company considers there to be no need for investment in the expansion of the factory in Ratchaburi province. Instead, the company is leasing this land to Siam Clean Solutions Co., Ltd. for a solar farm project.
	<ul style="list-style-type: none"> A major company shareholder and company director (Mr. Viwat Kraipisitkul) indirectly holds shares via his 16.98% stake in Sermuang Power Corporation PLC. (SSP), which holds 99.99% of SCS shares. Company directors Mr. Viwat Kraipisitkul and Mrs. Thanyanee Kraipisitkul are also company directors at SSP. 			

Standards and Approval Procedures for Related Party Transactions

When conducting transactions connected to the Company and its subsidiaries, we shall comply with the Securities and Exchange Act 1992 (including any amendments), as well as with the regulations, announcements, orders, or requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. This includes requirements regarding the disclosure of connected transaction information and other relevant criteria, while any party with vested interests shall not be permitted to participate in the approval of such transactions.

In cases where the law requires connected transaction approval by the Board of Directors, the Company will establish a committee to review and provide feedback regarding the necessity and rationality of such transactions. For regular business transactions or transactions that support regular business practices, including those which are subject to regular commercial terms and conditions, and those transactions not subject to regular terms and conditions, the following principles shall apply:

(1) Transactions subject to regular commercial terms and conditions

The Board of Directors has provided its approval in principle that the management team can approve connected transactions subject to general commercial terms and conditions between the Company and its subsidiaries, and its Board of Directors, executives, major shareholders, or related parties, provided that such agreements comply with industry standards. Additionally, the terms of these agreements must be consistent with what would reasonably be accepted in similar industry situations and free from the influence of a party's status as a director, executive, major shareholder, or related party (as the case may be). The Company will prepare a report summarizing such transactions for reporting to the Audit Committee and the Board of Directors on a quarterly basis.

(2) Transactions not subject to regular commercial terms and conditions

Transactions not subject to regular commercial terms and conditions must be reviewed by the Audit Committee, which will present its opinions to the Company's Board of Directors and/or at a stakeholders meeting (case dependent) for approval. There must be compliance with the Securities and Exchange Act, as well as with the regulations, announcements, orders, or requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. This includes requirements regarding the disclosure of connected transaction information and other relevant criteria.

In cases where the Audit Committee lacks the required level of expertise to pass fair judgement on the suitability of connected transactions, the Company shall arrange for individuals with special expertise, such as auditors or independent property appraisers, to provide opinions on said transactions. Their feedback will then be used by the Audit Committee and/or Board of Directors and/or stakeholders (depending on the case), who will then be able to make confident decisions regarding the necessity and rationality of such transactions, with consideration also given to the potential benefits to the Company. The Company shall disclose details of connected transactions in its annual report and in accompanying financial statements that have been audited by the company's financial auditors.

Policy or Trends Regarding Current/Future Related Party Transactions

In cases of future Related Party Transactions, the Company's Board of Directors must act in compliance with the Securities and Exchange Act, as well as with the regulations, announcements, orders, or requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. This includes requirements regarding the disclosure of connected transaction information in accordance with the Association of Accountants and Auditors of Thailand standards, and other relevant criteria.

In addition, should there be connected transactions or adjustments to the terms and conditions of transactions related to the Board of Directors, executives, major stakeholders, or persons associated with the Company, the party with a vested interest in such transactions will not be permitted to participate in the board meeting set up to consider the approval of such transactions.

3

Part 3

Financial Statement

SRINANAPORN MARKETING PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2022



Independent Auditor's Report

To the shareholders of Srinanaporn Marketing Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Srinanaporn Marketing Public Company Limited (the Company) and its subsidiaries (the Group) and separate financial position of the Company as at 31 December 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and separate financial statement comprise:

- the consolidated and separate statements of financial position as at 31 December 2022;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Valuation of inventories. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.



Key audit matter	How my audit addressed the key audit matter
<p>Valuation of inventories</p> <p>Refer to note 11 Inventories, net</p> <p>As at 31 December 2022, the balance of inventories of the Group before the allowance for slow-moving, obsolete and damage were Baht 719.7 million, the allowance for slow-moving, obsolete and damage of the Group was Baht 39.1 million. The net inventories represent 13.4% of total assets of the Group.</p> <p>Management based their assessment and specified criteria on their experience, judgement and historical data. The management recognises the allowances for slow - moving, obsolete and damage in following the specified criteria. Also, the allowance is assessed by considering the shelf life aging, expiring date and the aging of inventories that affect slow-moving, obsolete and damage.</p> <p>I focussed on the valuation of inventories because inventories have a material impact on the total assets of the Group. The allowances for slow-moving, obsolete and damage are subject to management's judgement and experience.</p>	<p>I performed the following procedures to obtain evidence of how the management measured the valuation of inventories:</p> <ul style="list-style-type: none"> • Obtained an understanding of and evaluated the management's method to develop the allowances for slow-moving, obsolete and damage and assessed the compliance with the accounting policies of the Group. • Challenged management's judgement and assumptions of shelf life aging, expiring date and inventories aging to whether they were appropriate for determining the allowances for slow-moving inventories, obsolete and damage. Also, I tested the reliability of the inventory aging report by tracing the last movement date of inventories to the supporting documents. • Assessed the reasonableness of management's assumptions used when developing the allowances for slow-moving, obsolete and damage by considering historical data and key inventory ratio analysis. • Tested the mathematical accuracy of the allowances for slow-moving, obsolete and damage derived from management's assumptions. • Assessed whether any slow-moving, obsolete and damage were omitted from the detailed analysis with inventory aging analysis and information obtained while observing inventory counts. <p>Based on the procedures above, I found that the valuation method of inventories was appropriated, and that the assumptions used to develop the allowance for slow-moving, obsolete and damage were reasonable based on available evidence and relevance accounting for this matter.</p>



Other information

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

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink, appearing to read "Amornrat Pearmpoonvatanasuk".

Amornrat Pearmpoonvatanasuk
Certified Public Accountant (Thailand) No. 4599
Bangkok
21 February 2023

Srinanaporn Marketing Public Company Limited
Statement of Financial Position
As at 31 December 2022

		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Notes		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	9	132,764,232	162,075,815	47,211,412	50,776,375
Trade and other receivables, net	10	1,586,980,421	1,126,255,075	1,599,505,171	1,122,544,848
Inventories, net	11	680,558,618	412,073,636	628,136,697	386,553,737
Loans to related parties	30.5	-	-	100,000,000	-
Other current assets		1,418,303	2,089,269	11,407,812	1,927,060
Total current assets		2,401,721,574	1,702,473,795	2,386,261,092	1,561,802,020
Non-current assets					
Investments in subsidiaries	12	-	-	544,925,409	539,925,409
Investments in a joint venture	13	109,564,514	137,091,402	-	-
Property, plant and equipment, net	14	1,941,168,751	1,858,486,654	990,118,056	1,202,454,483
Investment property	15	165,180,000	-	165,180,000	-
Right-of-use assets, net	16	334,746,646	345,913,916	299,402,406	308,268,949
Intangible assets, net	17	17,589,358	19,882,149	16,913,750	19,220,373
Goodwill		3,201,936	3,201,936	-	-
Deferred tax assets	18	27,282,629	24,880,809	24,424,852	21,557,780
Other non-current assets		68,432,323	60,336,115	37,196,563	20,185,699
Total non-current assets		2,667,166,157	2,449,792,981	2,078,161,036	2,111,612,693
Total assets		5,068,887,731	4,152,266,776	4,464,422,128	3,673,414,713

Chief financial officer _____

Director _____

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

Srinanaporn Marketing Public Company Limited
Statement of Financial Position
As at 31 December 2022

		Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
Notes		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings					
from financial institutions	19	40,000,000	10,148,660	40,000,000	10,148,660
Trade and other payables	21	1,256,382,739	876,686,407	1,215,418,924	816,599,562
Current portion of lease liabilities, net	20	5,621,634	5,751,094	5,138,565	4,797,962
Current portion of long-term borrowings					
from financial institutions, net	19	16,668,000	-	16,668,000	-
Income tax payables		76,227,028	33,630,391	75,876,807	33,236,543
Other current liabilities		-	365,880	-	365,880
Total current liabilities		1,394,899,401	926,582,432	1,353,102,296	865,148,607
Non-current liabilities					
Lease liabilities, net	20	14,887,205	12,789,517	13,626,503	10,649,909
Long-term borrowings					
from financial institutions, net	19	227,396,270	-	63,332,000	-
Employee benefit obligations	22	54,775,886	53,679,384	54,394,503	53,093,334
Deferred tax liabilities	18	70,949,919	68,533,830	-	-
Total non-current liabilities		368,009,280	135,002,731	131,353,006	63,743,243
Total liabilities		1,762,908,681	1,061,585,163	1,484,455,302	928,891,850

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

Srinanaporn Marketing Public Company Limited
Statement of Financial Position
As at 31 December 2022

		Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
Notes		Baht	Baht	Baht	Baht
Liabilities and equity (continued)					
Equity					
Share capital	23				
- Authorised share capital					
960,000,000 ordinary shares					
at par value of Baht 0.5 each		480,000,000	480,000,000	480,000,000	480,000,000
- Issued and paid-up share capital					
960,000,000 ordinary shares					
paid-up at Baht 0.5 each		480,000,000	480,000,000	480,000,000	480,000,000
Premium on share capital		2,018,140,406	2,018,140,406	2,018,140,406	2,018,140,406
Net effect from business combination					
under common control		(412,488,709)	(412,488,709)	(412,488,709)	(412,488,709)
Deficit from dilution of investments in					
subsidiaries		(829,580)	(829,580)	-	-
Retained earnings					
Appropriated - Legal reserve	24	48,000,000	48,000,000	48,000,000	48,000,000
Unappropriated		660,164,114	451,648,809	741,476,688	506,032,725
Other components of equity		256,461,945	253,185,969	104,838,441	104,838,441
Equity attributable to owners					
of the Company		3,049,448,176	2,837,656,895	2,979,966,826	2,744,522,863
Non-controlling interests		256,530,874	253,024,718	-	-
Total equity					
		3,305,979,050	3,090,681,613	2,979,966,826	2,744,522,863
Total liabilities and equity					
		5,068,887,731	4,152,266,776	4,464,422,128	3,673,414,713

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

Srinanaporn Marketing Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2022

		Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
	Notes	Baht	Baht	Baht	Baht
Revenues					
Revenue from sales	8	5,556,144,511	4,357,885,086	5,425,327,655	4,173,446,565
Gain on loss of control of a subsidiary		-	128,734,589	-	-
Other income	25	47,830,578	33,204,452	76,035,645	54,280,659
Total revenues		5,603,975,089	4,519,824,127	5,501,363,300	4,227,727,224
Expenses					
Cost of sales		4,041,677,240	3,209,059,062	3,962,840,287	3,109,781,729
Selling expenses		668,888,359	512,553,228	641,343,989	432,377,638
Administrative expenses		217,368,510	224,462,822	217,262,965	202,421,914
Total expenses		4,927,934,109	3,946,075,112	4,821,447,241	3,744,581,281
Profit before finance costs and income taxes		676,040,980	573,749,015	679,916,059	483,145,943
Finance costs		(1,672,209)	(40,270,971)	(1,566,727)	(39,084,311)
Share of loss of investment in a joint venture		(25,419,743)	(26,062,615)	-	-
Profit before income taxes		648,949,028	507,415,429	678,349,332	444,061,632
Income taxes	27	(137,171,896)	(85,778,689)	(135,705,439)	(86,192,638)
Profit for the year		511,777,132	421,636,740	542,643,893	357,868,994

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

Srinanaporn Marketing Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Other comprehensive income (expense)					
Items that will not be reclassified subsequently to profit or loss					
- Remeasurements of post-employment benefit obligations		-	(2,458,766)	-	(2,458,766)
- Gains on revaluation of land		-	250,371,169	-	16,097,670
- Income tax on items that will not be reclassified subsequently to profit or loss	18	-	(49,582,481)	-	(2,727,781)
Total items that will not be reclassified subsequently to profit or loss		-	198,329,922	-	10,911,123
Items that will be reclassified subsequently to profit or loss					
- Translation differences		10,720,235	60,040,252	-	-
Total items that will be reclassified subsequently to profit or loss		10,720,235	60,040,252	-	-
Other comprehensive income for the year, net of taxes		10,720,235	258,370,174	-	10,911,123
Total comprehensive income for the year		<u>522,497,367</u>	<u>680,006,914</u>	<u>542,643,893</u>	<u>368,780,117</u>
Profit (loss) attributable to:					
- Owners of the Company		515,715,235	437,166,736	542,643,893	357,868,994
- Non-controlling interests		(3,938,103)	(15,529,996)	-	-
Net profit for the year		<u>511,777,132</u>	<u>421,636,740</u>	<u>542,643,893</u>	<u>357,868,994</u>
Total comprehensive income attributable to:					
- Owners of the Company		518,991,211	573,387,183	542,643,893	368,780,117
- Non-controlling interests		3,506,156	106,619,731	-	-
Total comprehensive income for the year		<u>522,497,367</u>	<u>680,006,914</u>	<u>542,643,893</u>	<u>368,780,117</u>
Earnings per share					
Basic earnings per share	28	0.54	0.53	0.57	0.43

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

Srinanaporn Marketing Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2022

Consolidated financial statements																				
Attributable to owners of the Company																				
Note	Issued and paid-up share capital	Retained earnings			Effect from business combination under common control			Deficit from dilution of investments in subsidiaries			Other components of equity			Total equity						
		Baht	Baht	Baht	Premium on share capital	Legal reserve	Unappropriated	Baht	Baht	Baht	Other comprehensive income (expense)		Total other components of equity		Total owners of the Company	Non-controlling interests				
											Baht	Baht					Baht	Baht	Baht	Baht
360,000,000	-	37,902,692	122,544,144	-	-	(412,488,709)	(1,948,956)	131,542,495	(18,543,988)	114,988,509	221,007,680	239,419,421	460,427,101							
	120,000,000	2,018,140,406	-	-	-	-	-	-	-	-	-	2,138,140,406	-	2,138,140,406						
	-	-	-	-	-	-	-	-	-	-	-	-	(12,301,790)	(12,301,790)						
	-	-	-	-	-	-	-	1,119,376	-	-	-	1,119,376	(90,712,644)	(79,593,268)						
	-	-	-	(95,997,750)	-	-	-	-	-	-	-	(95,997,750)	-	(95,997,750)						
24	-	-	10,097,308	(10,097,308)	-	-	-	-	-	-	-	-	-	-						
	-	-	-	435,199,723	-	-	-	-	104,713,348	33,474,112	138,187,460	573,387,183	109,619,731	680,008,914						
Closing balance as at 31 December 2021																				
	480,000,000	2,018,140,406	48,000,000	451,646,809	-	-	(412,488,709)	(829,580)	238,255,843	16,930,126	253,186,869	2,837,656,895	253,024,718	3,090,681,613						

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

Srinanaporn Marketing Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2022

		Consolidated financial statements											
		Attributable to owners of the Company											
		Retained earnings				Effect from business combination under common control				Deficit from dilution of investments in subsidiaries			
		Other components of equity				Other comprehensive income				Total components of equity			
		Issued and paid-up share capital				Premium on share capital				Legal reserve			
		Unappropriated reserve				Revaluation surplus on land				Translation differences			
		Total other components of equity				Total of owners of the Company				Non-controlling interests			
		Total equity											
Note		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
		480,000,000	2,018,140,406	48,000,000	451,548,809	(412,488,709)	(829,580)	236,255,843	18,930,126	253,185,969	2,837,656,895	253,024,718	3,090,681,613
29	Opening balance as at 1 January 2022	-	-	-	(307,199,930)	-	-	-	-	-	(307,199,930)	-	(307,199,930)
	Dividend paid	-	-	-	515,715,235	-	-	-	3,275,978	3,275,978	519,991,211	3,506,158	522,497,367
	Total comprehensive income for the year	480,000,000	2,018,140,406	48,000,000	660,164,114	(412,488,709)	(829,580)	236,255,843	20,206,102	256,461,945	3,049,448,176	256,530,874	3,305,979,050
	Closing balance as at 31 December 2022												

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

Srinanaporn Marketing Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2022

Separate financial statements											
		Retained earnings				Net effect from business combination under common control		Other comprehensive income		Other components of equity	
		Issued and paid-up share capital	Premium on share capital	Legal reserve	Unappropriated			Revaluation surplus on land	Total other components of equity		
Note		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Total equity
	Opening balance as at 1 January 2021	360,000,000	-	37,902,692	256,225,802	(412,488,709)		91,960,305	91,960,305		333,600,090
	Increase in share capital	120,000,000	2,018,140,406	-	-	-	-	-	-		2,138,140,406
	Dividend paid	-	-	-	(95,997,750)	-	-	-	-		(95,997,750)
24	Legal reserve	-	-	10,097,308	(10,097,308)	-	-	-	-		-
	Total comprehensive income for the year	-	-	-	355,901,981	-	-	12,878,136	12,878,136		368,780,117
	Closing balance as at 31 December 2021	480,000,000	2,018,140,406	48,000,000	506,032,725	(412,488,709)		104,838,441	104,838,441		2,744,522,863

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

Srinaporn Marketing Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2022

Separate financial statements											
Note	Retained earnings			Net effect from business combination under common control			Other comprehensive income			Total other components of equity	
	Issued and paid-up share capital	Premium on share capital	Legal reserve	Unappropriated	Baht	Baht	Revaluation surplus on land	Baht	Baht	Baht	Total equity Baht
Opening balance as at 1 January 2022	480,000,000	2,018,140,406	48,000,000	506,032,725		(412,488,709)	104,838,441		104,838,441	2,744,522,863	
Dividend paid	-	-	-	(307,199,930)		-	-	-	-	(307,199,930)	
Total comprehensive income for the year	-	-	-	542,643,893		-	-	-	-	542,643,893	
Closing balance as at 31 December 2022	480,000,000	2,018,140,406	48,000,000	741,476,688		(412,488,709)	104,838,441		104,838,441	2,979,966,826	

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

Srinanaporn Marketing Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Cash flows from operating activities					
Profit before income taxes		648,949,028	507,415,429	678,349,332	444,061,632
Adjustments for:					
Depreciation	26	155,575,394	169,530,966	145,464,901	151,642,463
Amortisation	26	3,175,805	3,134,079	3,166,874	3,087,270
Loss on write-off of inventories		7,859,421	3,538,604	7,859,421	3,538,604
Gain on write-offs and disposals of property, plant and equipment		(734,448)	(2,604,095)	(734,448)	(2,604,095)
(Reversal of) allowance for expected credit loss on trade and other receivables and bad debt		(66,000)	3,659,567	(703,803)	1,668,930
(Reversal of) allowance for decrease in value of inventories	11	1,118,898	(6,581,925)	1,442,266	(6,592,395)
Employee benefit obligations	22	3,859,226	4,294,682	3,594,803	3,725,627
Unrealised (gain) loss on exchange rate		(8,487,074)	1,127,025	2,558,830	3,623,994
Loss from measurement of fair value of financial instruments		-	365,880	-	365,880
Share of loss of investment in a joint venture	13	25,419,743	26,062,615	-	-
Adjustment of transaction with a joint venture for margin on ending inventories	13	2,107,145	7,280,448	-	-
Gain on termination of right-of-use assets		(39,180)	(105,060)	(1,330)	(2,274)
Gain on loss of control of a subsidiary		-	(128,734,589)	-	-
Interest income	25	(244,604)	(139,763)	(1,568,323)	(56,891)
Finance costs		1,672,209	40,270,971	1,566,727	39,084,311
Cash flows before changes in operating assets and liabilities		839,965,563	628,514,834	840,995,250	641,543,056
Change in operating assets and liabilities					
Trade and other receivables		(459,733,556)	(293,503,082)	(487,769,540)	(74,030,770)
Inventories		(277,483,301)	(55,605,260)	(250,884,647)	(58,321,558)
Other current assets		650,966	566,697	(9,480,752)	586,746
Other non-current assets		(7,238,789)	(294,985)	(2,093,585)	(93,973)
Trade and other payables		407,395,253	222,570,963	405,609,021	(17,427,212)
Employee benefit paid		(2,562,724)	(493,898)	(2,562,724)	(401,472)
Other current liabilities		(365,880)	(34,192)	(365,880)	-
Cash generated from operations		500,647,532	501,721,077	493,447,143	491,854,817
Income tax paid		(97,160,754)	(44,614,148)	(95,932,247)	(42,229,243)
Net cash generated from operating activities		403,486,778	457,106,929	397,514,896	449,625,574

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

Srinanaporn Marketing Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2022

		Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Notes					
Cash flows from investing activities					
		244,604	139,763	660,987	56,891
Interest received					
Payments for paid-up share capital of a subsidiary	12	-	-	(5,000,000)	(91,680,000)
Payments for paid-up share capital of a joint venture		-	(11,432,965)	-	-
Payments for purchases of intangible assets		(860,251)	(135,299)	(860,251)	(73,500)
Payments for purchases of property, plant and equipment		(385,063,699)	(88,776,474)	(92,187,236)	(39,022,266)
Proceeds from disposals of property, plant and equipment		815,062	3,374,490	815,062	3,374,490
Cash payment from reclassification of investment in a subsidiary to a joint venture		-	(22,675,373)	-	-
Loans to related parties	30.5	-	-	(100,000,000)	-
Net cash used in investing activities		(384,864,284)	(119,505,858)	(196,571,458)	(127,344,365)
Cash flows from financing activities					
Payments for acquisition of non-controlling interest of an indirect subsidiary		-	(79,593,268)	-	-
Net proceeds from (payments for) short-term borrowings from financial institutions		29,959,340	(1,270,161,664)	29,959,340	(1,270,161,664)
Proceeds from long-term borrowings from financial institution	19	269,508,698	33,635,297	100,000,000	33,635,297
Payments for long-term borrowings from financial institutions	19	(20,000,000)	(1,034,329,996)	(20,000,000)	(1,034,329,996)
Payments for lease liabilities	20	(6,375,162)	(17,505,859)	(5,777,070)	(8,019,352)
Interest and front-end fee paid		(9,309,182)	(40,240,414)	(1,537,233)	(39,053,754)
Proceeds from issuing share capital		-	2,138,140,406	-	2,138,140,406
Dividend payment	29	(307,153,438)	(95,970,467)	(307,153,438)	(95,970,467)
Net cash used in financing activities		(43,369,744)	(366,025,965)	(204,508,401)	(275,759,530)

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

Srinanaporn Marketing Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2022

		Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Notes					
Net increase (decrease) in cash and cash equivalents		(24,747,250)	(28,424,894)	(3,564,963)	46,521,659
Cash and cash equivalents at the beginning of the year		162,075,815	173,172,489	50,776,375	4,254,716
Gain (loss) on exchange differences on cash and cash equivalents		(4,564,333)	17,328,220	-	-
Cash and cash equivalents at the end of the year	9	<u>132,764,232</u>	<u>162,075,815</u>	<u>47,211,412</u>	<u>50,776,375</u>
Non-cash transactions					
Purchases of property, plant and equipment by payables		48,917,523	69,391,472	23,411,632	21,039,387
Acquisition of right-of-use assets under lease agreements	16	10,098,183	6,971,028	9,122,559	3,928,824
Termination of right-of-use assets under lease agreements, net	16	1,877,918	4,981,044	26,962	111,615
Termination of lease liabilities, net	20	1,917,098	5,086,104	28,292	113,869
Purchases of property, plant and equipment by settle-off with other receivables		-	-	-	3,090,859
Purchases of intangible assets by settle-off with other receivables		-	-	-	679,788
Dividend payables		73,776	27,283	73,776	27,283
Reclassification from property, plant and equipment to investment property	14, 15	165,180,000	-	165,180,000	-

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

Srinanaporn Marketing Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2022

1 General information

Srinanaporn Marketing Public Company Limited (the Company) is a public company limited incorporated and resident in Thailand. The address of the Company's registered office is as follows:

No. 325/6-9 Lanluang Rd., Mahanak Square, Dusit, Bangkok 10300.

The Company is listed on the Stock Exchange of Thailand on 20 July 2021.

For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The principal business operations of the Group are manufacturing and distributing snacks and beverages.

The consolidated and separate financial statements were authorised for issue by the Company's Board of Directors on 21 February 2023.

2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRS) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as discussed in the below accounting policies.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of the consolidated and separate financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3 New and amended financial reporting standards

3.1 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022 and relevant to the Group

Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7 and TFRS 16 provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

Srinanaporn Marketing Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2022

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

Commencing from 1 January 2022, the Group has adopted these standards in its financial statements. The impact from the adoption is immaterial for the Group.

3.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 and relevant to the Group

The Group did not early adopt these standards.

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

The Group's management is currently assessing the impact of the adoption of these standards.

4 Accounting Policies

4.1 Principles of consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method less impairment (if any).

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using cost method less impairment (if any).

Srinanaporn Marketing Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2022

c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint operations

A joint operation is a joint arrangement whereby the Group has rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Group's financial statement line items.

Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method less impairment (if any).

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Change in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

Srinanaporn Marketing Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2022

4.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired, and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in profit or loss.

Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

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4.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the functional currency of the Company and the presentation currency of the Group and the Company.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

c) Group companies

The results and financial position of all of the Group's entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position
- Income and expenses for each statement of income and statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustment arising from acquisitions of foreign entities were recognised as assets and liabilities that translated at the closing rate.

4.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date. In the statements of financial position, bank overdrafts are shown in current liabilities.

4.5 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 4.7.6

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4.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories is determined by the weighted average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory for example import duty and transportation cost less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

4.7 Financial asset

4.7.1 Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

4.7.2 Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

4.7.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

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4.7.4 Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition and foreign exchange gains and losses are recognised directly in profit or loss and presented in other gain/(loss) and currency exchange gain/(loss), respectively. Impairment losses are presented as a separate line item in the profit or loss.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for 1) the recognition of impairment losses, 2) interest income using the effective interest method, and 3) foreign exchange gains and losses which are recognised in profit or loss. When the financial assets are derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gain/(loss). Interest income is included in other income. Impairment expenses are presented separately in profit or loss.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gain/(loss) from measurement of financial instruments in the period in which it arises.

4.7.5 Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as dividend income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gain/(loss).

Impairment losses and reversal of impairment losses on equity investments are reported together with changes in fair value.

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4.7.6 Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade account receivables and other receivables which applies lifetime expected credit loss, from initial recognition, for all trade account receivables and other receivables.

To measure the expected credit losses using simplified approach, trade account receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed by the Group every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

4.8 Investment property

Investment property, principally is land which is held for long-term rental yields or for capital appreciation and is not occupied by the Group.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Subsequently, it is carried at cost less accumulated depreciation and impairment (if any).

Land is not depreciated.

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4.9 Property, plant and equipment

Land is shown at fair value, based on valuations by external independent appraisers every 3 years. All other property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated allowance for impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land are recognised in other comprehensive income and accumulated in 'revaluation surplus' in shareholders' equity. To the extent that the decrease reverses an increase previously recognised in equity, the decrease is first recognised in other comprehensive income and accumulated in equity. The excess will then be recognised in profit or loss.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	Years
Land improvements	5 to 49
Building, building improvements and leased building improvements	5 to 49
Machinery, tools and factory equipment	2 to 25
Office equipment, furniture and fixtures	3 to 10
Vehicles	5 to 10

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (Note 4.12).

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

When revalued assets are sold, the amounts included in gain on asset revaluation are transferred to retained earnings.

4.10 Goodwill

Goodwill on an acquisition of a subsidiary is separately reported in the consolidated statement of financial position.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains or losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

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4.11 Intangible assets

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives not exceeding 10 years.

Cost associated with maintaining computer software programme is recognised as an expense as incurred.

4.12 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indicator of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

4.13 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of small items of office equipment.

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Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivables and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

4.14 Financial liabilities

4.14.1 Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations as follows:

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

4.14.2 Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

4.14.3 Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised in profit and loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in profit and loss.

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4.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are completed.

Other borrowing costs are expensed in the period in which they are incurred.

4.16 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. The Group establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised.
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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4.17 Employee benefits

Defined contribution

The Group provides provident fund, which is contributed by the employees and the Group, and managed by an external fund manager in accordance with the Provident Fund Act. B.E. 2530. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

Post-employment benefits

The Group provides for post-employment benefits, payable to employees under the labour laws applicable in Thailand and those countries in which the Group operates. Typically, defined benefits plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age of employees, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that is denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement gains and losses are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

4.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

4.19 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

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4.20 Revenue recognition

Revenue includes all revenues from ordinary business activities.

Revenues are recorded net of value added tax, return and rebates. The Group recognised revenue when it is probable that the collectability of the consideration will be received when goods or services is transferred.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer, described as follows:

Sales of goods

The majority of sales transactions are for goods sold under the Group's trademarks, comprising snacks and beverages to retailers, wholesalers, and distribution centres, both domestic and overseas. The Group recognised revenue from sales of goods when control of the goods is transferred to the customer at the agreed destination.

The Group sells some proportion of its products on the agreed term as stated in the agreements in which the Group is responsible for delivering goods to the agreed destination. The Group assesses that delivery of goods to the destination agreed in the contract is not a distinct performance obligation from sales. Therefore, the Group recognises revenue from sales of goods when control of goods is transferred to customer at the agreed destination and under the agreements. The revenue from sales of goods is recognised at the transaction price, that the Group expects to be entitled to, after deducting value added tax, rebates, and discounts.

Considerations payable to customers

Variable considerations payable to customers are mainly discount and rebates, which are treated as a reduction in revenue when product revenue is recognised. The Group reviews and estimates the amount of consideration paid to customers in each period based on the terms in the agreement and historical experience.

Return of goods

The Group does not have specific return policies. Customers may return defective products and receive a cash refund or an exchange of product. The Group estimates the right of return and related refund liabilities based on historical return experience and the related contract, as a reduction in revenue and presentation in other current liabilities.

Interest income

The Group recognises interest income using the effective interest method.

Dividend income

The Group recognises dividend income when rights to receive dividends are established.

4.21 Dividend distribution

Dividend distribution to the Group's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the shareholders and interim dividends are approved by the Board of Directors.

4.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

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5 Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Financial risk management is carried out by the Group's treasury management division. The Group's policy includes areas such as foreign exchange risk, interest rate risk, price risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for Treasury management team.

5.1.1 Market risk

a) Foreign exchange risk

The Group is exposed to foreign exchange risk from future commercial transactions, and net monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

Expose

The Group's exposures to foreign exchange risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht
US Dollar				
Cash and cash equivalents	20,645	36,626	6,131	133
Trade and other receivables	285,524	167,166	288,346	167,766
Short-term borrowings from financial institutions	-	(10,149)	-	(10,149)
Trade and other payables	(210,193)	(56,313)	(202,316)	(56,313)
	95,976	137,330	92,161	101,437
Chinese Yuan				
Cash and cash equivalents	358	289	358	289
Other payables	(14,068)	(14,853)	(14,068)	(14,853)
	(13,710)	(14,564)	(13,710)	(14,564)
Other currencies				
Cash and cash equivalents	4,511	1,396	-	-
Trade and other payables	(6,313)	(1,722)	(25)	(61)
	(1,802)	(326)	(25)	(61)

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Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Thai Baht and US Dollar and Thai Baht and Chinese Yuan exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar and Chinese Yuan.

	Consolidated financial statements		Separate financial statements	
	Impact to net profit 2022 Thousand Baht	Impact to net profit 2021 Thousand Baht	Impact to net profit 2022 Thousand Baht	Impact to net profit 2021 Thousand Baht
US Dollar to Thai Baht exchange rate				
- Increase 10.00%*	8,675	10,573	8,958	10,633
- Decrease 10.00%*	(8,675)	(10,573)	(8,958)	(10,633)
Chinese Yuan to Thai Baht exchange rate				
- Increase 10.00%*	(1,371)	(1,456)	(1,371)	(1,465)
- Decrease 10.00%*	1,371	1,456	1,371	1,465

* Holding all other variables constant

b) Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with floating interest rates exposing the Group to cash flow rate risk. Generally, the Group optimises the mix in its borrowing facilities to maximise financing flexibility whilst minimising financing cost.

The interest rate risk from long-term borrowings from financial institutions of the Group is disclosed in Note 19.

Sensitivity

Profit or loss is sensitive to higher or lower interest expenses from borrowings as a result of changes in interest rates.

	Consolidated financial statements		Separate financial statements	
	Impact to net profit 2022 Thousand Baht	Impact to net profit 2021 Thousand Baht	Impact to net profit 2022 Thousand Baht	Impact to net profit 2021 Thousand Baht
Interest rate - increase 1.00%*	(1,641)	-	-	-
Interest rate - increase 1.00%*	1,641	-	-	-

* Holding all other variables constant

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c) Price risk

The Group's exposure to price risk arises from some raw material prices which fluctuates according to the demand and supply in the market. The Group monitors and analyses the change in raw materials prices over time by comparing price and condition of suppliers and planning purchase raw materials to manage production costs to reduce the risk of fluctuation of raw material prices.

5.1.2 Credit risk

a) Risk management

Credit risk is managed on the Group's basis. Credit risk primarily arises from credit exposures to wholesale and retail trade customers, including outstanding receivables and committed transactions. Credit risk in respect of outstanding balances with related parties has been assessed to be low due to the overall strength of the Group.

For trade customers, risk evaluations are performed internally which include reviews of financial positions, business success indicators, past experience and other factors. Individual risk limits are set based on the resultant internal ratings in accordance with limits set by the management. Risk categories are established for individual customers based on internal credit guidelines ranging from very low to very high risk. The risk categories are intended to reflect the risk of payment default by a customer and are similar to the rating scales among the industry.

b) Impairment of financial assets

The Group and the Company have financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Trade and other receivables

Management considers that the impairment losses on cash and cash equivalents are immaterial. The Group applies the simplified approach in measuring expected credit losses following the TFRS9, which uses a lifetime expected loss allowance for all trade receivables (Note 10).

5.1.3 Liquidity risk

The Group manages liquidity risk by maintaining adequate reserve of cash and cash equivalents and maintaining number of committed credit facilities from banks. The Group reviews requirements for future cash flows through the completion of an annual finance plan review. The annual finance plan review is completed for the forthcoming year to ensure that estimates of future requirements are analysed such that appropriate facilities can be made available.

Liquidity risk may also arise if customers are not able to settle obligations to the Group within the normal credit term. To manage this risk, the Group periodically assesses financial viability of customers.

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The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows.

	Consolidated financial statements				
	Within 1 year Thousand Baht	Over 1 year but less than 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount Thousand Baht
Maturity of financial liabilities as at 31 December 2022					
Short-term borrowings from financial institutions	40,000	-	-	40,000	40,000
Trade and other payables	1,256,383	-	-	1,256,383	1,256,383
Lease liabilities	6,219	13,552	2,400	22,171	20,509
Long-term borrowings from financial institutions	36,916	267,117	-	304,033	244,064
Total financial liabilities that are not derivatives	1,339,518	280,669	2,400	1,622,587	1,560,956
	Consolidated financial statements				
	Within 1 year Thousand Baht	Over 1 year but less than 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount Thousand Baht
Maturity of financial liabilities as at 31 December 2021					
Short-term borrowings from financial institutions	10,149	-	-	10,149	10,149
Trade and other payables	876,686	-	-	876,686	876,686
Lease liabilities	6,305	10,411	3,600	20,316	18,541
Total financial liabilities that are not derivatives	893,140	10,411	3,600	907,151	905,376
	Separate financial statements				
	Within 1 year Thousand Baht	Over 1 year but less than 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount Thousand Baht
Maturity of financial liabilities as at 31 December 2022					
Short-term borrowings from financial institutions	40,000	-	-	40,000	40,000
Trade and other payables	1,215,419	-	-	1,215,419	1,215,419
Lease liabilities	5,688	12,237	2,400	20,325	18,765
Long-term borrowings from financial institutions	18,900	66,879	-	85,779	80,000
Total financial liabilities that are not derivatives	1,280,007	79,116	2,400	1,361,523	1,354,184

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	Separate financial statements				
	Within 1 year Thousand Baht	Over 1 year but less than 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount Thousand Baht
Maturity of financial liabilities as at 31 December 2021					
Short-term borrowings from financial institutions	10,149	-	-	10,149	10,149
Trade and other payables	816,600	-	-	816,600	816,600
Lease liabilities	5,264	8,159	3,600	17,023	15,448
Total financial liabilities that are not derivatives	832,013	8,159	3,600	843,772	842,197

Loan covenants

As at 31 December 2022, under the terms of the major borrowing facilities, the Group was required to maintain debt to equity and debt service coverage ratio (DSCR).

5.1.4 Capital risk

Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares to reduce debt.

During the year 2022, the Group's strategy, which remains unchanged, was to maintain a gearing ratio and credit rating. The gearing ratios at 31 December are as follows:

	Consolidated financial statements	
	2022 Thousand Baht	2021 Thousand Baht
Net debt	1,762,909	1,061,585
Equity (including non-controlling interests)	3,305,979	3,090,682
Net debt to equity ratio	0.5	0.3

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6 Fair value

Fair value estimation

Financial assets and liabilities are categorised by their fair value hierarchy. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Financial assets and liabilities of the Group in which the management reviewed that the carrying amount measured at amortised cost are not materially different from the measurement at fair value.

7 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Allowances for slow-moving, obsolete and damage inventories

The Company has estimated the allowances for slow-moving, obsolete and damage to reflect their impairment. Management based their assessment on their experience, judgement and historical data. Also, the allowance is assessed by considering the storage, expiring date and the aging of inventories that affect slow-moving, obsolete and damage.

8 Segment information

Operating segment information is reported in a manner consistent with the internal reports that is regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance by segment operating profit.

The reportable segments are comprised as follows:

- Manufacturing and distributing beverage
- Manufacturing and distributing snack
- Distributing other products ⁽¹⁾

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items are mainly gain on loss of control of a subsidiary, finance costs, share of loss of investment in a joint venture and income taxes.

The majority of the Group's revenue came from sale of goods which are snack and beverage distributed to customers in both local and overseas market, and the Group satisfied its performance obligation at point in time. The majority of the Company's revenue came from manufacturing and distributing beverage and manufacturing and distributing snack in amounting to Baht 2,405.5 million and Baht 3,019.8 million, respectively (2021: Baht 1,836.9 million and Baht 2,336.5 million, respectively).

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The detail of business segment information is as follows:

	Consolidated financial information		
	Manufacturing and distributing beverage Thousand Baht	Manufacturing and distributing snack Thousand Baht	Total Thousand Baht
For the year ended 31 December 2022			
Revenue from external customers	2,433,573	3,122,572	5,556,145
Depreciation charge	89,270	66,306	155,576
Segment operating profit	121,424	554,617	676,041
Finance costs			(1,672)
Share of loss of investment in a joint venture			(25,420)
Income taxes			(137,172)
Profit for the year			511,777
Other comprehensive income for the year			10,720
Total comprehensive income for the year			522,497

	Consolidated financial statements			
	Manufacturing and distributing beverage Thousand Baht	Manufacturing and distributing snack Thousand Baht	Distributing other products⁽¹⁾ Thousand Baht	Total Thousand Baht
For the year ended 31 December 2021				
Revenue from external customers	1,861,972	2,411,229	84,684	4,357,885
Depreciation charge	91,056	75,357	3,118	169,531
Segment operating profit (loss)	75,632	381,660	(12,277)	445,015
Gain on loss of control of a subsidiary				128,735
Finance costs				(40,271)
Share of loss of investment in a joint venture				(26,063)
Income taxes				(85,779)
Profit for the year				421,637
Other comprehensive income for the year				258,370
Total comprehensive income for the year				680,007

⁽¹⁾ This related to the operation of Siri Pro Co., Ltd. of which the Group lost of control over it on 16 March 2021.

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Revenues are presented by local and foreign customers as shown in table below.

For the year ended 31 December	Consolidated financial statements	
	2022 Thousand Baht	2021 Thousand Baht
Revenue from external customers		
- Domestic ^(*)	4,046,235	3,422,866
- Export ^(*)	1,509,910	935,019
Total revenue from sales	5,556,145	4,357,885

^(*) Revenue disclosed based on country of customer's location.

For the years ended 31 December 2022 and 2021, the Group generated revenue from sales from utilised the assets located in Thailand and overseas and the majority of revenue from sales generated from the assets located in Thailand.

Major customer

As at 31 December 2022, the Group generated 48.4% of total revenue before deducting rebates and discounts from major customers on manufacturing and distributing beverage and snack (2021: 46.3% of total revenue before deducting rebates and discounts).

9 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Cash on hand	263	227	130	120
Bank deposits				
- Savings accounts	74,839	61,519	45,878	50,186
- Current accounts	57,662	100,330	1,203	470
Total cash and cash equivalents	132,764	162,076	47,211	50,776

As at 31 December 2022, bank deposits bore interest at rates from 0.05% to 0.38% per annum (2021: 0.05% to 0.38% per annum).

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10 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Trade receivables	1,189,489	867,783	1,161,454	835,958
Trade receivables from related parties (Note 30.3)	326,195	212,954	363,835	247,547
Less: Allowance for expected credit loss	(15,225)	(16,514)	(13,956)	(15,064)
Trade receivables, net	1,500,459	1,064,223	1,511,333	1,068,441
Receivables from Revenue Department	12,684	18,175	-	-
Other receivables from related parties (Note 30.3)	5,521	3,256	52,105	24,024
Prepaid expenses	21,782	17,589	20,475	16,713
Others	46,987	23,531	16,045	13,886
Total other receivables	86,974	62,551	88,625	54,623
Less: Allowance for expected credit loss	(453)	(519)	(453)	(519)
Other receivables, net	86,521	62,032	88,172	54,104
Trade and other receivables, net	1,586,980	1,126,255	1,599,505	1,122,545

The loss allowance for the trade receivables was determined as follows:

	Consolidated financial statements				
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 Months	More than 12 months
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December 2022					
Gross carrying amount - trade receivables	1,050,551	446,000	1,618	911	16,604
Allowance for expected credit loss	7	61	-	173	14,984

	Consolidated financial statements				
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 Months	More than 12 months
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December 2021					
Gross carrying amount - trade receivables	821,275	232,478	4,107	2,662	20,215
Allowance for expected credit loss	4	56	565	477	15,412

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	Separate financial statements					
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 Months Thousand Baht	More than 12 months Thousand Baht	Total Thousand Baht
As at 31 December 2022						
Gross carrying amount						
- trade receivables	1,060,430	443,690	4,806	2,293	14,070	1,525,289
Allowance for expected credit loss	7	61	-	173	13,715	13,956
	Separate financial statements					
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 Months Thousand Baht	More than 12 months Thousand Baht	Total Thousand Baht
As at 31 December 2021						
Gross carrying amount						
- trade receivables	821,410	230,869	6,796	5,155	19,275	1,083,505
Allowance for expected credit loss	4	56	532	-	14,472	15,064

11 Inventories, net

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Finished goods	155,749	71,792	130,234	58,737
Packaging materials	310,067	227,389	291,941	213,879
Raw materials	198,637	122,827	185,718	117,579
Spare parts and supplies	9,189	10,439	8,441	10,192
Goods in transit	46,016	17,417	44,495	17,417
Total	719,658	449,864	660,829	417,804
Less: Allowance for slow-moving, obsolete and damage of				
- Finished goods	(6,624)	(7,173)	(747)	(1,971)
- Packaging materials	(26,195)	(17,513)	(26,195)	(17,513)
- Raw materials	(6,280)	(13,104)	(5,750)	(11,766)
Inventories, net	680,559	412,074	628,137	386,554
Cost of inventories recognised as expenses in cost of sales				
- Cost of sales	4,040,368	3,215,077	3,961,398	3,116,375
- Write-down of inventories to net realisable value	1,576	6,769	1,442	3,399
- Reversal of write-down inventories	(458)	(13,351)	-	(9,992)
- Translation differences	191	564	-	-
	4,041,677	3,209,059	3,962,840	3,109,782

During 2022, the Group reversed Baht 0.5 million of allowance for slow-moving, obsolete and damage previously recognised (2021: reversed loss amount of Baht 13.4 million) because the Group resumed the packaging materials for production. The reversal amount is included in cost of sales in the statement of comprehensive income.

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12 Investments in subsidiaries

12.1 Detail of investments

As at 31 December 2022 and 2021, the details of investments in subsidiaries are as follows:

Name	Nature of business	Country of incorporation/ Place of business	Ownership interest by the Group (%)		Currency	Issued and paid-up capital (Thousand)		Cost method (Thousand Baht)	
			2022	2021		2022	2021	2022	2021
Subsidiaries									
Direct subsidiaries									
SNNP International Co., Ltd.	Providing administrative and technical service to related parties	Thailand	99.9	99.9	Thai Baht	525,500	520,500	544,925	539,925
Indirect subsidiaries									
Srinanaporn Distribution Co., Ltd.	Distributing snack and beverage	Thailand	99.9	99.9	Thai Baht	1,000	1,000	999	999
S.C Food Products Co., Ltd.	Manufacturing and distributing snack and beverage	Cambodia	60.0	60.0	Cambodian Riel	36,000,000	36,000,000	172,899	172,899
STVV Development Co., Ltd. ⁽¹⁾	Real estate	Cambodia	49.0	49.0	Cambodian Riel	4,400,000	4,400,000	18,812	18,812
Hanrama Venture Incorporated	Distributing snack and beverage	Philippines	80.0	80.0	Philippines Peso	12,500	12,500	6,586	6,586
S.C Food Trading Co., Ltd.	Distributing snack and beverage	Cambodia	100.0	100.0	Cambodian Riel	400,000	400,000	3,170	3,170
S.T. Food Marketing Co., Ltd.	Manufacturing and distributing snack and beverage	Vietnam	100.0	100.0	Vietnamese Dong	135,000,000	135,000,000	189,054	189,054
Jin Xinglong (Shenzhen) Import and Export Co., Ltd.	Distributing snack and beverage	China	100.0	100.0	Chinese Yuan	-	-	-	-

⁽¹⁾ The Group has categorised investments in STW Development Co., Ltd. as an investment in a subsidiary since the Group has control over the Company.

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12.2 Movement of investments

The movements of investments in subsidiaries for the year ended 31 December are as follows:

	Separate financial statements	
	2022	2021
	Thousand Baht	Thousand Baht
Opening book value	539,925	448,245
Additional investments	5,000	91,680
Closing book value	544,925	539,925

The movements of investments in subsidiaries during the year ended 31 December 2022 are as follows:

Investment in a subsidiary directly held by the Company

SNNP International Co., Ltd. (SNNPI)

Payment for paid-up share capital

On 4 April 2022, the Company made a payment for additional paid-up share capital of SNNPI, totalling Baht 5 million.

As at 31 December 2022, the Company made payments for additional paid-up share capital, totalling Baht 25.5 million or equivalent to 51% of additional paid-up share capital amounted of Baht 50 million, according to the extraordinary general meeting of SNNPI on 8 October 2021.

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Summarised financial information of subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests and are material to the Group. The information disclosed for each subsidiary are amounts before inter-company eliminations.

Summarised statement of financial position

	SCFP		STVV		Total	
	2022		2021		2021	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December						
Current assets	90,580	56,655	10,498	8,568	101,078	65,223
Current liabilities	(79,814)	(39,359)	(504)	(482)	(80,318)	(39,841)
Total net current assets	10,766	17,296	9,994	8,086	20,760	25,382
Non-current assets	208,354	209,728	386,461	373,686	594,815	583,414
Non-current liabilities	(610)	(1,182)	(70,076)	(67,760)	(70,686)	(68,942)
Total net non-current assets	207,744	208,546	316,385	305,926	524,129	514,472
Net assets	218,510	225,842	326,379	314,012	544,889	539,854
Accumulated non-controlling interests	88,672	91,605	166,656	160,146	255,328	251,751

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Summarised statement of comprehensive income

	SCFP		STVV				Total	
	2022		2021		2022		2021	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
For the year ended 31 December								
Revenue	96,953	42,759		2,547		99,500		44,960
Profit (loss) for the year	(12,337)	(28,784)		1,657		(10,680)		(27,123)
Other comprehensive income	5,003	24,754		10,709		15,712		224,881
Total comprehensive income (expense)	(7,334)	(4,030)		12,366		5,032		197,758
Profit (loss) allocated to non-controlling interests	(2,933)	(1,612)		6,510		3,577		101,300
Dividends paid to non-controlling interests	-	-		-		-		-

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Summarised statement of cash flows

	SCFP		STV		Total	
	2022	2021	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
For the year ended 31 December						
Net cash generated from (used in) operating activities	(19,093)	(8,177)	(1,135)	1,514	(20,228)	(6,663)
Net cash generated from (used in) investing activities	(1,922)	(1,837)	317	(6,277)	(1,605)	(8,114)
Net cash generated from financing activities	36,469	5,936	-	-	36,469	5,936
Net increase (decrease)						
in cash and cash equivalents	15,454	(4,078)	(818)	(4,763)	14,636	(8,841)
Cash and cash equivalents						
at the beginning of the year	4,951	8,307	1,837	6,125	6,788	14,432
Gain on exchange differences on cash and cash equivalents	156	722	49	475	205	1,197
Cash and cash equivalents at the end of the year	20,561	4,951	1,068	1,837	21,629	6,788

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13 Investment in a joint venture

13.1 Detail of investment

As at 31 December 2022 and 2021, the detail of investment in a joint venture are as follows:

Name	Nature of business	Country of incorporation/ Place of business	Ownership interest (%)		Currency	Consolidated financial statements		Separate financial statements	
			2022	2021		Equity method	2022	Cost method	2021
A joint venture									
Siri Pro Co., Ltd. ⁽¹⁾	Distributing snack and beverage, and other consumer products	Thailand	50.01	50.01	Thai Baht	109,565	137,091	-	-

⁽¹⁾ Shareholder agreements assigned the structure of the business operation and the strategic, operating and financing decisions which required unanimous consent from all parties. As a result, the Group has categorised this investment as investment in a joint venture.

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13.2 Movement of investment

The movement of investment in a joint venture for the year ended 31 December are as follows:

	Consolidated financial information	
	2022	2021
	Thousand Baht	Thousand Baht
Opening book value	137,091	-
Increase from reclassification of investment in a subsidiary to be investment in a joint venture	-	170,434
Share of loss of investment in a joint venture	(25,419)	(26,063)
Adjustment of transaction with a joint venture for margin on ending inventories	(2,107)	(7,280)
Closing book value	109,565	137,091

Summarised financial information of joint venture

Set out below are the summarised financial information for joint venture that are material to the Group. The information disclosed for joint venture are amounts before inter-company eliminations.

	SIRI PRO	
	2022	2021
	Thousand Baht	Thousand Baht
As at 31 December		
Current assets	280,962	258,925
Current liabilities	(431,542)	(351,366)
Total net current assets (liabilities)	(150,580)	(92,441)
Non-current assets	296,684	295,949
Non-current liabilities	(54,577)	(61,152)
Total net non-current assets	242,107	234,797
Net assets	91,527	142,356

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Summarised statement of comprehensive income

	SIRI PRO	
	2022	2021
	Thousand Baht	Thousand Baht
For the year ended 31 December		
Revenue	1,448,534	1,336,367
Loss for the year	(50,829)	(66,081)
Total comprehensive income	1,397,705	1,270,286
Dividends receive from a joint venture	-	-

Summarised statement of comprehensive income

	SIRI PRO	
	2022	2021
	Thousand Baht	Thousand Baht
Reconciliation to carrying amount:		
Opening net assets	142,356	194,471
Loss for the year	(50,829)	(52,115)
Closing net assets	91,527	142,356
Group's share in joint ventures (%)	50.01	50.01
Group's share in joint venture (Baht)	45,773	71,192
Adjustment of transaction with a joint venture for margin on ending inventories	(9,387)	(7,280)
Goodwill	73,179	73,179
Joint venture's carrying value	109,565	137,091

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14 Property, plant and equipment, net

	Consolidated financial statements																	
	Land		Land improvements		Buildings, building improvements and leased building improvements		Machinery, tools and factory equipment		Office equipment, furniture and fixtures		Vehicles		Spare parts		Assets under construction		Total	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January 2021																		
Cost - Historical cost	179,721	43,346	-	328,211	-	1,487,047	-	101,367	-	130,854	-	364	-	244,138	-	2,515,048	-	209,261
- Revaluation surplus	209,261	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	388,982	43,346	-	328,211	-	1,487,047	-	101,367	-	130,854	-	364	-	244,138	-	2,724,309	-	-
	-	(16,713)	-	(128,175)	-	(741,367)	-	(71,574)	-	(100,021)	-	-	-	-	-	(1,057,850)	-	-
Less: Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,174)	-	(2,174)	-	-
Less: Allowance for impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net book amount	388,982	26,633	-	200,036	-	745,680	-	29,793	-	30,833	-	364	-	241,964	-	1,664,285	-	-
For the year ended 31 December 2021																		
Opening net book amount	388,982	26,633	-	200,036	-	745,680	-	29,793	-	30,833	-	364	-	241,964	-	1,664,285	-	-
Revaluation surplus	250,371	-	-	-	-	-	-	-	-	-	-	-	-	-	-	250,371	-	-
Additions	-	-	-	717	-	6,555	-	1,981	-	117	-	-	-	79,107	-	88,477	-	-
Transfers	-	42	-	6,264	-	41,548	-	20	-	-	-	93	-	(47,967)	-	-	-	-
Transfer from right-of-use assets, net	-	-	-	-	-	-	-	-	-	2,192	-	-	-	-	-	2,192	-	-
Write-offs and disposals, net	-	-	-	-	-	(98)	-	(38)	-	(231)	-	(13)	-	(390)	-	(770)	-	-
Depreciation charge	-	(2,210)	-	(19,595)	-	(111,913)	-	(7,805)	-	(2,454)	-	-	-	-	-	(143,977)	-	-
Decrease from reclassification of investment in a subsidiary to be investment in a joint venture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Translation differences	15,107	1,742	-	(3,661)	-	(5,632)	-	(6,910)	-	(26,379)	-	-	-	-	-	(42,582)	-	-
	-	-	-	7,464	-	5,987	-	289	-	347	-	-	-	9,555	-	40,491	-	-
Closing net book amount	654,460	26,207	-	191,225	-	682,127	-	17,330	-	4,425	-	444	-	282,269	-	1,858,487	-	-

Srinanaporn Marketing Public Company Limited
Notes to the Consolidated and Separate Financial Statements
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Consolidated financial statements																		
	Land		Land improvements		Buildings, building improvements and leased building improvements		Machinery, tools and factory equipment		Office equipment, furniture and fixtures		Vehicles		Spare parts		Assets under construction		Total	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December 2021																		
Cost - Historical cost	194,828	45,249		337,949	1,533,893	92,772	98,159	444	284,443	2,587,737								
- Revaluation surplus	459,632	-	-	-	-	-	-	-	-	459,632								
	654,460	45,249		337,949	1,533,893	92,772	98,159	444	284,443	3,047,369								
	-	(19,042)		(146,724)	(851,766)	(75,442)	(93,734)	-	-	(1,186,708)								
	-	-	-	-	-	-	-	-	(2,174)	(2,174)								
Less: Accumulated depreciation																		
Less: Allowance for impairment																		
Net book amount	654,460	26,207		191,225	682,127	17,330	4,425	444	282,269	1,858,487								
For the year ended																		
31 December 2022																		
Opening net book amount	654,460	26,207		191,225	682,127	17,330	4,425	444	282,269	1,858,487								
Additions	-	-	-	28	8,385	2,408	-	320	360,147	371,288								
Transfers	-	345	-	5,296	133,967	281	-	(320)	(139,569)	-								
Transfer from right-of-use assets, net	-	-	-	-	-	-	916	-	-	916								
Transfer to investment property (Note 15)	(165,180)	-	-	-	-	-	-	-	-	(165,180)								
Write-offs and disposals, net	-	-	-	-	(80)	-	-	-	-	(80)								
Depreciation charge	-	(1,878)	-	(19,193)	(109,015)	(6,165)	(1,668)	-	-	(137,919)								
Translation differences	13,226	488	-	2,488	1,607	34	118	-	(4,304)	13,657								
Closing net book amount	502,506	25,162		179,844	716,991	13,888	3,791	444	498,543	1,941,169								

Srinanaporn Marketing Public Company Limited
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Consolidated financial statements															
		Buildings, building improvements and leased building improvements		Machinery, tools and factory equipment		Office equipment, furniture and fixtures		Vehicles		Spare parts		Assets under construction		Total	
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December 2022	Cost - Historical cost	93,250	46,124	345,993	1,674,862	95,397	98,898	444	500,717	2,855,685					
	- Revaluation surplus	409,256	-	-	-	-	-	-	-	409,256					
		502,506	46,124	345,993	1,674,862	95,397	98,898	444	500,717	3,264,941					
Less: Accumulated depreciation		-	(20,962)	(166,149)	(957,871)	(81,509)	(95,107)	-	-	(1,321,598)					
Less: Allowance for impairment		-	-	-	-	-	-	-	(2,174)	(2,174)					
Net book amount		502,506	25,162	179,844	716,991	13,888	3,791	444	498,543	1,941,169					

Srinanaporn Marketing Public Company Limited
Notes to the Consolidated and Separate Financial Statements
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Separate financial statements																
	Buildings, building improvements and leased building improvements				Machinery, tools and equipment		Office equipment, furniture and fixtures		Vehicles		Spare parts		Assets under construction		Total	
	Land	Land														
	Improvements	Improvements														
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
As at 1 January 2021																
Cost - Historical cost	136,552	29,722	251,871	1,416,383	84,976	93,984	364	182,975	2,196,827							
- Revaluation surplus	114,950	-	-	-	-	-	-	-	114,950							
	251,502	29,722	251,871	1,416,383	84,976	93,984	364	182,975	2,311,777							
Less: Accumulated depreciation	-	(16,062)	(122,367)	(730,625)	(66,831)	(93,336)	-	-	(1,029,221)							
Less: Allowance for impairment	-	-	-	-	-	-	-	(2,174)	(2,174)							
Net book amount	251,502	13,660	129,504	685,758	18,145	648	364	180,801	1,280,382							
For the year ended																
31 December 2021																
Opening net book amount	251,502	13,660	129,504	685,758	18,145	648	364	180,801	1,280,382							
Revaluation surplus	16,098	-	-	-	-	-	-	-	16,098							
Additions	-	-	230	6,579	5,274	-	-	25,166	37,249							
Transfers	-	42	6,264	41,515	53	-	93	(47,967)	-							
Transfer from right-of-use assets, net	-	-	-	-	-	2,192	-	-	2,192							
Write-offs and disposals, net	-	-	-	(98)	(38)	(231)	(13)	(390)	(770)							
Depreciation charge	-	(1,716)	(16,840)	(105,769)	(6,905)	(1,467)	-	-	(132,697)							
Closing net book amount	267,600	11,986	119,158	627,985	16,529	1,142	444	157,610	1,202,454							
As at 31 December 2021																
Cost - Historical cost	136,552	29,764	258,365	1,464,035	90,106	93,799	444	159,784	2,232,849							
- Revaluation surplus	131,048	-	-	-	-	-	-	-	131,048							
	267,600	29,764	258,365	1,464,035	90,106	93,799	444	159,784	2,363,897							
Less: Accumulated depreciation	-	(17,778)	(139,207)	(836,050)	(73,577)	(92,657)	-	-	(1,159,269)							
Less: Allowance for impairment	-	-	-	-	-	-	-	(2,174)	(2,174)							
Net book amount	267,600	11,986	119,158	627,985	16,529	1,142	444	157,610	1,202,454							

Srinanaporn Marketing Public Company Limited
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For the year ended 31 December 2022

	Separate financial statements															
	Land		Buildings, improvements and leased building		Machinery, tools and factory equipment		Office equipment, furniture and fixtures		Vehicles		Spare parts		Assets under construction		Total	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
For the year ended 31 December 2022																
Opening net book amount	267,600	11,986	119,158		627,985	16,529	1,142		157,610	1,202,454						
Additions	-	-	28		8,286	2,304	-		69,489	80,427						
Transfers	-	345	5,296		104,238	281	-		(109,840)	-						
Transfer from right-of-use assets, net	-	-	-		-	-	916		-	916						
Transfer to investment property (Note 15)	(165,180)	-	-		-	-	-		-	(165,180)						
Write-offs and disposals, net	-	-	-		(80)	-	-		-	(80)						
Depreciation charge	-	(1,720)	(17,516)		(102,175)	(5,728)	(1,280)		-	(128,419)						
Closing net book amount	102,420	10,611	106,966		638,254	13,386	778		117,259	990,118						
As at 31 December 2022																
Cost - Historical cost	21,748	30,109	263,688		1,573,163	92,565	94,411		119,433	2,195,561						
- Revaluation surplus	80,672	-	-		-	-	-		-	80,672						
	102,420	30,109	263,688		1,573,163	92,565	94,411		119,433	2,276,233						
Less: Accumulated depreciation	-	(19,498)	(156,722)		(934,909)	(79,179)	(93,633)		-	(1,283,941)						
Less: Allowance for impairment	-	-	-		-	-	-		-	(2,174)						
Net book amount	102,420	10,611	106,966		638,254	13,386	778		117,259	990,118						

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Borrowing costs of Baht 7.2 million (2021: Baht 0.1 million), arising from financing specifically entered into for the new machinery, were capitalised during the year and are included in additions. A capitalisation rate of 6.875% to 10.875% per annum (2021: 2.85% to 3.25% per annum) was used representing the actual borrowing cost of the loan used to finance the building and machinery.

Fair value of land

Land was carried at fair value by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Fair value measurements at 31 December using significant other observable inputs (level 2) comprises followings:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Fair value measurements				
Land	502,506	654,460	102,420	267,600

There is no transfer between level of fair value during the year.

Level 2 fair values of land have been derived using the market approach. Sales prices of comparable land in proximity are adjusted for differences in key attributes such as amenities and property size. The most significant input into this valuation approach is price per unit.

15 Investment property

	Consolidated and separate financial statements	
	Land	Total
	Thousand Baht	Thousand Baht
For the year ended 31 December 2022		
Opening net book amount	-	-
Transfer from property, plant and equipment, net (Note 14)	165,180	165,180
Closing net book amount	165,180	165,180
As at 31 December 2022		
Cost	165,180	165,180
Less: Accumulated depreciation	-	-
Net book amount	165,180	165,180
Fair value as at 31 December 2022	165,180	165,180

The fair value of investment property is based on the market approach using sales prices of comparable land in proximity are adjusted for differences in key attributes such as amenities and property size. The most significant input into this valuation approach is price per unit. The fair values are within level 2 of the fair value hierarchy.

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As at 31 December 2022, the investment property of the Group is land for rent to a related party purpose.

Amount related to the investment property is included in profit and loss as followings:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Rental income	69	-	69	-

16 Right-of-use assets, net

	Consolidated financial statements					
	Land Thousand Baht	Buildings and building improvements Thousand Baht	Machinery, tools and factory equipment Thousand Baht	Office equipment, furniture and fixtures Thousand Baht	Vehicles Thousand Baht	Total Thousand Baht
Net book amount as at 1 January 2021	130,900	271,018	5,506	1,968	159,779	569,171
Additions	-	1,276	923	522	4,250	6,971
Lease termination	-	(930)	-	(112)	(3,940)	(4,982)
Depreciation charge	(4,806)	(11,966)	(3,719)	(510)	(5,462)	(26,463)
Transfer to property, plant and equipment, net	-	-	-	-	(2,192)	(2,192)
Lease modification	-	-	15	-	-	15
Decrease from reclassification of investment in a subsidiary to be investment in a joint venture	-	(53,273)	-	(856)	(146,544)	(200,673)
Translation differences	3,983	70	-	-	14	4,067
Net book amount as at 31 December 2021	130,077	206,195	2,725	1,012	5,905	345,914
Net book amount as at 1 January 2022	130,077	206,195	2,725	1,012	5,905	345,914
Additions	-	-	8,499	623	976	10,098
Lease termination	-	(302)	-	(27)	(1,549)	(1,878)
Depreciation charge	(4,873)	(9,436)	(2,646)	(455)	(1,223)	(18,633)
Transfer to property, plant and equipment, net	-	-	-	-	(916)	(916)
Lease modification	-	77	-	-	-	77
Translation differences	-	23	-	-	62	85
Net book amount as at 31 December 2022	125,204	196,557	8,578	1,153	3,255	334,747

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For the year ended 31 December 2022

	Separate financial statements					
	Land Thousand Baht	Buildings and building improvements Thousand Baht	Machinery, tools and factory equipment Thousand Baht	Office equipment, furniture and fixtures Thousand Baht	Vehicles Thousand Baht	Total Thousand Baht
Net book amount as at 1 January 2021	99,377	213,690	5,506	1,048	5,954	325,575
Additions	-	-	923	522	2,484	3,929
Lease termination	-	-	-	(112)	-	(112)
Depreciation charge	(3,897)	(9,028)	(3,719)	(446)	(1,856)	(18,946)
Transfer to property, plant and equipment, net	-	-	-	-	(2,192)	(2,192)
Lease modification	-	-	15	-	-	15
Net book amount as at 31 December 2021	95,480	204,662	2,725	1,012	4,390	308,269
Net book amount as at 1 January 2022	95,480	204,662	2,725	1,012	4,390	308,269
Additions	-	-	8,489	623	-	9,122
Lease termination	-	-	-	(27)	-	(27)
Depreciation charge	(3,897)	(9,028)	(2,646)	(455)	(1,020)	(17,046)
Transfer to property, plant and equipment, net	-	-	-	-	(916)	(916)
Net book amount as at 31 December 2022	91,583	195,634	8,578	1,153	2,454	299,402

The expense relating to leases that not included in the measurement of lease liabilities and right-of-use and cash outflows for leases is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Expense relating to short-term leases	1,743	85	1,545	85
Total cash outflow for leases	1,743	85	1,545	85

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For the year ended 31 December 2022

17. Intangible assets, net

	Consolidated financial statements			
	Computer software Thousand Baht	Others Thousand Baht	Computer software under installation Thousand Baht	Total Thousand Baht
As at 1 January 2021				
Cost	28,706	1,210	3,524	33,440
Less: Accumulated amortisation	(9,564)	(183)	-	(9,747)
Net book amount	19,142	1,027	3,524	23,693
For the year ended 31 December 2021				
Opening net book amount	19,142	1,027	3,524	23,693
Additions	680	-	74	754
Transfer	105	-	(105)	-
Write-offs, net	(3,013)	(121)	-	(3,134)
Decrease from reclassification of investment in a subsidiary to be investment in a joint venture	(1,498)	-	-	(1,498)
Translation differences	1	-	66	67
Closing net book amount	15,417	906	3,559	19,882
As at 31 December 2021				
Cost	27,811	1,210	3,559	32,580
Less: Accumulated amortisation	(12,394)	(304)	-	(12,698)
Net book amount	15,417	906	3,559	19,882
For the year ended 31 December 2022				
Opening net book amount	15,417	906	3,559	19,882
Additions	43	-	817	860
Transfer	180	-	(180)	-
Write-offs, net	(3,055)	(121)	-	(3,176)
Translation differences	1	-	22	23
Closing net book amount	12,586	785	4,218	17,589
As at 31 December 2022				
Cost	27,868	1,210	4,218	33,296
Less: Accumulated amortisation	(15,282)	(425)	-	(15,707)
Net book amount	12,586	785	4,218	17,589

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	Separate financial statements			
	Computer software Thousand Baht	Others Thousand Baht	Computer software under installation Thousand Baht	Total Thousand Baht
As at 1 January 2021				
Cost	26,819	1,210	2,936	30,965
Less: Accumulated amortisation	(9,228)	(183)	-	(9,411)
Net book amount	17,591	1,027	2,936	21,554
For the year ended 31 December 2021				
Opening net book amount	17,591	1,027	2,936	21,554
Additions	680	-	74	754
Transfers	105	-	(105)	-
Amortisation charge	(2,967)	(121)	-	(3,088)
Closing net book amount	15,409	906	2,905	19,220
As at 31 December 2021				
Cost	27,604	1,210	2,905	31,719
Less: Accumulated amortisation	(12,195)	(304)	-	(12,499)
Net book amount	15,409	906	2,905	19,220
For the year ended 31 December 2022				
Opening net book amount	15,409	906	2,905	19,220
Additions	43	-	817	860
Transfers	180	-	(180)	-
Amortisation charge	(3,045)	(121)	-	(3,166)
Closing net book amount	12,587	785	3,542	16,914
As at 31 December 2022				
Cost	27,827	1,210	3,542	32,579
Less: Accumulated amortisation	(15,240)	(425)	-	(15,665)
Net book amount	12,587	785	3,542	16,914

18 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Deferred tax assets	80,838	80,323	69,846	71,750
Deferred tax liabilities	124,505	123,976	45,421	50,192
Deferred income taxes, net	(43,667)	(43,653)	24,425	21,558

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The movements of deferred income tax are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
As at 1 January	(43,653)	39,305	21,558	30,482
Tax charged (credited) to profit or loss	2,190	(5,695)	2,867	(6,196)
Tax credited to other comprehensive income	-	(49,582)	-	(2,728)
Decrease from reclassification of investment in a subsidiary to be investment in a joint venture	-	(25,871)	-	-
Translation differences	(2,204)	(1,810)	-	-
As at 31 December	(43,667)	(43,653)	24,425	21,558

The movements of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated financial statements					
	As at 1 January 2021 Thousand Baht	Charged (credited) to profit or loss Thousand Baht	Charged (credited) to other comprehensive income Thousand Baht	Decrease from reclassification of investment in a subsidiary to be investment in a joint venture Thousand Baht	Translation differences Thousand Baht	As at 31 December 2021 Thousand Baht
Deferred tax assets						
Allowance for expected credit loss - trade receivables	3,184	169	-	(289)	3	3,067
Allowance for expected credit loss - other receivables	253	(57)	-	(92)	-	104
Allowance for obsolete inventories	8,761	(2,198)	-	-	98	6,663
Impairment on building and equipment	435	-	-	-	-	435
Rental prepayment	53,313	(2,091)	-	-	-	51,222
Other provision	-	73	-	-	-	73
Employee benefit obligations	10,491	743	492	(1,072)	-	10,654
Unrealised gain (loss) on sales of goods / assets within the Group	3,579	(2,829)	-	-	-	750
Loss carry forward	26,482	4,564	-	(24,418)	727	7,355
	106,498	(1,624)	492	(25,871)	828	80,323
Deferred tax liabilities						
Depreciation charge of building and equipment	25,414	4,071	-	-	522	30,007
Surplus from land revaluation	41,779	-	50,074	-	2,116	93,969
	67,193	4,071	50,074	-	2,638	123,976
Deferred income taxes, net	39,305	(5,695)	(49,582)	(25,871)	(1,810)	(43,653)

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	Consolidated financial statements				
	As at 1 January 2022 Thousand Baht	Charged (credited) to profit or loss Thousand Baht	Charged (credited) to other comprehensive income Thousand Baht	Translation differences Thousand Baht	As at 31 December 2022 Thousand Baht
Deferred tax assets					
Allowance for expected credit loss - trade receivables	3,067	(265)	-	3	2,805
Allowance for expected credit loss - other receivables	104	(13)	-	-	91
Allowance for obsolete inventories	6,663	282	-	46	6,991
Impairment on building and equipment	435	-	-	-	435
Rental prepayment	51,222	(2,091)	-	-	49,131
Other provision	73	(73)	-	-	-
Employee benefit obligations	10,654	282	-	-	10,936
Unrealised gain on sales of goods / assets within the Group	750	91	-	-	841
Loss carry forward	7,355	1,350	-	903	9,608
	80,323	(437)	-	952	80,838
Deferred tax liabilities					
Depreciation charge of building and equipment	30,007	(2,627)	-	847	28,227
Surplus from land revaluation	93,969	-	-	2,309	96,278
	123,976	(2,627)	-	3,156	124,505
Deferred income taxes, net	(43,653)	2,190	-	(2,204)	(43,667)
	Separate financial statements				
	As at 1 January 2021 Thousand Baht	Charged (credited) to profit or loss Thousand Baht	Charged (credited) to other comprehensive income Thousand Baht	As at 31 December 2021 Thousand Baht	
Deferred tax assets					
Allowance for expected credit loss - trade receivables	2,896	117	-	3,013	
Allowance for expected credit loss - other receivables	161	(57)	-	104	
Allowance for obsolete inventories	7,569	(1,319)	-	6,250	
Impairment on building and equipment	435	-	-	435	
Rental prepayment	53,312	(2,091)	-	51,221	
Other provision	-	73	-	73	
Employee benefit obligations	9,518	644	492	10,654	
	73,891	(2,633)	492	71,750	
Deferred tax liabilities					
Depreciation charge of building and equipment	20,419	3,563	-	23,982	
Surplus from land revaluation	22,990	-	3,220	26,210	
	43,409	3,563	3,220	50,192	
Deferred income taxes, net	30,482	(6,196)	(2,728)	21,558	

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	Separate financial statements			
	As at 1 January 2022 Thousand Baht	Charged (credited) to profit or loss Thousand Baht	Charged (credited) to other comprehensive income Thousand Baht	As at 31 December 2022 Thousand Baht
Deferred tax assets				
Allowance for expected credit loss - trade receivables	3,013	(222)	-	2,791
Allowance for expected credit loss - other receivables	104	(13)	-	91
Allowance for obsolete inventories	6,250	289	-	6,539
Impairment on building and equipment	435	-	-	435
Rental prepayment	51,221	(2,091)	-	49,130
Other provision	73	(73)	-	-
Employee benefit obligations	10,654	206	-	10,860
	71,750	(1,904)	-	69,846
Deferred tax liabilities				
Depreciation charge of building and equipment	23,982	(4,771)	-	19,211
Surplus from land revaluation	26,210	-	-	26,210
	50,192	(4,771)	-	45,421
Deferred income taxes, net	21,558	2,867	-	24,425

Deferred tax assets are recognised for tax loss carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred tax assets of Baht 16.5 million (2021: Baht 14.9 million) in respect of losses amounting to Baht 82.4 million (2021: Baht 74.7 million) that can be carried forward against future taxable income that will be expired between 2023 and 2027.

19 Borrowings

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Current				
Short-term borrowings from financial institutions	40,000	10,149	40,000	10,149
Current portion of long-term borrowings from financial institutions	16,668	-	16,668	-
Total current borrowings	56,668	10,149	56,668	10,149
Non-current				
Long-term borrowings from financial institutions	227,396	-	63,332	-
Total non-current borrowings	227,396	-	63,332	-
Total borrowings	284,064	10,149	120,000	10,149

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Srinanaporn Marketing Public Company Limited (SNNP)

During the fourth quarter of 2022, the Company drawdown the borrowing of Baht 100 million from loan agreement with a commercial bank, with annual interest rate at 3.00% for the first two years and at the prime rate minus 1.25% for the following years. The interest shall be paid at the end of each month. The principal is due for repayment by monthly instalments from April 2023 until November 2026. In addition, the Company is required to comply with certain terms and conditions as specified in the loan agreement, such as maintaining the shareholding proportion in subsidiaries, maintaining the debt-to-equity ratio, and maintaining debt service coverage ratio (DSCR).

Short-term borrowings from financial institution as at 31 December 2022 bears interests at 2.00% per annum (2021: at 1.50% per annum).

S.T. Food Marketing Co., Ltd. (STFM)

During the second quarter of 2022, a subsidiary entered into a loan agreement with a commercial bank for Vietnamese Dong 190,000 million, with annual interest rate at the cost of fund plus 2.875%. The principal is due for repayment by quarterly instalments from May 2024 until May 2027. The borrowings are secured by SNNP International Co., Ltd. In addition, the subsidiary is required to comply with certain terms and conditions as specified in the loan agreement, such as maintaining the debt-to-equity ratio.

As at 31 December 2022, the subsidiary drawdown the borrowing of Vietnamese Dong 113,156.7 million or equivalent to Baht 169.5 million.

As at 31 December 2022, the Group had available interest bearing credit facilities of Baht 2,128.0 million, Vietnamese Dong 76,843.3 million and US Dollar 3 million from financial institutions, and available non-interest bearing credit facilities of Baht 1,338.6 million from financial institutions (31 December 2021: Baht 1,337.9 million and available non-interest bearing credit facilities of Baht 988.9 million from financial institutions).

The interest rates exposure on the borrowings of the Group were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht
Short-term borrowings				
from financial institutions				
- at fixed rates	40,000	10,149	40,000	10,149
Long-term borrowings				
from financial institutions				
- at fixed rates	80,000	-	80,000	-
- at floating rates	164,064	-	-	-
Total borrowings	284,064	10,149	120,000	10,149

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The effective interest rates at the statement of financial position date were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Long-term borrowings from financial institutions	3.21% to 8.75%	-	3.21%	-

The fair value of short-term borrowings from financial institutions equals their carrying amount, as their maturity date are short. The fair value of long-term borrowings approximates the contract value because the effect of the discount rates is not significant. (The fair values are within level 2 of the fair value hierarchy).

Maturity of long-term borrowings are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Within 1 year	16,668	-	16,668	-
Over 1 year but less than 5 years	227,396	-	63,332	-
Total long-term borrowings	244,064	-	80,000	-

Movements of liabilities arisen from financing activities of the Group and the Company for the year ended 31 December are as follows:

	Consolidated financial statements	Separate financial statements
	Long-term borrowings from financial institutions	Long-term borrowings from financial institutions
	Thousand Baht	Thousand Baht
As at 1 January 2021	998,789	998,789
Cash flows		
- proceeds	33,635	33,635
- repayments	(1,034,330)	(1,034,330)
Non-cash movement		
- amortisation of front-end fees	1,906	1,906
As at 31 December 2021	-	-
Cash flows		
- proceeds	269,509	100,000
- repayments	(20,000)	(20,000)
Non-cash movement		
- amortisation of front-end fees	(1,634)	-
- translation differences	(3,811)	-
As at 31 December 2022	244,064	80,000

Srinanaporn Marketing Public Company Limited
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20 Lease liabilities, net

The Group and the Company entered into the lease agreements for rental assets used in the operating activities and has to pay rental expenses following rate specified in the agreements. As at 31 December, lease liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Current portion of lease liabilities	6,219	6,305	5,688	5,264
Non-current lease liabilities	15,953	14,011	14,636	11,759
Total lease liabilities	22,172	20,316	20,324	17,023
Less: undue deferred interest	(1,663)	(1,775)	(1,559)	(1,575)
Present value of lease liabilities	20,509	18,541	18,765	15,448

Present value of lease liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Lease liabilities, net	20,509	18,541	18,765	15,448
Less: Current portion of lease liabilities, net	(5,622)	(5,751)	(5,139)	(4,798)
Non-current lease liabilities	14,887	12,790	13,626	10,650

Movement of lease liabilities of the Group and the Company as at 31 December are as follows:

	Consolidated financial statements Thousand Baht	Separate financial statements Thousand Baht
As at 1 January 2021	186,072	19,638
Cash flows		
- repayments	(17,506)	(8,019)
Non-cash movement		
- net change in lease liabilities	6,986	3,943
- lease termination	(5,086)	(114)
- decrease from reclassification of investment in a subsidiary to be investment in a joint venture	(152,028)	-
- translation differences	103	-
As at 31 December 2021	18,541	15,448
Cash flows		
- repayments	(6,375)	(5,777)
Non-cash movement		
- net change in lease liabilities	10,175	9,122
- lease termination	(1,917)	(28)
- translation differences	85	-
As at 31 December 2022	20,509	18,765

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21 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Trade payables	757,414	491,525	743,135	479,188
Trade payables - related parties (Note 30.3)	30,181	24,943	30,199	24,358
Other payables	151,171	145,431	129,530	94,132
Other payables - related parties (Note 30.3)	5,088	1,048	5,128	1,146
Accrued expenses	233,292	158,943	226,323	154,136
Accrued expenses - related parties (Note 30.3)	42,205	36,063	64,821	46,879
Others	37,032	18,733	16,283	16,761
Total trade and other payables	1,256,383	876,686	1,215,419	816,600

22 Employee benefit obligations

The movements in the employee benefit obligations during the year are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
As at 1 January	53,679	52,887	53,093	47,310
Current service costs	3,022	3,763	2,966	3,219
Interest expenses	638	531	630	506
Decrease from reclassification of investment in a subsidiary to be investment in a joint venture	-	(5,467)	-	-
	57,339	51,714	56,689	51,035
Remeasurements:				
Gain from change in financial assumptions	-	(684)	-	(684)
Experience loss	-	3,143	-	3,143
Benefit payment	(2,563)	(454)	(2,563)	(454)
Transfer	-	(40)	269	53
As at 31 December	54,776	53,679	54,395	53,093

The principal actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2022 %	2021 %	2022 %	2021 %
Discount rate	0.66 - 1.94	0.66 - 1.94	0.66 - 1.91	0.66 - 1.91
Future salary incremental rate	4.00 and 5.00	4.00 and 5.00	5.00	5.00

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Sensitivity analysis for each significant assumption used is as follows:

	Consolidated and Separate financial statements					
	Change in assumption		Impact on defined benefit obligations			
	2022	2021	Increase in assumption		Decrease in assumption	
			2022	2021	2022	2021
Discount rate	0.50%	0.50%	Decrease by 3.01%	Decrease by 2.90% - 2.92%	Increase by 3.19%	Increase by 3.08% - 3.09%
Future salary incremental rate	1.00%	1.00%	Increase by 7.31% - 7.32 %	Increase by 6.09% - 6.11 %	Decrease by 6.64% - 6.65%	Decrease by 5.54% - 5.56%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised within the statement of financial position.

The method and types of assumption used in preparing the sensitivity analysis did not change compared to the previous period.

As at 31 December 2022 the weighted average duration of the defined benefit obligation of the Group and the Company are 2 years for daily employee and 10 years for monthly employee (2021: 2 years for daily employee and 10 years for monthly employee).

23 Share capital

	Registered shares capital		Issued and paid-up shares capital		Premium on share capital (Thousand Baht)	Total (Thousand Baht)
	Number of shares (Shares)	Ordinary shares (Thousand Baht)	Number of shares (Shares)	Ordinary shares (Thousand Baht)		
As at 1 January 2022	960,000,000	480,000	960,000,000	480,000	2,018,140	2,498,140
Decrease of authorised share capital	-	-	-	-	-	-
Increase of authorised share capital	-	-	-	-	-	-
As at 31 December 2022	960,000,000	480,000	960,000,000	480,000	2,018,140	2,498,140

24 Legal reserve

	Consolidated and Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht
As at 1 January	48,000	37,903
Appropriation during the year	-	10,097
As at 31 December	48,000	48,000

Under the Public Limited Company Act B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve reaches not less than 10% of the registered capital. The legal reserve is non-distributable.

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25 Other income

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Rental income	340	289	3,399	3,293
Interest income	245	140	1,568	57
Others	47,246	32,775	71,069	50,931
Total other income	47,831	33,204	76,036	54,281

The majority of other income are comprised of revenue from sales of packaging materials and raw materials, gain on exchange rate, revenue from rendering services etc.

26 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Changes in inventories of finished goods and work in process	(84,201)	40,085	(71,498)	33,582
Loss from inventories write-off and (reversal of) allowance for decrease in value of inventories	8,978	(2,953)	9,302	(3,054)
Purchase goods and raw material and consumables used	3,125,593	2,421,558	3,066,261	2,326,575
Employee benefit expenses	1,054,964	882,076	1,009,198	812,268
Transportation expenses	207,564	170,393	203,050	154,897
Depreciation and amortisation charge	158,751	172,665	148,632	154,730
Lease payment	1,743	85	1,545	85
Repair and maintenance expenses	49,381	38,142	48,826	36,107
Utility expenses	108,580	82,906	105,040	80,881
Other expenses	296,591	141,118	301,091	148,510
	4,927,934	3,946,075	4,821,447	3,744,581

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27 Income taxes

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Current tax:				
Current tax on profits for the year	139,362	80,084	138,572	79,997
Total current tax	139,362	80,084	138,572	79,997
Deferred tax:				
Decrease (increase) in deferred tax (Note 18)	(2,190)	5,695	(2,867)	6,196
Total deferred tax	(2,190)	5,695	(2,867)	6,196
Total income taxes	137,172	85,779	135,705	86,193

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic weighted average tax rate applicable to profit of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Profit before tax	648,949	507,415	678,349	444,062
Tax calculated at a tax rate of 20%	129,790	101,483	135,670	88,812
Tax effect of:				
Non-taxable revenue	(759)	(954)	-	(144)
Expenses not deductible for tax purpose	1,513	2,987	1,366	1,388
Expenses more deductible for tax purpose	(1,355)	(3,870)	(1,331)	(3,863)
Tax losses for which no deferred income tax asset was recognised	2,392	4,117	-	-
Gain on loss of control of a subsidiary	-	(25,747)	-	-
Share of loss of investment in a joint venture	5,505	6,669	-	-
Others	86	1,094	-	-
Income taxes	137,172	85,779	135,705	86,193

The weighted average applicable tax rate for Group and Company was 21.14% and 20.01%, respectively (2021: 16.86 % and 19.41%, respectively).

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28 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares issued and paid-up during the year.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Net profit attributable to ordinary shares (Thousand Baht)	515,715	437,167	542,644	357,869
Weighted average ordinary shares (Shares)	960,000,000	831,780,822	960,000,000	831,780,822
Basic earnings per share (Baht)	0.54	0.53	0.57	0.43

29 Dividends

On 22 April 2022, the annual general meeting of the shareholders No. 1/2022 passed a resolution to approve the dividend payment from the operation for the year 2021 of Baht 0.24 per share, totalling Baht 230.40 million. However, during the year 2021, the Company already paid an interim dividend of Baht 0.10 per share. The remaining dividend payment for the year 2021 is Baht 0.14 per share, totalling Baht 134.40 million and was paid on 18 May 2022.

On 8 August 2022, the Board of Director's meeting passed a resolution to approve an interim dividend payment from the operations for the six-month period ended 30 June 2022 of Baht 0.18 per share, totalling Baht 172.80 million. The interim dividend was paid on 6 September 2022.

30 Related party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, associates, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The major shareholders of the Company are Ascend I. Holding Co., Ltd and Concord I. Capital Limited, holding 26.8% of the Company's shares.

The information of the Company's subsidiaries and a joint venture are provided in Note 12 and Note 13.

Other related parties are the parties of which their shareholders are intimate of the Company's directors or of which the Company's director is their shareholder.

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The pricing policies for transactions between parent, major shareholders, subsidiaries, a joint venture, and other related parties are as follows:

- The prices of sales of goods are based on cost plus with margin.
- The interest income is based on average cost of borrowings plus with margin.
- The rental income is based on agreed price.
- Other income represents management fees providing administration to the parent company, subsidiaries and other related parties in normal course of business. The fees are based on cost of services plus with margin.
- The purchase of goods and services are in accordance with agreed price.

The following transactions were carried out with related parties:

30.1 Revenues from sales of goods, rental income and other income

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Revenue from sales of goods to:				
Subsidiaries	-	-	197,782	404,786
A joint venture	935,821	640,668	935,821	640,668
Related persons	87	72	87	72
Other related parties	2,660	1,101	2,660	1,101
	938,568	641,841	1,136,360	1,046,627
Rental income from:				
Subsidiaries	-	-	3,059	3,004
Other related parties	340	289	340	289
	340	289	3,399	3,293
Interest income from:				
Subsidiaries	-	-	1,417	-
	-	-	1,417	-
Other income from				
Subsidiaries	-	-	40,025	19,347
A joint venture	137	-	137	-
Other related parties	12,791	16,591	12,791	16,591
	12,928	16,591	52,953	35,938

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30.2 Purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Purchases of goods from:				
Related person	540	330	540	330
Other related parties	102,258	88,498	102,258	85,029
	102,798	88,828	102,798	85,359
Electricity expenses to:				
Other related parties	8,943	7,646	8,943	7,646
Transportation expenses to:				
Other related parties	11,843	121	11,843	121

30.3 Outstanding balances arising from purchases and sales of goods and services

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Trade and other receivables (Note 10)				
Subsidiaries	-	-	84,224	55,361
A joint venture	326,195	212,954	326,195	212,954
Other related parties	5,521	3,256	5,521	3,256
	331,716	216,210	415,940	271,571
Right-of-use assets				
A related person	7,019	8,020	7,019	8,020
Other related parties	280,198	292,122	280,198	292,122
	287,217	300,142	287,217	300,142
Trade and other payables (Note 21)				
Subsidiaries	-	-	22,655	10,914
A joint venture	40,346	35,344	40,346	35,344
Related persons	474	410	474	410
Other related parties	36,654	26,300	36,673	25,715
	77,474	62,054	100,148	72,383

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30.4 Outstanding balances arising from lease liabilities

	Consolidated financial statements		Separate financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Lease liabilities to a related person				
Due within 1 year	944	910	944	910
Due over 1 year	6,452	7,395	6,452	7,395
	7,396	8,305	7,396	8,305

30.5 Loans to related parties

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Subsidiaries	-	-	100,000	-
	-	-	100,000	-

The movements of loans to related parties can be analysed are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Subsidiaries				
As at 1 January	-	-	-	-
Loans during the period	-	-	100,000	-
As at 31 December	-	-	100,000	-

The loans to subsidiaries were made on commercial terms and conditions. The loans are repayable in 11 months and interest at LIBOR plus 2.00% per annum. No allowance has been required in 2022 for the loans made to subsidiaries.

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30.6 Key management compensation

The compensation paid or payable to key management for employee services are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Salaries and other short-term employee benefits	54,982	52,661	54,982	52,661
Post-employment benefits	1,077	934	1,077	934
	56,059	53,595	56,059	53,595

31 IBOR reform

Effect of IBOR reform

The Group is under negotiating with contractual party to amend loan agreement to related parties that reference LIBOR with maturity after 30 June 2023. The loan repayment is due in September 2023 which after the cessation of LIBOR approximately 3 months.

The following table contains details of all the financial instruments the Group holds as at 31 December 2022 which reference LIBOR and haven't transitioned to an alternative interest rate benchmark yet:

	Consolidated financial statements	Separate financial statements
	LIBOR	LIBOR
	Thousand Baht	Thousand Baht
Non-derivative assets and liabilities		
Measured at amortised cost		
- Loans to related parties	-	100,000
	-	100,000

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32 Commitments and significant contracts

a) Capital expenditure commitments

Capital expenditures contracted as at the statement of financial position date but not recognised in the financial statements are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Buildings and equipment	71,875	184,523	28,327	16,911
Intangible assets	1,345	1,620	1,345	1,620
	73,220	186,143	29,672	18,531

b) Other commitments

As at 31 December 2022, the Company had commitments under letters of guarantee with the financial institutions in amount of Baht 10.9 million (2021: Baht 10.9 million).

As at 31 December 2022, the Company had commitments under raw material purchase agreement in amount of Baht 119.7 million that the agreement has purchasing period until the end of 2023 (2021: Baht 85.5 million).

As at 31 December 2022, the Company was liable under letters of guarantee issued by financial institutions for certain lease liabilities to a joint venture which was equivalent to Baht 25.7 million (2021: Baht 62.1 million).

c) Significant contracts

As at 31 December 2022, a subsidiary had the land lease agreement with Vietnam-Singapore Industrial Park J.V. Co., Ltd. (VSIP) in Socialist Republic of Vietnam. The leases area covered 12.5 Rai and 39-year lease period. A subsidiary has fully paid rental amount of Vietnamese Dong 25,340 million to VSIP.

As at 31 December 2022, the Company had the sale and purchase of electricity agreements and the rental rooftop agreement with a related party. The Company has agreed to purchase electricity generated from solar energy facilities. The agreement period are 20 to 25 years from the commencement of the purchase of electricity.

As at 31 December 2022, the Company had the sale and purchase of liquefied petroleum gas agreements on an average demand volume of 150,000 kilograms per month or 1,800,000 kilograms per year. The agreement period is 5 years, ending on 28 February 2027.

As at 31 December 2022, the Company had the land lease agreement with a related party. The leases area covered 471.8 Rai and 30-year lease period. The rental is specified in the agreement.

4

Part 4 **Certification of Information**

Certification of Information

The Company has carefully reviewed the information in this 56-1 One Report. The Company certifies that such information is accurate, complete, true, and contains no false or misleading statements and no omissions of any material facts that should have been disclosed therein. In addition, the Company certifies the following:

- (1) Financial statements and financial information summarized in this Annual Registration Statement have been accurately and completely disclosed and contain all material facts concerning the financial status, business operations, and cash flows of the Company and its subsidiaries.
- (2) The Company has established a good information disclosure system to ensure that the material information disclosure of the Company and its subsidiaries is carried out both accurately and completely, including the control and supervision of implementation of said system.
- (3) The Company has established a good internal control system and provides supervision to ensure compliance with said system. The Company has also notified the auditor and audit committee of the Company regarding the internal control system assessment as of December 31, 2022. This assessment covered any deficiencies and/or major changes in the internal control system, including any misconduct that could have affected the preparation of the financial reports of the Company and its subsidiaries.

In this regard, as evidence that all documents are the same as the certified documents, the Company has assigned Mr. Supachoke Bumrungpun to sign every page of the documents. If any document does not contain Mr. Supachoke Bumrungpun's signature, the Company shall deem that said document does not contain information certified by the Company as outlined above.

Name	Position
Mr. Niwat Kanjanaphoomin	Chairman, Board of Directors / Independent Director
Mr. Viwat Kraipisitkul	Director / Chairman of the Executive Committee
Mr. Thakorn Chaisathaporn	Director, Executive Committee Member, Nomination & Remuneration Committee Deputy Managing Director, Business 2 Member, Corporate Governance & Sustainable Development Committee Chief Executive Officer
Mr. Supachoke Bumrungpun	Chief Financial Officer Member of Risk management Committee

Grantee

Name	Position
Mr. Supachoke Bumrungpun	Chief Financial Officer Member of Risk management Committee

Signature

Attachment

Report of the Risk Management Committee

Srinanaporn Marketing Public Company Limited



Dear Shareholders

The Company recognizes the importance of effective risk management in order to encourage sustainable growth and achieve the business goals of the Company, thereby helping to build confidence and credibility among all groups of shareholders and stakeholders alike. As such, the Board of Directors of Srinanaporn Marketing Public Company Limited has appointed its Risk Management Committee to determine comprehensive policies, goals, and organizational risk management frameworks in order to reduce or control the impact of various risk factors, both external and internal, to ensure these remain at a controllable or acceptable level. In addition, the Committee is also responsible for the supervision of efficient risk management processes and the incorporation of said processes into the organizational culture by integrating these into the Organization's strategic and operational plans at the department level, thus allowing the Company to operate in such a way that it can achieve its objectives according to the sustainable business growth plan and create long-term value for shareholders.

The Board of Directors has assigned duties and responsibilities to the Risk Management Committee as specified in the Risk Management Committee Charter. The scope of said responsibilities is consistent with good corporate governance practices according to the Corporate Governance Guidelines issued by the Securities and Exchange Commission. This includes the identification of risks that may affect the business operations of the Company, assessment of the likelihood and impact of risks, supervision of risk control or a mitigation plan, provision of suggestions to ensure plan effectiveness, review of the risk management plan, follow-up on the progress of the management's implementation of the risk management plan, and provision of advice and recommendation for risk management operations.

At present, the Risk Management Committee consists of independent committee directors, executive committee directors, and senior management officers, all of whom are knowledgeable, competent, experienced, and fully qualified as specified in the Risk Management Committee Charter. As of December 31, 2022, there were 5 members, consisting of:

- | | |
|------------------------------|--|
| 1. Mr. Jirasuk Sugandhajati | Chairman of the Risk Management Committee, Independent Director |
| 2. Mr. Monchai Pongstabadee | Risk Management Committee, Executive Committee |
| 3. Mr. Wichian Chaisathaporn | Risk Management Committee, Executive Committee, and Executive Vice President of Production |

- | | |
|--|---|
| 4. Mr. Wiroj Wachiradechkul | Risk Management Committee, Executive Committee, and Senior Executive Vice President Business Division I |
| 5. Mr. Supachoke Bumrungpun ¹ | Risk Management Committee and Deputy Chief Executive Officer of Accounting and Finance |

¹ The Board of Directors' Meeting No. 3/2022 held on May 9, 2022 resolved to appoint Mr. Supachok Bumrungphan to be a member of the Risk Management Committee replacing Mr. Chayut Leehacharoenkul.

Throughout the year 2022, the Risk Management Committee operated according to the Charter. The actions of the Risk Management Committee can be summarized as follows:

1. Convened a total of one meeting in order to perform its duties according to the Charter and to present its Risk Management Committee Report to the Board of Directors respectively.
2. Reviewed the Risk Management Committee Charter before proposing it to the Board of Directors for approval and promulgation. Said Charter contains the guidelines for the duties, operations, and responsibilities of the Risk Management Committee regarding the supervision and management of risk control and the reduction of the possible impacts of risks on the business of the Company as assigned by the Board of Directors, as well as to comply with good corporate governance practices.
3. Reviewed the overall risk management and governance of the Company by giving due consideration to the appropriateness and effectiveness of Company management's handling of identified risks that have a large impact on the business of the Company in order to determine adequate control measures or appropriate mitigation measures. The Risk Management Committee has also monitored risk management work and actions taken according to the Company's Risk Management Policy, as part of the business strategy and operations of the Company. The Committee also provided additional advice for effective management, covering such aspects as strategic, operational, financial, legal, regulatory, and other types of risks, including both external and internal risks, ensuring that risk management is continuous and effective.
4. Monitored measures to maintain the security and safety of information and information systems, remained informed of reports on cyber-threat situations related to the Company and the Company's risk management as presented by the department responsible for said risks, and provided ideas for increased security in order to prevent possible damage from computer crimes that could occur.
5. Considered and reviewed Company management's risk management measures related to foreign exchange rate volatility, as the Company does have both income and expenses in foreign currency form. The Committee also provided opinions and recommendations on how to reduce the impact of such risks through the management of foreign currency income and expenses in various major currencies, particularly with the use of a natural hedge, along with the consideration of financial instruments for use as appropriate.
6. Supported and drove forward the creation of a Risk and Control Culture within the Organization by understanding the plans and outcomes of related activities and by integration with the Audit Committee in order to elevate the Company's Risk and Control Culture moving forward.
7. Evaluated the Risk Management Committee's performance for the year 2022 using both collective and individual self-assessment according to the guidelines of the Stock Exchange of Thailand. Evaluation results showed that the Risk Management Committee has performed its duties and responsibilities in full as specified in the Risk Management Committee Charter.

In conclusion, the Risk Management Committee has continued to place great importance on the performance of its duties. This is a key aspect necessary for building confidence in both shareholders and stakeholders alike that the Organization will be able not only to achieve its strategies and goals, but also to create added value for the Organization itself, its shareholders, and its stakeholders. Going forward, the Risk Management Committee remains committed to supporting the Board of Directors and all management in advancing the Company toward sustainable growth with satisfactory and appropriate risk management and administration.

Mr. Jirasuk sugandhajati
Chairman of the Risk Management Committee

Attachment 1 Details of Board of Directors, executives, controlling persons, Chief Financial Officer, responsible person in accounting, Company secretary and representative for overseas companies

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
1. Mr. Niwat Kanjanaphoomin - Chairman, Board of Directors - Independent Director Date of appointment April 22, 2022	61	- M.A. (Economic Law), Chulalongkorn University	None	None	2019 - sept 2020	- Director	Coretech Corporation Ltd. (Information system design and installation)
		- MBA (Marketing), Massey University			2018 - present	- Independent Director - Chairman, Board of Directors	Srinanaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
		- B.Eng. (Computer Engineering), King Mongkut's Institute of Technology Ladkrabang			2018 - 2019	- Chairman, Risk Management Committee	Srinanaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
		Training			2018 - present	- Director	Asia SIT Co., Ltd. (Information system design and installation)
		- Director Accreditation Program (DAP), Class 82/2010, Institute of Directors (IOD)			2014 - 2017	- Director - Chairman, Risk Management Committee - Member, Executive Committee	Thai Credit Guarantee Corporation (Financial Institution)
		- Audit Committee Program (ACP), Class 30/2010, Institute of Directors (IOD)			2016	- Director, - Chairman, Risk Management Committee - Member, Executive Committee	Secondary Mortgage Corporation (Financial Institution)
		- The Role of Chairman Program (RCP) Class 45/2019, Institute of Directors (IOD)			2010 - 2014	- Managing Director	Thai Bond Market Association (Financial Institution)
		- PDPA Regulation Overview, ILCT Ltd. (22 July 2022)			2010 - 2014	- Director	Federation of Thai Capital Market Organizations (Association)
					2011 - 2013	- Director - Audit Committee	IFS Capital Thailand Public Co.,Ltd. (Financial Institution)

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
2. Mr. Viwat Kraipisitkul - Authorized Director - Chairman of the Executive Committee Date of Appointment April 28, 2020	66	- M.A. (Industrial Management), Chandrakasem Rajabhat University - B.Sc. (Industrial Technology), Chandrakasem Rajabhat University Training - Director Accreditation Program (DAP), Class 128/2016, Institute of Directors (IOD) - PDPA Regulation Overview, ILCT Ltd. (22 July 2022)	Mr. Viwat Kraipisitkul has direct share of 1.25 % and holds share in Concord I Capital Ltd. 35% and Ascend I Holding Co., Ltd. 35% which hold share in the Company 12.5 % and 14.3 % respectively. Mrs. Thanyanee Kraipisitkul, his spouse, has direct share of 1.25 % and holds share in Concord I Capital Ltd. 35% and Ascend I Holding Co., Ltd. 35% which hold share in the Company 12.5 % and 14.3 % respectively.	- Spouse of Mrs. Thanyanee Kraipisitkul - Elder brother of Mr. Thakorn Chaisathaporn - Elder brother of Mr. Wichian Chaisathaporn	2019 - present	- Director	Ascend I Holding Co., Ltd. (Holding shares in other Companies)
					2016 - present	- Director - Chairman of the Executive Committee	Srinaporn Marketing, Public Co., Ltd. (Snacks and beverage manufacturing and distribution)
					2016 - present	- Director	Unity I Capital Ltd. (Holding company)
					2015 - present	- Director - Chairman, Executive Committee - Chairman, Risk Management Committee - Member, Nomination and Remuneration Committee	Sernsang Power Corporation Public Co., Ltd. (Holding shares in other companies)
					2015 - present	Director	Essential Power Co., Ltd. (Electricity generation and distribution from renewable energy) Not yet in operation
					2015 - present	Director	Sernsang Solar Co., Ltd (Electricity generation and distribution from renewable energy) Not yet in operation
					2015 - present	Director	Sernsang Infinite Co., Ltd (Electricity generation and distribution from solar energy, biomass, fossil)
					2014 - present	Director	Kao Tao Paradise Beach Co., Ltd. (Real estate development)
					2013 - present	Director	Sernsang Cooperation Ltd. (Electricity generation and distribution from renewable energy) Not yet in operation

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
					2013 - present	Director	Triple P Renewable Co., Ltd. (Electricity generation and distribution from renewable energy) Not yet in operation
					2011 - present	Director	Absolute Products Co., Ltd. (Palm oil extraction and operation of bio gas power plant)
					2010 - present	Director	Sermang Palang Ngan Co., Ltd. (Electricity generation and distribution from renewable energy)
					2003 - present	Director	Kim Heng Daily Foods Co., Ltd. (Delicatessen manufacturing and distribution. At present, the objective has been changed to renting, offer for rent or investment in real estate and/or right to rent real estate for commercial purpose)
					1996 - present	Director	Srichaoren Paiboon Pattana Co., Ltd. (Real estate development)
					1994 - present	Director	Siam Ratchaburi Industry Co., Ltd. (Food and snacks manufacturing and distribution. At present, the objective has been changed to renting, offer for rent or investment in real estate)
					1991 - present	Director	Kim Heng Food Products Co., Ltd. (Delicatessen manufacturing and distribution. At present, the objective has been changed to renting, offer for rent or investment in real estate and/or right to rent real estate for commercial purpose)
					1990 - present	- Director - Chairman of the Executive Committee	Vivat Agriculture Corporation Public Co., Ltd. (Palm tree planting, palm tree plantation, agricultural garden)

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
3. Mrs. Thanyanee Kraipisitkul - Authorized Director - Member, Executive Committee - Member, Nomination and Remuneration Committee - Managing Director Date of Appointment March 12, 2021	66	- B.A. Business Administration (Management), Bangkok Thonburi University Training - Director Accreditation (DAP), class 143/2017, Institute of Directors - PDPA Regulation Overview, ILCT Ltd. (22 July 2022)	Mr. Viwat Kraipisitkul holds direct shares of 1.25 % and holds share in Concord I Capital Ltd. 35.00 % and Ascend I Holding Ltd. 35% which hold share in the Company 12.5% and 14.3 % respectively. Mrs. Thanyanee Kraipisitkul, his spouse, holds direct shares of 1.25 % and holds share in Concord I Capital Ltd. 35.00 % and Ascend I Holding Ltd. 35% which hold share in the Company. 12.5% and 14.3 % respectively	Spouse of Mr. Viwat Kraipisitkul	2020 - present	Directors	S.C. Food Trading Co. Ltd. (Snacks and beverage distribution)
					2020 - present	Directors	S.C. Food Products Co. Ltd. (Snacks Manufacturing and distribution)
					2020 - present	Directors	STVV Development Co., Ltd. (Holding real estate)
					2019 - present	Directors	Ascend I Holding Co., Ltd. (Holding shares in other Companies)
					2019 - present	Directors	Concord I Capital Ltd (Holding shares in other Companies)
					2019 - present	Directors	Siri Pro Co., Ltd (Snacks and beverage distribution)
					2018 - present	Directors	SNIP International Co., Ltd. (Provide administrative and technical service to related business)
					2018 - present	Directors	Srichaoren Paiboon Pattana Co.,Ltd. (Real estate development)
					2017 - present	Director	Srinaporn Distribution Co., Ltd. (Snacks and beverage distribution)
					2017 - present	Director	Access C Management Ltd. (Holding shares in investment in electricity generation and distribution)
					2016 - present	- Director - Member of Executive Committee - Member of Nomination and Remuneration Committee - Managing Director	Srinaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
					2016 - present	Director	Vertical Holdings Co., Ltd. (Holding shares in other companies)
					2015 - present	Director	Sernsang Power Corporation Public Co., Ltd. (Holding shares in other companies)
					2013 - present	Director	Sri Siam Food Products Co., Ltd. (Food and snacks, manufacturing and distribution. Presently the objective has been changed to be offer for rent real estate, right to rent real estate for commercial purpose)
					2013 - present	Director	Vivat Agriculture Corporation Public Co., Ltd. (Palm tree planting, palm tree plantation, agricultural garden)
					2011 - present	Director	T.K.H. Wood Power Co., Ltd. (Electricity, gas, steam and air conditioning system. Factory generating and sale of solar energy and biomass.)
					2007 - present	Director	Siam Daily Food Co., Ltd. (Food and snacks manufacturing and distribution. At present, the objective has been changed to renting real estate.)
					2003 - present	Director	Kim Heng Daily Foods Co., Ltd. (Delicatessen manufacturing and distribution. At present, the objective has been changed to renting, offer for rent or investment in real estate and/or right to rent real estate for commercial purpose.)

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
					1994 - 2019	Director	Siam Ratchaburi Industry Co., Ltd. (Food and snacks manufacturing and distribution. At present, the objective has been changed to renting, offer for rent or investment in real estate.)
					2017 - 2017	Director	SIEC Co., Ltd. (Trading business)
					2014 - 2016	Director	Access Energy Co., Ltd. (Invest in electricity generation and distribution)
					2014 - 2015	Director	Sernsang Solar Co., Ltd (Electricity generation and distribution from renewable energy) Not yet in operation
					2014 - 2015	Director	Plus Energy Co., Ltd. (Electricity generation and distribution from renewable energy) Not yet in operation
					2014 - 2015	Accountant	Herman Chan CPA& Co/Professional Services

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
4. Mr. Thakorn Chaisathaporn - Authorized Director - Member, Executive Committee - Member, Nomination & Remuneration Committee - Member, Corporate Governance & Sustainable Development Committee - Deputy Managing Director, Business 2 - Chief Executive Officer Date of Appointment April 28, 2020	57	- M.A. (Business Administration), Suan Dusit University Training - Director Accreditation Program (DAP), Class 139/2017, Institute of Directors - PDPA Regulation Overview, ILCT Ltd. (22 July 2022)	Mr. Thakorn Chaisathaporn and Mrs. Kittiya Chaisathaporn are married couple which hold share in the Company of 10.42 % and 2.66 % respectively	- Spouse of Mrs. Kittiya Chaisathaporn - Younger brother of Mr. Viwat Kraipitkul - Younger brother of Mr. Wichian Chaisathaporn	2022 - present	Director	Wonder Export and Import Co., Ltd. (Electronic car rental with driver)
					2021-present	Director	SNNP International Co., Ltd. (Supports the subsidiaries as limited partnership)
					2020 - present	Director	S.C. Food Trading Co., Ltd. (Snacks and beverage distribution)
					2020 - present	Director	S.C. Food Products Co., Ltd. (Snacks manufacturing and distribution)
					2019 - present	Director	AXEL Holding Co., Ltd. (Holding company)
					2019 - present	Director	Siri Pro Co., Ltd. (Snacks and beverage distribution)
					2018 - present	Director	SNNP International Co., Ltd. (Provide administrative and technical support to related business)
					2017 - present	Director	Srinanaporn Distribution Co., Ltd. (Snacks and beverage distribution)
					2012 - present	Director	Thai Faster Products Co., Ltd. (Food and snacks manufacturing and distribution)
					2003 - 2016	Director	Kim Heng Daily Foods Co., Ltd. (Delicatessen manufacturing and distribution. At present, the objective has been changed to renting, offer for rent or investment in real estate and/or rights to rent real estate for commercial purpose)

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
					1991 - present	<ul style="list-style-type: none"> - Director - Member, Executive Committee - Member, Nomination & Remuneration Committee - Deputy Managing Director, Business 2 - Member, Corporate Governance & Sustainable Development Committee - Chief Executive Officer 	Srinaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
					1990 - 2022	- Director	Vivat Agriculture Corporation Ltd. (Palm tree planting, palm tree plantation, agricultural garden)
					1996 - 2016	Chief Executive Officer	Sri Siam Food Products Co., Ltd. (Snacks and beverage manufacturing and distribution. At present, the objective has been changed to renting, offer for rent or investment in real estate and/or rights to rent real estate for commercial purpose)
					1994 - 2016	Chief Executive Officer	Siam Ratchaburi Industry Co., Ltd. (Food and snacks manufacturing and distribution. Presently, the objective has been changed to be holding real estate for rent)

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
					1991 - 2016	Chief Executive Officer	Kim Heng Food Products Co., Ltd. (Food and snacks manufacturing and distribution. Presently, the objective has been changed to be holding real estate for rent)
					1991 - 2016	Chief Executive Officer	Siam Daily Foods Co., Ltd. (Food and snacks manufacturing and distribution)

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
5. Mr. Wichian Chaisathaporn - Director - Member, Executive Committee - Member, Risk Management Committee - Deputy Managing Director, Production	61	- M.Sc. (Industrial Technology), Chandrakasem Rajabhat University - B.Sc. (Industrial Technology), Chandrakasem Rajabhat University Training - Director Accreditation Program (DAP), Class 139/2017, Institute of Directors - PDPA Regulation Overview, ILCT Ltd. (22 July 2022)	7.50	- Younger Brother of Mr. Viwat Kraipititkul - Elder Brother of Mr. Thakorn Chaisathaporn	2021 - present	Director	SNNP International Co., Ltd.(Supports the subsidiaries as limited partnership)
					2019 - present	Director	A X E L Holdings Co., Ltd. / Holding company.
					2019 - present	Director	S.C. Food Products Co., Ltd. (Snacks manufacturing and distribution)
					2018 - present	- Director - Member, Executive Committee - Member, Risk Management Committee - Deputy Managing Director, Production	Srinanaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
					2018 - present	Director	S.C. Food Trading Co., Ltd. (Snacks and beverage distribution)
					2017 - present	Director	S.C Food Products Co., Ltd./ Manufacturing and distribution of snacks and beverages.
					2017 - present	Director	STVV Development Co., Ltd. (Real estate holding)
					2017 - present	Director	Harirama Venture Incorporated (Snacks and beverage distribution)
					2017 - present	Director	Srinanaporn Distribution Co., Ltd. (Snacks and beverage distribution)
					2012 - present	Director	Thai Faster Products Co., Ltd. (Food and snacks manufacturing and distribution)

Date of appointment
April 28, 2020

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
6. Mrs. Kittiya Chaisathaporn - Director - Member, Executive Committee - Member, Corporate Governance & Sustainable Development Committee Date of Appointment July 18, 2022	49	- B.A. Business Administration, Rangsit University Training - Director Accreditation Program (DAP), Class 139/2017, Institute of Directors (IOD) - Navy Executive Relations Development, class 19 - PDPA Regulation Overview, ILCT Ltd. (22 July 2022)	Mr. Thakorn Chaisathaporn and Mrs. Kittiya Chaisathaporn are married couple hold shares of 10.42 % and 2.66 % respectively.	Spouse of Mr. Thakorn Chaisathaporn	2022 - present	- Director - Member, Executive Committee - Member, Corporate Governance & Sustainable Development Committee	Srinanaporn Marketing Public Co. Ltd. (Snacks and beverages manufacturing and distribution)
					2016 - present	- Deputy Managing Director for Procurement and New Business Development	Srinanaporn Marketing Public Co. Ltd. (Snacks and beverages manufacturing and distribution)
					1999 - 2016	- Management and Procurement Manager	Srinanaporn Marketing Public Co. Ltd. (Snacks and beverages manufacturing and distribution)
					1999 - 2016	Management and Procurement Manager	Sri Siam Food Products Co., Ltd. (Manufacturing and distribution of biscuit, cracker, wafer, breadsticks)
					1999 - 2016	Management and Procurement Manager	Siam Daily Food Co., Ltd. (Manufacturing and distribution of fish snacks, seasoned dried squid)
					1999 - 2016	Management and Procurement Manager	Kim Heng Daily Foods Co., Ltd. (Manufacturing and distribution of ready to drink jelly, fruit juice)
					1999 - 2016	Management and Procurement Manager	Siam Ratchaburi Industry Co., Ltd. (Manufacturing and distribution of herbal drink)

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
7. Mr. Yongyoot Luangrattanamart - Independent Director - Chairman, Audit Committee - Chairman, Corporate Governance & Sustainable Development	52	- M.A. (Business Administration), Assumption University - B.Eng. (Civil Engineering), Chulalongkorn University Training - Director Accreditation Program (DAP), Class 153/2017, Institute of Directors (IOD) - PDPA Regulation Overview, ILCT Ltd. (22 July 2022)	0.05	None	2018 - present	- Independent Director - Chairman, Audit Committee - Chairman, Corporate Governance & Sustainable Development	Srinaporn Marketing (Public) Co., Ltd. (Snack and beverage manufacturing and distribution)
					April 2021 - present	- Managing Director - Director	The Borealis Advisory Co., Ltd.
					2016 - 2021	- Assistant General Manager, Chief of Investment Banking	TMB Bank (Public) Co., Ltd. (Financial institution)
					2011 - 2016	- First Senior Vice president - Investment Banking	The Siam Commercial Bank Public Co., Ltd. (Financial institution)

Date of appointment

March 12, 2021

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
8. Mr. Vira Jungjaronsuk - Independent Director - Member, Audit Committee - Chairman, Nomination and Remuneration Committee Date of Appointment April 22, 2022	67	- M.A. (Public Administration), (Finance), National Institute of Development Administration - B.A.(Law), Thammasat University - B.Sc. (Economics) Ramkhamhaeng University Training - Director Accreditation Program (DAP), Class 139/2017, Institute of Directors (IOD) - Board Nomination and Compensation Program, Class 8/2019, Institute of Directors (IOD) - PDPA Regulation Overview, ILCT Ltd. (22 July 2022)	0.0021	None	2020 - present	- Director	United Steel Pipe Co., Ltd. (Structural steel pipe industry)
					2018 - present	- Independent Director - Member, Audit Committee - Chairman, Nomination and Remuneration Committee	Srinanaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
					1977 - 2017	- Revenue Regional	The Revenue Department

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
9. Mr. Jirasuk Sugandhajati - Independent Director - Member of Audit Committee - Chairman of Risk Management Committee Date of Appointment April 22, 2022	69	- M.A. (Social Development), Kasetsart University - Honorary Doctorate (Public Administration), Western University - B. A. (Political Science), Thammasat University Training - Director Accreditation Program (DAP), Class 159/2017, Institute of Directors (IOD) - PDPA Regulation Overview, ILCT Ltd. (22 July 2022)	None	None	2020 - present	- Independent Director - Member of Audit Committee - Chairman of Risk Management Committee	Srinaporn Marketing Public Co. Ltd. (Snacks and beverages manufacturing and distribution)
					2013 - 2014	- Permanent Secretary, Ministry of Labor	Office of Permanent Secretary, Ministry of Labor (Government agency)
					2011 - 2013	- Secretary General, Social Security Office	Social Security Office. Ministry of Labor
					2011	- Deputy Permanent Secretary, Ministry of Labor	Office of Permanent Secretary, Ministry of Labor (Government agency)
					2009-2011	- Director General, Department of Employment	Department of Employment, Ministry of Labor (Government agency)

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
10. Mr. Wiroj Wachiradechkul - Senior Deputy Managing Director Business 1 - Member, Executive Committee - Member, Risk Management Committee - Member, Corporate Governance & Sustainable Development Committee Date of appointment January 2, 2019	57	- M.A. (Business Administration), Oklahoma University - B.Sc. (Economics), University of the Thai Chamber of Commerce Training - Director Accreditation (DAP), class 199/2015, Institute of Directors - PDPA Regulation Overview, ILCT Ltd. (22 July 2022)	0.06	None	2020 - June 2021	- Director - Vice Chairman - Member, Risk Management Committee - Member, Nomination and Remuneration Committee	News Network Corporation Ltd. (Public) Software development and maintenance service, sales of computer and equipment
					2019 - present	- Senior Deputy Managing Director Business 1 - Member, Executive Committee - Member, Risk Management Committee - Member, Corporate Governance & Sustainable Development Committee	Srinanaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
					Feb 2018 - Dec 2018	Chief Executive Officer	Three Sixty Five Public Co., Ltd. (Advertising company)
					2017-2018	Director	Action and Auction Co., Ltd. (Automotive system and auto parts maintenance and repair)
					2016-present	- Director - Executive Committee	Aero Media Group (Advertising company)

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
					2016 - 2018	Chief Executive Officer	Tree Dance Holdings Co., Ltd. (Publication)
					2013 - 2015	Chief Executive Officer	Three Sixty Five Public Co., Ltd. (Advertising company)
					2006-2010	General Manager (Thailand)	Continental Tyres (Thailand) Co., Ltd. (Tyres)
					Jan 2002 - Dec 2005	- Marketing Director - Marketing Agent	Michelin Siam Co., Ltd. (Tyres)
					Oct 1991-Dec 2001	- Executive, Product group for Asia - Marketing Manager for Thailand and Indochina	Cadbury Adams (Thailand) Co., Ltd. (Consumer products)

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/ Type of business
11. Mr. Supachoke Bumrungpun - Chief Financial Officer - Member of Risk management Committee Date of Appointment January 27, 2023	43	- M.A. (Accountancy), Chulalongkorn University - B.A. (Business Administration), Srinakharinwirot University - Diploma of Modern Accounting Program for CFO, Chulalongkorn University Training - Accounting of investment in affiliates, associates and joint venture organized by NYC Management Co., Ltd. on 23 May 2018 - Tax system for sales promotion organized by NYC Management Co., Ltd. on 12 June 2018 - New TFRS you need to know, by NYC Management Co. Ltd. on 13 June 2018. - Strategic CFO in Capital Markets Program, class 8/2019. - PDPA Regulation Overview, ILCT Ltd. (22 July 2022)	None	None	Jan 2023 - present	- Chief Financial Officer - Member of Risk management Committee	Srinanaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
					Mar 2022 - Jan 2023	- Acting Chief Executive Officer of Accounting and Finance - Deputy Chief Executive Officer of Accounting and Finance - Member of Risk Management Committee	Srinanaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
					2017 - Mar 2022	Director of Accounting and Finance	Srinanaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
					2006 - Mar. 2020	Director.	SBU Consult & Auditing Co., Ltd./ Accounting and taxation consultant.
					2018 - 2019	Director.	SBU Business Management Co., Ltd / Accounting and taxation consultant.
					2017 -2018	Head of Business Transformation.	Osoetsa Public Company Limited/ Production and distribution of consumer products.
					2015 - 2017	Head of OSP Accounting Department Manager	Osoetsa Public Company Limited/ Production and distribution of consumer products.
					2010 - 2015	Accounting Department Manager	PTT Group Public Company Limited/ Petrochemical

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/Type of business
					2008 – 2010	Senior Accounting Manager	Nation Multimedia Public Company Limited/Publishing Media
					2002 – 2008	Assistant Audit Manager	KPMG PHOOMCHAI AUDIT CO., LTD. / audit and accounting consultant

1.2 Details of Company Secretary and responsibilities of the Company Secretary

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/Company/Type of business
Miss Sukanya Rueakdee - Company Secretary Date of Appointment February 25,2020	45	- M.A. (Business Administration), Ramkhamhaeng University - B.A. (Accountancy), University of Chamber of Commerce Training - Company Secretary Program Class 116/2021, Institute of Directors (IOD) - PDPA Regulation Overview, ILCT Ltd. (22 July 2022)	None	None	2020 - present	Company Secretary	Srinaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
					2018 – 2019	Deputy Finance Director	Srinaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
					2007 - 2017	Senior Finance Manager	Thaicom Public Co., Ltd. (Communication satellite)

Duty and responsibility of Company Secretary

In the 2nd/2020 meeting of the Board of Directors on 25 February 2020, in complying with Section 89/15 of the Securities and Exchange Act B.E. 2535(1992), the meeting agreed to appoint Ms. Sukanya Rueakdee to be Company Secretary. Duty and responsibility of Company Secretary are as follows:

1. Prepare and keep registration of directors, notices of the meeting of Board of Directors' meeting, minutes of the Board of Directors' meeting and annual report of the Company, notice of the meeting of shareholders, minutes of the shareholders' meeting.
2. Keep report of interest of directors and executives of the Company and other action as required by the regulation of the Securities and Exchange Commission and send copy of report of interest according to Section 89/14 of the Securities and Exchange Act B.E. 2535 (1992) (with amendments) to the Chairman of the Board of Directors and Chairman of the Audit Committee within 7 working days from the date when the report is received.
3. Give general advice on requirements of the law, rules and regulations of the Company which the Board of Directors should be aware of and follow up regularly the compliance. Report on the significant changes of the law and rules and regulations.
4. Organize meeting of shareholders and Board of Directors according to the law, rules and regulations of the Company and related practice.
5. Prepare minutes of the meetings of shareholders and Board of Directors and follow up on the compliance with the resolutions of the meetings.
6. Ensure the disclosure of information and report of information to related organization as required by the government regulations.
7. Ensure that the activities of the Board of Directors and other activities comply with law and/or rules and regulations of the Securities and Exchange Commission and/or as assigned by the Board of Directors.

Attachment 2 Boards of Directors of Subsidiaries

List	Subsidiaries								Joint Ventures	
	SNNP International Co., Ltd.	Srinanaporn Distribution Co., Ltd.	S.C Food Products Co., Ltd.	STVV Development Co., Ltd.	Harirama Venture Incorporated	S.C Food Trading Co., Ltd.	S.T. Food Marketing Co., Ltd.	Jin Xinglong (Shenzhen) Import & Export Co., Ltd.		
1. Mr. Niwat Kanjanaphoomin										
2. Mr. Viwat Kraipisitkul				/		/			/	
3. Mrs. Thanyanee Kraipisitkul	/*	/*	/							
4. Mr. Thakorn Chaisathaporn	/	/	/			/			/	
5. Mr. Wichian Chaisathaporn	/	/	/*	/	/	/*	/*			
6. Mr. Piyawat Kraipisitkul					/*					
7. Mr. Yongyoot Luangrattanamart										
8. Mr. Vira Jungiaresuk										
9. Mr. Jirasuk Sugandhajati										
10. Mr. Chayut Leehacharoenkul									/	
11. Mr. Wiroj Wachiradechkul										
12. Mr. Supachoke Bumrungpun										
13. Mrs. Kittiya Chaisathaporn										
14. Mr. Adisorn Limnarong									/	
15. Mr. Kannaset Chintawongvanich								/		
16. Mr. Supachai Verapuchong			/	/*						
17. Mr. Varodom Verapuchong			/	/						
18. Miss Tippawan Verapuchong				/						
19. Joseph Francis S. Moral					/					
20. Ma Anna Lourdes A. Moral					/					
21. Allan D. Busmente					/					
22. Mr. Komsan Sangthong									/	
23. Mr. Songpon Daeng-utai									/	

Remarks: * Chairman

Attachment 3 Details of Head of Internal Audit and Head of Compliance

Name	Age	Education /training	Shareholding proportion As of 31/12/22 %	Connected persons	Work experience in the past 5 years		
					Duration	Position	Organization/ Company/Type of business
Mr. Athtapong Santhai	50	<ul style="list-style-type: none"> • M.A. (Business Administration), Ramkhamhaeng University • B.A. (Accountancy), Bangkok University 	None	None	2019 - present	Head of Internal Audit Unit	Srinanaporn Marketing (Public) Co., Ltd. (Snacks and beverage manufacturing and distribution)
					2015 - 2018	Director, Account and Finance	JKN Global Media Public Co., Ltd.

Attachment 4

Assets used in business operations and details of asset appraisal reports.

1. Main fixed assets

As of 31 December 2022, the Company and its subsidiaries are in possession of main fixed assets such as land and land improvements, buildings and building improvements, machinery and equipment, office furniture and office equipment, vehicles, assets under construction and installation, and other assets with a net book value according to the consolidated financial statements as of 31 December 2022 equal to 1,941.2 million baht, or 38.3% of assets and net right-of-use assets equal to 334.7 million baht. The main fixed assets of the Company and its subsidiaries as of 31 December 2022 are as follows:

Items	Net book value As of 31 December 2022 (million baht)	Nature of propriety	Obligations
Land and land improvements	527.7	Ownership	None
Net right-of-use assets	334.7	Rights to use land, factory buildings, machinery, tools, factory equipment, office furnishings, and vehicles	None
Buildings and building improvements	179.8	Partially owned	None
Machinery and equipment	717.4	Ownership	None
Office furniture and office equipment	13.9	Ownership	None
Vehicles	3.8	Ownership	None
Assets under construction and installation	498.6	Ownership	None
Total	2,275.9		

In addition to the main fixed assets of the Company as mentioned above, as of 31 December 2022, the main fixed assets of Siri Pro Company Limited,¹ which has been a joint venture of the Company since 16 March 2021, are as follows:

Items	Net book value As of 31 December 2022 (million baht)	Nature of propriety	Obligations
Net right-of-use assets	167.9	Rights to use buildings, office equipment and vehicles	None
Machinery and equipment	2.7	Ownership	None
Office furniture and office equipment	3.1	Ownership	None

¹ Information disclosed equivalent to that of subsidiaries according to the Notification of the Securities and Exchange Commission No. Kor Jor. 17/2551 Re: Determination of Definitions in Notifications Regarding the Issuance and Offer for Sale of Securities under Clause 1(11) in conjunction with Clause 1(13/1).

Items	Net book value As of 31 December 2022 (million baht)	Nature of propriety	Obligations
Vehicles	19.9	Partly owned and partly under lease agreement.	None for the part owned by the Company. The conditions are according to the lease contract.
Leasehold improvements	1.6	The Company does not have ownership	None
Total	195.2		

As of 31 December 2022, the Company and its subsidiaries and Siri Pro Company Limited² have main fixed assets used in business as follows:

Land and land improvements of the Company and its subsidiaries

Location	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Obligation
62 pieces of land according to the title deeds located at Rang Bua Subdistrict, Chom Bueng District, Ratchaburi Province. It is the location of the Company's factory on an area of approximately 617 rai, which is the location of other beverage production plants such as Magic Farm beverages.	Location of a beverage manufacturing plant	Ownership	102.4	None
Subsidiary's land in Cambodia address at Road no. 2, Pralay Village, Boeng Khyang Commune, Kandal Stueng District, Kandal Province, Kingdom of Cambodia	Location of snack and beverage products factory in Cambodia	Ownership	386.4	None
Land improvements of the Company and its subsidiaries' factories	Land improvement for beverage and snack factory of the Company and its subsidiaries	Ownership	38.9	None
Total			527.70	

² Information disclosed equivalent to that of subsidiaries according to the Notification of the Securities and Exchange Commission No. Kor Jor. 17/2551 Re: Determination of Definitions in Notifications Regarding the Issuance and Offer for Sale of Securities under Clause 1(11) in conjunction with Clause 1(13/1).

Net right-of-use assets of the Company and its subsidiaries

Characteristics and location of the property	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Remaining contract period as of 31 December 2022	Obligations	Remarks
Land, factories, and office buildings address at 99/99 Moo 4, Om Noi Subdistrict, Kratum Baen District, Samut Sakhon Province. The total area is approximately 35 rai and 15.6 square wah. It is the location of the ready-to-drink jelly and carriageenan jelly manufacturing plant.	Location of a beverage manufacturing plant	Leasehold rights for 30 years from the date of signing the contract.	165.3	Approximately 23.4 years	None	The lessee agreed to pay rent to the lessor in the amount of 300.0 million baht for the 30-year leasehold right.
Land, factories, and office buildings address at 99/99 Moo 7, Om Noi Subdistrict, Kratum Baen District, Samut Sakhon Province. The total area is approximately 9 rai 2 ngan and 85 square wah. It is the location of the production plant for moulded snack products, wafer sticks and baked bread, such as Lotus brand crispy bread stick snacks, and Chocky wafers.	The location of the snack products factory	Leasehold rights for 30 years from the date of signing the contract.	60.3	Approximately 23.4 years	None	The lessee agreed to pay rent to the lessor in the amount of 184.0 million baht for the 30-year leasehold right.
Land, factories and office buildings address at 234 Moo 4 Om Noi Subdistrict, Krathum Baen District, Samut Sakhon Province. The total area is approximately 8 rai 3 ngan and 7 square wah. It is the location of a factory producing baked squid products, squid strips, and fish strips such as Bento.	The location of the snack products factory	Leasehold rights for 30 years from the date of signing the contract.	54.6	Approximately 23.4 years	None	The lessee agreed to pay rent to the lessor in the amount of 180.0 million baht for the 30-year leasehold right.

Characteristics and location of the property	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Remaining contract period as of 31 December 2022	Obligations	Remarks
Leasehold rights on land no. 153-154 in Vietnam-Singapore Industrial Park, Binh Duong Province, Vietnam, with a total area of 19,999 square metres.	Location of the Company's future beverage and snack products factory	Approximately 38 years and 8 months from 22 July 2019 to 20 March 2058	33.6	Approximately 35.2 years	None	The lessee agreed to pay rent to the lessor in the amount of 35.3 million baht for the leasehold right of approximately 38 years and 8 months.
Right-of-use assets – factory buildings in Cambodia	Warehouse location for product distribution	Leasehold rights for 1 year from 1 August 2022 to 31 July 2023	0.8	Approximately 0.6 year	None	The lessee agreed to pay rent to the lessor in the amount of 400 USD/month.
Right-of-use assets – factory buildings in the Philippines	Warehouse location for product distribution	Leasehold rights for 1 year from 20 January 2022 to 19 January 2023.	0.1	-	None	The lessee agreed to pay rent to the lessor in the amount of Philippine pesos 10,116.07/month.
Right-of-use assets – buildings	Building	Right of use	7.0	-	None	The conditions are in accordance with the financial lease agreement.

Characteristics and location of the property	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Remaining contract period as of 31 December 2022	Obligations	Remarks
Right-of-use assets – vehicles	Vehicles for employees, executives, and goods transportation.	Right of use	3.3	-	None	The conditions are in accordance with the financial lease agreement.
Right-of-use assets – machinery, equipment, and office furniture	Machinery, tools, factory equipment, and office furniture	Right of use	9.7	-	None	The conditions are in accordance with the financial lease agreement.
Total			334.7			

Net right-of-use assets of Siri Pro Co., Ltd.³

Characteristics and location of the property	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Remaining contract period as of 31 December 2022	Obligations	Remarks
Bangkok office building with total area of approximately 160.10 square metres	Office location	Leasehold rights for a period of 3 years from 1 March 2020 to 28 February 2023	1.0	Approximately 0.1 years	None	The lessee agreed to pay rent to the lessor in the amount of 44,027.50 baht per month.

Characteristics and location of the property	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Remaining contract period as of 31 March 2022	Obligations	Remarks
Warehouse in Udon Thani province with total area of approximately 1,440 square metres.	Warehouse location for product distribution	Leasehold rights for a period of 3 years from 1 March 2022 to 28 February 2025	4.2	Approximately 2.1 years	None	The lessee agreed to pay rent to the lessor in the amount of 76,000 baht per month.
Warehouse in Phitsanulok Province with a total area of approximately 2,000 square metres.	Warehouse location for product distribution	Leasehold rights for 2 years from 1 May 2021 –to 30 April 2023	2.6	Approximately 0.3 years	None	The lessee agreed to pay rent to the lessor in the amount of 120,000 baht per month.
Warehouse in Saraburi, total area about 2,000 square metres	Warehouse location for product distribution	Leasehold rights for a period of 3 years from 1 May 2022 to 30 April 2025	5.7	Approximately 2.3 years	None	The lessee agreed to pay rent to the lessor in the amount of 100,000 baht per month.
Warehouse in Nakhon Pathom Province with a total area of approximately 3 rai 3 ngan 43 square metres	Warehouse location for product distribution	Leasehold rights for 1 year from 1 March 2022 to 28 February 2023	2.3	Approximately 0.1 years	None	The lessee agreed to pay rent to the lessor in the amount of 105,000 baht per month.

Characteristics and location of the property	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Remaining contract period as of 31 December 2022	Obligations	Remarks
Warehouse in Chiang Mai with total area of approximately 1,300 square metres.	Warehouse location for product distribution	Leasehold rights for a period of 3 years from 1 June 2020 to 31 May 2023	2.8	Approximately 0.4 years	None	The lessee agreed to pay rent to the lessor in the amount of 127,400 baht per month.
Nakhon Ratchasima Province warehouse with a total area of approximately 1,000 square metres	Warehouse location for product distribution	Leasehold rights for 1 year from 1 February 2022 to 31 January 2023	2.1	Approximately 0.1 years	None	The lessee agreed to pay rent to the lessor in the amount of 94,500 baht per month.
Warehouse in Songkhla with a total area of approximately 1,600 square metres.	Warehouse location for product distribution	Leasehold rights for a period of 3 years from 1 June 2022 to 31 May 2025	5.3	Approximately 2.4 years	None	The lessee agreed to pay rent to the lessor in the amount of 91,000 baht per month.
Warehouse in Surat Thani Province with a total area of approximately 1,260 square metres.	Warehouse location for product distribution	Leasehold rights for a period of 3 years from 1 July 2022 to 30 June 2025	7.4	Approximately 2.4 years	None	<p>The lessee agreed to pay rent to the lessor as follows:</p> <ul style="list-style-type: none"> - Year 1 in the amount of 119,700 baht per month, - Year 2-3 in the amount of 126,000 baht per month.

Characteristics and location of the property	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Remaining contract period as of 31 December 2022	Obligations	Remarks
Warehouse in Chonburi, total area of approximately 1,400 square metres.	Warehouse location for product distribution	Leasehold rights for 1 year from 1 July 2022 to 30 June 2023	1.1	Approximately 0.4 years	None	The lessee agrees to pay rent to the lessor as follows: - Year 1 in the amount of 44,800 baht per month - Year 2 in the amount of 48,000 baht per month - The tenant agrees to pay the rent of 51,200 Baht per month to the lessor.
Warehouse in Ubon Ratchathani with total area of approximately 2,160 square metres	Warehouse location for product distribution	Leasehold rights for a period of 3 years from 1 October 2022 to 30 September 2025	8.0	Approximately 2.7 years	None	The lessee agreed to pay rent to the lessor in the amount of 129,600 baht per month.
Warehouse in Bangkok, BK1	Warehouse location for product distribution	Leasehold rights for a period of 3 years from 16 October 2022 to 15 October 2025	13.7	Approximately 2.8 years	None	The lessee agreed to pay rent to the lessor in the amount of 220,000 baht per month.
Right-of-use assets – vehicles	Vehicles for employees, executives and goods transportation.	Right of use	111.5	-	None	The conditions are in accordance with the financial lease agreement.

Characteristics and location of the property	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Remaining contract period as of 31 December 2022	Obligations	Remarks
Right-of-use assets – office equipment	Machinery, tools, factory equipment and office furnishings	Right of use	0.2	-	None	The conditions are in accordance with the financial lease agreement.
Total			167.9			

³ Information disclosed equivalent to subsidiaries according to the Notification of the Securities and Exchange Commission No. Kor.lor. 17/2551 Re: Determination of Definitions in Notifications Regarding Issuance and Offer for Sale of Securities under Clause 1(11) in conjunction with Clause 1(13/1).

Buildings and building improvements of the Company and its subsidiaries

Characteristics and location of the property	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Obligation
Buildings and building improvements address at 234 Moo 4, Om Noi Subdistrict, Krathum Baen District, Samut Sakhon province	The location of the snack products factory	Ownership	5.5	None
Buildings and building improvements address at 99/99 Moo 7, Om Noi Subdistrict, Kratum Baen District, Samut Sakhon province	The location of the snack products factory	Ownership	15.6	None
Buildings and building improvements address at 99/99 Moo 4, Om Noi Subdistrict, Kratum Baen District, Samut Sakhon province	The location of a beverage manufacturing plant	Ownership	41.3	None
Buildings and building improvements in Ratchaburi province	The location of a beverage manufacturing plant	Ownership	44.4	None
Head office building improvements	The location of the Head Office	Ownership	0.2	None
Factory building in Cambodia	The location of the snack products factory	Ownership	63.5	None
Cambodia Office	Office location	Ownership	9.3	None
Total			179.8	

Machinery and equipment of the Company and its subsidiaries

Asset	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Obligation
Machinery and equipment of the factory address at 234 Moo 4, Om Noi Subdistrict, Kratum Baen District, Samut Sakhon province	Manufacturing products	Ownership	87.0	None
Machinery and equipment of the factory address 99/99 Moo 7, Om Noi Subdistrict, Kratum Baen District, Samut Sakhon province.	Manufacturing products	Ownership	79.4	None
Machinery and equipment of the factory address at 999 Moo 4, Om Noi Subdistrict, Kratum Baen District, Samut Sakhon province	Manufacturing products	Ownership	423.8	None
Machinery and equipment of the factory in Ratchaburi province	Manufacturing products	Ownership	48.1	None
Machinery and equipment of the factory in Cambodia	Manufacturing products	Ownership	78.7	None
Maintenance parts	Manufacturing products	Ownership	0.4	None
Total			717.4	

Machinery and equipment of Siri Pro Co., Ltd.⁴

Asset	Holding purpose	Proprietary nature	Net book values of 31 December 2022 (million baht)	Obligation
Warehouse equipment	Product storage	Ownership	2.7	None
Total			2.7	

⁴ Information disclosed equivalent to subsidiaries according to the Notification of the Securities and Exchange Commission No. Kor Jor. 17/2551 Re: The Issuance and Offer for Sale of Securities under Clause 1(11) in conjunction with Clause 1(13/1).

Vehicles of the Company and its subsidiaries

Asset	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Obligation
Vehicles used in factories	Factory vehicles	Ownership	0.1	None
Vehicles for employees and executives	Employees and executives' cars	Ownership	3.3	None
Vehicles used for transporting goods	Warehouse vehicles	Ownership	0.4	None
Total			3.8	

Vehicles of Siri Pro Co., Ltd.⁵

Asset	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Obligation
Transportation vehicles	Warehouse vehicles	Ownership	18.6	None
Vehicles for employees and executives	Employees and executives' cars	Ownership	1.3	None
Total			19.9	

⁵ Information disclosed equivalent to subsidiaries according to the Notification of the Securities and Exchange Commission No. Kor Jor. 17/2551 Re: The Issuance and Offer for Sale of Securities under Clause 1(11) in conjunction with Clause 1(13/1).

Assets under construction and installation of the Company and its subsidiaries

Asset	Holding purpose	Proprietary nature	Net book value as of 31 December 2022 (million baht)	Obligation
Machinery and equipment under installation in the country for snack products	Increase production capacity	Ownership	10.5	None
Assets under construction and installation in the country	Increase production capacity	Ownership	106.8	None
Assets under construction and installation in the category of office buildings, factories, and machinery under installation in Cambodia.	Operating the business of manufacturing and distributing consumer products in Cambodia.	Ownership	22.5	None
Assets under construction and installation in Vietnam	Operating the business of manufacturing and distributing consumer products in Vietnam.	Ownership	358.8	None
Total			498.6	

Intangible Assets

As of 31 December 2022, the Company and its subsidiaries had net intangible assets of 17.6 million baht or 0.3% of total assets. The net intangible assets of the Company and its subsidiaries as of 31 December 2022, are as follows:

Net intangible assets of the Company and its subsidiaries

Asset	Holding purpose	Net book value as of 31 December 2022 (million baht)
Computer programs	The right to use a computer program in the Company's business operations, such as accounting programs and general operating programs	13.3
Other intangible assets	Company website and budget system	4.3
Total		17.6

As for Siri Pro Co., Ltd.,⁶ as of 31 December 2022, it has net intangible assets of 1.2 million baht, which are all computer programs for use in business operations such as accounting programs and general operating programs. In addition to the aforementioned computer software intangible assets, the Company also has registered trademarks and patents under its name.

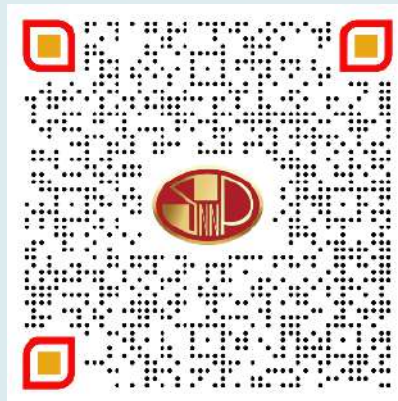
⁶ Information disclosed equivalent to subsidiaries according to the Notification of the Securities and Exchange Commission No. Kor Jor. 17/2551 Re: The Issuance and Offer for Sale of Securities under Clause 1(11) in conjunction with Clause 1(13/1).

Attachment 5

Policy and Guidelines in Corporate Governance and Business Ethics

Policy and Guidelines in Corporate Governance and Business Ethics are available on the Company's website.

Policy and Guidelines in Corporate Governance



<https://investor.snp.co.th/th/corporate-governance/corporate-governance-policy>

Business Ethics and Code of Conduct



<https://investor.snp.co.th/th/downloads/corporate-policy-and-document>

Attachment 6

Report of the Audit Committee



The Audit Committee of Srinanaporn Marketing (Public) Co., Ltd. consists of the following three independent members who are knowledgeable, has proficiency and experience according to charter of the Audit Committee:

- | | | |
|----|-------------------------------|----------|
| 1. | Mr. Yongyoot Luangrattanamart | Chairman |
| 2. | Mr. Vira Jungjaroensuk | Member |
| 3. | Mr. Jirasuk Sugandhajati | Member |

Mr. Supachoke Bumrungpun serves as Secretary of the Committee. The three members of the Audit Committee have taken no part in the management. They are not executives nor employees of the Company, the subsidiaries or the affiliates.

The Audit Committee has independently executed its duties in accordance with the duty and responsibility specified in the charter of the Audit Committee approved by the Board of Directors and according to the requirements and guidelines of the Stock Exchange of Thailand including review of financial statements, sufficient information disclosure, connected transactions, risk management, sufficiency and appropriateness of internal control system and development of internal control system. Moreover, the Committee has proposed to the Board of Directors to appoint a certified public accountant to be the Company's auditor. In this connection, the Audit Committee considered his compliance with the code of ethics for professional accountants, performance, service quality and appropriateness of the auditing fee.

In 2022, the Audit Committee had 4 meetings with a focus on sufficiency and efficiency of internal control system, effectiveness of the performance and risk management, reliability of the financial statements and administration, compliance with applicable law, rule and regulations of the Company and its subsidiaries. Furthermore, the Audit Committee had consultations with the executives, internal auditor and the Company's auditor. Significant recommendations are as follows:

1. Review of financial statements and sufficiency of information disclosure

The Audit Committee reviewed significant data of the quarterly financial statements and annual financial statements of the Company and its subsidiaries according to the Thai Financial Reporting Standards which are consistent with the international Financial Reporting Standards. In reviewing the significant issues and special issues, the Audit Committee received explanation from the Auditor, Management and the Manager of Account and Finance and Head of Internal Audit which ensured that the financial statements and disclosure of the notes to financial statements have complied with the legal requirements and the Financial Reporting Standards. The Audit Committee gave approval to the financial statements which the auditor has already reviewed and audited without any condition.

Moreover, the Audit Committee had an independent meeting with the Auditor without the presence of the Management to discuss receipt of information, examination of the significant information in the preparation of the financial statements and information disclosure according to the Financial Reporting Standards and of the benefit of users of financial statements, the key audit matters and suspicious behavior according to Section 89/25 of the Securities and Exchange Act B.E. 2535 (1992) as amended by the Securities and Exchange Act, No. 4, B.E. 2551 (2008). In 2022, the Auditor did not make any observations and did not find any suspicious behavior. In summary, the financial statements of the Company and the consolidated financial statements of the subsidiaries are reliable, transparent and comply with the standards. The Auditor has independence in auditing all items acceding to the standards.

2. Review of related party transactions, income and expense or conflict of interest

The Audit Committee reviewed connected transactions and conflict of interest of the Company group based on corporate governance, transparency and sufficient and appropriate information disclosure. From the review, irregularities are not found. Connected transactions comply reasonably with trade condition in general and in maximizing the benefit for the business operations of the Company group without impartiality.

3. Review of risk management

The Audit Committee reviewed the efficiency and effectiveness of the risk management process, policy of risk management, internal control, compliance with applicable law and regulations of the Company and its subsidiaries through the Risk Management Committee which consists of independent directors, Executive Committee and high position executives of the Company and performs duty in considering structure, policy, risk management framework, risk management plan, risk review and monitoring of risk management regularly.

In 2022, the Company gave importance to emerging risk such as conducting business operations in the situation of high competition, cyber crime from the dependence of technology, changing behavior of the consumers from the circular economy, economic use of plastics, environmental conservation trend, pollution and reduction of greenhouse gas emission and climate change. In coping with the existing significant risk and the future risk, the Audit Committee and the Risk Management Committee have prepared short-term and long-term measures and necessary projects.

Moreover, the Audit Committee reviewed the efficiency of risk management from the audit result of Internal Audit Unit of the Company quarterly. The Audit Committee also provided advice and recommendations on internal control and risk management of important working processes to the Management of the Company and the subsidiaries. The Audit Committee acknowledged the 2022 report on complaints, whistleblowing and violation

of law and regulations of the Company and the 2022 report on the review of internal control assessment which has been prepared according to the guidelines for self-assessment of the sufficiency of internal control system of the Company of the Securities and Exchange Commission of which the assessment form complies with the concept of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). From the assessment, the internal control of 2022 is sufficient and has been complied with continuously.

4. Review of internal control system

The Audit Committee reviewed the quarterly report on the result of the assessment of the internal control system of the general operations and of the information technology system prepared by the Internal Audit Department as well as the result of the self-assessment of the sufficiency of internal control system required by the Securities and Exchange Commission. It was found that the Company has adequate internal control system which is appropriate for its business operations and consistent with the opinion of the Auditor that there is no significant defects which affect the financial statements which is among the responsibility of the Audit Committee.

5. Supervision of the Internal Audit

The Audit Committee reviewed performance of the Internal Audit Unit to assess its effectiveness by considering its mission, scope of work, responsibility and independence in performing its duty. The Audit Committee approved the 2022 internal audit plan and reviewed the long-term plan (2019-2023), annual budget of the Unit, sufficiency and appropriateness of the resources and gave opinion and advice in performing their duty and improving their work to increase efficiency. The Audit Committee supported the Internal Audit Unit to comply with the international standards for professional auditing.

6. Appointment of the Company's auditor for the year 2022

PricewaterhouseCoopers ABS Ltd. (PwC) was chosen to be auditing office of the Company and its subsidiaries during 2017-2022. To comply with the guidelines for circulating the key audit partner according to the Notification of the Securities and Exchange Commission of Thailand, the auditor is selected every 5 years from its independence, capability, work quality, skill, knowledge and competence and experience in auditing and must be reviewed and proposed for approval of the meeting of the shareholders every year.

From the performance in the past year, the Auditor has independence, skill, competence and experience in conducting business auditing of the Company and, apart from auditing, could provide knowledge relating to the business operations of the Company. The Audit Committee proposed to the Board of Directors to request the meeting of the shareholders' approval to appoint Miss Amornrat Pearmpoonvatanasuk (CPA No. 4599), Mr. Boonrueng Lerdwiseswit (CPA No. 6552) or Mr. Kan Tanthawirat (CPA No. 10456) of PricewaterhouseCoopers ABS Ltd., the auditors which have been approved by the Office of Securities and Exchange Commission of Thailand to be the Company's Auditor. The auditing fee was proposed for approval of the shareholders' meeting.

7. Quality assurance of the Audit Committee

The Audit Committee has conducted performance evaluation as a committee and as individual for 2022 in accordance with the best practice of the Stock Exchange of Thailand to ensure that the operation of the Audit Committee is efficient and has achieved the goal. From the result of the performance evaluation, the performance of the Audit Committee is excellent.

The Audit Committee has reviewed its charter for approval of the Board of Directors annually so that the charter embraces all responsibility for the operation and appropriate guidelines and consistent with rules and regulations, notification and the best practice relating to the responsibility of the Audit Committee. The Audit Committee reports to the Board of Directors on their performance regularly.

8. Summary of the Audit Committee's opinion

The Audit Committee executed its duty and responsibilities as stipulated in the charter of the Audit Committee with due competence, care, prudence and sufficient independence and has provided opinion and useful recommendations for the benefit of the stakeholders. The Audit Committee believes that the financial statements of the Company are correct, reliable and consistent with the recognized Financial Reporting Standards. The Company has complied with law and business obligations. The Company has a good corporate governance system, sufficient and continued performance of risk management system and internal control system and has developed its business operations to be provided with quality and appropriateness for the business environment as always.

Mr. Yongyoot Luangrattanamart
Chairman of the Audit Committee

Attachment 7

Sustainability Report

Corporate Sustainability Working Group

Time Period: 1 January 2022 – 31 December 2022

Srinanaporn Marketing Public Company Limited



Attachment 8

Supporting documents Reducing the use of resources



Attachment 9

International Trademarks



Attachment 10

Domestic Trademarks





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