



ROYAL PLUS
Innovation plus Creativity

LEADER IN TRANSITION



FORM 56-1 ONE REPORT 2022
ROYAL PLUS PUBLIC COMPANY LIMITED

Awards and Certificates

The Quality System under International Standards



Good Hygiene Practices (GHPs) and the Hazard Analysis and Critical Control Point (HACCP)



Food Safety System Certification 22000 (FSSC22000)



ISO 22000:2018 Food Safety Management Systems



The Quality Management Systems (ISO9001)

The Quality System of the Government



U.S. FDA internationally recognized standards from the U.S. Food and Drug Administration



Food and Drug Administration certification mark

Symbols that Enhance the Image of the Organization



Nutrition label "Healthy Choices"



Thailand Trust Mark (T Mark) – Symbol of qualified product certification



The 2 Level Operation of Green Industry



Halal certified products

Labor Standards



Thai Labor Standards – TLS 8001:2010



Good Labor Practices (GLP)

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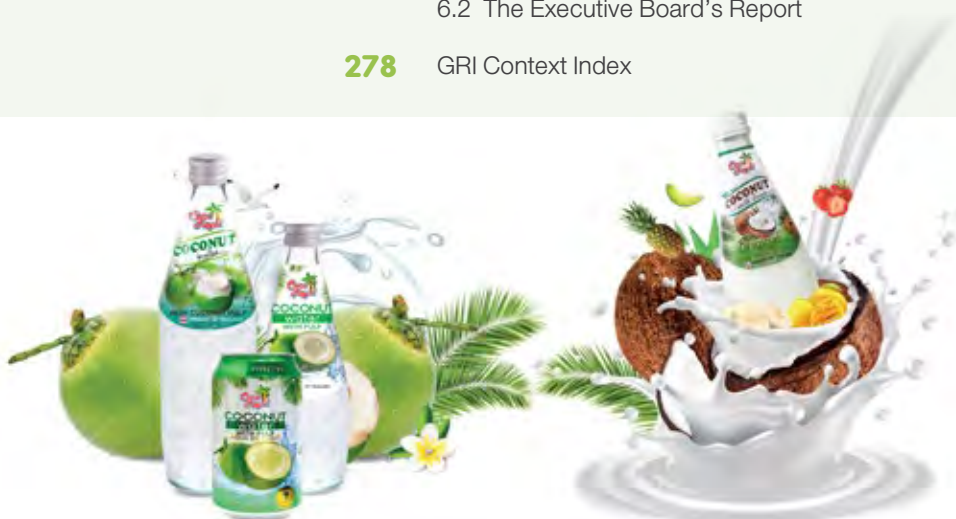
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Report of the Board of Directors

The global situation in 2022 was one of tumultuous changes caused by various factors, especially the COVID-19 Pandemic and the subsequent lockdown measures, which caused disruptive effect on businesses, necessitating adaptations. This economic and social disruption also pushed everyone to adapt their lifestyle to the New Normal lifestyle - a challenge that tested the Company's ability to adapt and to meet the ever-changing customers' demand. Against the backdrop of these changes, the Company continued to preserve its dynamism and strong financial standing. Moreover, the Company also succeeded in promoting its Company Brands to increase revenue and grow its business in order to be ready for the changing situations and to equip the Company with the propensity for continuous growth.

The Board of Directors fulfilled its duty and responsibilities as described in the Charter, which can be elaborated as follows;

Nomination The Board reviewed and presented a list of suitable candidates for the position of Director based on legal and regulatory qualifications to replace departing Directors. The Board considered, recruited and selected persons based on capabilities, experience and expertise that fit the Company's mode of business. The list was then submitted to the General Shareholders' Meeting for consideration, with all Directors with potential conflict of interest abstaining during the vote.

Determining the Remuneration The Board considered the criteria for mode of remunerations for the Board of Directors and all Committees under the Board by taking into account their responsibilities, result of operation and the Company's financial standing, compared to its counterparts in the same industry. The proposal of remunerations was then submitted to the General Shareholders' Meeting for consideration to ensure that all remunerations were accountable and transparent.

Good Corporate Governance and Anti-Corruption the Board was tasked with reviewing and revising the good corporate governance and anti-corruption policies and regulations, while raising awareness on the subjects among the Directors, Executives and all employees. This was to foster the suitable mindset through the utilization of both internal and external PR tools among all stakeholders.

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The Company also succeeded in promoting its Company Brands to increase revenue and grow its business in order to be ready for the changing situations and to equip the Company with the propensity for continuous growth.

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Risk Management the Board was tasked with reviewing and revising the risk management policy and plan to coincide with the regulations and guidelines on risk management and internal control, as well as with formulating the risk management report that stipulated every department to have its own risk management and internal control guidelines based on the vision, mission and objectives of the Company as well as the COSO ERM Framework. These guidelines must also consist of appropriate evaluation and comment mechanism to ensure successful implementation.

The Board's Responsibility the Board and all its committees must conduct annual self-evaluation and report the 2022 annual findings to the Board of Directors to evaluate and review the summary, challenges, and problems facing the Company as well as the lessons learned in the past year.

The Company attaches importance to sustainable development in all dimensions, from the environment and society to good governance (ESG) to stimulate business sustainability and long-term growth. This is coupled with the attention the Company gives to all partners in the value chain and the integration of its business operation with sustainable development, ensuring that the Company's future growth will yield maximum sustainable returns for all shareholders.

On behalf of the Board of Directors, I thank the customers, shareholders and all involved persons that support the Company, as well as all executives and employees who have devoted their strengths to foster the Company's growth. My gratitude also goes to all business partners that have always cooperated with the Company on good term.

Dr. Nilsuwan Leelarasamee
Chairman of the Board of Directors

Message from the Managing Director

On behalf of the Royal Plus PLC, it is with pride and delight to see that the Company has successfully been listed on the Stock Exchange of Thailand, and I pledge that the Company shall continue to operate under the vision “To create quality beverages with continuous innovation by serving great customer experiences worldwide and sustainably enhancing the quality of life” The management realizes the importance of operating a business on the basis of social and environmental responsibilities, while taking into account all stakeholders and maintaining the balance with respect to the economy, society and environment.

In 2022, the Company grew significantly to a total revenue of 1,457.41 million baht, a 447.95 million baht or 44.37% increase. This number included a net profit of 206.15 million baht, constituting a 140.74% increase from 2021. This total reflects the considerable growth of the Company.

The past year was also a challenging period, with the Company having to cope with the COVID-19 Pandemic. While the situation improved in some countries, the economic impact on the Company remained considerable, especially from China's Zero-COVID policy that utilized



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The Company shall continue to operate under the vision To create quality beverages with continuous innovation by serving great customer experiences worldwide and sustainably enhancing the quality of life.

”

lockdown measures to contain the spread of virus. In 2022, the export market for beverages and the demand for Thai products expanded in many countries, with the US beverage market being the largest, followed by China. To capture this trend, the Company sought to expand its partnerships and customers base, including by developing and distributing new products that meet customers' demand. This was to manage the risk and capitalize on the marketing opportunities in new countries. These strategies contributed to the positive outlook of the Company's 2022 operation.

The Company's listing on the Stock Exchange of Thailand will assist in continuing this successful trend, with the goal to develop premium-quality products from Thailand that are world-renowned and sought after by the global market, creating added value for Thai agricultural produces.

Mr. Phonsaeng Saebe

Managing Director

Financial Highlight



Total Current Assets

2020

198.3
Million Baht

2021

231.3
Million Baht

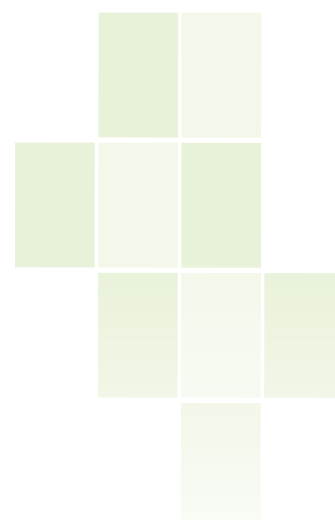
2022

821.4
Million Baht

Unit : Million Baht

For the year ended 31 December			
	2020	2021	2022
Financial Status			
Total Current Assets	198.3	231.3	821.4
Total Non-Current Assets	490.1	495.2	630.8
Total Current Liabilities	359.8	299.6	186.7
Total Non-Current Liabilities	53.1	65.7	11.9
Shareholders' Equity	275.6	361.2	1,253.6
Issued and Paid-Up Capital	250.0	250.0	335.0

For the year ended 31 December			
	2020	2021	2022
Operational Performance			
Sales Revenue	1,102.8	1,003.2	1,428.2
Total Revenues	1,106.5	1,009.5	1,457.4
Net Profit	57.2	85.6	207.6
Cash Flow			
Net Cash Flows from (Used in) Operating Activities	300.3	138.6	172.3
Net Cash Flows from (Used in) Investing Activities	(40.0)	(36.1)	(180.6)
Net Cash Flows from (Used in) Financing Activities	(252.5)	(73.3)	548.6
Per Share Data (Baht)			
Issued And Paid-Up Shares (million shares)	2.5	500.0	670.0
Par Value (baht/share)*	100.0	0.5	0.5
Dividend**	-	0.12	0.13
Earnings Per Share	0.11	0.17	0.34
Book Value	110.24	0.72	1.87



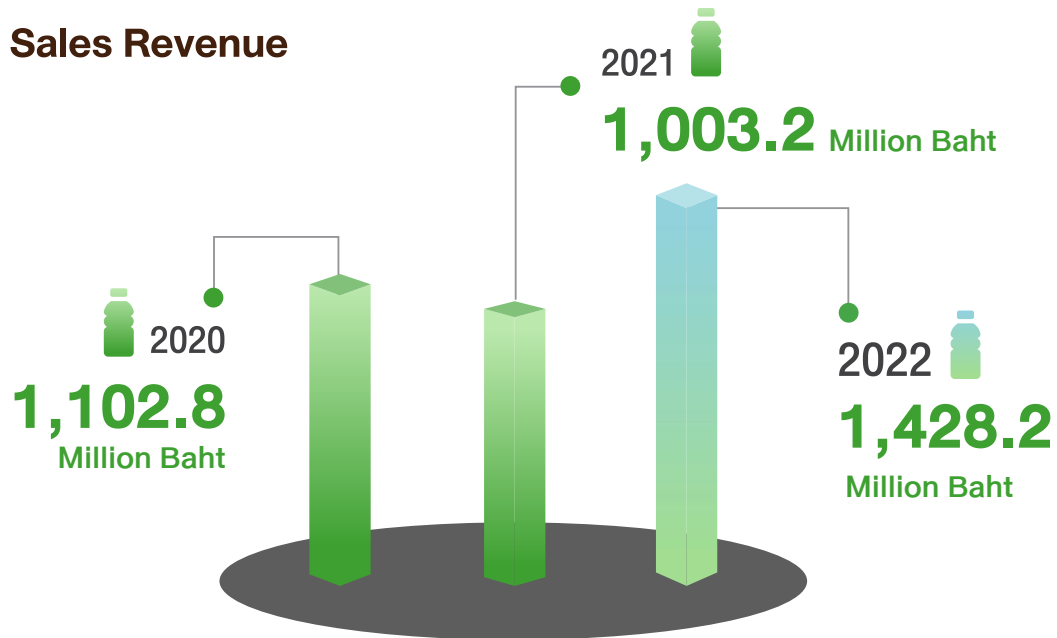
	For the year ended 31 December		
	2020	2021	2022
Financial Ratios			
Current Ratio (times)	0.6	0.8	4.4
Quick Ratio (times)	0.1	0.3	3.4
Gross Profit Margin	25.4%	27.3%	29.8%
Net Profit Margin	5.2%	8.5%	14.2%
Return on Assets	7.7%	12.1%	19.1%
Debt to Equity Ratio (times)	1.5	1.0	0.2
Dividend Payout Rate**	-	70.1%	42.0%

* PLUS has registered to change the par value of ordinary shares from 100 baht per share to 0.5 baht per share since July 1, 2021, therefore calculated using the new average ordinary shares for the purpose of comparison during the period.

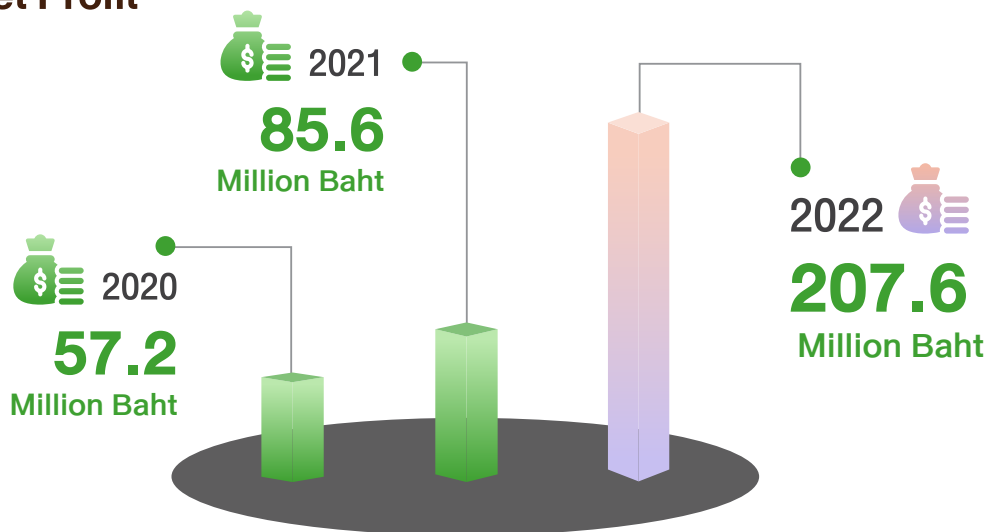
** Dividend year2022 is in the process of being proposed for approval from the Annual General Meeting of Shareholders for the year 2023 held on April 26, 2023 and the Company scheduled dividend payment on May 17, 2023.



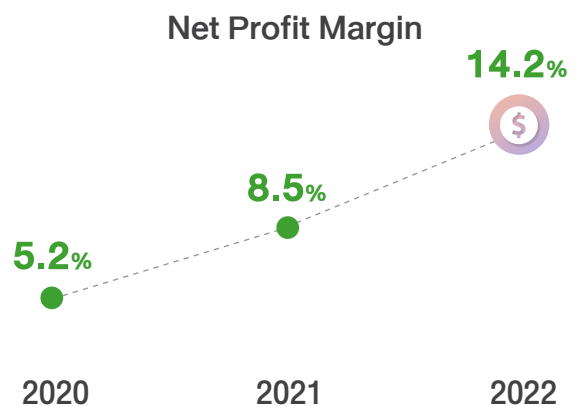
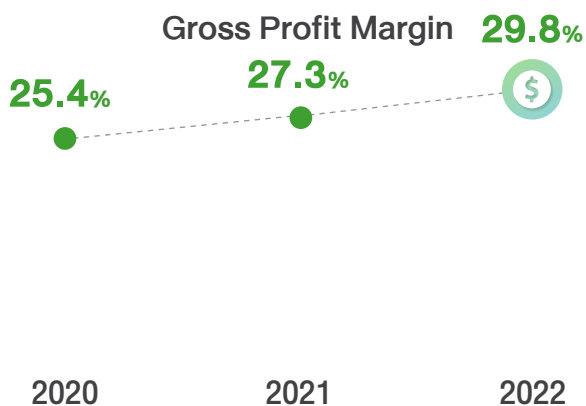
Sales Revenue



Net Profit



Gross Profit Margin and Net Profit Margin



Board of Director



1

Mr. Nilsuwan Leelarasamee

Chairman and Independent Director

2

Mr. Thasana Boonkwan

Independent Director and
Chairman of the Audit Committee

5

Mr. Kittiwachirajirakorn

Director and Executive Director

6

Mr. Comepisith Ratchatakanjanemas

Independent Director and
Audit Committee



3

Mr. Phonseang Saebe

Director and Chairman
of the Executive Committee

4

Miss Amornrat Ketvisate

Director and Executive Director

7

Mr. Sunti Chirawatthanagkoon

Independent Director and
Audit Committee

8

Mrs. Nusara Ma

Director

9

Miss Monthira Saebe

Director



Click to view the Director Profile

Management



1

Mr. Phonseang Saebe

Managing Director

2

Miss Amornrat Ketvesate

Deputy Managing Director

4

Miss Phatraporn Kaweesuttikul

Manufacturing Director

5

Miss Irin Phatthawatwekin

Acting Sales & Marketing Director



3

Mr. Kitti Wachirajirakorn

Vice President Finance & Operation



[Click to view the Management Profile](#)

ส่วนที่ 1

Business Operation
and Operating Performance

1. Business Operation Structure

1.1 Business Operation Policy and Summary

The Royal Plus PLC (hereinafter referred to as “The Company” or “PLUS”) was founded by Mr. Phonsaeng Saebe on 24 March 1998 to sell electronic goods imported from China. However, because of the highly competitive nature of electronic market and the changing consumers’ behavior. Mr. Phonsaeng acknowledged the business opportunity in producing and selling fruit juice, coconut juice and milk, which were very popular abroad. To this end, in 2011, PLUS entered the coconut juice production for export business to capitalize on the growing popularity and demand for the product. At present, PLUS has expanded its operation, with its coconut juice products being marketed under “Coco Royal,” its basil-seed fruit juice products under “Nita,” its coconut juice coffee products under “Coco Coff,” its milk tea products under “Mabu,” and its vitamin drinks under “C-Boom”. PLUS is confident in the taste of its products. Its coconut, planted in Thailand is renewed both in Thailand and abroad. PLUS remains committed to its social and environmental responsibilities, both inside and outside the Company. PLUS also seeks to give back to the society, as exemplified in their “PLUS” principles, as follows;

- Business **PLUS** Value
- Work **PLUS** Happiness
- Heart **PLUS** Love

The Company mainly sources its products in Thailand in order to support Thai farmers and create added values with a view to be the leader in the healthy drinks production and distribution business that has environment-friendly and internationally-accepted production process. At present, PLUS is one of the leading producers of fruit juice in Thailand, with its products being categorized into 2 main groups, as follows;

Fruit Juice	1) Coconut Juice 2) Fruit-flavored Drinks 3) Other Fruit Juice
Drinks	1) Milk Tea 2) Vitamin Drinks

The Company produces and exports its drink products to numerous countries in many continents, with the net profit of 2020, 2021 and 2022 being 98.9%, 98.5% and 97.7%, respectively. Its main revenue comes from exports, which mainly go to the Americas, Asia and Europe. PLUS is certified by many international standards including ISO 22000, FSSC 22000, GMP, HACCP, FDA Standard and, awarded in 2022, ISO 9001

The Board of Directors of the Royal Plus PLC approves the vision, mission, strategy, goal and budget of the Company, as suggested by the Executive Committee. The Board of Directors is required to hold regular meetings to follow up on the Company's operation and important decisions, as well as to ensure that proper monitoring and evaluation procedures are in place with the goal to succeed the Company's short-term, medium-term and long-term goals.

1.1.1 Vision, Mission, Business Goals and Values

Vision



**To create quality beverages with continuous innovation
by serving great customer experiences worldwide and sustainably enhancing the quality of life.**



Mission



Business + Value

Create values for the company and accomplish corporate's goals



Work + Happiness

A delightful working experience and wellbeing



Heart + Love

A fulfilled heart to thrive with the society

Business Goals



PLUS is committed to creating quality beverage products to meet customer needs for those who love health and natural ingredients with continuous innovation. Expand market base from business partnerships both domestically and internationally under the branding of PLUS products to be known worldwide with great customer experiences and sustainably enhancing the quality of life.



Values

The Concept Royal “PLUS” consists of 4 Core Values as follows



Positivity



Loyalty



Unity



Sustainability

To cultivate culture and create unity of employees

The vision, mission, business goals and values of the Company has helped designate the main strategy to steer the Company towards sustainability, with the Board of Directors outlining the business operation policies and strategies for 2022, as follows;

1. Business Strategies

- Create opportunities for profit by seeking new customers while preserving old ones
- Create progress both for the products and company
- Have the Management that meets international standards
- Improve production capacity, making more products while being able to control cost
- Improve production technology and innovation products' excellence
- Be a company of learning and happiness
- Have the management that is environment-friendly

- Be creative and open, engendering social sustainability

2. Operational Strategies

- Capacity expansion; to prepare production capacity for future growth. PLUS seeks to expand its capacity both via buying more machines and expanding PLUS factories. PLUS will consider the investment feasibility, suitability for implementation, preservation of production quality and time-saving efficiency
- Smart Production; by using technology and innovation to adjust the production process throughout the production chain, lowering cost and enhancing profit-generating capacity such as the mechanization and utilization of technology in the production process and by utilizing smart warehouse
- Making long-term contracts with farmers to source coconuts and coconut juice from new areas in order to ensure continuous supply and save cost while maintaining the quality
- Research and Development; by diversifying the products, especially in potential high-growth areas such as healthy drinks, plant-based drinks and plant protein drinks

3. Human Resource Strategies

- Using the Royal “PLUS” principles, consisting of 4 core values such as;

P (Positivity)

L (Loyalty)

U (Unity)

S (Sustainability)

In order to create preferable work culture and engender unity among employee

- Increase the capacity and efficiency of the employees by honing their knowledge and skills and by highlighting agile management
- Formulate the human resource management system in conjunction with experts from leading educational institutions through the HRD Blueprint and Emo-Meter Engagement Survey, which would be the factors in systematic human resources development

4. Corporate Image Strategies

- Create preferable corporate image and brand image of PLUS through marketing and advertisement, especially on online platform, while fostering good corporate governance
- Manage the Company’s impact on the environment, society and economy, including the installation of solar rooftop and the reduction of fuel oil usage by substituting with palm kernel shell

1.1.2 Significant Developments and Changes

■ 1998

- Establishment of **Royal Plus Company Limited**, with 500,000 baht registered capital and operation in the import and distribution of electronic supplies

■ 2011



- Business type changed to the production and distribution of fruit beverages
- Constructed its first factory (Branch 1) in Phutthamonthon Sai 5, Samut Sakhon on the land owned by Mr. Phonsaeng Saebe (with 1 production line)
- Registered PLUS' first brand name in Thailand "Coco Royal"

■ 2012

- Factory construction finished. Production and export of coconut juice products started with its first destination being the US.
- Started developing the fruit beverage with basil seed as its second product.

■ 2013

- Started producing and exporting the fruit beverage with basil seed product under the customer's brand name to other Asian countries
- Developed and distributed the fruit beverage with chia seed product, and increased the sales volume of coconut juice products.



■ 2014

- Started developing the coconut milk product for export because of its growing demand in Asia
- Registered the brand name "Nita" in Thailand.



■ 2015



- Purchased its second factory in Amphawa District, Samut Songkram to increase its production volume by 2 production lines (currently this factory serves as the Company's only main production facility)

■ 2016



- Increased the machinery for the production of aluminum cans and improved its production line in the second factory to handle glass bottle products
- January:** increased the registered capital by 60 million THB, from 50 million baht to 110 million baht, and offered new ordinary stock by 600,000 shares, a par value at 100 baht and offered them to original shareholders to prepare for the production capacity expansion.
- October:** increased the registered capital by 40 million baht, from 110 million baht to 150 million baht, and offered new ordinary stock by 400,000 shares, a par value at 100 baht, and offered to existing shareholders to prepare for the production capacity expansion.
- October:** Registered new trademark "COCO COFF" in Thailand.
- December:** Moved the entire production line from the Phutthamonthon Sai 5 factory to the Amphawa Factory in Samut Songkram to increase the production efficiency and cost-effectiveness, while the Phutthamonthon Sai 5 factory still being used as storage.
- December:** Registered the trademark "Nita" in Lao PDR, Cambodia and Vietnam and registered the trademark "Coco Royal" in Lao PDR and Vietnam.

2017

- **January:** Registered the trademark “Nita” and “Coco Royal” in Myanmar
- **April:** increased the registered capital by 50 million baht, from 150 million baht to 200 million baht, and offered new ordinary stock by 500,000 shares, a par value at 100 baht and offered them to original shareholders.
- **December:** increased the authorized capital by 50 million baht, from 200 million baht to 250 million baht, and offered new normal stock by 500,000 shares, a par value at 100 baht and offered them to 6 investors who have no relation to PLUS at the price of 125.0 per share, higher than the fair price as valued by financial consultant using the discounted cash flow method (121.6 baht per share) to use the money as the circulating fund for business operation, with the Company receiving a total of 62.5 million baht.
- **May:** registered the trademark “MABU” in Thailand



2018



- **February:** registered the trademark “Nita” in Japan.
- **July:** registered the trademark “MABU” in Lao PDR.
- **August:** registered the trademark “MABU” in Cambodia and Vietnam.
- **September:** received the Thailand Trust Mark (T-Mark), a symbol of exporters of goods and services who are recognized as having an international standard from the Department of International Trade Promotion.

2019

- **January:** registered the trademark “BOOM” in Cambodia.
- **February:** registered the trademark “BOOM” in Vietnam.
- **March:** registered the trademark “BOOM” in Myanmar.
- PLUS was selected as 1 of the 5 model SMEs (Small and Medium-sized Businesses) in the SMEs Strategy Program 2019 by the Department of Industrial Promotion, Ministry of Industry to prepare its readiness for the MAI listed companies’ registration.



2020



- Changed the corporate brand’s logo

■ 2021

- March: developed the milk tea and vitamin-c beverages products under the brand “MABU”, “Boba” and “C-Boom” for sale through Modern Trade (MT) outlets such as supermarkets, convenient store (CVS) and other Traditional Trade (TT) outlets, including those in neighboring countries.
- The Board of Directors’ Meeting No.2/2021 on 14 May 2021 and the Extraordinary General Meeting of Shareholders No. 1/2021 on 1 June 2021 approved the following:
 - To transfer from a Limited Company to a Public Limited Company and registered all its ordinary stock on the Stock Exchange of Thailand.
 - Par change by stock split of its ordinary stock from 100 baht to 0.50 baht per share.
 - Increased the registered capital by 85 million baht by the initial public offerings of 170 million shares (at par value of 0.50 baht). The registered capital of PLUS will increase from 250 million baht to 335 million baht that can be divided into 670 million shares (par value at 0.50 baht).
- On 1 July 2022, transferred from a Limited Company to a Public Limited Company
- December: added 1 more production line to bring the total to 5 production lines with the maximum capacity of 200 million bottles per year.



■ 2022



- Developed the new line of products, the coconut milk and yogurt products under the “MABU” brand, serving as an alternative milk (Plant-based). The products are expected to start selling during the 3rd quarter of 2022.

Internationally–Renowned Quality Standards

The Company emphasizes the development and preservation of its production standard to maintain its international standard status. Presently, the Company is recognized by the following international production standards:

Standard	Awarding Institutions
ISO 22000:2018 (Food Safety Management Systems)	British Standard Institution
FSSC 22000 (Food Safety System Certification 22000)	
GHPs (Good Hygiene Practices)	
HACCP (Hazard Analysis Critical Control Point)	
ISO 9001:2015 (Quality Management System)	
U.S. FDA (U.S. Food and Drug Administration)	U.S. Food and Drug Administration
HALAL	The Central Islamic Council of Thailand
Thai FDA (Food and Drug Administration)	Thailand Food and Drug Administration
Thailand Trust Mark (T Mark)	Department of International Trade Promotion

Details of the Awarded Standards

1) The Good Hygiene Practices (GHPs) and the Hazard Analysis and Critical Control Point (HACCP) System



Are standard systems necessary for food producers. The GHPs are the standard that governs the environmental management of the product process to ensure hygiene and consumers' safety. Meanwhile, the HACCP is the system that governs the production control process that analyzes the potential hazards within the process and regulate the measures to control it.

2) Food Safety System Certification 22000 (FSSC22000)

Is the standard system that guarantees the food safety standard for food and beverage industry on the basis of the existing ISO 22000 standard. This standard system is endorsed by the Global Food Safety Initiative (GFSI) as the standard many food factories around the world use because of its excellence in food safety management.



3) The Food Safety Management Systems (ISO22000)



Is the standard system that guarantees the intra-corporate food safety management standard by ensuring an inclusive management for potential food hazards throughout the supply chain. This standard also includes the food management and safety systems while the food is in transport or in storage in real related facilities.

4) The Quality Management Systems (ISO9001)

Is the quality management standard that is accepted worldwide. It is designed to serve as a tool for business enhancement, quality excellence assurance and corporate operation efficiency.



5) HALAL



Is the products standard awarded by the Central Islamic Council of Thailand to ensure that the awarded products are hygienic and safe to consume for both Muslims and non-Muslims.

6) U.S. FDA Standard

Is the products standard by the U.S. FDA awarded to imported food products that meet the US quality standard and are safe for human and animal consumption. This standard is also awarded to medical supplies, medicines, food supplements, make-ups and cosmetics.



7) Thai FDA Standard

Is the products standard by the Thai FDA awarded to quality products that meet the standard of the Thai FDA and are safe to consume.



8) The Thailand Trust Mark (T Mark)



Is the products standard awarded to Thai products and services under the supervision of the Department of International Trade Promotion.

Environmental Impact Management



The Company prioritizes an efficient business operation alongside environmental preservation by realizing the importance of limiting and controlling the environmental impact that stems from business operation. The Company manages its footprints by regulating its production process to keep its emissions well under the legal limits. PLUS has never been in any disputes concerning the environment, and is recognized by the Ministry of Industry as the 2nd-level green industry: Green Activity.

Managing every operation that may affect the environment throughout the production line, the Company has installed the water treatments facility, grease trap to prevent waste and fats from leaving the factory untreated. PLUS ensures that the water that leaves its factory meets the cleanliness standard to control the smell that may impact surrounding communities. We also treat the waste from the factory and its surroundings by categorizing the waste type, treating those that can be treated and managing those that cannot according to the environmental law. The law is also closely followed, with examples including the brightness check, dust control, heat control, loudness control and smoke vent inspection.

1.1.3 Report of The Utilization of Capital Increasing from Initial Public Offering (IPO)

Royal Plus Public Company Limited ("the Company") had completed the Initial Public Offering (IPO) on 11 – 13 May 2022 of 170 million shares at offering price of Baht 4.50 per share, totaling Baht 765 million. The Company received the increased capital in the amount of Baht 735 million after deducting related expenses.

The Company would like to report the utilization of capital increasing from IPO as of 31 December 2022, as follows:

(Unit : Million Baht)

Objectives	Plan Amount	Amount Used as of 31 December 2022	Remaining Amount as of 31 December 2022
1) Repayment of the loans from financial institutions	75.0	75.0	-
2) To use as working capital for business operations	424.7	60.0	364.7
3) Investment in factory expansion and machinery	235.3	34.4	200.9
Total	735.0	169.4	565.6

1.1.4 Obligations pledged by the Company in securities offering prospectuses

- None -

1.1.5 Name and Office Location

Name	Royal Plus PLC
Address of Head Office	84/3-7 Soi Rama II, Soi 69, Samae Dam Sub-District, Bang Kunthian District, Bangkok 10150
Type of Business	Production and Distribution of Fruit Beverages and Other Beverages
Registration No./	
Taxpayer Identification No.	0107564000235
Tel.	0-2416-9209
Fax.	0-2412-0219
Website	www.royalplus.co.th
E-mail	Company Secretary plussecretary@royalplus.co.th Investor Relations ir@royalplus.co.th

Addresses of Branches

Branch	Addresses
1	29/88 Moo 8, Om Noi Sub-District, Kratum Ban District, Samut Sakhon, 74130
2	129 Moo 6, Phrag Nam Dang Sub-District, Amphawa District, Samut Songkram 75110
3	78 Moo 4. Phrag Nam Dang Sub-District, Amphawa District, Samut Songkram, 75110

1.2 Nature of The business

PLUS' operation only comprises beverage production and sales, with income stemming from ODM (Original Design Manufacturer) business and Company Brand business. The 2 products types are (1) fruit juice and (2) general beverages.

1.2.1 Revenue Structure

The Company's Income Structure is categorized by the products type. This year's fiscal year begins on 31 December 2020 - 2021 and 2022, with details as follows;

Product Type	For the year ended 31 December					
	2020		2021		2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Sale Revenue	1,102.8	99.7%	1,003.2	99.4%	1,428.2	98.0%
Fruit Juice Drinks	1,082.4	97.8%	985.2	97.6%	1,407.9	96.6%
Coconut Drinks	842.0	76.1%	710.6	70.4%	1,014.2	69.6%
Basil and Chia Seed Juice Drinks	206.0	18.6%	237.7	23.5%	353.0	24.2%
Other Fruit Juice Drinks	34.4	3.1%	36.9	3.7%	40.7	2.8%
General beverage	20.4	1.9%	18.0	1.8%	20.3	1.4%
Milk Tea	2.6	0.3%	3.0	0.3%	6.2	0.4%
Other beverage	17.8	1.6%	15.0	1.5%	14.1	1.0%
Other income ¹	3.7	0.3%	6.3	0.6%	29.2	2.0%
Total Revenues	1,106.5	100.0%	1,009.5	100.0%	1,457.4	100.0%

¹ Other income includes the profit from foreign currency exchange, assets sale, interest and other incomes.

Almost all of the Company's income (97.7% of total income) comes from sales to overseas buyers, mainly from the US, China, European and Middle Eastern countries.

PLUS operates a beverage production and sales business, consisting of ODM production and Company Brand products production and sales, with examples of the said Company brands including Coco Royal, Nita, Coco Coff, Mabu and C-Boom.

The income details of PLUS' beverage sales can be categorized by the products type, namely (1) the ODM production and (2) Company Brand products production and sales. The income from sales during the current fiscal year, from 31 December 2020 – 2021 and 2022 is as follows;

Type of Manufacturer	For the year ended 31 December					
	2020		2021		2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Sale Revenue	1,102.8	99.7%	1,003.2	99.4%	1,428.2	98.0%
ODM	1,036.3	93.7%	921.8	91.3%	1,289.2	88.5%
Company Brand	66.5	6.0%	81.4	8.1%	139.0	9.5%
Other income ¹	3.7	0.3%	6.3	0.6%	29.2	2.0%
Total Revenues	1,106.5	100.0%	1,009.5	100.0%	1,457.4	100.0%

¹ Other income includes the profit from foreign currency exchange, assets sale, interest and other incomes.

1.2.2 Products and Services Information

(1) Products Type

The Company aims to create quality and unique products. Currently, there are 2 groups of products to cater to consumers' demands both in Thailand and abroad, with the 6 brands in 2 products type, as follows;

1. Fruit Juice Drinks

1.1 Coconut Drinks Divided into 2 types

Produced and Distributed under





Coconut Juice

The first PLUS products created in 2012, coconut juice is produced both with and without the meat. This product is a premium product packaged in glass bottles and with a special process to preserve both the taste and nutritional values, and to make sure that it remains fresh for a long time.

- Consist of 6 recipes, categorized by coconut water concentration ranging from 60% to 100%. This product is a premium product that is popular abroad, especially in the US and Asia.
- Packaging
 - ▶ 290ml and 485ml glass bottles
 - ▶ 310ml aluminum can

Produced and
Distributed under



Coconut Milk Drink



Building on its commitment to offer unique products, PLUS develops the coconut milk drinks using its innovative process that keeps the coconut milk from stratifying so that it remains concentrated. This product is high in energy, cholesterol-free, and is very good nutritionally, remaining very popular abroad. This product comes in 14 flavors.

- The 14 flavors are coconut, almond, coffee, chocolate, dragon fruit, mocha, durian, Thai milk tea, banana, pineapple, mango, papaya, melon and strawberry. The product was launched in 2014.
- The 3 recipes are normal, with coconut jelly, and with coconut meat
- Packaging
 - ▶ 290ml and 485ml glass bottles



1.2 Fruit-flavored drinks

Produced and Distributed under



Basil Seed Drink

A fruit-flavored drink products filled with basil seeds, PLUS uses its innovative production process to make sure that the basil seeds float around the bottle. The drink is known for its refreshing quality, and has been well-received both in Thailand and abroad for a long time.

- The Basil Seed Drinks are offered in 15 flavors: white grape, red grape, watermelon, apple, lychee, pomegranate, passion fruit, orange, pineapple, strawberry, mixed fruit, honey, kiwi and blueberry. The product was launched in 2013.
- The 2 recipes are normal and reduced sugar
- Basil seeds are high in fiber and can help with digestion, colon detox, bad cholesterol reduction, and heart disease risk reduction
- Packaging
 - ▶ 290ml glass bottle



Produced and Distributed under



Chia Seed Drink

Refreshing and with nutritional values from Chia Seed, the Chia Seed Drinks are super food that is very popular in many countries, with its balanced mixture of mixed fruit juice and chia seeds, offering good taste and texture.

- The Chia Seed Drinks have 9 flavors: pomegranate, pineapple, lychee, passion fruit, mango, cocktails, peach, strawberry and coconut. The product was launched in 2013.
- The 2 recipes are with and without fruit juice
- Chia Seed has omega 3 fatty acids and is high in protein, fiber, calcium, potassium, vitamin A, vitamin B1, B2, B3 and B6, as well as antioxidants.
- Packaging
 - ▶ 290ml glass bottle.

1.3 Other fruit juice drinks Consist of 1 product

Produced and
Distributed under

MABU



Fruit Juice with Nata De Coco

Fruit Juice with Coconut Jelly is a 25%-concentration fruit juice filled with chewy coconut jelly, and offered in 8 flavors: strawberry, mango, orange, melon, blueberry, pineapple, lychee and grape.

- Coconut jelly is a byproduct of coconut water fermentation, and is mainly made up of cellulose which is a type of fiber that is more easily usable by the body than that obtained from plants. It is low in calories and can help with digestion and colon cancer prevention.
- Popular among kids and teenagers
- Packaging
 - ▶ 320ml PET plastic bottle

2. Functional Drinks

2.1 Milk Tea Consists of 1 product type

Produced and Distributed under

MABU
boba

Milk tea-flavored sterilized milk products with konjac boba

A unique and health boba tea drinks certified by the Healthier Choice symbol, the drinks cater to the newer generations who are health-conscious. The healthy milk tea-low in sugar and sodium and made without non-dairy creamer—is made from premium milk from New Zealand, but with the traditional Thai tea making process. Thus, this product is uniquely fragrant.

- Milk Tea with Konjac Boba is a milk tea product with brown sugar konjac boba, and sold both in Thailand and other Asian countries.
- The 4 flavors offered are milk tea, Thai tea, strawberry and chocolate.
- Made from 100% real milk without non-dairy creamer, preservatives, 0% trans fat and is low sugar.
- Packaging
 - ▶ 270ml glass bottle

2.2 Vitamin Drinks

Produced and Distributed under

BOOM

Vitamin Drink

Vitamin C Drinks—high in nutrition but with good taste—are the result of the shift in consumers' trend that is turning towards drinks that are delicious and refreshing, while remaining healthy. Thus, PLUS has produced this product to cater to these health-conscious consumers.

- C-Boom is a PLUS-brand vitamin C drink launched in 2021 and sold mainly in the CLMV and other Asian countries.
- Using stevia as a substitute for sugar, the drink has collagen and vitamin A with the 2 recipes offered being (1) Vitamin C 200% in lemon flavor with 300mg of collagen from Japan and (2) Vitamin C 200% in passion fruit flavor with vitamin A 100% from Switzerland. The Company ensures the product's uniqueness from other similar products by using stevia as a sugar substitute and reducing the amount of sodium in the drink.
- Packaging
 - ▶ 150ml glass bottle

Remark : ¹ Functional Drinks are drinks that are not alcoholic but with substance that has health benefits.

(2) Marketing and Competition

Policy and Strategy

1. Product Strategy

(1) Original Equipment Manufacturer (OEM) product type

The Company started manufacturing drink products in 2012 and was among the first producers and exporters of glass - bottled read - to - drink coconut juice products. The main goals of the Company are to preserve the taste and quality to increase sales and grow alongside the production of new products through the cooperation with partner companies and customers. The Company is confident that it can continue to develop new products by using the R&D team that has been with the Company since the beginning. Thus, this team has high expertise and understanding in the products they are making. The Company's production line can handle both small batch and mass production of goods, catering to small businesses and start-ups.

(2) Original Design Manufacturer (ODM) product type

The Company has developed its production process and knowledge in order to cater to customers who want the Company to develop and design products for their brands. The Company uses its knowledge, expertise and technological readiness to produce a diverse range of products that cater to consumers' demands. This strategic advantage has resulted in the Company being able to preserve its customer base while seeking new ones. With the aim to transfer the Royal Plus DNA to the wider world under diverse brand names, all products are made using the Innovation Plus Creativity principles that seek to create unique and quality products to global consumers.

(3) Company Brands

The Company plans to produce at least 2 company branded products per year as these products can be priced higher to increase the profit margins and can use similar ingredients to the products made for customers, reducing the cost by economies of scale and by the increased negotiating leverage. The Company brands started to be developed in 2014, and in 2021, the Company launched 2 new products which are the milk tea-flavored sterilized milk products with konjac boba under the MABU BOBA brand and the Vitamin C drinks under the C - Boom brand. At present, the Company is developing plant-based drinks that seek to cater to health-conscious consumers who like natural ingredients. Additionally, the Company seeks to make its company brands popular abroad and to expand into countries with similar customer base through qualified distributors in various countries.

2. Marketing Strategy

(1) Original Equipment Manufacturer (OEM) product type

The Company prioritizes products that are popular abroad with the marketing strategy to foster partnerships in other countries to increase sales. As for the sales promotion in other countries, the partners in those countries will take responsibilities.

For old customers, the marketing strategy is to preserve the relationship by offering new products that cater to consumers' demands or adjust the recipe of the products in order for them to remain fresh and up - to - date.

(2) Original Design Manufacturer (ODM) product type

The Company seeks to build networks with partners by participating in expositions such as the ThaiFEX in Thailand, Anuga in Germany, SIAL in France, and Gulfood in the UAE. The Company will highlight its usage of technology by demonstrating how its products recipes are carefully developed using creativity and innovation, as well as the R&D team's expertise. The Company showcases its production and product planning capabilities that meet international standard that is globally recognized. The Company also has the capability to design labels that meet the customers' demands.

(3) Company Brands

Can be divided into 2 groups: those sold domestically and those sold abroad. The Company prioritizes the products that are sold abroad by the marketing division's trade promotion measures that increase the sale of high - profit goods and expand the customer base in new markets. Products are also showcased in various food and drinks expositions both in Thailand and abroad. This is to meet with new importers and distributors who can contribute to the Company's growth.

For products sold in Thailand, the Company seeks to raise awareness of the products through the use of media by organizing marketing activities, both (1) above the line marketing that involves the hiring of presenters and influencers to advertise the products via social media like Facebook and Shopee or billboards to reach wider audience (2) below the line marketing that consists of direct and specific marketing with consumers such as handing out samples, organizing product outings and advertising activities and (3) trade promotion marketing by conducting trade promotion activities between PLUS and other partners such as the organization of special promotions.

3. Brand – building strategy

Company brand products that are sold in the past 3 years are the Coco Royal and Nita brands to cater to the demands of consumers that are interested in quality and tasty products. To increase the market shares for these products is challenging as the new brands launched in 2021 - MABU BOBA and C - Boom - are still new and in need of brand awareness raising. Apart from the taste, the Company also pays attention to quality, nutritional values and competitive pricing and seeks to distribute the products through Modern Trade outlets in Thailand in order to increase the visibility of the products and highlight brand differentiation from other brands.

4. Quality Assurance and Consumers' Safety Strategy

The Company pays attention to consumers' and production line's safety. It has taken steps to install the factory's security system and to manage the production area to minimize accident risk, with products' quality and sanitation being the foremost priorities. The production line is regularly inspected and employees' attire checked. Cargo trucks, packagings and ingredients are also carefully checked.

The Quality Assurance Division has the duties to;

- (1) Check whether all ingredients and packagings are in order
- (2) Randomly check products' samples to determine whether its expiry date, freshness, color, smell and weight are correct.
- (3) Check the production process from receiving the ingredients to finished products
- (4) Check the semi-finished product samples in laboratory to find whether there is contamination and whether the products are safe and in order

All employees throughout the production line are trained to be proficient in carrying out their jobs according to the safety standards.

5. Cost Management and Pricing Strategy

The Company has a policy to price its products using the Cost Plus Pricing method, with the sales and accounting divisions jointly determining the price of the products, which may be changed according to foreign exchange rate, order volume and competitiveness in relation to other competitors.

Customer Types and Target Groups

The Company's customers in Thailand and abroad can be categorized using the Company's product types, as follows;

1 Coconut Water



Health-conscious customers of every gender, aged from 25 - 50 years old, who like to drink coconut water on water.

2 Coconut Milk Drinks



Customers of every gender and age range, including those who are lactose intolerant.

3 Basil Seed Fruit-flavored Juice



Working age customers aged from 25 - 50 years old who want to have refreshing drinks.

4 Chia Seed Fruit-flavored Juice



Working age customers aged from 25 - 50 years old who want to have refreshing drinks

5 Fruit Juice with Coconut Jelly



Kids and students aged from 5 - 17 years old and teenagers aged from 18 - 22 years old and first jobbers aged from 23 - 29 years old

6 Milk tea-flavored sterilized milk drinks with konjac jelly



First jobbers aged from 18 - 35 years old, especially female first jobbers who are health-conscious and love to try new things

7 Vitamin drinks



Consumers aged from 20 - 35 years old who are health-conscious and beauty-conscious, especially working-age women

Sales Regions



Distribution and Points of Sale

At present, the Company distributes its products both domestically and overseas using the Modern Trade (MT) points of sale such as supermarkets, convenient stores, retail stores, hypermarket wholesalers, as well as the Traditional Trade (TT) points of sale such as local stores and souvenir stores. As for a repeated customer's credit term, it can range from 5 - 7 days after the customers receive the Bill of Lading, but for new customers, 50% of the total value of order have to be paid once the sales contract has been signed, with the rest due to be paid within 7 days before the goods' delivery date.

Overseas

1. Importer

- Foreign customers who purchase both OEM and Company brand products in order to resell via 1. MT points of sale 2. TT points of sale and 3. Online platform in the importer's targeted countries.
- Importers are mainly from the Americas and Asia.

2. Trader

Domestic customers who purchase both OEM and Company brand products to resell or export overseas



Domestic

1. Thai companies

Customers who hire the Company to produce OEM products to sell domestically. Examples include the Doi Kham store.

2. Modern Trade and Traditional Trade points of sale

Used in selling certain Company brand products like MABU Boba and C-Boom. The Company has just started retailing this way in 2021.

Main MT Points of Sale

- Convenient store; at present, about 2 - 3 convenient store chains in Thailand carry Company's products, and the Company is talks with more Thai convenient stores.
- Hypermarket

Main TT Points of Sale

- Distributors in the Northern region
- Distributors in the Central region
- Local stores in various provinces
- Souvenir stores

3. Online

Online platforms are a Business-to-Consumer (B2C) selling method. Examples include various e-Marketplace. The Company has just started retailing this way in 2021 through platforms like Shopee.



Competitiveness

In 2022, PLUS has an export revenue that equals 97.7% of total revenue, with the proportions of coconut water and basil seed fruit - flavored juice. In 2021, PLUS has an export revenue that equals 98.5% of total revenue, with the proportions of revenue being 97.6% from the coconut water and basil seed fruit-flavored juice. At present, PLUS mainly exports its goods to the Americas, Asia and Europe, with the proportion of domestic sales accounting for only 1.5% and 2.3% of the total revenues of 2020 and 2021, respectively.

Overview of Thailand's Fruit Juice Export Sector

Data from the Ministry of Commerce suggests that the growth of Thailand's fruit juice export sector has slowed down since 2017 because of the trade war between China and the US, as well as the COVID-19 Pandemic in 2022. In 2020, the sector recorded only 17,429.8 million THB in total export values, a 1.7% decrease from 2019. However, in 2022, in spite of the COVID-19 Pandemic and the Russo - Ukrainian War, the sector recorded a huge growth, with as high as 23,598.7 million THB being recorded between January and November, which is a 29.1% growth from 2021 (18,278.6 million THB sale values were recorded between January and November 2021). The export destinations with most sales value are the US (9.2% increase from the past year) and China (135.7% increase from the past year).

Thailand's Total Fruit Juice Export Values (by country)

Country	Value (million THB)			Growth (%)			Proportion (%)					
	2019	2020	2021	2022	2019	2020	2021	2022	2019	2020	2021	2022
USA	7,368.3	7,610.7	8,384.8	8,952.5	0.8	3.3	10.2	6.8	41.6	43.7	41.6	35.3
China	840.8	1,040.6	1,522.5	3,446.4	(1.5)	23.8	46.3	126.4	4.7	6.0	7.6	13.6
Netherlands	948.3	562.0	1,146.2	1,904.4	(28.7)	(40.7)	104.0	66.2	5.4	3.2	5.7	7.5
Cambodia	667.6	860.1	1,043.8	1,311.6	(16.6)	28.8	21.4	25.7	3.8	4.9	5.2	5.2
Australia	720.6	791.5	922.7	1,113.8	(33.8)	9.8	16.6	20.7	4.1	4.5	4.6	4.4
Lao PDR	670.2	643.8	771.4	737.0	(2.8)	(3.9)	19.8	(4.5)	3.8	3.7	3.8	2.9

Country	Value (million THB)				Growth (%)				Proportion (%)			
	2019	2020	2021	2022	2019	2020	2021	2022	2019	2020	2021	2022
Singapore	369.2	519.4	521.6	591.6	3.1	1.6	0.4	13.4	2.1	3.0	2.6	2.3
South Korea	511.5	338.9	513.0	579.7	5.1	(8.2)	51.4	32.9	2.9	1.9	2.6	2.3
Taiwan	365.7	426.6	436.1	574.8	(10.3)	(13.5)	2.2	12.1	2.1	2.5	2.2	2.3
Myanmar	493.2	449.2	477.8	574.4	(0.8)	22.8	6.4	20.2	2.8	2.6	2.4	2.3
Canada	485.7	177.3	314.8	501.3	(12.5)	(29.8)	77.5	59.3	2.7	1.0	1.6	2.0
Hong Kong	281.8	445.6	401.7	481.9	(10.3)	(8.3)	(9.8)	20.0	1.6	2.6	2.0	1.9
Japan	361.1	296.6	392.8	436.4	12.5	5.3	32.4	11.1	2.0	1.7	2.0	1.7
Spain	252.5	405.6	371.2	376.9	(7.9)	12.3	(8.5)	1.5	1.4	2.3	1.8	1.5
UK	370.0	229.6	188.4	364.1	(23.8)	2.3	(17.9)	93.3	2.1	1.3	0.9	1.4
Combined value (of the above 15 countries)	14,706.2	14,797.5	17,409.0	21,946.9	(6.8)	1.6	17.6	26.1	83.0	84.9	86.4	86.6
Others	3,017.6	2,632.3	2,730.2	3,382.2	(7.1)	(16.8)	3.7	23.9	17.0	15.1	13.6	13.4
Total	17,723.9	17,429.8	20,139.2	25,329.1	(6.8)	(1.7)	15.5	25.8	100.0	100.0	100.0	100.0

Source: ICT Centre, Office of the Permanent Secretary, Ministry of Commerce (<https://tradereport.moc.go.th>)

Main destinations for Thailand's fruit juice exports are the US, Asian and European countries, with the combined value totaling 87% of total fruit export value in 2022. Major Asian export destinations are China, neighboring countries (Cambodia, Lao PDR and Myanmar), South Korea, Japan, Taiwan and Hong Kong.

From 2018 – 2022, PLUS is one of the biggest fruit juice and mixed fruit juice exporters in Thailand by developing the products that cater to consumers' need, resulting in continuous growth.

Thailand's Top Fruit Juice Exporters (by sales value)

No	2018	2019	2020	2021	2022
1	Thai Agri Foods PLC	Thai Agri Foods PLC	Thai Agri Foods PLC	Thai Agri Foods PLC	Thai Agri Foods PLC
2	Zico PLC (Thailand)	Zico PLC (Thailand)	Chabaa Bangkok Co., Ltd.	Harmless Harvest Co., Ltd. (Thailand)	General Beverage Co., Ltd.
3	Chabaa Bangkok Co., Ltd.	Chabaa Bangkok Co., Ltd.	Harmless Harvest Co., Ltd. (Thailand)	Chabaa Bangkok Co., Ltd.	Harmless Harvest Co., Ltd. (Thailand)
4	Universal Food PLC	Harmless Harvest Co., Ltd. (Thailand)	PLUS	Universal Food PLC	Chabaa Bangkok Co., Ltd.
5	Harmless Harvest Co., Ltd. (Thailand)	Universal Food PLC	Universal Food PLC	General Beverage Co., Ltd.	PLUS
6	Asiatic Agro Industry Co., Ltd.	Asiatic Agro Industry Co., Ltd.	Asiatic Agro Industry Co., Ltd.	Asiatic Agro Industry Co., Ltd.	Universal Food PLC
7	Dole Thailand Co., Ltd.	PLUS	Zico PLC (Thailand)	Tyson Foods Co., Ltd.	Asiatic Agro Industry Co., Ltd.
8	PLUS			PLUS	

Source: Ministry of Commerce (Importer – Exporter List (moc.go.th))

Thailand's Top Mixed Fruit Juice Exporter (by sales value)

No	2018	2019	2020	2021	2022
1	PLUS	Universal Food PLC	PLUS	Universal Food PLC	PLUS
2	Tipco F&B Co., Ltd.	PLUS	Universal Food PLC	Tyson Foods Co., Ltd.	Tyson Foods Co., Ltd.
3	Chabaa Bangkok Co., Ltd.	Tyson Foods Co., Ltd.	Tyson Foods Co., Ltd.	PLUS	C B Coconut Co., Ltd.
4	Universal Food PLC	Tipco F&B Co., Ltd.	Tipco F&B Co., Ltd.	C B Coconut Co., Ltd.	Tipco F&B Co., Ltd.
5	Nuboon Co., Ltd.	Chabaa Bangkok Co., Ltd.	C B Coconut Co., Ltd.	Tipco F&B Co., Ltd.	Universal Food PLC

Source: Ministry of Commerce (Importer – Exporter List (moc.go.th))

From 2019 - 2022, PLUS recorded the total export value of 854.0 million THB, 1,094.4 million THB, 994.5 million THB and 1,428.2 million THB, respectively. These are calculated into the market shares of 4.8%, 6.3%, 4.9% and 5.6%, respectively (17,723.9 million THB in 2019, 17,429.8 million THB in 2020, 20,139.2 million THB in 2021 and 25,329.1 million THB in 2022). PLUS has recorded further growth in market shares in 2022 as PLUS has been successful in making products that cater to consumers' demands and increase total export values.

Overview and Industry Trends

Overview and Industry Trends – Fruit Juice

Global Juices Market

Analysts from Global Newswire has closely followed the global juices market and forecasted that the market would reach 104,210 million USD in 2022 - 2027 with an average annual growth of 8.6%. The biggest market would be the US, with a total value of about 39,100 million USD in 2020, 22.7% of the global fruit and vegetable juices market. The second biggest market would be China, with a total value of about 16,300 million USD in 2020, 9.5% of the global fruit and vegetable juices market. China is forecasted to further grow with an average annual growth of 7.2%

Global Coconut Water Market

Data from Statistic suggests that the coconut water market would grow continuously. In 2024, it is forecasted to record a 8,300 million USD growth. The data from the Department of Agriculture regarding the American coconut water market (April 2020) as obtained from the Office of Agricultural Affairs, Washington, DC suggests that the global coconut water market has reached 1,600 million USD and is speculated to double to reach 2,700 million THB by 2024.

The coconut water market of the US is among the largest in the world.

The growing demand for coconut water stems from the fruit's health benefits, high nutritional values and its status as a healthier food choice. Overseas, coconut water is classified as the best plant-based rehydration drink, widely acclaimed by athletes and popular among members of the Millennial generation (aged 24 - 37) as a low-sugar substitute for soft drinks.

At present, aromatic coconut is an important economic crop, being popular both for consumption in fresh form and for industrial processing into juice for domestic and overseas markets. Key strengths of coconut are the taste, meat quality and its fragrance, especially when grown in hot regions like Thailand.

Global Milk Substitute Market

In 2022, the total revenue of the global milk substitute market is projected to reach 21,000 million USD, with the largest markets being China (9,100 million USD), the US (3,100 million USD) and Japan (1,600 million USD), respectively. Milk substitutes also cover plant-based substitute, namely those made from coconut, rice, almond, oat and other plants. This data suggests that the Chinese, American and Japanese markets remain interesting in terms of its acceptance of milk substitutes. The American market also exhibits continuous growth. In 2020, the total retail value stood at 2,900 million USD, and was expected to reach 3,100 and 3,300 million USD in 2022 and 2023, respectively.

Global Coconut Milk Drink Market

Coconut milk drinks are distilled to remove coconut fat and are added with flavors. The drinks continue to grow in popularity from the 821 million USD sale value in 2018 to 919 million USD in 2020. It is projected that the total sales value will reach 1,800 million USD in 2026, with the US being the largest market, China the second largest and emerging demands in other countries like Russia.

Producers and Distributors of Coconut Water Drinks in the US

Brands	Ingredient Sources	Owners
1. VITA COCO	Indonesia, Brazil	All Market Inc.
2. Zico	Thailand	Coca-Cola
3. O.N.E, Amacoco	Philippines	PepsiCo
4. Harmless Harvest	Thailand	Harmless Harvest
5. Nuboon Co., Ltd.	Nuboon Co., Ltd.	Chabaa Bangkok Co., Ltd.

Source: Department of Agriculture

Producers and Distributors of Coconut Milk Drinks in the US

Brands	Ingredient Sources	Owners
1. Silk	Thailand	Whitewave Foods
2. So Delicious	Philippines	So Delicious Inc
3. Rebl	Peru	REBBL INC.

Source: Statista

Main Producers and Distributors of Coconut Drinks in Asia

Brands	Ingredient Sources	Owners
1. Yeshu	Coconut Milk Drinks	Coconut Palm Group
2. Goya	Coconut Water Drinks Coconut Milk Drinks	Goya Foods
3. VITA COCO	Coconut Water Drinks	All Market Inc.
4. Coco Royal and PLUS's OEM in Asia	Coconut Water Drinks Coconut Milk Drinks	PLUS (Coco Royal)

Brands	Ingredient Sources	Owners
5. Cocoxim	Coconut Drinks Coconut Milk Drinks	Bentramex Binh Duong
6. If	Coconut Drinks Coconut Milk Drinks	General Beverage
7. Cocomax	Coconut Drinks Coconut Milk Drinks	Asiatic
8. Hydro Coco	Coconut Drinks Coconut Milk Drinks	Kalbe international

Source: PLUS

In Asia, the coconut water and milk drinks are manufactured by many producers with high competition in both pricing and marketing. Each producer has its own brands and markets, making it difficult to calculate the exact market shares. The largest market for coconut drinks in Asia is China, which PLUS has actively conducted its products' marketing for a long time, making PLUS one of the known brands in China. PLUS is also working to expand to other markets in Asia as well.

Coconut-based Product Development Trend

The COVID - 19 Pandemic has jumpstarted the health - conscious trend, especially in food and drinks. Drinking beverages that has medicinal properties are highly sought after and becomes a factor when buying products. Plant-based products have also grown in popularity. The environmental impact that is apparent around the world has resulted in many brands trying to showcase their environmental responsibilities, especially in the view of environmental-conscious Gen Z persons. Environmental responsibilities coincide with the attributes of plant-based products that seek to minimize impact on the environment. Data from Statista suggests that the healthy drinks market will record an average of 6/1% growth in the next 3 years (2021 - 2024), with the values estimated to reach 641,618 million USD in 2026, while the plant-based beverage market would record an average of 12.7% growth during the same period (or approximately 21,984 million USD in 2026). Products that can be expected to receive more attention include;

- Healthy drinks that are low in sugar, saturated fat, but high in fiber and protein
- Plant protein-based drinks that give enough energy and nutritions, but with low cholesterol
- Drinks for the elderly that boost the immune system, improve blood circulation and reduce blood pressure

Recently, new coconut water products have been launched such as the ready-to-drink tea with coconut water, coconut coffee, coconut soft drinks and coconut protein drinks. Producers are seeking to introduce new products to distinguish themselves from other competitors using innovation and creativity.

Overviews and Industry Trends – Boba Milk Tea Drinks

The global boba milk tea drinks market is among the largest in the world and continues to grow at an eye-catching rate. It is projected that it will reach 11,000 million USD (or 343,000 million THB) in total market value in 2025 with an average of 9.3% growth per year.

Reports from Momentum Works indicate that the boba milk tea market in Southeast Asia is as large as 3,660 million USD, with the largest being Indonesia followed by Thailand, Vietnam, Singapore, Malaysia and Philippines, respectively. The industry leaders are Mixue, KOI The, Chatime and Gongcha.

The boba milk tea market in Thailand is also very interesting with intense competition that has resulted in an increase in total market value to about 3 - 4,000 million THB, positioning Thailand among the 5 largest markets for boba milk tea in Southeast Asia. In USD, the Thai market records the total value of 749 million USD, and Thailand is the country with most boba milk tea consumption in Southeast Asia. Industry leaders in Thailand include Cha Tra Mue and Kamu.

Producers and Distributors of Ready-to-drink Milk Tea in Thailand (mass production at the under 40THB price range)

Brands	Producers	Points of Sale	Key Characteristics
1. Just Drink	Taokaenoi Food and Marketing PLC	MT, TT, Online	Taiwan-style milk tea, originally a popular souvenir for Thais who travel to Taiwan.
2. Café & Co	Tofusan Co., Ltd.	7-Eleven	Ready-to-drink milk tea
3. Sunsu	21 Sunpassion Co., Ltd.	7-Eleven	Milk tea that has a freshly-brewed taste
4. Ochasan	Chabaa Bangkok Co., Ltd.	MT, TT, Online	Premium ingredients such as the imported milk and boba from Japan
5. MABU Boba	PLUS	MT, TT, Online	Milk tea that has a freshly-brewed taste, low in sugar, low-calorie, no non-dairy creamers, and uses premium ingredients such as imported milk. The product is the first milk tea that is certified as Healthy Choice by the Institute of Nutrition, Mahidol University and the Ministry of Public Health.

Sources: Google and PLUS

Overviews and Industry Trends – Healthy Drinks in Thailand

Data from the Krungsri Research Centre indicates that in 2022 - 2024, Thailand's beverage market will not grow much, but will follow a pattern of economic recovery. However, the non-alcoholic beverage market is projected to grow slightly after the small decrease in 2022, especially in the healthy drinks market that recorded the total sales value of 9,654 million THB in 2021 and is expected to continue growing for 1 - 2 years. This is because the consumers have started to become more health-conscious after the COVID-19 Pandemic. In 2022, the market is expected to grow at a pace of 5 - 7% and will reach 10,000 million THB. In this market, sectors that are eye - catching are the functional drinks that have recorded the total sales value of 7,677 million THB, and the vitamin drinks at 2,499 million THB.

Mid-Range Producers and Distributors of Vitamin C Drinks in Thailand

Brands	Producers	Points of Sale
1. C-Vitt	Osotspa PLC	MT, TT, Online
2. Double C	Nongkhai Power Drink Co., Ltd.	MT, TT, Online
3. VITADAY	General Beverage Co., Ltd.	MT, TT, Online
4. Woody C+ Lock	Carabao Group PLC	MT, TT, Online
5. Hi!	T. C. Pharmaceutical Industry Co., Ltd.	MT, TT, Online
6. V-Boost	Thai Drink Co., Ltd.	MT, TT, Online
7. Scott ABC	Scott Industrial (Thailand) Co., Ltd.	MT, TT, Online
8. C-Boom	PLUS	MT, TT, Online

Source: PLUS

^[1] GlobalNewswire, Inc. is a subsidiary of Nasdaq, Inc. and is one of the largest news outlets in the world with expertise in financial data and multimedia investment

^[2] Statista is a German company specialized in statistics and survey services with expertise in marketing and consumers' data

New Product Development

The Company acknowledges the importance of product research and development by prioritizing the creation of a diverse range of products that cater the demands of target groups.

The research and development processes are carefully looked after, from the very detailed information gathering process that defines what the real needs of customers are to the consumers' behavioral survey that encompasses the global market. The Company also looks at marketing research to try to distinguish its products from others by offering new values, experiences and innovations to the global consumers.

Building on its success, the Company has developed the "coconut milk beverage" into a well-known product worldwide, from "coconut milk"—a popular ingredients for both food and dessert. This illustrates the Company's innovativeness in introducing new products and experiences to consumers, which has resulted in the product's popularity to this day, not to mention the continuous research and development that seek to introduce even more products to the world.

Apart from research and development, the Company also takes care of its production process by encouraging its employees to develop their skills by participating in training and educational programs in leading educational institutions in Thailand. This knowledge will ensure appropriate transfer of expertise that leads to added values for the products. In the "Lean Manufacturing Project," educational tools and theories are utilized in gathering and analyzing information as well as in developing production process that is without unnecessary components, succeeding in both cost and time reduction and creation of new working standards. Humans and machineries balance their workloads to reduce the consumption of resources, waste and products with higher quality, with a view to achieve lean automation in the future.

Product Research and Development of the Company take the following factors into account;

- 1) Personnel :** Personnel's expertise in product research and development is crucial to the development success rate. Hence, the Company emphasizes and supports the honing of the research team's skills via their participation in training programs, academic programs with leading institutions and the fostering of networks with other leading research teams from the private and public sector as well as educational institutions. This network also includes other researchers with expertise in a wide range of areas.
- 2) Research and Development Method :** A well-maintained research and development method will help the research team continue their works with efficiency. To this end, the team is committed to developing products with added values that will gratify consumers. The research team studies marketing and consumer behavior data, designs a research method that seeks to gain customer insight and develops each product with innovativeness. As a result, the whole research process, from design to trial and survey, takes wholly into account what consumers really want.
- 3) Products :** The Company realizes that its products have to satisfy and introduce new experiences to the consumers, in addition to being quality and safe products. This can only be done by the utilization of innovation and the diversification of its products, while making sure that they remain environment-friendly, being able to meet the customers' demands in a sustainable manner.

(3) Product and Service Acquisition

Acquisition of Materials

The Company's policy in seeking materials for production takes into account the quality and origins of the materials. The Company entrusts its quality control team to make sure that every material meets its standards, with the current main materials being coconut water, meat, milk and jelly (making up 16% of total acquisition), as well as sugar, syrup and food colorings / flavorings (making up 56% of total acquisition), and the other 56% being packaging, bottle caps, cardboard boxes and labels. The Company acquires the materials mainly from domestic sources (about 95% of its total acquisition), while some materials may necessitate importation from overseas suppliers such as certain types of packaging. The acquisition is done through advanced purchase orders that may be put forward 15 - 45 days in advance depending on the suppliers.

In considering the purchase, the Company compares the prices of the same type of products from at least 3 suppliers who are in the Approved Vender List (AVL). This process will also avoid the over-dependence on one supplier to ensure price transparency, cost-effectiveness and materials' quality. All suppliers are evaluated annually, while making sure that the Company remains on good term with every partner.

Materials used in fruit and general beverage production

The main materials used are as follows;

1. Fresh ingredients e.g., coconut water, coconut pulp, nata de coco, coconut milk, basil seeds and chia seeds

Fresh ingredients are the main production materials, with the Company purchasing them through purchase contracts with suppliers in the AVL under a predetermined list of how much to order. This order will cover about 50% of total coconut water and meat used in production, with the rest being acquired from 30 - 40 other suppliers in the AVL via bidding. The Company will select these suppliers based on price, and the number of materials offered on a first-come, first-served basis. The price will follow market prices at the time of purchase and the purchase volume will be clearly elaborated. All incoming orders are subject to quality control. The Company has never faced materials shortage.

For nata de coco, coconut milk, basil seeds and chia seeds, the acquisition process is similar to that of coconut fruit, with at least 2 suppliers bidding at the same time, and the purchase is made mainly from domestic suppliers.

2. Ingredients for flavoring and other chemicals

After new product development, the research and development team will determine the material need for production to the acquisition team, who will then ask the suppliers for trial of ingredient samples to make sure that everything follows the predetermined quality and price of the new product. The production planning team will then determine what ingredients should be used based on the information received from sales and marketing team before making purchase orders. The ingredients are sourced mainly from domestic suppliers.

3. Sugar, syrup and other sweeteners

The acquisition team will sample the ingredients offered by suppliers to make sure that they pass the standards set by the research and development, as well as quality control teams. After passing the test, purchase order will be drafted and the prices compared before adding the names of suppliers to the AVL. Each purchase order will be made on a monthly basis based on demands and mainly from domestic suppliers.

4. Packaging e.g., glass and plastic bottles, caps, carton and labels

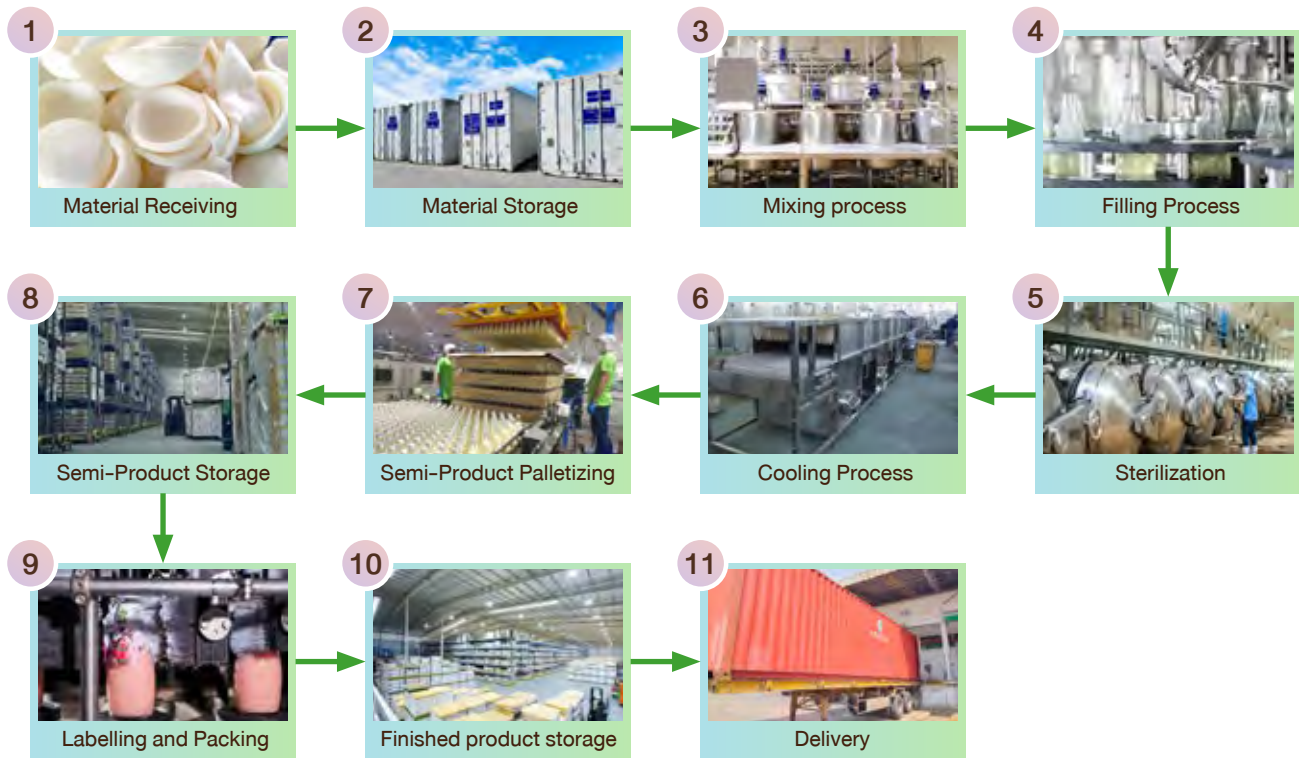
The acquisition team will sample the materials offered by suppliers before sending the materials for further check by the quality control team to make sure that every material passes the Company's standards. Then, the acquisition team will compare prices before adding said suppliers to the AVL. The production planning team will determine the needs for packaging on a monthly basis before notifying the acquisition team to make purchase orders. Currently, packaging materials are sourced from various domestic suppliers to reduce the risk of delayed delivery.

All packaging materials are sourced with the production planning and supply chain in mind. The purchase will follow the sales and production plan, while the material sourcing will take into account the predetermined safety stock. This will ensure that the Company has enough material reserves for 2 – 4 weeks of production. Normally, the price of packaging materials will not fluctuate drastically and will not affect the acquisition process.

Production Policy

- 1) **OEM Products** are products that the Company has been hired to produce based on the recipe, packaging design and brand of the customers. The sales team will discuss with the customers to clarify the actual demands for each product type, with the production planning and material usage being determined and approximated monthly. Then, the planning team will coordinate with the production team to ensure that the number of manufactured goods meet the customers' demands and are delivered on time. OEM production will depend on the remaining production volume from the main production line.
- 2) **ODM Products** are products made using the Company's own recipe and packaging design, but labelled for sale under customers' brands. The sales and marketing team will discuss with the customers regarding the approximation of purchase orders with the marketing plan being handled by the customers. Then, the production planning team will plan the production to meet the purchase volume ordered by the customers.
- 3) **OBM Products** are products made using the Company's own recipe, packaging design and marketed under the Company's own brands. The sales and marketing team will plan the production volume based on the approximation of purchase orders and marketing volume. The planning and production teams will then plan the actual production according to the figures decided by the sales team. The figures will take into account the Company's growth strategy and product competitiveness for each market; these strategies are formulated by the Company's executives.

Manufacturing Process



The Company's manufacturing process can be summarized as follows;

- 1) Material Receiving** : all production materials such as fresh, dried and process agricultural produces as well as packaging and other materials are screened according to the Company's standards.
- 2) Material Storage** : after the materials are screened, they will be sent to storage where their quality and the storage environments are maintained according to the Company's standards, which include the normal, cold and frozen storages.
- 3) Mixing process** : after the production planning is complete, the actual production will begin by mixing each material that has passed the quality control according to the Bill of Material (BOM). After the mixing and quality checking, the materials will be sent to filling process.
- 4) Filling Process** : the product is filled into the packaging and is then sealed. The Company uses high technology machine for filling juice (such as coconut water, coconut milk and fruit juice) and fruit particles (nata de coco, coconut pulp, basil seeds and chia seeds). During the packaging process, the product's quality is checked again for imperfection.
- 5) Sterilization**: every sealed product will be put on crates and then put through the sterilization process using retort sterilization machines. The process is controlled (temperature, time, pressure among others) according to the criteria set by Process Authority.

- 6) **Cooling Process** : after the sterilization process, the products are put into cooling tunnel to reduce their temperature to prepare for the next step.
- 7) **Semi-Product Palletizing** : the products are put through the semi-auto palletizing machine before being sent into storage.
- 8) **Semi-Product Storage** : the products are kept in a semi-product storage to await quality and food safety control within a specified timeframe.
- 9) **Labelling and Packing** : after the products pass the quality control process, these semi-products will be labelled and packed in carton, where they will become finished goods.
- 10) **Finished product storage** : the finished products are kept in storage to await delivery.
- 11) **Delivery** : products are delivered to both domestic and overseas buyers.

Production Management

The production center is located in the Amphawa Factory in Samut Songkram. The Company' production process uses modern machinery with advanced technology, consisting of 5 main production lines that can handle a wide range of packaging such as glass bottle (screw cap, pleated cap and twist cap in various sizes), plastic bottles (PET and PP plastics) and aluminum cans.

The Company emphasizes the enhancement of production efficiency and product quality by using the lean manufacturing system that seeks to creating value for customers and to reduce production and operational wastes. This will ensure production efficiency alongside cost-effectiveness and maximum resource utilities. The Company also encourages all employees to develop their skills by introducing the Lean Manufacturing Project that acclimatizes operation-level employees with the lean manufacturing techniques and its adoption in real-world use. The surplus personnel as a result of the heightened production efficiency can then be reorganized to work in different functions that prepare the Company for further expansions.

The Company encourages all sectors to work together to achieve common goals, encouraging each team to gather and analyze their data alongside other teams to make each decision made by the teams more precise. Each problem is analyzed using critical tools and collaborative discussion. Moreover, each team is encouraged to use visual control in controlling their operations to familiarize every employee with the technical knowhow and to provide an opportunity for employees to experience work first-hand, while automation is utilized to reduce labor requirements in certain areas.

Production resources are managed to ensure maximum utility. The machinery and technology used will help reduce the energy and water consumption, as well as the heat exchanged in the pipe system and help enhance the machinery capabilities to reduce production wastes. This, in turn, reduces environmental impacts by the utilization of energy from biomass in fueling the steam boilers, in addition to the installation of solar cell roof with an output of 985.36 kWp.

All products are checked to ensure quality with each production process being controlled from the materials receiving, screening and evaluation, the production process control, and finished product quality control. All quality control processes are standardized under the Quality Standard, including GHPs, HACCP, ISO9001:2015, ISO22000:2018, FSSC22000, HALAL and the inspection by U.S. FDA.

Currently, the Company operates 4 operation bases:

Branch	Usage	Production Capacity	Real Production Capacity Used in 2022
Headquarters (Rama 2)	Headquarters	-	-
Factory Branch 1 (Phutthamonthon Sai 5)	Goods and Packaging Storage	-	-
Factory Branch 2 (Amphawa)	Main Production Center and Goods Storage	197.8 million bottles / year	106.7 million bottles (56.7% of total capacity)
Factory Branch 3 (Amphawa)	Goods Storage	-	-

Disclaimers: There are currently no production activities in Factory Branch 1, which is used for goods and packaging storage.

Factory Branch 3 has been transferred to the Company on 21 December 2022 and is currently under renovation and fitting.

As of 31 December 2022, the Company has 5 production lines located at Factory Branch 2 (Amphawa), as follows;

- 1) Line A: for glass bottles
- 2) Line B: for glass and plastic bottles
(can handle both types of packaging)
- 3) Line C: reserve line, used for canned products
- 4) Line D: for glass bottles
- 5) Line E: for glass bottles

Total Production Capacity (million bottles)	Fiscal Year ending on 31 December		
	2020	2021	2022
Max Run Capacity ¹	158.2	197.8 ³	197.8
Actual Capacity	90.6	82.6	106.7
Utilization Rate ² (%)	57.3%	52.2%	56.7%

Disclaimers:

¹ Max Run Capacity = [total technical production capacity (bottle per minute) x 60 minutes per hour x 20 hours per day x 290 days per year] x OEE (Overall Equipment Effectiveness), with the OEE being the overall effectiveness of the machinery in production line depending on the production hours determined in production plan, usage readiness, production pace and quality of products. PLUS determines its production hours for the whole year based on those during High Season, resulting in high max run capacity. However, as PLUS does not operate at High Season pace for the whole year, the actual capacity may be around 50 – 60% of max run capacity.

² Production Capacity Usage Ratio (%) = Actual Capacity / Max Run Capacity x 100

³ Higher production capacity is a result of the new packaging machine in Line A that is more efficient, as well as the addition of Production Line E.

Environmental Impact Management

The Company ensures that its operation efficiency goes hand-in-hand with environmental preservation by controlling the impact caused by its business operation and the emphasis on environmental management. All operations are controlled to keep their pollution emissions within the predetermined standards. Thus, PLUS has never had any disputes or problems concerning the environment and is among the companies awarded by the Ministry of Industry as a Level 2 green industry under the Green Activity initiative.

(4) Business Assets

See Attachment 4 Company's Business Assets

Trademarks owned by PLUS

Trademarks registered in Thailand

	Trademark	Category of Business	Owner	Usage Duration	Extension Due	Disclaimers
1		Fruit Juice	PLUS	10 Years (3 July 2018 - 2 July 2028)	Every 10 Years	-
2		Coconut Milk Beverage with Coconut Jelly	PLUS	10 Years (11 Oct 2016 - 10 Oct 2026)	Every 10 Years	-
3		Fruit Beverage	PLUS	10 Years (11 May 2017- 10 May 2027)	Every 10 Years	-
4		Soy Milk	PLUS	10 Years (24 July 2017- 23 July 2027)	Every 10 Years	-
5		Soy Milk	PLUS	10 Years (27 July 2017- 26 July 2027)	Every 10 Years	-
6		Energy Drink	PLUS	10 Years (1 Feb 2019 - 31 Jan 2029)	Every 10 Years	-
7		Soy Milk Coffee Fruit Juice Energy Drink	PLUS	10 Years (5 Feb 2020 - 4 Feb 2030)	Every 10 Years	-
8		Coffee Fruit Juice Energy Drink	PLUS	10 Years (27 Sep 2019 - 26 Sep 2029)	Every 10 Years	-
9		Fruit Juice	PLUS	10 Years (22 July 2021- 21 July 2031)	Every 10 Years	-

	Trademark	Category of Business	Owner	Usage Duration	Extension Due	Disclaimers
10		Non-Medical Vitamin C-infused Fruit Juice	PLUS	10 Years (18 Feb 2021-17 Feb 2031)	Every 10 Years	-
11		Sterilized Milk	PLUS	10 Years (23 Feb 2021-22 Feb 2031)	Every 10 Years	-
12		Fruit Juice	PLUS	-	-	Currently Under Registrar's Consideration
13		Sterilized Milk	PLUS	-	-	Currently Under Registrar's Consideration
14		Fruit Juice	PLUS	-	-	Currently Under Registrar's Consideration

Trademarks registered abroad

	Country	Trademark	Category of Business	Owner	Usage Duration	Disclaimers
1	China		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years 14 Sep 2013 - 13 Sep 2023	-
2	China	CBOOM	32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years 12 Mar 2021 - 20 Mar 2031	-
3	China		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (7 Jan 2022 - 6 Jan 2032	-
4	China	MABUCOCO	32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (28 Feb 2021 - 27 Feb 2031)	-
5	Lao PDR		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years 17 Oct 2017 - 17 Oct 2027	-
6	Lao PDR		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years 17 Oct 2017 - 17 Oct 2027	-
7	Lao PDR		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	110 Years (31 July 2018 - 31 July 2028)	-
8	Lao PDR		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (7 June 2021- (7 June 2031)	-
9	Lao PDR	MABU	32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (19 May 2022 - 19 May 2032)	-

	Country	Trademark	Category of Business	Owner	Usage Duration	Disclaimers
10	Cambodia		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (12 Dec 2016 - 12 Dec 2026)	-
11	Cambodia		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
12	Cambodia		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (25 Jan 2019- 25 Jan 2029)	-
13	Cambodia		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
14	Cambodia		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (1 Aug 2018- 1 Aug 2028)	-
15	Vietnam		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (13 Dec 2016 - 13 Dec 2026)	-
16	Vietnam		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (13 Dec 2016 - 13 Dec 2026)	-
17	Vietnam		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (1 ឆ.ព. 2562 - 1 ឆ.ព. 2572)	-
18	Vietnam		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
19	Vietnam		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration

	Country	Trademark	Category of Business	Owner	Usage Duration	Disclaimers
20	Vietnam		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (1 Aug 2018- 1 Aug 2028)	-
21	Vietnam		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (23 June 2021 - 23 June 2031)	-
22	Japan		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (23 Feb 2018-23 Feb 2028)	-
23	Japan		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (26 Oct 2022 -26 Oct 2032)	-
24	Japan		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
25	Republic of Korea		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
26	Republic of Korea		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
27	Republic of Korea		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (15 June 2017 - 21 May 2028)	Currently Under Registrar's Consideration
28	Myanmar		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	3 Years (18 Jan 2017 - 17 Jan 2020)	Currently Under Extension Process by Registrar

	Country	Trademark	Category of Business	Owner	Usage Duration	Disclaimers
29	Myanmar		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	3 Years (19 Jan 2017 - 18 Jan 2020)	Currently Under Extension Process by Registrar
30	Myanmar		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	3 Years (12 Mar 2019 - 12 Mar 2022)	Registrar Process Ongoing
31	Myanmar		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Registrar Process Ongoing
32	India		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Registrar Process Ongoing
33	India		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
34	Canada		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
35	New Zealand		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Registrar Process Ongoing
36	USA		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
37	Brunei		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (16 May 2022 - 16 May 2032)	-
38	Brunei		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration

	Country	Trademark	Category of Business	Owner	Usage Duration	Disclaimers
39	Hong Kong		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
40	Hong Kong		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
41	Australia		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (30 Sep 2021 - 30 Sep 2031)	-
42	Australia		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (30 Sep 2021 - 30 Sep 2031)	-
43	Qatar		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
44	Jordan		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
45	Egypt		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
46	Timor-Leste		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
47	Timor-Leste		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration
48	Pakistan		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	-	Currently Under Registrar's Consideration

	Country	Trademark	Category of Business	Owner	Usage Duration	Disclaimers
49	Mautitius		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (3 Nov 2021 - 3 Nov 2031)	-
50	Singapore		32 (Fruit Beverage, Milk and Non-Alcoholic Beverage)	PLUS	10 Years (10 Aug 2021 - 10 Aug 2031)	-

Disclaimers: PLUS is in the process of registering other trademarks and plan to register more in some countries, which may take 1 – 2 years depending on each country's registrar.

Essential Permits for Business Operation

The Company's business is mainly under the Factory Act B.E. 2535 (1992), Food Act B.E. 2522 (1979), and the Public Health Act B.E. 2535 (1992), with the Company being granted the following essential permits;

	Permit	Begin	End	Permission Granted
1	Factory Operation Permit (Ror. Ngor. 4) – Branch 1 (Phutthamonthon Sai 5)	19 Feb 2018	1 Aug 2023	Fruit Juice Production such as coconut juice and basil seed juice (this branch currently has no production line)
2	Factory Operation Permit (Ror. Ngor. 4) – Branch 2 (Amphawa)	19 April 2016	1 Jan 2021	Vegetable and Fruit Juice Production This permit is currently in effect despite expiring on 1 Jan 2021 as the Factory Act (No. 2) B.E. 2562 (2019) and the Ministry's Decree on the Permission and Granting of Permission Concerning Type 3 Factory B.E. 2564 (2021) (dated 5 April 2021) has revoked the criteria used in asking for and granting permission for type 3 factory, effectively causing this permit to continue its validity.

	Permit	Begin	End	Permission Granted
3	Food Production Permit (Or.2) – Branch 2 (Amphawa)	11 Aug 2015	31 Dec 2023	Establishment of Factory to produce food for sales Maintenance of storage for beverage in sealed containers
4	Food Import Permit (Or.7) – Branch 2 (Amphawa)	13 July 2021	31 Dec 2023	Importation or Order of Importation of Food into Thailand for sales, with both cold and room-temperature storages
5	Permit for Operation that May Be Hazardous to Health (Gor.2) – Branch 2 (Amphawa)	23 Aug 2022	22 Aug 2023	Category 3(17) and 3(16) Operation that may be hazardous to health

(5) Pending Tasks

-None-

1.3 Shareholder Structure

1.3.1 Company Shareholder Structure

1. Company has no subsidiaries nor joint ventures
2. In 2022, the Board of Directors and Management, including their spouses and minor children, held a combined 56.18% of the total offered and paid-up shares. The Company also has a free-float share proportion of 41.26%, more than the 15% proportion of the offered and paid-up shares.
3. Company does not have a cross-holding shareholder structure.
4. Company emphasizes the equal treatment of all shareholders.
5. Company has publicized its information and updates via the Stock Exchange of Thailand system and via the Company's website. The Company also provides an opportunity for analysts, investors and other interested parties to meet with its executives in order to exchange information and present the key information of the Company.
6. Company does not have any shareholders agreements that may significantly affect itself or other shareholders.

1.3.2 Persons with potential conflict of interest who hold more than 10% voting shares in the Company's subsidiaries or joint ventures

-None- (because the Company does not have any subsidiaries and joint ventures)

1.3.3 Key shareholders' connection to other business groupings

- None -

1.3.4 Shareholders

Names of Shareholders (as of 31 December 2022)

Name	No. of shares	%
1. Mr. Phonseang Saebe	230,680,600	34.43
2. Ms. Amornrat Ketvisate	100,656,200	15.02
3. Mr. Sompong Chonecadeedumrongkul	53,312,100	7.96
4. Mr. Xueduan Ma	37,275,400	5.56
5. Thai NVDR Company Limited	32,460,529	4.84
6. Mr. Wa Yan Mok	24,000,200	3.58
7. Ms. Pomluck Harnphanich	20,500,200	3.06
8. Mr. Sumet Srichantamitr	17,666,900	2.64
9. Mr. Surachai Saebe	16,350,000	2.44
10. Ms. Natharin Sithalanusont	13,910,900	2.08
Total	546,813,029	81.61

Investors can access the name list of top 10 shareholders as of the date of the latest shareholders meeting on the Company's website before each annual general shareholders meeting.

Disclaimers

1. Ms. Amornrat Ketvisate is the spouse of Mr. Phonsaeng Saebe.
2. Mr. Xueduan Ma is the cousin of Mr. Phonsaeng Saebe.
3. Mr. Surachai Saebe is the father of Mr. Phonsaeng Saebe.

Shares Distribution as of 31 December 2022 (categorized by shareholders attributes)

Type of Shareholder	No. of shareholder	No. of shares	%
Legal entity			
Thai	6	34,564,129	5.16
Foreigners	2	1,282,700	0.19
Total Legal entity	8	35,846,829	5.35
Ordinary person			
Thai	3,278	553,112,771	82.55
Foreigners	5	81,040,400	12.10
Total Ordinary person	3,283	634,153,171	94.65
Total	3,291	670,000,000	100.00

Shares distribution is counted by the number of persons holding stock and categorized by the range of stock held and the total number of shareholders, as follows;

Range of number of Shares Held	Year 2022	
	No. of Share Ownership	%
1 - 50	122	3.71
51 - 100	239	7.26
101 - 500	406	12.34
501 - 1,000	421	12.79
1,001 - 3,000	597	18.14
3,001 - 5,000	386	11.73
More than 5,000	1,120	34.03
Total	3,291	100.00

1.3.5 Agreements between major shareholders that affect the issuance and offering of securities or the Company's management and significant operation

- None -

1.3.6 Policy for Investment in Subsidiaries and Joint Ventures

Company has a policy to invest in other companies who objectives, vision and growth strategy coincide with those of the Company, and may generate more revenue or profit if operating together. Investment is also earmarked for other companies whose synergy can help the Company increase its competitiveness and achieve its goal of becoming a leader in PLUS industry. That said, any subsidiaries, joint ventures or partner companies may consider investing in more companies when there is a growth opportunity. This consideration process will take into account the investment plausibility, potential and risk factors with proper investment analysis and with approval / consent from the Executive Committee, Board of Directors or the Shareholders Meeting (depending on the case).

1.4 Registered and Paid-up Shares Capital

1.4.1 Common Share

The Company has the following registered and paid-up shares capital, as of 31 December 2022;

Registered shares Capital : Baht 335,000,000 comprising of 670 million

common shares with a par value of Baht 0.50 Issued and Paid-up Share

Capitals : Baht 335,000,000 comprising of 670 million

common shares with a par value of Baht 0.50

1.4.2 Other securities with different rights or conditions from common shares such as Preferred Stock

- None -

1.4.3 Other securities which are not categorized as common shares such as debenture, bill of exchange, convertible securities and debt instruments

- None -

1.5 Issuance of Other Securities

- None -

1.6 Dividend Payment Policy

Company has a policy to pay dividends to shareholders in an amount no less than 40% of the Company's net profit after tax and contributions as stipulated in the law and Company's regulations. Dividend payment will take into account the Company's operation, financial status and economic outlook to ensure the best interest of shareholders. However, this payment may change based on changes in business operation, finance, liquidity, investment necessity and expansion, business expansion and Company's cash flow as well as other conditions and limitations in certain debt agreements. The Directors and Company's shareholders will consider the annual dividend payment after it has been approved by the Board of Directors, except in case of interim payment which the Board has the authority to approve and report to the next shareholders meeting for their information.

Dividend Payment and Contributions to legally-mandated Reserves in 2022

Dividend	Approved By	Amount (Million Baht)	Dividend Payment per share (Baht)
2021 Dividend	The 2022 General Shareholders Meeting on 21 March 2022	60.00	0.12

Disclaimers Company has an approximated registered normal stock of 500 million shares (before the public offerings of 170 million shares).

The Company has contributed 4,281,802 THB to the legally-mandated reserves as approved by the 2022 Annual General Shareholders Meeting on 21 March 2022.

2. Risk Management

2.1 Risk Management Policy and Plans

The Company has enacted policy and operational framework for risk management that concerns every dimension, from the Company's vision, business goals, strategies to anti-corruption and others. Risk likelihood and severity of potential impact are also considered when formulating measures for risk prevention and solution, with responsible persons being clearly defined, and risk report and evaluation outlined. PLUS' corporate risk management policy was considered, revised and approved by the 7/2022 Board of Directors' Meeting on 14 December 2022. The risk management report for 2022 is as follows;

1. Every executive and employee have a responsibility to manage risk inside their workplaces by following the corporate risk management policy and building on the policy to improve their chance for success and minimize potential impact.
2. The Company's management will organize the Company's risk management by analyzing linkages between every factor that affects the Company, while making sure that proper steps are taken to ensure the success according to the Company's goals.
3. The Company will evaluate its risk by taking into account every factor, both inside and outside the Company. These risks are divided into 4 categories, namely strategic risk, operation risk, financial risk and other risk.
4. Designate the acceptable corporate risk level and support the acquisition of tools, guidelines and risk management mechanism that are effective, suitable and in accordance with potential corporate and business changes. These will then be compiled into reports, to be submitted for the Board's consideration
5. Designate the corporate risk management mechanism that meets international standard, while formulating the acceptable strategic risk level in order to be used as criteria for the selection of appropriate business strategies that coincide with the Company's objects and risk management operations and directions.
6. Support and foster the appropriate mindset that highlights the importance of risk management and encourages its proper implementation.

Risk Management Plan

Can be divided into 4 groups, namely

1. **Strategic Risk** is the risk that stems from the formulation of strategies, operation plan and the mis-implementation of the said plans, both those affected by inside and outside factors, which have added up to the fulfilment, or lack thereof, of the vision or mission, as well as the Company's brand image.
2. **Operation Risk** is the risk that comes from the lack of proper control measures, including technological risk, information cybersecurity, information protection and the failure to select the technology that fits with the current information technology, and therefore fails to contribute to the Company's growth.
3. **Financial Risk** is the risk that affects the Company's financial status such as the fluctuation in foreign currency exchange rate, raw material price as well as the inability to attain suitable outbound shipment of goods within the specified timeframe (no more than 60 days after the goods leave the factories).
4. **Other Risk** is the risk that may impact the business operation in ways other than those specified above, and affect the business operation in either a holistic or selective manner, be it the shareholders, partners, employees, customers and the Company.

Risk management structure is divided into 3 stages, as follows

1. **Audit Committee:** make policy, strategy, guidelines, and risk management structure revision that contributes to the Company's efficient operation that coincides with the international standard. The Committee will also provide suggestions to improve the Company's operation and direction, while carrying out the annual risk evaluation and reporting the result to the Board.
2. **Executive Committee:** regulate the implementation of risk management plan inside the Company, gauge and follow up on the implementation, while supporting the improvement of the plan Company-wide, with the result being reported to the Audit Committee. Moreover, the Executive Committee ensures a timely report to the Audit Committee in urgent matters.
3. **All employees:** have the duty to follow the approved risk management plan and process. This must be strictly followed at the division, operation and corporate levels.

2.2 Business Operation Risk Factors

2.2.1 Strategic Risk

(1) Over-dependence on major customers

In 2020, 2021 and 2022, the Company sold 27.2%, 36.6% and 42.8% of its goods to major customers in the Americas, respectively. These customers are distributors of fruit and vegetable juice, raw ingredients and snacks for the major chains of supermarkets and stores in the US, with the main consumers being those from Latin America.

Because of the growing popularity of coconut milk and juice among those from Latin America and other Americans in spite of the growing shipping cost in 2021, orders from the customers from this region have constantly grown because these distributors wanted to ensure a continuous supply of goods to the major chains of supermarkets in the US. However, the overall sales of 2021 shrunk compared to in 2020 because customers from some regions limited their orders. As a result, 36.6% of total sale value belonged to the aforementioned customers in the Americas, and in 2022, this group continued to exhibit growth, totaling at 42.8% of the total sales proportion.

The Company's risk management strategies are as follows.

1) Preserve the old customer base.

- Plan the sales in advance to enable proper production volume and ensure enough goods are available.
- Ensure the timely shipment of quality products even when the shipping schedule is scarce to demonstrate our commitment to the customers.
- Improve products' quality to meet customers' demand, including new flavors and the substitution of sugars with artificial sweeteners.
- Maintain the quality and taste of products; which is a key selling point of our products, especially the coconut juice.

2) Expand the customer base.

- Participate in food and drink expos, both domestic and overseas, such as the Thailand-based ThaiFEX, Germany-based Anuga, France-based SIAL, Japan-based FoodEx Japan, US-based Fancy Food Show and the UAE-based Gulf Food in order to expand the partnerships with ODM customers and prospective partners.
- Organize marketing campaigns for the Company's products (coconut juice, milk and other fruit juice) outside the other ODM customers' markets.
- Expand the source of revenue by expanding into other beverage markets such as boba tea and vitamin c drinks under the MABU and C-Boom brands.

- Expand the customer base in Thailand and in neighboring countries (CLMV) while expanding the Modern Trade outlets. Currently, the Company has partnerships with Tang Hua Seng and is in talks with other Modern Trade outlets such as Foodland and convenient stores.
- 3) Remain open to the JV and M&A opportunities to expand the source of revenue via JV or M&A.

(2) Risk from high competition

The beverage business is highly competitive because of the existence of both major and minor companies that provide the consumers with a large number of choice. In Thailand, the Company is currently expanding its market. Thus, our success depends on our competitiveness, both by our marketing, cost and spending control. We will not employ price-cutting strategy but will emphasize the taste and quality of our products and services as well as brand-building with key strengths as follows;

- 1) Long-standing understanding and relationship with key trade partners.
- 2) Competent team of executives with over 10 years of experience.
- 3) Corporate culture that allows accessibility between mid-level and high-level executives in order to enable joint planning and initiatives.
- 4) Relationship improvement with trade partners who are key to market access in Thailand.
- 5) Use of economy of scale based on the current size of our business that enables efficiency in terms of acquisition, shipping and marketing.

The Company believes that the preservation of customer base is tenable because;

- We attach great importance to the preservation and improvement of relationship with all customers by regularly offering new products and by the joint sales planning.
- Our recipe is in-house and owned by the Company, with key attributes that answer to the customers' demand and are unique. We also attach importance to the maintenance and improvement of products' quality and taste for the customers' satisfaction.
- The high switching cost of our ODM customers that demands the inspection of production standards and the capability to meet high volume of orders.
- Our recipe is flexible allowing for cost-management alterations that do not affect products' quality and taste thanks to our expertise and experience. We were able to maintain profits even when the raw ingredient price was high. Furthermore, the volume of our packaging and ingredients as well as the proximity to the ingredients' manufacturers purchase allows for the high negotiability enjoyed by the Company.

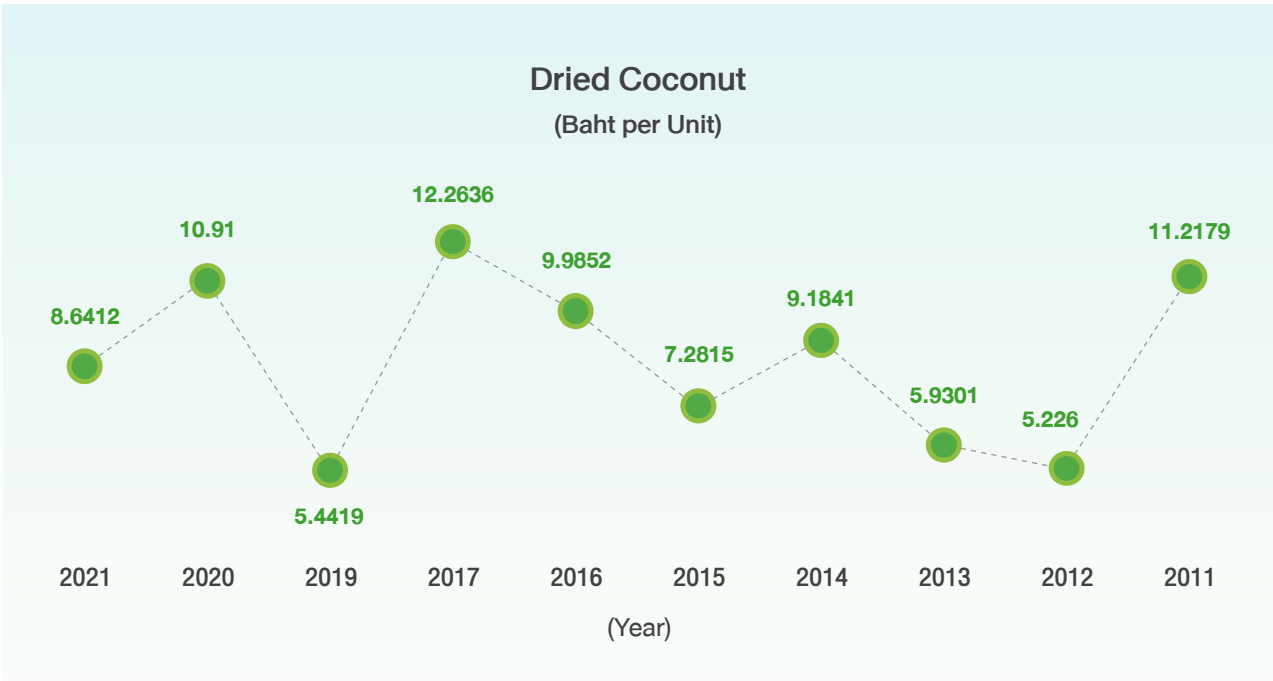
We are planning to expand our customer base to include more countries such as Lao PDR, Cambodia, Vietnam and Myanmar. The products offered are those of our own brands and the new products from the Aseptic production chain that is expanding into more customer base in Asia. We are also increasing our volume of sales in Thailand via our marketing campaign for our own brands, namely Coco Royal, Nita, MABU and C-Boom, and by expanding our

Modern Trade outlets such as those in supermarkets. We are currently in talks with convenient stores in Thailand, in addition to our original Traditional Trade outlets such as local stores in the provinces in Thailand.

2.2.2 Operation Risk

(1) Risk from the price fluctuation of key ingredients

The key ingredients are coconut products (juice, milk, fruit and jelly), and their price may fluctuate based on supply and demand, and factors beyond control such as climate change, drought, natural disasters and pandemics. In unusual circumstances, the Company’s operation may be negatively impacted because of the inability to increase our retail price to compensate for the increase in raw ingredients’ price.



Source: The Bank of Thailand (2 December 2022)

However, in the past, the Company has never been faced with ingredients shortage because of the following measures;

- 1) Close monitoring of the price of coconut fruit and juice.
- 2) We plan the ingredients acquisition plan in advance every month in accordance with the production plan. This is annually done in conjunction with major customers, with the purchase plan ranging from

3 – 6 months in advance. We then calculate the amount of ingredients required in accordance with the remaining stock of ingredients as well as following up on the projection of available ingredients in the market. This information is collected by asking our partner suppliers. The agreements to acquire necessary ingredients are concluded no less than 1 year in advance, and the amount required will be written down in the contract. The products shipment is sent to our customers no less than 1 week in advance to ensure the continuous production of goods.

- 3) Ingredient acquisition is managed in advance, with the stock being kept in places where it will not deteriorate. Our retail price is also adjusted to be in accordance with the cost in order to preserve profitability. Our R&D team is actively seeking to find alternative recipe for our products, to be used if our key ingredients become scarce. The alternative recipe must not affect the quality and taste of the products.

(2) Risk from Products Quality and Consumers' Safety

Consumers' safety is our foremost priority as we realize that small mistakes—from contamination to products expiry—will significant impact the credibility of all the Company's products. Thus, we are careful in selecting the ingredients and perfecting our production process, with the R&D, production and quality control teams actively working together. This is to minimize the risk concerning products quality, and to ensure that our products remain high-quality. Our products have received numerous certificates, including the HACCP, GMP, HALAL, ISO22000, FSSC 22000, Thailand Trust Mark (T Mark) awarded by the Department of International Trade Promotion, Thai Ministry of Commerce and ISO9001.

(3) Risk from Greenhouse Gas Emission

We realize the correlation between greenhouse gas emission and global warming, which will negatively impact the global climate, ecological system and extinction of species. Thus, we have initiated the following measures to this end, as follows;

- Substitution of fuel oil with palm kernel oil in the electricity-generating system.
- Plan the production process and improve the equipment to ensure maximum energy efficiency, ingredients efficiency, packaging efficiency and waste minimization.
- Installation of Solar Rooftop to use solar energy in the production process.

2.2.3 Financial Risk

(1) Risk from the fluctuation in foreign currency exchange rate

From 2018 – 2022, the Company's revenue came almost entirely from overseas sales and transaction. Thus, the Company became susceptible to foreign currency fluctuation, especially the USD, which, in 2022, accounted for 71.90% of total revenue, while the RMB stood at 3.33% (the rest were in THB). Therefore, the Company enacted the policy to minimize foreign exchange rate risk exposure by hedging without speculation by altering our risk management strategy to fit current business environment. This policy consists of (1) making forward contracts to buy foreign currency (2) increasing use of local currency by agreeing with customers to pay in THB (3) the opening of FCD to make transactions in foreign currency (natural hedge) (4) using financial options and (5) buying foreign currency via the use of futures.

We mainly use the (1) (2) and (3) measures to minimize export risks by forward dealings with hedge ratio of 50 – 80% of the total foreign currency revenue (calculated from the remaining reservations and open position from the confirmed orders from customers every month). We also consider the foreign exchange rate trend and the forward movements summary of total remaining foreign currency every day, as well as the foreign currency usage report every week in order to speculate the risk and the ways to minimize the risk.

In sum, we have not been negatively affected by foreign exchange fluctuation, and the effect so far has not been significant.

2.2.4 Other Risk

(1) Risk from the fact that the family of Mr.Phonsaeng Saebe is the majority shareholder who holds over 50% of the total paid-up capital

Family of Mr.Phonsaeng Saebe - consisting of Mr.Phonsaeng Saebe, Ms.Amornt Ketvisate, Mr. Surachai Saebe, Mr.Xueduan Ma and Ms.Nusara Ma (collectively called “the founders”) holds over 57.95% of total shares, effectively the majority shareholders who have huge impact on the policy-making of the Company. They can direct the direction of the Company’s management, and have a hold over the resolution of the General Shareholders’ Meeting. Thus, other shareholders can find it difficult to accumulate enough votes to check their sway in the General Shareholders’ Meeting. However, regarding the Company’s management structure that consists of the Board of Directors and the Audit Committee, it can be concluded that the structure has clearly outlined the scope of power, duty and responsibilities of each committee, with clear policies regarding any transactions that involve major shareholders, directors, those who hold management authority or may have conflict of interest. Those persons will not be involved in the voting of such matter. Independent directors are also appointed to participate in the Board to ensure transparency and inspire confidence among shareholders that the management structure has a tangible check and balance as well as management system.

(2) Risk from non-compliance with the anti-corruption policy

The Company is committed to transparent management with clear and effective supervision that ensures the business operation remains lawful. To this end, the anti-corruption policies are enacted to serve as guidelines towards sustainability. Aside from these policies, the Company also has the internal control and follow-up system to establish clear code of conduct and punishments in order to make sure that the management remains corruption-free. Channels are also established to receive complaints regarding potential corruption, with clearly defined process on how to deal with complaints, protect those who make complaints and follow up on the complaints in accordance with relevant regulations.

Emerging Risk

The Board of Directors and the Management closely monitor the emerging risk by taking into account the risk factors that may affect business operation such as trade wars, tariff measures, the Russian invasion of Ukraine and the change in health-conscious consumers' behaviors as well as disruptive technology and innovation and cybercrime. Risks emanating from sudden weather shift and emerging diseases are also considered to find the suitable strategy and preventive measures. The Company seeks to tackle these risks swiftly and systematically in order to ensure the compliance with the risk management policy.



3. Driving Business towards Sustainability

Royal Plus Public Company Limited is a leading company in the production and distribution of beverages from raw materials sourced in Thailand with international value and quality. It started as a small company towards a big, growing, and steady journey with a production capacity of more than 200 million bottles per year. The Company's products are recognized worldwide in more than 106 countries and is a top exporter of fruit juice in Thailand.

The Company continuous efforts to develop products by adhering to the vision of "To create quality beverages with continuous innovation by serving great customer experience worldwide and sustainably enhancing the quality of life". For this reason, the Company is aware the need for an efficient operation of the business. Growing together with society sustainably and can make the most of all stakeholders from employees, investors, shareholders, and other stakeholders. Society and environment are major pillars under integrity, fairness, transparency, and accountability themes to all stakeholders.

3.1 Sustainability Management Policies and Goals

From the Company's Vision, the Board of Directors recognizes its roles, duties and responsibilities in setting objectives, goals, and social responsibility policies to create a sustainable shared value for the Company. It encourages employees to be conscious of the importance and support of the creation of innovations that bring value to the business along with creating benefits to all stakeholders. It will monitor and ensure that the management operates its business with social and environmental responsibility and is reflected in the operational plan. This would ensure that all parties of the organization have acted in accordance with the Company's objectives, main goals, and strategies, as well as the role of stakeholders are considered too. In addition, the Board of Directors will monitor and ensure that management allocates and manages resources effectively and efficiently by considering the impact and development of resources throughout the Value Chain to achieve the main objectives and goals sustainably.

In 2022, the Company was committed to be a leader in beverage production and export with a mission to raise the level of confidence and sustainability for stakeholders, as is important part in business operations. The Company has planned to formulate the organization's sustainability strategy and direction in accordance with UN Sustainable Development Goals: SDGs to increase the organization's ability to become a leader in beverage production and export, the key points as below:



Strategic Direction	Operational Targets	Supporting the Sustainable Development Goals
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Environment Dimension

Reduce GHG emission, energy, and water efficiency management as well as improve business efficiency in reducing environmental impact throughout the beverage production process and value chain.

- Achieve net zero carbon emissions
- Reduction of greenhouse gas emissions from business processes
- Reduced energy consumption
- The use of renewable energy in business operations
- Reduced water consumption
- The amount of water returned to nature must meet the standards required by law



Strategic Direction

Operational Targets

Supporting the Sustainable Development Goals



Social Dimension

Raise awareness of work safety and promote employee well-being. Respect for human rights throughout the value chain as well as expanding talented employees through a culture of learning to drive the organization towards a sustainable future.

- Assessing the impact of business operations on the community
- Free from complaints from the community and enhance community satisfaction rate
- No complaints from customers about the safety and quality of goods
- Enhancing customer satisfaction
- Maintaining and enhancing employee knowledge and abilities
- Encouraging employees to have a quality of life and well-being from work
- Reducing accidents and deaths from work



Economic and Governance Dimension

Conducting business correctly, transparently, and fairly, considering the public interest of All stakeholders by improving operational efficiency and building cooperation between the company and stakeholders

- No legal lawsuits of any kind especially those related to corruption
- Free from serious cyber theft
- Effectively maintain data privacy
- The rise of innovation to create operational efficiency
- Drive and enhance the operations of sustainability partners



3.2 Management of Impacts to Stakeholders in Value Chain

3.2.1 Value Chain of Business

From the company's vision The Board of Directors recognizes its role, duties, and responsibilities in determining its objectives, goals and corporate social responsibility policies to create sustainable value for the Company by focusing on all employees to realize the importance and support the creation of innovations that bring value to the business along with create benefits for all stakeholders involved and to be socially and environmentally responsible, and to monitor the management to conduct business responsible to social and environment, and it is reflected in the operational plan to ensure that all parties of the organization have acted in accordance with the objectives. The company's main goals and strategies and take into account its role of stakeholders. In addition, The Board of Directors will monitor and ensure that management allocates and manages resources efficiently and efficiently by considering the impact and development of resources throughout the value chain in order to achieve the main objectives and goals sustainably.

In 2022, the Company is committed to being a leader in beverage production and export with a mission to raise the level of confidence and sustainability for stakeholders as an important leader in business operations, the Company has planned to formulate the organization's sustainability strategy and direction in accordance with UN Sustainable Development Goals: SDGs to increase the organization's ability to become a leader in beverage production and export, the following key points are as follows:



3.2.2 Stakeholder analysis in the business value chain

Stakeholder management across the business value chain is considered as something that the Company pays great attention. This management covers those who are affected or may be affected by business operations. This is to ensure that stakeholders are treated equally according to the Company's mission, which has the commitment to create sustainable value together with society by taking care of the fair interests of all groups of the Company's stakeholders.

As the commitment in product and service development and investment in diversified innovation to response to the demands of all sectors, hence, the Company has considered activities and operational processes throughout the value chain to identify internal and external stakeholder groups. Additionally, feedbacks have been obtained through a variety of channels, both online and offline, to analyze and respond appropriately to those opinions and expectations of stakeholders.

In 2022, the Company also has identified 7 groups of their stakeholders, consisting of shareholders, investors and analysts, customers, suppliers, employees, society and communities, government agencies and educational institutions and competitors.



Moreover, in 2022, the Company has conducted stakeholder engagement to build relationships with stakeholder representatives in accordance with the AA1000 Stakeholder Engagement Standard (AA1000SES) and Global Reporting Initiative Standards (GRI). Suggestions and comments of stakeholders during the stakeholder engagement will be taken into consideration when selecting materiality topics that are important to the Company. As well as, in the future, the Company will use the suggestions and comments of stakeholders to develop an action plan to build strong relationships with stakeholders to improve, develop and modify the business operations for greater efficiency.

Stakeholder Engagement

Stakeholder	Channel and frequency of fostering relationships with stakeholders	Demands and Expectations	Response to expectations
Shareholders/ Investors/ Analysts	• Annual shareholder meeting • Financial performance presentation quarterly • Two Analyst meetings • Three times of listed companies meeting investors activity • Four times to invite investors for visiting factory	• Good return on investment • Effective Corporate Governance • Stability and continuous business growth. • Accurate and comprehensive information disclosure with up-to-date and transparency • Risk Management System with efficient monitoring and control	• Corporate governance with transparency, fairness, and verifiability • Appropriate dividend payment • Information disclosure transparently • Establishment of strategic business plans • Risk management thoughtfully
Customers	• Meeting customers regularly, including market surveys and meeting with customers online • Coordinate closely with customers in all steps • Annual customer satisfaction survey • Permit customers to visit the manufacturing process up to 3-5 occasions • Encourage to co-marketing with clients through advertising media of the Company's products	• Obtaining accurate information of products and services • Products with reasonable prices • Price competition is transparent • Obtaining quality products and services • Ability to solve problems promptly as feasible • Confidentiality of customer information	• Corporate governance with transparent, fair and verifiable • Providing anti-corruption policy • Managing quality according to international standards • Adhere in ethics of maintaining the confidentiality of customer information • Customer's invitation to visit the production process • Developing quality products which able to meet the customer demands

Stakeholder	Channel and frequency of fostering relationships with stakeholders	Demands and Expectations	Response to expectations
Suppliers	- Annual raw material quality inspection plan, which covers suppliers for more than 20% of each type of raw material - Annual supplier satisfaction assessment	- Compliance with regulations and requirements of Company's procurement - Conduct business together with transparency, fairness and equality - Confidentiality of supplier information	- Increasing the efficiency of operational processes related to procurement - Confidentiality of supplier information
Employees	- Communicating relevant information through communication channels with appropriate frequency - Annual employee satisfaction assessment - Listening to opinions and suggestions through various channels that the Company provided, such as the comment box, Morning Talk activities	Good remuneration with the opportunity in career path and stability of the Company Working environment and area are suitable for work with sufficient equipment, including welfare and safety in operations	- Advocating employees to continuously develop their skills and knowledge - Determining regulations and guidelines for occupational health and safety in the operation and promoting good health of employees - Establishing Succession Plan to plan for career growth in key positions
Society and Communities	- Operating business with consideration of potential impacts on society and communities as well as being accountable to the surrounding community - Annually listening to opinions and suggestions through various channels that the Company provided	- Reducing the environmental impact on surrounding communities - Adhering safety in production according to the safety standards - Participating in community development, generating careers and income to build stability for people in the surrounding communities	- Operation in accordance with occupational health and safety practices - Increasing resource efficiency and reducing the impact of greenhouse gas emissions

Stakeholder	Channel and frequency of fostering relationships with stakeholders	Demands and Expectations	Response to expectations
Government Agencies & Educational Institutions	Meetings, attending seminars, emails and contacts regularly	- Participating in new government policies and projects - Sharing of operational knowledge and skills - Supporting and complying to measures or activities of local and national governments	- Exchanging knowledge on operational methods - Appropriately complying and participating in government measures and activities
Competitors	Behaving toward competitors in accordance with international standards	Behaving toward commercial competitors under good manners and fair competition rules	- Not seeking confidential information of commercial competitors - Not destroying commercial competitor's reputations

The Practical of competitors to according international

Materiality assessment for sustainable development

The Company has determined materiality assessment process for sustainable development in accordance with sustainability reporting standards of Global Reporting Initiative (GRI Standards) to reflect the materiality topics that are significant to the Company's economic, social, and environmental impacts and influence on the assessment and decision-making of stakeholders across the value chain of the business. The assessment is conducted to review changes in materiality topics of the organization and its stakeholders, which can impact the management effectively. The materiality assessment process consists of three steps as following:

1. Identification

The Company considers and analyzes materiality topics related to business, which cover economic, social, and environmental dimensions, by considering relevant international standards, regulations, and guidelines. This is consistent with the context and actions of the organization's sustainability and stakeholder's expectations. The Company has defined the boundary of materiality topics according to the impacts of operations along the value chain, which covers both inside and outside the organization.

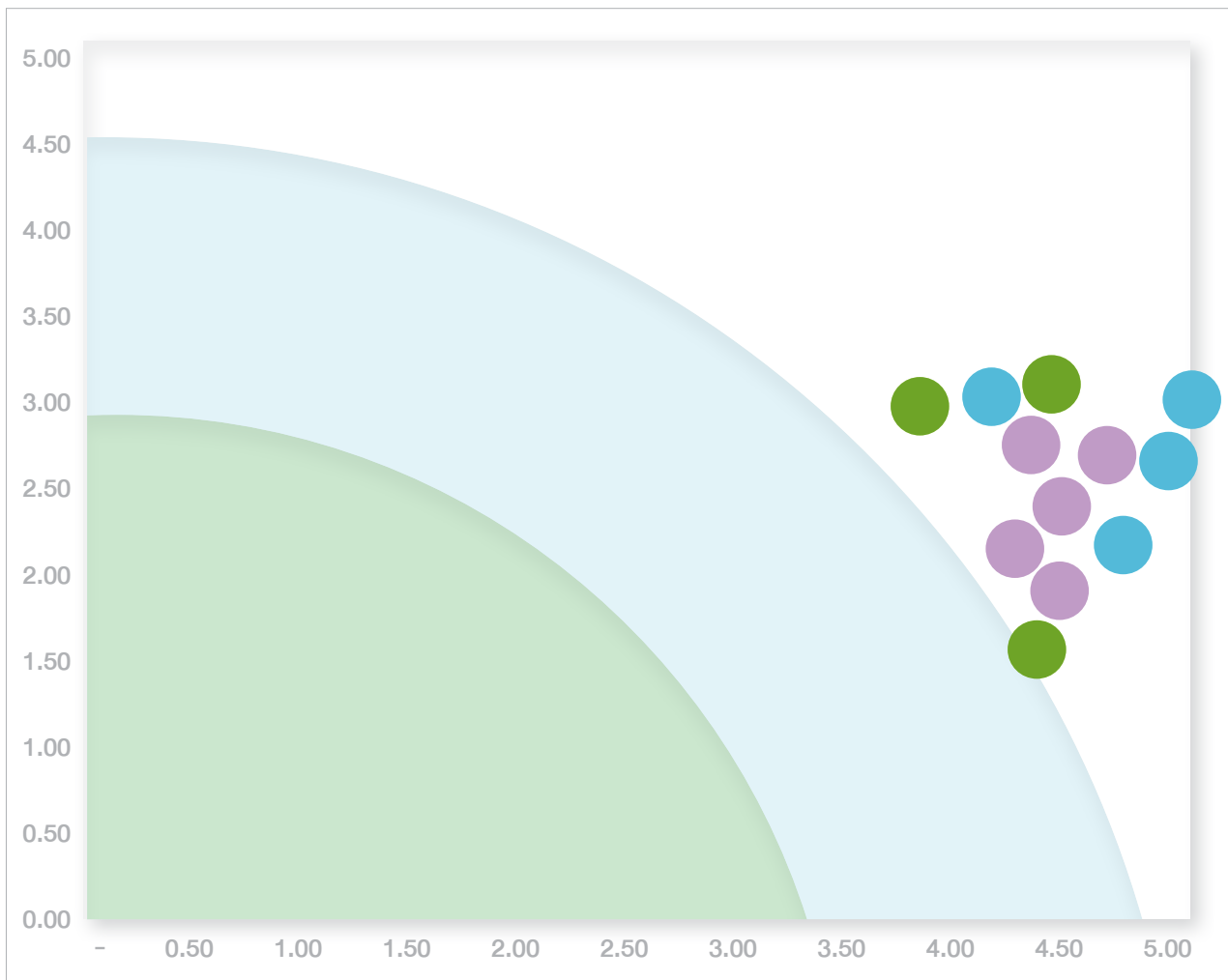
2. Prioritization

Prioritization of materiality topics is considered from the opportunity and impact on the value creation of the Company, which covers economic, social and environmental dimensions, including the level of interest, impact and importance to stakeholders.

3. Validation and Endorsement

The result of prioritization will be considered in term of accuracy and comprehensiveness by working team before presenting it to the executives to consider, review and approve materiality topics of the Company.

The Result of Materiality Assessment



Governance dimension



Environmental dimension



Social dimension

Governance Dimension

- Anti-Corruption
- Corporate Governance/ Business Ethics
- Cyber Security and Data Privacy
- Innovation Management
- Supply Chain Management

Environmental Dimension

- GHG Emission & Climate Strategy
- Energy Efficiency
- Water Management

Social Dimension

- Community Development
- Consumer Health and Safety
- Employee Engagement and Development
- Occupational Health and Safety

3.3 Establish Excellent Environmental

Establish Excellent Environmental Position

Today, it has become apparent that the environmental movement attracts the gaze of worldliness, particularly in the time of ecological changes, distinctly the increase of carbon dioxide emission that raising the earth's surface temperature to the average of 1.15 degrees Celsius in comparison with the pre-industrial period. Besides, the single used plastic purpose and Personal Protective Equipment (PPE) during the COVID-19 pandemic caused waste augmentation—the consequences of the waste problem affecting land and ocean living being. Moreover, the threat to biodiversity due to population growth leads to increased resource consumption and also the worsening air pollution stemmed from industries, vehicles, and biomass. All issues above have a worsening tendency and can negatively impact the environment, economy, and society. Therefore, the environmental movement pushes forward the alteration of an environmental enactment being more intense to tackle the world's environmental problems.

3.3.1 Environmental Policy

The Company is committed to manage the material topics of the environment by adhering to the sustainable development policy, particularly the organization's environmental aspect. In the development of Environmental Policy, the Company has analyzed internal operations and external factors to review and revise for the organization's policy to comply with the law, enhance excellent environmental management, and conserve the environment sustainably. The detail of the policy as follows:

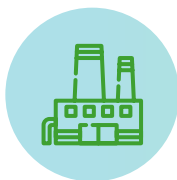
“The Company places importance on the practice of laws and regulations related to the environment and Occupational Health and Safety at the local, national, and regional levels. Besides, the company complies with the international business code of conduct by ensuring the committees, executives, and employees behave according to the laws and regulations. They must not be involved, assisted, or executed any events that violating the laws, regulations, and other relevant principles”

3.3.2 Environmental Management Targets

The Company established the Company's Key Performance Indicators (KPI) for green industry and governance to align with the mission of Heart + Love; the indicators are shown as below:

Mission		Performance Indicators	2022 Targets
Heart + Love	Green industry and governance	Solar rooftop installation by 2022 to generate electricity and for renewable energy use purposes	1 MW
		Total electricity consumption rate (Unit/ton)	≤103
		Total Palm Kernel shell fuel consumption	85%
		Total water consumption rate (Q/ton)	5.8
	Sharing and growing together with local communities and social creation for sustainability	Environmental complaints from local communities	0

Environmental Management Plans



- Review the environmental policy to comply with the Company's internal and external factors.
- The Company included in the "Solar Orchestra" scheme of the Import-Export Bank of Thailand (EXIM Bank) cooperation with leading organizations to encourage investment in solar rooftop installation.
- Laying the plans of embracing packaging in the types of aerated glass and plastic packaging to replace the previous type of glass packaging, emitting high greenhouse gas emissions in production.
- Establishing the Company's greenhouse gas emissions (GHG emissions) account refers to the ISO 14064-1:2018 standard for the calculation approach.



- Specify the organization's energy management indicators to minimize the electricity and fuel consumption per unit produced.
- The Company, has carried out the solar rooftop scheme aims to produce electricity from the renewable energy source. The project will be fully completed and starts generating energy by 2023.



- Determine water management indicators to mitigate the Company's water consumption per unit produced.

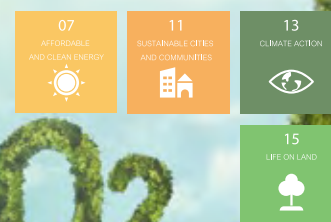
The overall performances



There are no complaints, cases, and penalties of non-compliance with environmental laws.

Climate Change and Greenhouse Gas Emissions

“The Company focuses on enhancing resource utilization efficiency by studying and implementing technology in the production process and business operations to increase efficiency in reducing greenhouse gas emissions”



Climate Change and Greenhouse Gas Emissions

In 2022, many countries globally faced with the deadliest natural disasters, such as heavy flood and extreme drought in decades. In addition, the temperatures of several European countries heated up to 40 degrees Celsius. These highlighted natural disasters are all stemmed from the impact of climate change. Furthermore, the report of the Global Climate Risk Index 2021 supported the idea that Thailand is in the top 9 countries, which has a tendency to be affected by the worst natural disaster crisis. One of the root causes of climate change is fossil fuel consumption, which is approximately 75 percent of total greenhouse gas emissions and beyond 90 percent of total Carbon Dioxide emissions. With the aftermaths of climate change earlier, it can affect the Company's operations, leading to issues in scarcity of agricultural raw ingredient, water scarcity, food security, and employee illness caused by the climate change.

The Company recognizes the significance of GHG quantity and ecological changes. Accordingly, the Company has cooperated with governmental agencies and policies that target decreasing national GHG emissions in order to establish guidance for the Company's GHG management. In 2021, the Company conducted the organization's GHG emission account, and the calculation manner referred to ISO 14064-1:2018 Standard. The GHG calculation was initiated at the company's head office and expanded to the factory in 2022, as well as the GHG emission was regularly reported and monitored.

Performance Targets

Performance Targets	2022 Targets
Total Palm Kernel shell fuel consumption in the manufacturing.	85%
Prepare a GHG emissions inventory for the organization and bring into the verification process by following the ISO 14064-1:2018 Standard calculation manner by 2022.	

Climate Change and Greenhouse Gas Emissions Management Plans

In 2022, the Company set the indicators for efficient resource consumption and lowered the impact on the environment in relation to the Company's operations as well as monitored and enhanced the efficiency of the performance.

Indicators	Measurement Criteria	Reporting Frequencies
Lessen the cost of fuel	The cost of fuel (furnace oil and Palm Kernel shell), consumed per month or 1 ton of products produced	Monthly
Better the rate of fuel consumption	↓Increase the rate of Palm Kernel shell fuel by 85 percent of total fuel consumption	Monthly

The installation of a solar power generation system



The Company inspected the area and installed a solar rooftop for utilizing the converted electricity in the production process and proceed to request the license for electricity usage from the solar rooftop. As forecasted, the Company expects to employ electricity from solar panels by 2023 and up to 30% of electricity usage from sunlight.

Key Performance



Total GHG emissions Scope 1 was equal to 2,030 tons of CO₂ equivalent



Total GHG emissions Scope 2 was equal to 3,050 tons of CO₂ equivalent



Total GHG emissions intensity was equal to 1.162 tons of CO₂ equivalent per unit produced (Unit: Ton)



Total GHG emissions Scope 3 was equal to 32,838 tons of CO₂ equivalent

The Company has developed the organization's GHG emissions report in 2022. In addition, the GHG emissions inventory was verified and certified the carbon footprint in accordance with the ISO 14064-1 Standard. The carbon footprint verifier was Bureau Veritas Certification (Thailand) Company Limited. The Company also carried out the carbon footprint label registry for the Carbon Footprint of Organization (CFO), operated by the Thailand Greenhouse Gas Management Organization (TGO).

Energy Management

“Emphasize reducing the electricity consumption from fossil fuel sources, with a goal to shift towards renewable energy sources in order to lessen pollution and mitigate the effects of climate change”



Energy Management

The growth in population today directly contributes to the higher demand for resource consumption. Therefore, food and beverage production is one of the significant industries in terms of providing needs on nourishment for human lives. Apart from that, the world's population is forecasted to grow to 9 billion people by 2050. As a consequence of the population changes, it influences the food and beverage industry to be alert to the increasing demand for food and beverage production accordingly.

Producing food results in a large amount of energy being used for production since the food and beverage industry consumes energy across the production line, accounting for 30 percent of global energy. Consequently, the Company needs to manage energy consumption efficiently. Improving energy efficiency does not solely mitigate the adverse impacts on the environment, but it also lessens the production cost of the organization as well as abates the challenge risk of the future's energy price inflation. Therefore, the Company has continuously considered the importance of energy efficiency; the Company set indicators in the organization's green industry and governance. Additionally, the Company developed energy conservation policies as guidelines for everyone to follow.

Energy Conservation Policies

1. The Company will develop an energy management system appropriately by embracing energy conservation as a part of the Company's operations in accordance with law and other related regulations.
2. The Company will continuously improve energy efficiency, which aligns with business operations, technology adoption, and good practice guidance.
3. The Company will lay out the plan and energy conservation targets annually and communicate to all employees to enhance understanding and practice precisely.
4. The Company will hold that the energy conservation is the responsibility of the business owner, executives, and employees across the levels to cooperate in the Company's energy management measures, monitor, and report to the Energy Management Committee.
5. The Company will uphold necessary resources, including human resources, budget, operational time, training, and listening to feedback for further improvements in energy management.
6. The executives and Energy Management Committee will revise and improve on energy targets and plans annually.

Performance Targets

Highlighting energy management efficiency, the Company established agreed targets across the operations.

Performance Targets	2022 Targets
Decrease total energy consumption (unit/ton production)	≤103
Descend the cost of electricity	30%

Energy Management Plans

1. The replacement of lighting devices with more energy-efficient ones across the organization.
2. The replacement of the previous fixed speed air compressor with a variable speed drive (VSD) air compressor helps to control production output to match demand.
3. The installation of exterior lighting by using devices primarily powered by solar energy.

Key Performance



The total amount of non-renewable energy consumed 21,454,981 megajoules (electricity)

The total amount of non-renewable energy consumed 19,260,281 megajoules (furnace oil)

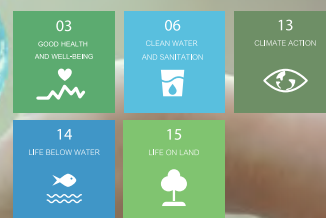
The total amount of non-renewable energy consumed 67,666,500 megajoules (Palm Kernel shell)



The amount of energy used compared to the number of products produced 3,320 megajou

Water Management

“The Company recognizes the importance of water resources and is committed to reduce water consumption. This includes constructing water storage facilities, implementing efficient wastewater treatment systems as required by law, and setting targets for maximizing the benefits of water usage”



Water Management

Due to global warming and climate change, droughts have been declared in many countries. As a result, the water level at some lakes and rivers in several countries in North America, Africa, Europe, and Asia are lower compared to in the prior years, significantly threatening the agricultural sector. Besides, droughts also affect livelihood largely because water is essential for life on earth.

According to the pivot product of the Company “Beverage,” it is undeniable that the production process consumes a large amount of water. As a leading beverage company, the Company recognizes and places importance on efficient water management. Moreover, the Company is conscious of the water shortage situation, which can threaten the business in the future. Therefore, the Company strictly complies with regulations and related laws. The Company, also manages water to maximize efficiency to decrease water use and mitigate environmental and societal harm.

Performance Targets	2022 Targets
Reduce total water consumption (m ³ /ton production)	5.8
Reduce water costs by using a water softener system instead of a high-pressure reverse osmosis (R.O.) system	30%

Water Management Plans

For water management in the production process, the Company will first check for water scarcity problems in the public canal area around the factory before drawing surface water to storage in the Company’s dug wells. The water will then be used in high-pressure water production (Reverse Osmosis - R.O.). After the production process completed, the water treatment process began. The wastewater discharged from the production process will be delivered to a treatment process to meet the controlled standard before being discharged into the environment. The water quality will be checked before being released into the public canal. In an emergency, the Company has designated a responsible person to control the quality of water used in the factory and create guidelines for wastewater management practices. Additionally, the Company conducts annual inspections following organizational measures. Based on the inspection results, the water management meets the standards, and there are no complaints from the nearby community and water scarcity problems in the area.

Key Performance



The total water consumption 245,294 tons, which accounted for water consumption quantity per unit produced, equal to 5.7 (m³/ton).



The total water discharged 116,484 tons, which accounted for water discharged per unit produced, equal to 3.5 (m³/ton).

Water Management Projects

1. The Company installed a water circulation system for the water used in the production process.
2. Improve the efficiency of the R.O. water production system to maximize water-generating capability.

Appendix

Total GHG emissions Scope 1-3

GHG Emissions	Weight of carbon equivalent (ton/year)
	2022
GHG emissions (by categories)	
Total direct GHG emissions (Scope 1)	2,030
Total indirect GHG emissions (Scope 2)	3,050
Other indirect GHG emissions (Scope 3)	32,828
GHG emissions intensity	
Compare to the total revenue (Baht)	0.000
Compare to the total unit produced (ton)	1.162
Compare to the total employees (person)	59.526

The number of non-compliance with environmental law

Law compliance/Environmental regulations	2022
The number of cases resulting from non-compliance with environmental laws and regulations (case).	0
The amount of fine caused by non-compliance with environmental laws (Baht).	0

Water consumption quantity

Water management	2022
Total water consumption (ton)	
Surface water	245,249
Total water discharged (ton)	
Surface water source	116,484

3.4 Social Sustainability Management

Social Sustainable Success

Society is one of the key actors to drive towards sustainability which includes a cooperation from employee (internal aspect) as well as community and other stakeholders (external aspect) to drive sustainable development. Therefore, the Company considers the social element and encouraging society to engage in the growth of the Company. This is in line with the Company's goal to grow sustainably alongside with society and our customer.

3.4.1 Social Practice Policy

Human Rights

Regarding our human rights performance in 2022, the Company has continued the commitment to respect for human rights in the operation, comply with labour standards and domestic labour regulations in the country where the Company operates, and comply with client requirements which includes:

- Civil and political rights: Encouraging difference and coexist in equality.
- Economic, social, and cultural rights: Refraining from any activity which may restrict employee from practicing their cultural, traditional, and religious activity.
- Child labour: Refraining from using and encouraging any form of illegal child labour.
- Forced labour: Not encouraging any form of forced labour which coerce or punishing any person to work involuntarily. This includes refraining from coercing or threatening worker to work involuntarily, physical or sexual harassment, detaining or debt bondage, refusing to pay wage, restricting freedom of movement, isolating, and illegally collecting money or retaining worker's personal documents.
- Non-Discrimination: Recruiting worker based on the qualification and non-discriminated manner, regardless of age, gender, race, nationally, disability, or religion.
- Employee development: Encouraging equal opportunity and non-discriminate for employee development. The consideration should be based on the qualification and career path.
- Freedom of association and collective bargaining: Respecting freedom of association including legal collective bargaining which are fundamental rights that leads to the protection of other rights and sustainable development.

The Board of Director and Management are assigned to monitor and ensure that there is no human rights violation in business operations and strictly comply with the policies and practices, resulting in The Company has no any labor disputes in the past 3 years.

3.4.2 Overall goal on social dimension

Targets	2022
Number of complaints from the employee on the business activities	0
Number of training hour (hours)	1.05
Employee satisfaction survey (percentage)	72.6
Number of accidents which cost more than 3 days of lost time (case)	0
Total amount spent on supporting community (THB)	207,000
Number of products which has received certification of health standard (product)	1

Operational Plan



- Reviewing operational structure, value, and corporate culture to create effective change.
- Creating and maintaining employee satisfaction rate.
- Planning workforce appropriately.
- Retaining employee.
- Increasing training program which respond to operational necessity.
- Reviewing employee development and training plan regularly.



- Encouraging safe working condition.
- Taking into account and paying attention to employee's safety.
- Increase safe working conditions by providing safety equipment to employee.
- Assessing operational risk regularly.



- Continue to support community engagement.
- Creating a good relationship with the community.
- Assessing the risks which the community may be impacted by business operation.



- Prioritizing customer health and safety.
- Developing product to serve customer's needs and lifestyle.
- Maintaining operation to meeting international standards.

Overall Performance



Total number of employees: 637



Employee with disability: 1



Complaint from employee: 0



Employee satisfaction rate: 72.6%



Average training hour: 1.05 hour/
person/year



Total amount spent on training and
capacity building: 552,091 THB



Injury Rate (IR): 0 case
Lost time injury frequency rate (LTIFR):
0 case
Occupational Disease Rate (ODR):
0 case
Loss day rate (LDR): 0 case



Number of fatalities as a result of
work-related injury/ill-health: 0 case



Total amount spent on community
development: 207,000 THB



Complaint from surrounding communities:
0 case



Recruitment in the local community:
86 (other Sub-districts 53 / Phraek
Nam Daeng Sub-district 33)



Customer satisfaction rate: 87%



Compliance with product safety
standards: 100%



Number of complaints from customer
on product quality and safety: 9 cases

The Company recognizes the importance of operating business with social responsibility which adhere to rules, transparency, considering benefits and impacts on all stakeholders. In 2022, the Company has committed to operate business with social responsibility which include human rights, labour practice, good governance, safety and good working conditions, and product development to deliver quality products to our customer. This is in line with the Responsible Business Conduct Guideline of the Stock Exchange of Thailand.



Moreover, the Company has implemented Thai Labour Standard (TLS) 8001-2022 which is the standard for socially responsible business conduct, to improve Company's labour management to meet international labour standards. The Standard emphasizes on equal opportunity for all employee, decent remuneration, and safe working condition, these are fundamental for driving towards sustainable development, resulting in The Company has no any labor disputes in the past 3 years.



This year, the Company has received an award on Good Labour Practice in Workplace, as the Company has implemented this guideline to treat worker ethically and comply with labour law.

During the COVID-19 pandemic, the Company has received a certificate from the Deputy Governor of Samut Songkhram Province for the “Excellent Labour Management During the COVID-19 Pandemic” at the Department of Labour Protection and Welfare, Ministry of Labour, Samut Songkhram Office.

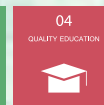


The Company has received a certificate of honor from the Governor of Samut Songkhram Province on the “Preventing and Addressing Illegal Substances in the Workplace”. This certifies the ability of the Company in the management of illegal substances prevention and solving issue in accordance with the standard continuously.



Employee Engagement and Development

“Employee is a key stakeholder and workforce for our business operations. The Company continues to encourage employee engagement in the Company’s activities and build the capacity of our employees”.



Employee is the key workforce for business operations. The Company strongly believes that employee engagement and development can contribute to the achievement of Company’s goals. It would create a good relationship between employee and the Company which leads to reducing expenses and opportunity lost arising from employee turnover. It also plays a part in talent attraction to work for the Company.

Operational Goals

- Review operational structure, value, and corporate culture to create effective change.
- Reduce and solve complaint from employee on business operation.
- Plan workforce appropriately in response to the change.
- Retain talented employee and increasing employee satisfaction rate.
- Improve employee performance evaluation.
- Increase average training hour.
- Review employee development and training plan regularly.

Operational Plan

Sourcing and recruiting employee

The Company recognizes and acknowledges that “employee” is the key force to drive our business operations to achieve business goals and generate growth in this current situation, as well as support sustainable development. Therefore, the Company has committed and has given importance to efficient sourcing and recruiting employee, by complying with the related law, regulations, orders, and standards, so that the human resource management would create a great value to the Company.

In this regard, the Company has a recruitment plan which starts from planning the recruitment to fill out the vacancy by clearly set a time frame for recruitment process and qualification for each position, then start the recruitment process, both internally and externally. There is an evaluation before the selection process to ensure the most suitable employee to work with the Company.

Talent Attraction and Retention

The Company has committed to analyze employee capacity by using the in-depth information from the performance evaluation to elevate employee's well-being, attract new talent and retain the existing talent, so that the employee would support in driving business to grow and advance, and create competitive advantage with other businesses. Therefore, the Company has developed the strategy, plan of action, and guideline by taking into account all welfare, compensation, benefit, equal treatment, recreational activities for employee, and encouraging collective bargaining.

Training and Capacity Building

The Company has committed to employee development including capacity building through trainings, workshops, fieldtrips, and knowledge sharing activities. The Company sees the benefits of skilled employee who has a good attitude towards the Company, which would help the Company to efficiently achieve the goals and development.

In addition, the Company always reviews work plans and structures to collect, improve, and enhance workflows. The Company has developed the evaluation system which identify efficiency level of organization and each function and review the nature of the job to be aligned with business plan which led to complete and comprehensive employee development systems and take the result for next year employee development planning. This would enhance employee capacity in response to business operation in the future.

Overall Performance



Total number of employee:
637



Average training hour: 1.05 hour/
person/year



Complaint from employee: 0



Total amount spent on employee
development and training: 552,091 THB



Employee satisfaction rate: 72.6%

Occupational Health and Safety

“The Company aims to eradicate all work-related injury which cover anyone who have engaged or have an activity in the Company’s facility, as occupational health and safety is our priority”.

PROTECT

03

GOOD HEALTH
AND WELL-BEING



08

DECENT WORK AND
ECONOMIC GROWTH



16

PEACE, JUSTICE AND
STRONG INSTITUTIONS



Occupational health and safety

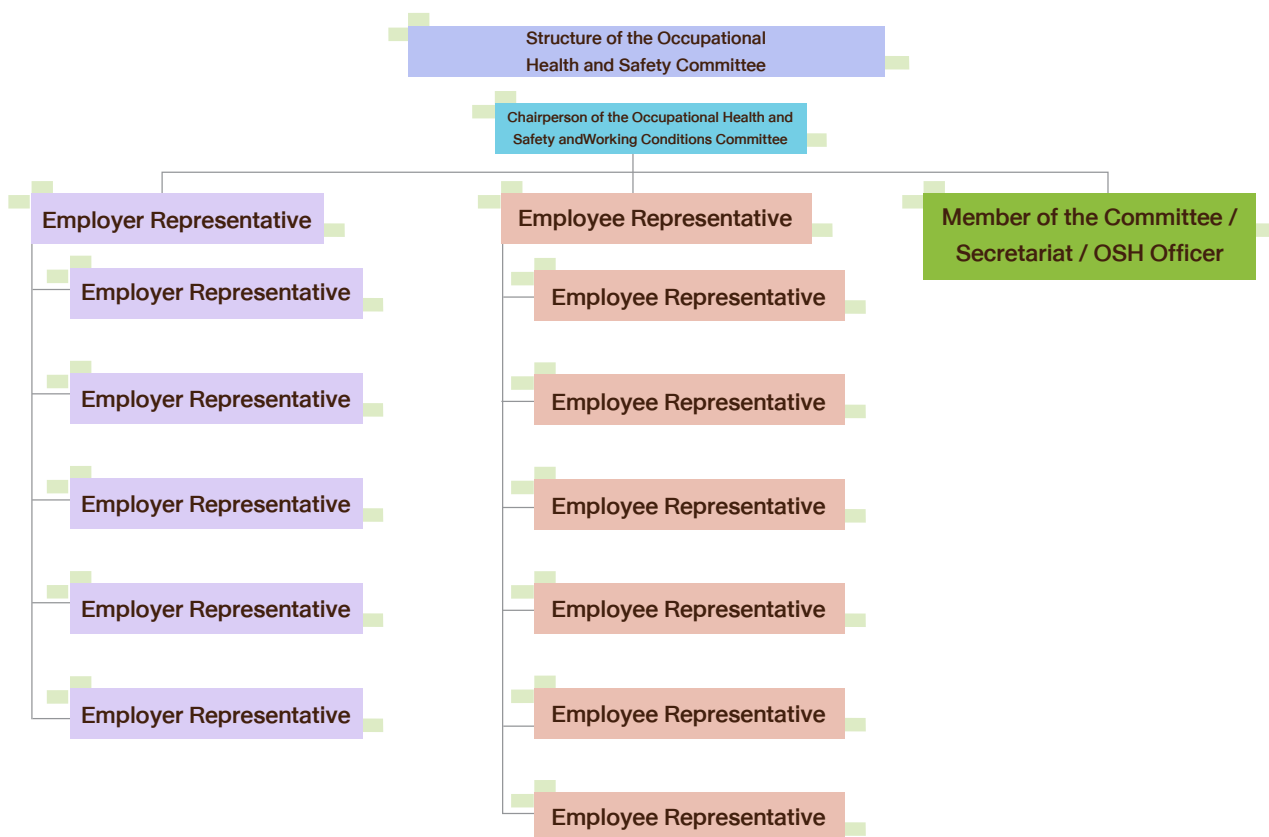
Occupational health and safety are crucial to business operation. Accident and other related risks may impact the operation which include expenses in remediating or mitigating such impact. The Company’s occupational health and safety practice covers the health and well-being of employee and contractor who has an activity in the facility, as well as safe and conducive working conditions.

Operational Goals

- Commit to reduce work-related accident which led to death to zero case.
- No record on work-related illness in 2022
- Provide trainings on occupational health and safety prior to on boarding.

Operational Plan

The Company has established the Committee on Occupational Health and Safety and Working Conditions which comply with Occupational Safety, Health and Environmental Act, and Labour Relation Act which require the composition of the Committee to include the representatives from both employer and employee, members of the Committee, the Secretariat, and the Occupational Health and Safety Officer. The regulations require the Committee to conduct the meeting monthly to discuss on the policy and plan of action regarding occupational safety, to prevent and reduce the accident to employee, contractor, as well as others who has an activity in the facility. The Committee has a responsibility to provide safety training as well.



Moreover, the Company has developed Occupational Health and Safety and Working Conditions Policy which is a guideline for preventing accident and other incidents and protecting life and property of employee, customer, and others who have an activity in the facility. Head of each unit will be responsible for implementing the policy continuously and efficiently. Employee, customer, and others who have an activity in the facility need to comply with these occupational health and safety law and regulations which the Company has complied with as follows.

1. Create active culture on occupational health and safety through visions of Board of Directors and engagement with all employees.
2. Ensure occupational health and safety, as it is everyone's responsibility.
3. Commit to develop management system to efficiently reduce work-related injury/ill-health until there is no case, as well as identify sustainable prevention measures.
4. Commit to encourage contractor who come to the facility to acknowledged the occupational health and safety rules.
5. Encourage engagement in occupational health and safety activities and continuously improve and develop measures.
6. Raise the awareness among employee in the occupational health and safety.

7. Strictly comply with the related occupational health and safety and working conditions standards, regulations, and law.
8. All employees should prioritize their own and others safety at all time during working.
9. All employees participate in safety activities and can suggest on the improvement of safety and working conditions.
10. Assess the risks of working condition, provide mitigation and prevention measure to eliminate, reduce, and control hazardous. Encourage and support employee to provide suggestion, decline high hazardous task which risk has not been assessed or does not have sufficient safety measures.

Overall Performance.



Number of business units which has been assessed in safety and working conditions 6 units



Number of fatalities as a result of work-related injury/ill-health. 0 case



Injury Rate (IR) 0 case
Lost time injury frequency rate (LTIFR) 0 case
Occupational Disease (ODR) 0 case
Lost Day Rate (LDR) 0 case



Complaint regarding occupational health and safety. 0 case

The performance on occupational health and safety can be categorized in 3 aspects as follow.

1. Safety

The Company has arranged number of safety trainings for employees. This would prepare and enhance employee skills to handle crisis, such as, fire or injury in the workplace. The followings are trainings conducted by the Company in 2022:

Fundamental Fire Drill

The Company organizes 2 fire drills per year. This fire drill training aims to raise the awareness on fire evacuation and extinction, also the preparedness to handle with the situation during the fire. At least 40% of our employees need to be able to use fire extinction equipment correctly and know how to put out the fire which would prevent loss of life and property from the fire.



Fundamental first aid and life-saving training

This first aid and life-saving training aims to enable our employees to save their own life and others in the time of crisis. This training provides fundamental first aid and life-saving skills, such as hemostasis, defibrillation, resuscitation, and first aid for all types of wounds, as well as safety practice in transferring patient.



Safety in the Workplace Training

All employees must be trained on safety at work. New employee will be trained on safety in the workplace during the staff orientation. This training would enable the employee to understand more on safety at work and raise the awareness on the prevention of work-related injury.



2. Occupational Health

The Company complies with the related Occupational Health and Safety standards to ensure safety to our employee and prevent any accident which may impact the health of our employee and others who presence in the Company's facility. The Company has provided Personal Protective Equipment (PPE) such as, earmuff, metal gloves, face mask, etc. to employee who work in the area where requires such equipment. The employee in such area need to wear PPE at all times while working in the area.

Moreover, the Company has provided medical check up to the current employee and new employee and specific medical checkup, apart from annual medical checkup. This specific checkup will be provided for workers who are exposed to risk at work, the specific medical checkup includes liver function test, urine test for Toluene, Acetone, and Ketone, blood test for lead, hearing test, and pulmonary function test, to find any impact which may related to work. For the prevention measures for work related ill-heath, the new employee in 2022 will have a medical checkup within 30 days from date of on boarding.

In addition to those activities mentioned above, the Company has recorded the work-related accidents in the past 3 years which the accident rate in 2022 is still in the same rate as previous year. Most of the accidents are minor accidents in which the lost time are less than 3 days. Moreover, the Company still commits to ensure no fatality rate related to work.

3. Working Conditions

The Company conducts annual working conditions inspection which includes light, noise, heat, dust, wastewater, and chemical, to ensure the safety working conditions. The result of inspection of all aspect meets the standards. The result will be included in the prevention and mitigation measures as well, to ensure safe working conditions and no risks of work-related ill-health.

Community Development

“The Company firmly believes that the sustainable growth can be achieved with community engagement, as it is one of our key stakeholders”.



In 2022, the Company has seen the importance of community development, as it is considered a key stakeholder. The Company has developed a policy to create a good relationship and value with the community, in particular the surrounding communities, to create trust, as well as the brand awareness to the community. This would create tremendous value to the Company and create bond between the Company and employees.

Operational Goals

- Run business alongside with community engagement, from the surrounding communities then expand further to the outer communities.
- Plan to assess the impact of business operation to the community.
- Donating 207,000 THB to support the communities.
- Recruit 86 employee from the local communities (other Sub-districts 53/ Phraek Nam Daeng Sub-district)
- Continue to conduct CSR activities to support, promote, and develop the quality of life in the community.
- Conduct community satisfaction survey, which includes mitigating risks and remediating complaints from the community.

Operational Plan

The Company has planned to engage with the communities by responding to their needs and creating a relationship with the communities through supporting in various activities/projects in the community as well as creating a relationship with the local authorities. Community development is also a great way for the Company to engage employee in every activity.

Moreover, the Company is aware of creating job opportunity to the local community which would create incomes and create bond with the surrounding communities. This local recruitment starts in the Company located at Phraek Nam Daeng Sub-district.

Overall Performance



No local community has been impacted from business operation.



No complaint has been raised from surrounding communities.



207,000 THB has been spent on community support projects.



86 employees from the surrounding communities have been recruited.

Community Development Activities

COVID-19 pandemic is still the key issue in 2022. The Company has supported community development by donating 1,000 drinks and supplies (plates and utensils) to COVID-19 patients at Amphawa Ruamjai Field Hospital, and another 1,000 drinks and supplies to Somdej Phraputtalertlar Hospital, Amphawa Hospital, and Paktor Hospital to support for COVID-19 patient treatment. The Amphawa Ruamjai Filed Hospital is the only facility located in the Company's neighborhood to provide treatment for COVID-19 patients which is critical during that period.



Photos of community engagement activities during the COVID-19 pandemic.

Apart from community engagement activities during the COVID-19 pandemic, the Company has been engaging with other authorities in the community to create trust. The followings are the community engagement activities that the Company has conducted in 2022.

- Donating a computer and a printer (amount 43,335 THB) to Yisan Police Station in Samut Songkhram Province, to support police operation to serve the community.
- Donating 20,000 THB to the Phraek Nam Daeng Sub-district Administration Organization, Samut Songkhram Province, to support the cleaning canal and weeding in the area of Phraek Nam Daeng Subdistrict.
- Donating 10,000 THB to support the cremation ceremony of Phra Kru Pitakrattanakorn, former abbot of Charoen Rattanaram Temple, Phraek Nam Daeng Sub-district, Amphawa District, Samut Songkhram Province.
- Supporting the activities of developing learning center on sufficient economy, Phraek Nam Daeng Sub-district, as a role model on Rama IX sufficient economy principles, The Company has supported the learning center as follow.
 - 50 ducks, 230 THB each amount 11,500 THB
 - 20 sacks of feed for the duck, 450 THB each amount 9,000 THB



Photos of the community engagement activities in the neighborhood communities.

Moreover, the Company has supported other activities to develop the communities such as exercises and educational support in Samut Songkhram province. In 2022, the Company was one of the main sponsors of the 1st “Amphawa Sunset Run: Sunset in Amphawa” on 21st May 2022 at Phummarin Kudeetong Temple, Amphawa District, Samut Songkhram Province. The Company has supported 4,000 C Boom Vitamin Drinks for the 1,500 runners and participants. The Company was also one of the main sponsors of the 4th “Bang Kung Camp Marathon: Invisible Enemy” which the Company has supported 4,000 MABU BOBA drinks to 3,000 runners and participants, at Bang Kung Camp, Bang Kon Tee District, Samut Songkhram Province.



Photo of exercise activities.

In 2022, the Company has supported the value of younger generations in developing country, by donating 41 scholarships to youths in Baan Bang Bor School, Muang District, Samut Songkhram Province, to support and promote universal education to all youth which will lead to a quality adult



Photos of donating scholarship.

Customer Health and Safety

“The Company gives a great importance to customer health and safety. Strictly complying with health standards, and product hygiene are the top priorities in our production process, because we strongly believe that it is our duty and responsibility to deliver safe product to our customer”.



The Company is a leading beverage producer, and our products are mainly for consumption. Therefore, it is undeniable that our production needs to prioritize customer health and safety. The Company firmly believes that it is the Company's duty and responsibility to deliver safe product to the customer. This mindset leads to the improvement in production processes and facilities to meet international standards, as well as our product development primarily considers customer health and safety and international standards.

Operational Goals

The Company has operational goals, both short-term goals (3 – 5 years) and long-term goals (more than 5 years), regarding customer health and safety standards, which are.

- **Short-Term Goals:** The Company commits to develop and enhance its capacity to offer variety of products and respond to the customer needs and trends. In this regard, the Company commits to develop product with healthy and nutritious benefits as well as sustainable product and stay in the market for a long time and popular among customer of all ages.
- **Long-Term Goals:** The Company aims to be a beverages producer and distributor with a quality and health benefit. The Company commits to Innovation Plus Creativity Principles in creating and development of the product to meet international standards. The Company aims to differentiate our product by focusing on quality and health benefits which expand throughout domestic and international market.

Operational Plan

Since plant-based food and beverage are trending all over the world, the Company sees the potential to grow and the importance to adapt to this future consuming trend, this leads to the development on plant-based products which aims to increase our sales in 2023.

The Company plans to produce healthy beverages by considering health benefit when developing our products with a taste and meet the safety and other international standards. The Company has been assessed by many regulators to improve and develop our products and facilities to meet such standards and obtain new standards in the future.

Moreover, the Company identifies mitigation and remediation measures from the feedbacks of our business partners and customers by verifying that information and mitigating such impact. The Company usually receives complaints and feedbacks from our customer relations and sales office.

Overall Performance



Customer satisfaction rate with the products: 87%



Compliance with safety standards: 100%



Zero complaint from customer on the safety and the quality of our products.

Annex

Number of Employee

Employment Type	Number (head count)	
	Male	Female
Total number of employees	365	272
Monthly employee	95	119
Daily employee	270	153

Diversity of the Employee

Level	Gender (head count)		Age (head count)			Race
	Male	Female	<30	30-50	>50	
Board of Director	6	3	0	5	4	Thai
Senior Level Management	2	3	0	4	1	Thai
Mid-Level Management	4	10	0	13	1	Thai
Junior Level Management	8	20	1	27	0	Thai
Employee	351	239	259	312	19	Thai and Myanmar

Average Training Hour

Category	Average Training Hour (hour/person/year)
Training for all employee	1.05
Training for male employee	4.41
Training for female employee	3.46

Level	Average Training Hour (hour/person/year)
Senior Level Management	42.00
Mid-Level Management	17.93
Junior Level Management	13.16
Employee	1.17

Work Related Injury

Severity	case or headcount/year 2022
Minor injury, no lost time (case)	9
Serious case cause less than 3 days lost time (case)	0
Serious case cause more than 3 days lost time (case)	0
Number of fatalities as a result of work-related injury/ill-health (case)	0
Total number of accident (case)	9

Number of incidents segregated by injured body part	case/year 2022
Head	1
Eye, eyebrow	1
Hand	-
Finger	3
Arm	-
Body, hip	1
Leg	1
Foot	2

3.4.3 Growth of Corporate Governance

Conducting a good governance in business is a key mechanism for driving the country's economy in terms of income generation, employment, as well as contributing to social and environmental responsibility. To narrow a focus to the private sector, employees or workers play a crucial role in promoting good corporate governance practice to boost sustainable value for its company and society. This requires an establishment of efficient structures and systems for corporate governance practice, and monitoring and evaluation process to ensure that all parties follow the same principles/procedures of good business governance.

In addition, it is important to create benefit for each stakeholder to maintain balance in a relationship between company and its stakeholders. The Company, therefore, should not only understand the needs and expectations of each stakeholder but should also identify a clear role and responsibility of each group altogether with the Company's corporate governance principle, and should also be defined with integrity and in accordance with laws and good governance practices, while developing and driving organizational performance in sustainable ways.

Operational Targets of the Corporate Governance

Target	2020
Disputes arising between the Company and stakeholders (number of cases)	0
Complaint received from stakeholders (number of cases)	0
Corruption cases (number of cases)	0
Data breach or cyber-attack (frequency)	0

Action Plan



- Being a certified member of the Corporate Governance Report of Thai Listed Companies (CGR)
- Being a certified member of the Annual General Meeting Checklist for Thai Listed Companies (AGM Checklist)



- Establish guidelines to prevent prospect corruption in business operation, and proactively monitoring the plan
- Being a certified member of the Private Sector Collective Action against Corruption (CAC)
- Review anti-corruption policy and guideline to be more practical, and in consistence with business operations
- Raise awareness of anti-corruption among its employee at all levels, and expanding to its partners



- Adjust the procurement plan alongside with partners to cover all aspects of business operations
- Conduct training to the business partners to improve the operational efficiently



- Improve operating system to be more stable and efficient
- Skill-up technology for internal staffs
- Implement the system to prevent data leaks
- Review and improve the personal data protection policy



- Creatively apply product innovation and services
- Apply technology for production processes to reduce costs and increase productivity

Overall Governance Performance



Zero disputes and complaints from stakeholders



Zero case of occurred within the organization



Communicated the anti-corruption policy to the staffs



Increased number of business partners – new 29 business partners



Conducted the annual supplier assessment according to the Quality Control Department's Plan



Zero cases of cyber theft and data leak

Good Corporate Governance / Business Ethics

The Board of Directors has established a policy for corporate governance under the principles of good governance, rules and regulations of the Stock Exchange of Thailand, and the Office of the Securities and Exchange Commission, to be used as a guideline for business operations.

The Company firmly believes that a good corporate governance will significantly enhance the business operations in the long run, and it is a crucial factor that leads to the ultimate success and achievement of the Company's highest goals. Besides, the Company's practices in corporate governance will help ensure that all business operations are transparent, ethical, and comply with the laws strictly.

Operational Targets

- No disputes arising in operational process
- No disputes from beneficiaries
- Attend the 2023 Corporate Governance Report of Thai Listed Companies (CGR)
- Attend the 2023 Annual General Meeting Checklist (AGM Checklist) for Thai Listed Companies

Action Plan

The Company has developed a corporate governance policy by utilizing the 2017 Principles of a Good Corporate Governance for Thai Listed Companies, which covers the structure of good corporate governance, roles and responsibilities of the Board of Directors, as well as principles of transparency and management practices that can be audited. This serves as a guideline for effective management procedure to ensure that all operations of the Company are conducted with fairness, trustworthiness, and for the benefit of a sustainable growth. Further information in Royal PLUS Policy / Guidelines for a good corporate governance can be found in Section 2 of the 56 - 1 One Report 2022, under the topic of "Corporate Governance".

Good Corporate Governance / Business Ethics Performance



Zero complaints arising from a failure to comply with the principles of good corporate governance



Zero legal disputes

Anti-corruption

The Company has a process for auditing, monitoring, and assessing the risk of corruption. A prevention plan for such risk has been developed, and the Head of Internal Audit is responsible for auditing and presenting to the Audit Committee to verify the internal control system and monitor the results of internal audits

The Company is committed to conduct business with integrity and transparency. It adheres to the principles of a good governance, altogether with the socially responsible, and building trust with stakeholders to enable business operational efficiently. The Company has demonstrated its attitude and determination towards anti-corruption in all forms by establishing policies to combat corrupt practices and providing guidelines for the Board of Directors, Executives, and employees to follow strictly.

Operational Targets

- No corruption at any of our operations
- Establishing an anti-corruption policy that align with the business operations
- Raising anti-corruption awareness among employees at all levels and all operational divisions

Action Plan

The Company has established an anti-corruption policy and procedures as a guideline for preventing and fighting all forms of corruption. The policy aims to create a 'culture of compliance' where everyone is aware of the drawbacks of corruption, promotes the right values, and builds confidence in all stakeholders. Failure to comply with this policy will result in disciplinary action, and legal action may also be taken. In addition, appropriate roles, responsibilities, and accountability have been defined to ensure adequate protection to prevent corporate corruption that may occur within the Company's operations.

The Company focuses on the importance of implementing anti-corruption policy as follows:

1. To promote a sense of ethics and morality among employees to perform their duties with integrity, as well as to conduct themselves in accordance with moral and ethical standards
2. To ensure transparency and accountability in employee operations that can be monitored and audited
3. To create motivation for behavioral change by prioritizing the benefits of the Company and the collective
4. To foster a culture of collaboration in preventing corrupt and unethical behavior among employees
5. To establish mechanisms for preventing and combating corruption

Details of the Company's anti-corruption policy can be found at the www.royalplus.co.th under the heading "Corporate Governance - Corporate Governance Policy".

Besides, the Company has a process for investigating, monitoring, and assessing the corruption risks by implementing corruption safeguarding plan, performed by the Manager of Internal Audit Control Department. The corruption prevention plan includes auditing, verifying, and tracking of internal control results. In case of any instances of corruption are discovered, the Internal Control Department will report directly to the Internal Audit Committee, who will in turn report to the Company's Board of Directors.

Whistleblowing Channels

The Company has developed a comprehensive and systematic anti-corruption and misconduct prevention plan, starting from the review of external data, reporting of non-corrupt complaints, and defining the scope of complaints or reports of misconduct, parties involved, procedures for handling complaints, and protective measures for whistleblowers. Details are as follows:

The Company provides channels for stakeholders to report clues and complaints in case of inspecting misconduct in the Company's operations, internal control deficiencies, violations of law and company regulations, corruption or involve in bribery or any dishonest actions, violations of the human rights, unfair treatment, or witnessing any wrongful activities via channels as follows:

1. In person or in writing, addressed to the person receiving the complaint:
 - Company Secretary Tel. 0-2416-9209 ext. 102
 - Manager of Legal Department Tel. 0-2416-9209 ext. 801
2. E-mail: chairman.ac@royalplus.co.th
3. Website: https://www.royalplus.co.th/en/investor-relations?complaint_channel
4. Suggestion Box
5. Post: Royal Plus Co., Ltd. (Head Office) No. 84/3-7 Rama II Soi 69, Samae Dam Sub-district, Bang Khun Thian District, Bangkok 10150
6. In case the complainant chooses not to disclose their name, they must provide sufficient details of the facts or clear evidence to show that there is a reasonable cause to believe that there has been involvement in giving or receiving bribes or corruption.

The Company will keep the reported information confidential and prioritize the safety of the complainant or witnesses, except in cases where disclosure is required by law.

Anti-Corruption Investigation Procedure

1. Upon receiving a complaint, the recipient of will investigate and gather all related information / facts or will appoint a trusted person or investigation committee to determine and investigate the facts.
2. The appointed person or investigation committee may invite the alleged person to provide information or request the submission of the relevant documents for fact-checking.
3. If the alleged person has been proven committing the wrongful activities against the Company's Anti-Corruption Policy and code of business, the Company will process as follows:
 - 3.1 In cases where the complaint involves violations of laws, regulations, policies, or ethical standards of the Company, the recipient of the complaint will propose the matter along with their opinions and suggested actions to be taken to the authorized persons, the Audit Committee, or the Board of Directors for consideration.
 - 3.2 In case of significant issues, such as those that affect the reputation, image, or financial status of the Company, or are in conflict against the policies or related to the senior executive's position, the recipient of the complaint will propose the matter to the Internal Audit Committee or the Board of Directors for consideration.

- 3.3 In case where the complaint has caused damages to any parties, the recipient of the complaint will provide their opinions and suggested guideline for mitigation appropriately and fairness to the alleged parties, the recipient of the complaint will propose the matter to the authorized persons, the Audit Committee, or the Board of Directors for consideration.
4. If the investigation reveals that the information or evidence found is reliable and trustworthy that the accused party has committed wrongful activities, the Company will provide the alleged party with the right to know the charges, and to prove themselves by finding additional information or evidence that shows that they are not involved in the fraudulent activity that they are accused of.
 5. If the alleged person has committed the fraudulent act, such fraudulent act is deemed violation against the Company's Anti-Corruption Policy and code of business conduct, the disciplinary actions shall be determined according to the Company's relegations. If such fraudulent activity is illegal, the wrongdoer shall be given legal punishment.
 6. The Company will only inform the complainant who has disclosed their name, address, telephone number, and email through the contact channels provided, of the progress and results of the investigation regarding the complaint, misconduct, or fraudulent activity. Alternatively, the complainant can follow the investigation status through the channels provided by the Company. However, if it is necessary to protect personal information and maintain confidentiality, the Company may not be able to provide details about the investigation or disciplinary action taken.

Measures of Whistleblower Protection

1. The Company will disclose information to the extent necessary, considering the rights of individuals, the safety of the informant, the source of the information, and the individuals involved.
2. The complainant, information provider, data source, and related individuals have the right to receive compensation and relief for damages through appropriate and fair protection processes.
3. The recipient of the complaint information and those involved in the process of investigating will have a duty to keep confidential all details of the complaint, including all relevant evidence. It is strictly prohibited to disclose information to any unauthorized persons unless required by law.

Anti-corruption Performance



Performed risk assessment regarding corporate corruption within the organization



No incidents of corporate corruption were found within the organization



100% of employees were informed of the policy against corporate corruption



Over 90% of business partners were informed of the policy against corporate corruption



New employees received training on anti-corruption during orientation, and current employees were informed of the policy against corruption

Supply Chain Management

The Company has been treating business partners with equality, fairness, respectful, and considering mutual benefits in dealing business with its partners. In addition, the Company sets guidelines for selecting partners in the supply chain in accordance with the legal standards of occupational, health, and safety, as well as environmental friendly standards. The Company values the development of its partners' potential for sustainable growth by utilizing ISO 9001:2015 - Quality Management Systems Standard as a guide for selecting partners in regard of standard operating procedures, procurement procedures, contract award procedures, legal personality, as well as their performance and evaluation. The aim is to ensure an efficient procurement process from partners, while considering the environmental impact and maximizing its efficiency and value.

Operational Targets

- 100% of new vendors or service providers qualified the supply-chain selection criteria
- Increasing number of suppliers for the main raw materials such as coconut water and coconut meat to reduce a shortage of main raw materials during off-season
- Providing annual training on quality and safety to vendors

Action Plan

The Company has established a code of conduct for its partners with the objective of ensuring fairness and honesty, maintaining mutual benefits with integrity and ethics. Moreover, the Company and business partners will not engage in any unethical practices, such as receiving or providing any benefits that are illegitimate. The Company will also strictly adhere to the terms and conditions of the agreements and work together to find solutions to any issues that may arise. In case of any breach of the agreement, the Company will report the business partner in advance and work towards finding a resolution.

Supply-chain Selection Criteria

The criteria for supply-chain selection include the following: 1) Production Group, including Main Raw Material and Main Packaging, and 2) Service & Maintenance Group. The Company will evaluate the new prospect suppliers (only for those in the Production Group) via the Evaluation Assessment Form submitted by the suppliers or service providers. The assessment will be performed only for agricultural raw materials. For suppliers who do not meet the criteria, they will need to make corrections as specified by the Company. Once they have passed the evaluation and verification process, they can then register as a supplier with the Company.

Supply-chain Management Performance



Total number of business partners: 1,685



Number of key business partners related to the core business operation: 301



Number of new business partners: 29

Supplier evaluation and assessment

The Company has conducted an annual audit for suppliers according to the Audit Supplier Plan of the Quality Control Department and the Supply Chain Management Department, with the objective of inspecting and improving the standard operation procedures of the supplier to comply with the Company's standards. In 2022, there were 301 main suppliers, representing 30% of the main suppliers evaluated, and over 90% of these suppliers were able to improve and adjust their operations to comply with the standards set by the Company

In addition, the Company has provided channels for communication to suppliers through telephone, email, online platforms such as Line and WeChat, and perform an onsite visit to inspect the suppliers' operations.

Cyber Security and Personal Data Privacy

The Company recognizes and values cyber threats and data privacy. Results are closely monitored and measured and there are plans to optimize it in order to reduce the risk level of such threats and their ongoing impacts.

The importance of maintaining cybersecurity cannot be overstated for companies, as their business operations rely heavily on collecting, storing, and processing large amounts of data on computers and other devices. This data may include sensitive information such as intellectual property, financial data, and personal information that can be accessed or disclosed without authorization by others, potentially having negative impacts on the Company. Therefore, companies place great importance on protecting and preserving their data, especially in an era where technology and cyberattacks are becoming increasingly complex.

The Company has established a process for controlling the security of its information technology systems in accordance with the ISO/IEC 27001 standard, an international standard for Information Security Management Systems (ISMS). This framework emphasizes on maintaining confidentiality, integrity, and availability of data. The Information Technology Security Policy is a guideline for developing information security management systems. In addition, the Company complies with the Personal Data Protection Act (PDPA) of 2019 by implementing a Personal Data Protection Policy that is applicable to personal data. It is essential for the Company to have the PDPA in place for both its present and future operations.

Operational Targets

- Improving the operational system to increase stability and implementing multi-factor authentication (MFA) for general users to enhance identity verification
- Preventing data leakage of the beneficiaries

Action Plan

Cyber Security

The Company prioritizes the standardization and efficiency of managing, controlling, and securing information technology operations. Therefore, the Company has developed guidelines for controlling operations and maintaining information technology security, and analyzing risks related to information technology, to ensure that the Company can effectively prevent and manage information technology risks effectively. Moreover, the Company follows the operational control and information technology security standards as a procedure for conducting business, in term of building a sustainable organization. The policy covers the following topics:

1. Information System Security Policy
2. Information Technology Security Policy
3. Information Technology Risk Management Policy
4. Data Classification & Information System Policy
5. Firewall Security Policy
6. Intrusion Prevention System Policy
7. Access Control Policy
8. Backup Data Policy
9. Standard Software Usage and Software Copyright Policy
10. Corporate Usage E-mail Policy
11. Internet Usage and Security Policy
12. Internal Wireless Network Usage Policy
13. Unusual Incident Reporting Policy

Personal Data Privacy

The Company has established a Personal Data Protection Policy in compliance with the Personal Data Protection Act 2019 and other related laws. This policy specifies the details of collecting, using, and disclosing personal data to ensure that relevant departments and employees of the Company operate in strict compliance. The policy aims to minimize the risk of personal data breaches, enhance the security of personal data, and build trust to the public.

In addition, the Company has appointed responsible persons to oversee and provide guidance on the data collection, data usage, and personal data disclosure. The person in charge will ensure that relevant units and employees of the Company comply with the Personal Data Protection Policy, with the aim of reducing the risk of personal data breaches, enhancing the security of personal data, and building trust in the Company. The Company also coordinates and cooperates with the Office of the Personal Data Protection Commission and implements appropriate technical and managerial measures to secure personal data throughout encryption for data transmitted over the Internet network, both in document and electronic formats. Further details of the Personal Data Protection Policy can be found on the Company's website at www.royalplus.co.th.

Cyber Security Awareness & Personal Data Privacy

The Company has developed communication channels, including internal intranet system and Line@ Application for sending instant message, news, or information to raise awareness and understanding regarding cybersecurity and data privacy. Additionally, the Company conducts training sessions to provide knowledge on data security to new employees.



Personal Data Protection Performance



Number of cyber-attacks incidents: 0



Number of customer data breaches incidents: 0



Duration to recover SAP System in case of emergency incidents: 5 hours

Network Security System

The Company has adjusted the network to increase independence and improve security when connecting to VPN Systems and logs. Additionally, the Company has implemented multi-factor authentication (MFA) for identity verification in the admin section to enhance security.

Preparation for Recovery of Critical Organizational Systems

The Information Technology Department has performed a recovery test for critical systems of the organization to ensure business operations continuity in the event of an emergency. The Company has also conducted simulations of computer security threats and has been able to recover the system in about 5 hours, restoring it to its normal state.

About this sustainability Report

Report Guidance

Royal Plus Public Company Limited has created this report to communicate corporate sustainability, focusing on economic, social and environmental to report the company's performance from 1 January - 31 December 2022 and disclosure consistent with the Global Reporting Initiative (GRI Standard), and its key issues concerning sustainability for stakeholders. The scope of the Report covers the company's policies, processes and activities for sustainable development.

Selection of material issues for sustainability and key issues that are significant to the company and stakeholders. The prioritization is expected or impacts that may occur of economic, social and environmental and identified materiality sustainability issues with all stakeholders.

For any further information or suggestion, please contact.

Investor Relation

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4. Management Discussion and Analysis (MD&A)

4.1 Performance and Finance Analysis

PLUS is a producer and seller of beverage products, with 2 main product categories being the Juice beverage Groups and General beverage Groups. The majority of its products are ODM (Original Design Manufacturer), in addition to its development and marketing of PLUS' OBM (Original Brand Manufacturer) products. PLUS' strategy seeks to export its products worldwide, with high ratio of its revenue being in foreign currencies. Despite the impact of COVID-19 Pandemic in 2020, PLUS' revenue from 2020 – 2022 continued to grow because of its strategy in quickly meeting the demands and tastes of customers, while expanding into new markets.

In 2022, PLUS earned a total revenue of 1,457.4 million baht, a 447.9 million baht or 44.4% increase from 2021. This was due to the increased sale in the US, mainly of the coconut water beverages, as well as the unwinding of the freight surcharge situation that had caused a significant rise in exports.

In 2022, PLUS recorded a gross profit of 425.9 million baht, a 151.6 million baht or 55.3% increase from 2021. This corresponded with the increased revenue from sales and the effective management of production costs that improved productivity. The relatively sharp rise in gross profits stemmed from 3 main factors, namely (1) the economies of scale from the higher production capacity (2) the sales strategy that emphasized high-gross-profit products and

(3) the cost reduction strategy that controlled the Company's expense with regards to personnel, material cost and other production costs. This effective production management resulted in a 29.8% increase in gross profit for 2022.

From 2020 – 2022, PLUS' net profits were 57.2, 86.5 and 207.6 million baht, respectively. These numbers could be turned into percentage of 5.2%, 8.5% and 14.2%, respectively. The net profit in 2020 rose from that of 2019 due to the increase in sales. Despite the decrease in sales in 2021 because of COVID-19, the net profit of the Company still increased to reach 28.4 million baht, a 8.5% net profit from sales. This was because the reduction in cost as a result of cost management measures and the decreased financial costs. In 2022, PLUS' sales revenue continuously increased despite the sales revenue situation in China and the impact from the Zero COVID policy that had made the achievement of sales goals impossible. The Company was able to control the costs of sales, administrative expenses and the financial costs effectively, allowing the Company's net profit to rise by 122.0 million baht or a 14.2% net profit ratio.

PLUS' total assets were worth 688.4, 726.5 and 1,452.2 million baht at the end of 2020, 2021 and 2022, respectively. PLUS' assets have been mainly made up of permanent assets and inventories. Some significant changes that have happened since 2020 are (1) a continuous fall in trade receivables as a result of the change in debt collection policy and the shorter credit term (2) land, building and equipment greatly increased in 2022 because of the maintenance of machinery and (3) the decreased remaining stocks in 2020 – 2022 due to the slowdown in production as a result of the inability to export goods during the COVID-19 lockdown measures. The remaining stock in 2022 increased by a small number comparing to that at the end of 2021. In 2020, 2021 and 2022, PLUS' liabilities were 412.9, 365.3 and 198.7 million baht, respectively. The liabilities mainly stem from (1) trade payables and other current payables (2) the overdraft of bank accounts and short-term loans from financial institutions (3) short-term loans obtained from other individuals (4) advanced payment and (5) long-term loans obtained via financial institutions. However, the total liabilities were reduced in 2022, comparing to 2021, at 166.6 million baht because of the reduction in current payables and the paying up of the entire amount of long-term loans from financial institutions.

Shareholders' equities of PLUS at the end of 2020, 2021 and 2022 was recorded at 275.6, 361.2 and 1,253.6 million baht, respectively, mainly from the increase in unappropriated retained earnings.

Important Changes in Accounting Policy

For its 2019 financial statements, PLUS followed the guidelines on financial reporting standards, TFRS 15, for the first time in place of the normal accounting standards, TAS 18 and the related interpretations of financial reporting standards.

On 1 January 2020, PLUS started using the financial reporting standards (TFRS 9) as well as the related standards control measure and the financial reporting standards, TFRS 16.

The adoption of TFRS 9 and TFRS 16 has had no significant impact on PLUS' financial policy, nor has PLUS modified its financial statements of the previous year before compiling the comparison of data. Furthermore, the opinion of auditor has not changed because of this.

The Company's number of right-of-use assets are insignificant. Thus, the financial statements only display the right-of-use assets that are land, building and other equipment, the details of which are elaborated in the remarks accompanying the annual financial statements.

Significant Non-Recurring Items

In December 2020, PLUS destroyed its inventories that had expired or which packaging had deteriorated as well as the goods that had not passed QC, with a combined amount of 47.5 million baht. These goods mainly consisted of packaging (box and label), glass bottles, caps, various types of cans, semi-finished products, finished products and some type of materials. As a large stock of goods were reserved for exports and the impact from COVID-19, PLUS became unable to attain its export and stock distribution plan. The changes in regulations and conditions of the Middle Eastern market that sought greater disclosure of information for products with sugar and sweeteners also necessitated the alteration of packaging details and made the old packaging unusable. Thus, PLUS recorded a loss as a result of the destruction of inventories as an expense, worth 47.5 million baht, in managing its 2020 net profit/loss statements. This amount could be divided using the reasons behind the destruction of inventories, which were (1) the packaging that had been affected by the change in overseas regulations (20.5 million baht)(2) goods that had been expired or whose qualities deteriorated (25.6 million baht) and (3) goods that were subject to QC rejection (1.4 million baht).

PLUS altered its production plan to reduce and control the inventories to be in an optimal level, corresponding with the customers' demands, and refocused its production and storage to high-demand products. This strategy would reduce the future amount of goods that have expired or outdated, and PLUS forecasts that no significant loss occurred from destruction of inventories would not happen again in the future.

Performance and Profitability

Total Revenue

Revenue by Product	31 December					
	2020		2021		2022	
	million baht	%	million baht	%	million baht	%
Juice beverage Groups	1,082.4	97.8%	985.2	97.6%	1,407.9	96.6%
Coconut Water Group	842.0	76.1%	710.6	70.4%	1,014.2	69.6%
Fruit juice mixed with basil seeds	206.0	18.6%	237.7	23.5%	353.0	24.2%
Other juice blends	34.4	3.1%	36.9	3.7%	40.7	2.8%
General beverage Groups	20.4	1.9%	18.0	1.8%	20.3	1.4%
Milk tea	2.6	0.3%	3.0	0.3%	6.2	0.4%
Others drinks	17.8	1.6%	15.0	1.5%	14.1	1.0%
Total Sales Revenue	1,102.8	99.7%	1,003.2	99.4%	1,428.2	98.0%
Other Income ¹	3.7	0.3%	6.3	0.6%	29.2	2.0%
Total Revenue	1,106.5	100.0%	1,009.5	100.0%	1,457.4	100.0%

¹ Other revenue includes foreign exchange rate surplus, profit from assets sales, income from interest and other incomes.

Sales Revenue

Sales revenue comes from 2 main product types, namely the juices and general beverages.

In 2022, PLUS recorded a sales revenue of 1,428.2 million baht, a 425.0 million baht or 42.4% increase, as a result of the improved COVID-19 situation, while revenue from coconut water group, Fruit juice mixed with basil seeds and other mixed juice blends rose by 303.5, 115.3 and 3.8 million baht, respectively. PLUS still prioritized the production and sales of its high-profit products which are the coconut water group.

Other Income

Other income of PLUS comprise the profit (loss) from foreign exchange rate, assets sales, interest and other revenues such as the sales of packaging like glass bottles or pallet glass bottles to ODM customers, the sales of scraps and production wastes, as well as the revenue from the tax refund of materials imported for re-export, pursuant to Article 29 of the Customs Act B.E. 2560 (2017).

Other revenues from 2020 – 2022 were 3.7, 6.3 and 29.2 million baht, respectively. The 29.2 million baht other revenues in 2022 was a 22.9 million baht increase from 2021, mainly from the profit from foreign exchange rate (12.4 million baht) and other incomes (16.8 million baht).

Cost of Sales

The structure of PLUS' sales cost comprises the ingredients and packaging costs, labor cost both direct and indirect, depreciation cost and other production costs including fuel, utilities, vehicles rental ,equipment rental fee, and maintenance cost.

% Cost of Sales	31 December		
	2020	2021	2022
Cost of raw materials and packaging	58.7%	54.7%	52.5%
Labour cost	8.0%	8.6%	7.9%
Depreciation	2.8%	3.1%	2.9%
Other production costs	5.1%	6.3%	6.9%
Total Cost of Sales	74.6%	72.7%	70.2%
% Gross Margin	25.4%	27.3%	29.8%

In 2020 – 2022, the Company's gross profit recorded steady growth because of (1) the effective control of ingredients cost that came from the increased price negotiability as a result of increased number of orders (2) effective usage planning for production line and the addition of extra machinery (3) the economies of scale because of the increased revenue while the depreciation cost remained similar to last year's (4) the strategy to prioritize the sale of high-gross-profit products such as coconut beverages (5) the productivity increase that helped control employee expense and the reduction in production for products that had little effect on gross profit ratio and had low marketing demands and (6) the increase in other production costs including the maintenance cost, electricity system, water system and the fuel tanks to equip them for higher production volume in accordance with the export plan, while ensuring that alternative energy sources were utilized such as palm kernel as a substitute for fuel oil, reducing the energy expense.

Total Expense

Expense Type	31 December					
	2020		2021		2022	
	million baht	%	million baht	%	million baht	%
Distribution Costs	66.1	35.4%	65.6	39.8%	98.0	50.3%
Administrative expenses	120.6	64.6%	99.4	60.2%	97.0	49.7%
Total Selling and Service expenses	186.7	100.0%	165.0	100.0%	195.0	100.0%

The details on distribution expense and administrative expense are as follows;

Distribution Expense

Distribution costs	31 December					
	2020		2021		2022	
	million baht	%Revenue from sales	million baht	%Revenue from sales	million baht	%Revenue from sales
Freight Charge	42.9	3.9%	36.8	3.6%	63.1	4.4%
Employee Compensation	17.5	1.6%	18.2	1.8%	24.4	1.7%
Promotional expenses	3.5	0.3%	7.6	0.8%	6.6	0.5%
Other selling expenses	2.2	0.2%	3.0	0.3%	3.9	0.3%
Total distribution costs	66.1	6.0%	65.6	6.5%	98.0	6.9%

PLUS' distribution expense includes (1) shipping fee such as export fee and freight surcharge (2) remunerations for sales and marketing employees including salary, bonus, commission, OT and contributions to the provident fund and social security (3) marketing expenses such as sales commission advertisement and marketing campaign expenses and (4) other expenses such as quality inspection and analysis, product samples and testing equipment. Normally, the distribution expense will change depending on sales revenue.

In 2020, the distribution cost was 66.1 million baht, a 3.0 million baht increase from last year as a result of (1) the 2.6 million baht increase in shipping fee because of increased sales

(2) the 0.7 million baht increase in employee remunerations and (3) the 0.6 million baht increase in marketing expenses. This amount was then partially offset by the 1.8 million baht decrease in other distribution expenses mainly the absence of on-site booths and in-person meeting with customers because of the COVID-19 Pandemic.

In 2021, the distribution cost stood at 65.6 million baht or when calculated in a distribution cost to sales revenue ratio, 6.5% a 0.5 million baht decrease from the previous year. This was mainly because (1) the 6.1 million baht decrease in shipping and export fees as a result of the fall in incoming purchase orders during the COVID-19 situation; however, this reduction in distribution expense was offset by (2) the 0.7 million baht increase in employee remunerations and (3) the 4.1 million baht increase in marketing expense from the marketing and campaign activities for PLUS company brands on social media to seek new domestic and overseas customers.

In 2022, the distribution expense was 98.0 million baht or when calculated in a distribution cost to sales revenue ratio, 6.9% a 32.4 million baht increase from last year. This was because of (1) the 26.3 million baht increase in shipping fee as a result of increased sales

(2) the 6.2 million baht increase in employee remunerations (3) the 1.0 million baht decrease in marketing expense and (4) the 0.9 million baht increase in selling expenses from the on-site booths in various events such as the Miss Grand contest as well as other marketing campaigns on social media to attract more domestic customers.

Administrative Expense

Administrative expenses	31 December					
	2020		2021		2022	
	million baht	%Revenue from sales	million baht	%Revenue from sales	million baht	%Revenue from sales
Personal expenses	37.2	3.4%	42.2	4.2%	48.2	3.4%
Utilities and repairs	1.9	0.2%	1.7	0.2%	2.1	0.1%
Depreciation and Amortization	9.9	0.9%	5.8	0.6%	6.3	0.4%
Office expenses and service fees	14.0	1.3%	10.5	1.0%	10.3	0.7%
Consulting and professional services	4.3	0.4%	11.5	1.1%	13.0	0.9%
Taxes and fees	4.8	0.4%	3.0	0.3%	2.0	0.1%

Administrative expenses	31 December					
	2020		2021		2022	
	million baht	%Revenue from sales	million baht	%Revenue from sales	million baht	%Revenue from sales
(Reversal of) loss on inventory valuation	43.1	3.9%	19.9	2.0%	14.0	1.0%
Bad debts and doubtful accounts	1.9	0.2%	(0.6)	(0.1%)	0.0	0.0%
Other administrative expenses	3.5	0.3%	5.4	0.5%	1.1	0.1%
Total Administrative expenses	120.6	10.9%	99.4	9.9%	97.0	6.8%

PLUS' administrative expense comprises employee payments, utilities fee, equipment and repair fees, depreciation and amortization, product deterioration, allowance for doubtful accounts and other expenses.

In 2020, the administrative expense amounted to 120.6 million baht, a 57.0 million baht increase from 2019, mainly as a result of (1) amortization of inventories valued 47.5 million baht because of the inability to reach export goals and the need to alter the product's labels after legal modifications in some countries that necessitated packaging change (2) the increase of depreciation and amortization costs of 4.6 million baht because of the transfer of building and warehouse (Branch 1 Phutthamonthon Sai 5) from non-current assets classified as held for sale reversal as property, plant and equipment; hence depreciation was recorded among administrative expense (3) the 3.6 million baht increase in executive and employee expenses that corresponds with the increase in bonus after the good performance in 2020.

In 2021, the administrative expense was 99.4 million baht, a 21.2 million baht decrease from the previous year as a result of the losses recorded from the depreciation of existing inventories and the destruction of last year's inventories, valued 23.2 million baht. After the last year's destruction of inventories totaled 47.5 million baht, the destruction of inventories in 2021 stood at 6.9 million baht, plus the amount reserved for the price change for the existing stock of 12.9 million baht that awaited destruction during the next year. Other factors included (1) the 5.0 million baht increase in employee expense after the increase in salaries and employee welfare during the COVID-19 Pandemic (in Q3) such as the modification of factory to meet public health standards, preparation of food, consumables and accommodation for on-site employees (2) the 1.5 million baht increase in consultant and professional services expense from the hiring of auditors and financial consultants in preparation for the Company's listing on the stock exchange (3) the 4.1 million baht decrease in depreciation and amortization compared to previous year as 2020 also recorded the depreciation of buildings and warehouse in 2019 in accordance with the TFRS 5 "to modify the book values of non-categorized assets awaiting sale as otherwise and to record the modified amount as expense in profit and loss statement".

In 2022, the administrative expense was 97.0 million baht, a 2.4 million baht decrease from last year mainly because of the losses recorded from the depreciation of existing inventories and the destruction of inventories, valued 5.9 million baht, plus the amount reserved for the price change for the existing inventories of 0.05 million baht. Other factors included (1) the 6.0 million baht increase in employee expenses after raising the salary and welfare

of employees (2) the 1.5 million baht increase in consultant and professional services fee from the hiring of auditors and financial consultants (3) the 0.5 million baht increase in depreciation and amortization fee (4) the 4.3 million baht decrease in other administrative expenses. These gradual decreases in expenses over the years demonstrated the Company's efficiency in controlling the expense, while raising sales.

Financial Cost

PLUS' financial cost in 2022 – 2021 stood at 20.6, 8.7 and 1.5 million baht, respectively a consecutive year on year. Because of continuous repayment and the Company's repayment of all short-term and long-term loans, as well as the release of guarantee obligations in 2022.

Income Tax

In 2020, the income tax ratio was 24.7% after PLUS used tax deducting from deficit completely, meaning that PLUS recorded a total income tax of 18.8 million baht.

In 2021, the income tax to earnings before tax ratio was 19.8% after certain income tax was waiting for account processing as a result of the amount reserved for allowance for obsolete goods, which was then recorded as income tax assets awaiting account processing.

In 2022, the income tax to earnings before tax ratio was 19.7% after certain income tax was waiting for account processing as a result of the amount reserved for allowance for obsolete goods and other expenses that were increasingly subject to corporate income tax.

Net Profit

Net Profit and Net Profit Margin	31 December		
	2020	2021	2022
Net Profit (million baht)	57.2	85.6	207.6
Net Profit Margin (%)	5.2%	8.5%	14.2%

In 2020, PLUS' net profit was 57.2 million baht, a 45.6 million baht increase from 2019 because of (1) the significant increase in sales during the COVID-19 situation where consumers in important partner countries were stockpiling in preparation for lockdown measures, as well as the sales of products with high gross profit (2) the effective management of production, cost and the better handling of Company's profitability and (3) the decrease in interest payments to financial institutions.

In 2021, PLUS recorded a net profit of 85.6 million baht, a 28.4 million baht increase from last year despite the decrease in total sales revenue. This increase was due to the effective management of cost, expense, and financial costs.

In 2022, PLUS' net profit was 207.6 million baht, a 122.0 million baht increase from the previous year mainly because of (1) the growth in sales revenue (2) the fall in financial cost and (3) the effective management of sales cost and expenses occurred.

Assets and Liabilities Management Capability

Assets

Changes in PLUS' main assets are;

Trade Receivables and Other Receivables

(Unit: Million Baht)

Trade Accounts Receivable	31 December		
	2020	2021	2022
Total Trade Accounts Receivable	18.5	53.7	63.6
Less Allowance for expected credit losses	-	-	-
Net Trade Accounts Receivable	18.5	53.7	63.6
Proportion to Total Assets (%)	2.7%	7.4%	4.4%
Average Collection Period (day)	13.9	13.1	15.0

Trade Receivables were speculated to increase in 2020 – 2022 because of the increase in sales revenue that caused the number of trade receivables to rise. As of the end of 2022, trade receivables increased by 9.9 million baht.

The average debt collection period slightly increased from 13.1 days to 15.0 days in 2022 as a result of the more secure credit term conditions, especially for new customers who were required to pay at least 30%-50% of total amount before delivery. However, this alteration did not affect the number of incoming orders.

From 2020 to 2022, PLUS set its receivable rate according to the expected credit loss method following the TFRS 9. For this, PLUS analyzed past debt payments and other factors including the forecast of future situations, which suggested that all receivables could be collected and that no debtors exhibited any signs of inability to repay. Thus, no amount was reserved for expected credit loss. The accounts receivables list is as follows;

(Unit: Million Baht)

Aging of Trade Accounts receivable	31 December					
	2020		2021		2022	
	million baht	%	million baht	%	million baht	%
Within credit terms	13.9	75.1%	50.7	94.4%	48.1	75.6%
lesser 3 months	4.6	24.9%	3.0	5.6%	15.5	24.4%
Total Trade Accounts Receivable	18.5	100.0%	53.7	100.0%	63.6	100.0%
Less Allowance for expected credit losses	-	-	-	-	-	-
Net Trade Accounts Receivable	18.5	100.0%	53.7	100.0%	63.6	100.0%

The policy with regards to credit term is agreed with customers, with an average being 30 days, but this ultimately depends on customer payment terms and policies. Hence, the actual debt collection period at present is 13 - 43 days.

Inventories

(Unit: Million Baht)

Inventories	31 December		
	2020	2021	2022
Finished goods	35.0	47.1	11.5
Work in progress	52.1	42.2	53.9
Raw materials	16.9	13.6	37.0
Packaging	30.0	15.7	17.4
Factory supplies	3.7	4.3	6.1
Goods in transit	4.0	10.3	8.9
Less allowance for decline in value	(1.5)	(14.4)	(14.4)
Net	140.2	118.8	120.4
Average Sale Finished Goods Period (days)	11.7	20.6	10.7
Average Sale Inventory Period (days)	61.6	64.8	43.6

Inventories mainly consist of finished products, semi-finished products (mid-process), ingredients, packaging, and consumables.

As of 31 December 2020, the Inventories totaled 140.2 million baht, a 2.6 million baht increase from 2019 as a result of the increased value of finished products at 17.1 million baht, the increased value of semi-finished products at 9.3 million baht that were allocated for expected sales increase. This amount was offset by the decreased value of packaging at 29.5 million baht after the destruction of certain packaging rendered unusable after the regulatory changes in certain markets, while the allowance for product values was reduced to 1.5 million baht after PLUS had disposed of some deteriorated, expired and flawed products in December 2020, valuing 47.5 million baht (recorded as administrative expense). This was a result of the past production plan that necessitated the preservation of numerous reserved goods, produced in diverse SKUs to prepare for future orders. Therefore, the impact from the COVID-19 Pandemic made the export plan and the release of reserve stock impossible, in addition to the regulatory changes in some countries concerning packaging change. Many customers needed to change their packaging and labels (more details added on the labels) in accordance with the new regulation. Thus, PLUS was forced to write off certain packaging and labels initially reserved for customers for disposal.

As of 31 December 2021, the Inventories totaled 118.8 million baht, a 21.4 million baht decrease from 2020. This was due to the 14.3 million baht decrease in packaging kept in stock after the policy change that reduced the amount of packaging kept in storage to a more optimal level. Additionally, PLUS also recorded the loss from outdated stock worth 12.9 million baht as administrative expense. These goods were deteriorated goods that had not reached the Company's disposal timeframe. Thus, the allowance for product values at the end of the year increased by 14.4 million baht, and in late 2021, some deteriorated products were disposed of, worth 6.9 million baht. The specification of allowance for obsolete goods in 2021 was for the same reason as in 2020, namely to account for expired products in accordance with the book policy in 2021. This was also because of the lesson learned in the past regarding the inability to reach export goals and the subsequent disposal of goods in the next year.

As of 31 December 2022, the Inventories stood at 120.4 million baht, a 1.6 million baht increase from 2021. This was mainly due to the 1.7 million baht increase in packaging, the 1.8 million baht increase in factory equipment, 23.4 million baht increase in ingredient cost in preparation for more sales and the 11.7 million baht increase in value of the semi-finished products in preparation for expected delivery. In 2022, PLUS altered the 2021 allowance for obsolete goods worth 0.05 million baht. At the end of the year, the Company recorded the allowance for product values at 14.4 million baht, and in Q3 2022, the Company disposed of the deteriorated products worth 14.7 million baht. Moreover, the Company recorded the 14.0 million baht allowance for product values as administrative expense, mainly made up of the cost for deteriorated packaging and labels.

PLUS' specifies the policy with regards to allowance for obsolete goods by taking into account the actual life of products in term of chemical, microbiological, physical and tangible safety. The finished products can normally last for 1 – 3 years depending on its packaging and nature. If the products have gone past their expiry dates, the Company will set up the allowance for obsolete goods for the whole value of products. However, a one-time event happened in 2020 when certain countries changed their regulations that made packaging unusable and earmarked for disposal despite still having a shelf life. Thus, in 2020, unexpected loss as a result of the disposal of unexpected products occurred.

However, PLUS has amortized or set up an allowance that includes expired products according to the past policy on reserved stock, as well as changed the production and sales plan that does not entail the preservation of huge stock of goods and reduces that number of SKUs from 600 to 200. The new policy also focuses on the sale of popular products that can be sold fast. Thus, it is expected that no preservation of huge stock of goods that might be prone to expiry or deterioration will happen again, and no losses as a result of the said allowance would occur in the future.

The average inventory periods as of 31 December 2020, 2021 and 2022 were 61.6, 64.8 and 43.6 days, respectively. The reduction in average inventory period over these years totaled 56.7 days, and was due to the slow release of goods during the COVID-19 Pandemic and the lockdown measures that meant many containers were stranded and many shipping companies faced container shortage. This slowed down the release of goods to markets in 2020, but in 2022, this situation began to recover, and the unwinding of situation further returned the product distribution cycle to normalcy.

Other Current Assets

The Company's other current assets mainly consist of the input tax awaiting refund and the undue input tax. In 2020, PLUS' tax was refunded totaling 56.8 million baht, decreasing the total current asset values comparing to last year's. As of 31 December 2022, the Company's other current assets are worth 28.2 million baht, a 14.6 million baht increase from 31 December 2021. This was because the increase in undue input tax after the increased purchase of ingredients and packaging from domestic sources as a result of increased production capacity and increased export proportion. This has raised the amount of undue input tax awaiting refund. However, the Company can still get a vat refund every month.

Property, Plant and Equipment

(Unit: Million Baht)

Property, plant and equipment	31 December					
	2020		2021		2022	
	million baht	% of total assets	million baht	% of total assets	million baht	% of total assets
Land and land improvement *	54.6	7.9%	54.4	7.5%	68.3	4.7%
Buildings and buildings improvement	257.4	37.4%	250.9	34.6%	255.0	17.6%
Machinery and equipment	105.5	15.3%	115.6	15.9%	134.2	9.2%
Office equipment	0.8	0.1%	0.8	0.1%	1.2	0.1%
Vehicles	0.7	0.1%	0.4	0.0%	0.2	0.0%
Assets under Construction	49.2	7.2%	41.8	5.8%	85.8	5.9%
Total	468.2	68.0%	463.9	63.9%	544.7	37.5%

Disclaimers: *This includes the right-of-use land assets worth 0.3 million baht.

As of 31 December 2020, PLUS' land, building and equipment assets were worth 468.2 million baht, a 104.6 million baht increase from 2019 as a result of the transfer of the assets awaiting sale back to its permanent asset status after failing to secure a deal with prospective customers because of COVID-19.

As of 2021, these assets of PLUS were worth 463.9 million baht, a 4.3 million baht decrease because of the annual depreciation cost of 36.3 million baht. During this time, PLUS also made further investment in these assets worth 34.4 million baht, such as the investment in machinery that could boost the production efficiency according to the smart production strategy.

This investment included the labelling machine and the automated palletizing machine. PLUS' also invested in the machinery used in the new production line that would increase the production capacity to reach 200 million bottles per year, from 158.2 million bottles per year. This production line was installed and started operating in December 2021.

As of 31 December 2022, PLUS' land, building and equipment assets totaled 544.7 million baht, a 80.8 million baht increase from 2021. This rise comprises the installation of new machinery worth 18.6 million baht and the 44.0 million baht increase in the under-construction assets' values in preparation for the smart production strategy.

From 1 January 2020 onwards, PLUS has utilized the TFRS 16 regarding the lease contract. This standard dictate that the renting of assets must be recorded as right-of-use assets in the financial report, not an off-balance listing. However, this does not significantly affect PLUS as only 0.3 million baht worth of net right-of-use assets were recorded as of 31 December 2021, including only the renting of land for the parking lot from outside parties.

Intangible Assets

PLUS' intangible assets as of 31 December 2020, 2021 and 2022 were worth 3.4, 3.1 and 3.6 million baht, respectively. This included computer software, and the rise in intangible assets in 2022 were mainly due to the investment in software. In 2021, these assets' value decreased after years of usage. Furthermore, intangible assets are normally sold off after they have been used for a certain amount of time such as the computer software's copyright is elapsed after 5 years.

Other Non-Current Assets

PLUS' recorded the other non-current assets as of 31 December 2020, 2021 and 2022 at 8.5, 13.4 and 65.5 million baht, respectively. These assets include (1) the earnest payment for the investment in land, building and equipment including software and (2) the guarantee money for the electricity, water and other utilities fees for 2020 - 2021. The 6.4 and 4.9 million baht increase in other non-current assets were also because of the earnest payment for new machinery. In 2022, the other non-current assets were worth 65.5 million baht, a 52.1 increase from 2021. This increase was based on the earnest payment for the investment in machinery according to the plan to boost the Company's manufacturing productivity to meet the demands of an expanding market. The increase was also due to the guaranteed money for the electricity fee.

Efficiency Ratio

Performance Efficiency Ratio	unit	31 December		
		2020	2021	2022
Return on Assets	%	7.7%	12.1%	19.1%
Fixed Asset Turnover	%	23.2%	26.2%	50.2%
Total Assets Turnover Ratio	(times)	1.5	1.4	1.3

Return on Assets increased consistently from 2020 – 2022 because of the significant increase in net profit and net profit ratio.

Fixed Asset Turnover shown a tendency to improve from 2020 – 2022, with the main reason behind this ratio was the increase in net profit and net profit ratio, while the net value of PLUS' permanent assets were quite constant, except in 2022, when PLUS was obtaining extra machinery and tools to prepare for the future smart production line.

Total Assets Turnover Ratio increased by 1.5 times comparing to 2020 mainly due to the increased sales revenue and the decrease in permanent assets because of the same reasons. In 2021, Total Assets Turnover Ratio decreased by 1.4 times after the decrease in revenues during the COVID-19 Pandemic and the delay in shipping. Nonetheless, in 2022, Return on Assets and Fixed Asset Turnover increased because of the increased net profit based on effective cost management and the reduction of financial cost.

Liabilities

PLUS' has the following main liabilities;

Trade accounts payable

(Unit: Million Baht)

Trade accounts payable	31 December		
	2020	2021	2022
Trade accounts payable	113.5	98.6	92.5
Proportion to Total Assets (%)	16.5%	13.6%	6.4%
Average Payment Period (day)	42.6	53.1	34.8

The account payables include those in other countries, in Thailand and the advanced payment cheques, with the latter two being the more numerous.

As of 31 December 2020 – 2022, the debt payment period consistently increased because of the lengthier credit term given by some debtors. PLUS' also negotiated with the ingredient suppliers to extend the credit term on the basis of the more numerous volume of purchase.

At present, PLUS' credit term for account payables granted by most suppliers is 30 – 60 days, except for raw materials including coconut water, coconut milk and nata de coco whose credit term is 7 – 14 days.

Advance received

As of 31 December 2020 - 2022, PLUS' advance received totaled 49.1, 18.7 and 16.7 million baht, respectively. This amount included the earnest payment for future selling and the deferred revenue. PLUS' allows certain overseas buyers to pay 30%-50% of the total bill before shipping out the goods. In 2020 – 2022, the advance received decreased after the changing of conditions for new customers who are required to make transactions in cash. As of 31 December 2022, the advance received stood at 16.7 million baht, a 2.0 million baht decrease from the end of year 2021.

Other Current Payables

As of 31 December 2020 – 2022, the other current payables were worth 39.7, 87.0 and 53.9 million baht, respectively. These other payables include the due shipping fee, other due fees and other current payables like machinery payables and sales discount approximation. These payables were reduced in 2020 – 2022 such as in 2022, when the Company had the liquidity to pay these payables and had obtained the extra fund used for buying machinery. These contributed to the reduction of payables. As of 31 December 2022, these other current payables stood at 53.9 million baht, a 33.1 million baht decrease from 2021.

Income tax payable

As of 31 December 2020 – 2022, the income tax payable of PLUS was worth 7.0, 20.6 and 22.5 million baht, respectively, a consistent increase because of the accelerating performance of the Company.

Loans from Financial Institutions

(Unit: Million Baht)

Loans from financial institutions	31 December		
	2563	2564	2565
Bank overdrafts	-	14.5	0.1
Short-term loans from financial institutions	77.8	30.3	-
Long-term loans from financial institutions due within one year	31.2	28.1	-
Long-term loans from financial institutions	45.6	57.5	-
Total loans from financial institutions	154.6	130.4	0.1

Loans from financial institutions comprise (1) overdraft account (O/D) (2) short-term loans from financial institutions that require guarantees such as the letter of credit / trust receipt (LC/TR), packing credit (PK) and promissory note (P/N) and (3) long-term loans from financial institutions.

As of 31 December 2020, PLUS had an outstanding loan from financial institutions totaling 154.6 million baht, a 218.2 million baht decrease from 2019. These were mainly the repayment of long-term loans worth 72.5 million baht, a decrease in LC/TR and PK worth 116.9 million baht and the repayment of O/D of 28.8 million baht.

As of 31 December 2021, PLUS had an outstanding loan from financial institutions totaling 130.4 million baht, a 24.2 million baht decrease from 2020. These were mainly the repayment of long-term loans worth 31.2 million baht, and the repayment of the guaranteed short-term loan of 47.5 million baht. This amount was subtracted by the 14.5 million baht increase in O/D, and the 40 million baht increase in long-term loan, to be used in establishing new production line and repairing machinery.

As of 31 December 2022, PLUS had an outstanding loan of 0.1 million baht from O/D and a 130.3 million baht decrease from 2021. This was after the full repayment of short-term loans and the release of certain guarantee obligations.

Short-Term Loans from Other Parties

As of 31 December 2022, PLUS has no liabilities concerning the short-term loans from other parties. In 2020 – 2021, there were a 50 and 40 million baht loan in the form of P/N, which was obtained for use in business operation with no guarantee obligations. This loan was scheduled to be repaid upon request, and was repaid in full by 31 December 2021.

Loans from Director or Related Parties

None recorded as of 31 December 2022.

Lease Liabilities

(Unit: Million Baht)

Lease liabilities	31 December		
	2020	2021	2022
Lease liabilities due within one year	0.6	0.4	-
Lease liabilities	0.4	0.0	-
Total lease liabilities	1.0	0.4	-

None recorded as of 31 December 2022

Non-current provisions for employee benefit

Non-current provisions for employee benefit include the severance compensation in accordance with labor law and the benefits in case of long-time employees. Pursuant to the Labor Protection Act dated 5 April 2019, the additional compensation for employees who have worked for 20 years or more is no less than the 400-day worth of their last salaries. This prompted PLUS to adjust this expense by non-current provisions for employee benefit for 2020 - 2022 at 7.1, 8.2 and 11.9 million baht, respectively.

Shareholders' Equity

Equity	31 December					
	2020		2021		2022	
	million baht	% of total assets	million baht	% of total assets	million baht	% of total assets
Issued and paid-up capital	250.0	36.3%	250.00	34.4%	335.0	23.1%
Share premium on ordinary shares	12.5	1.8%	12.5	1.7%	673.7	46.4%
Retained earnings						
• Appropriated - legal reserve	1.0	0.1%	5.3	0.7%	15.7	1.1%
• Unallocated	12.1	1.8%	93.4	12.9%	229.2	15.8%
Total Equity	275.6	40.0%	361.2	49.7%	1,253.6	86.3%
Total Liabilities and Equity	688.4	100.0%	726.5	100.0%	1,452.2	100.0%

As of 31 December 2020 – 2022, PLUS recorded shareholders' equity at 275.6, 361.2 and 1,253.6 million baht, respectively.

In 2020, PLUS had the unappropriated retained earnings of 12.1 million baht, and this amount was increased in 2021 to reach 93.4 million baht. Within this amount, 4.3 million baht was set aside as a reserve as lawfully required.

Extraordinary General Meeting of Shareholders No.1/2021 on 1 June 2021 approved the addition of more capitals and new ordinary shares worth 85.0 million baht as initial public offering (IPO) totaling 170.0 million shares, par 0.50 baht. After the IPO, PLUS would have the paid-up capitals of 335.0 million baht, divided into 670.0 million common stock, par 0.50 baht. This offering in the stock market began on 20 May 2022.

As of 31 December 2022, PLUS recorded the issued and paid-up capitals of 335.0 million baht, a share premium of 673.7 million baht, the amount set aside as reserve as lawfully required of 10.4 million baht and the unappropriated retained earnings of 229.2 million baht.

Liquidity and Sufficiency of the Company's Fund

Sources and Uses of Fund

(Unit: Million Baht)

Cash Flow	For the Year Ended 31 December		
	2020	2021	2022
Net cash flows from (used in) operating activities (CFO)	300.3	138.6	172.3
Net cash flows from (used in) investing activities (CFI)	(40.0)	(36.1)	(180.6)
Net cash flows from (used in) financing activities (CFF)	(252.5)	(73.3)	548.6
Net increase (decrease) in cash and cash equivalents	7.7	29.2	540.3
Cash and cash equivalents at 1 January	1.0	8.7	37.9
Cash and cash equivalents at 31 December	8.7	37.9	578.2

Net Cash Flow (used in) Operating Activities

The net cash flow used in operating activities in 2020 – 2022 is 300.3, 138.6 and 172.3 million baht, respectively. PLUS' net cash flow from operating activities is always recorded as positive. The amount was high in 2020 because of the vat refund and the increasing operating revenues. From 2020 onwards, in 2022, the net cash flow from operating activities increased by 33.7 million baht comparing to last year's. The details are as follows;

- In 2020, the net cash flow from operating activities was 300.3 million baht, the majority of which came from profit before income tax of 76.0 million baht, the depreciation and amortization worth 40.4 million baht, financial cost worth 20.6 million baht, the losses incurred from amortization / re-valuation of Inventories worth 47.5 million baht, the decrease in trade receivables worth 45.0 million baht, the decrease in other current assets' values of 53.8 million baht, the increase in trade payables worth 34.8 million baht and the increase in deferred incomes valued 19.2 million baht. This combined amount was then partially offset by the increase in Inventories worth 45.7 million baht.
- In 2021, the net cash flow from operating activities was 138.6 million baht, from profit before income tax of 106.8 million baht, depreciation and amortization worth 37.2 million baht, the losses incurred from amortization / re-valuation worth 19.8 million baht, and the increase in other current payables worth 37.7 million baht. This amount was then subtracted by the decrease in trade receivables worth 34.6 million baht, decrease in trade payables worth 14.8 million baht and the decrease in deferred incomes valued 30.3 million baht.

- In 2022, the net cash flow from operating activities equaled 172.3 million baht, mainly from profit before income tax of 258.7 million baht, depreciation and amortization worth 47.4 million baht, losses incurred from amortization and re-valuation worth 14.7 million baht, and the decrease in other current payables worth 32.7 million baht. This amount was then subtracted by the decrease in trade receivables, decrease in other current receivables, decrease in Inventories, decrease in trade payables and the decrease in deferred incomes worth 10.0, 16.8, 16.3, 6.1 and 2.0 million baht, respectively.

Net Cash Flow (used in) Investment Activities

The net cash flow used in investment activities in 2020 – 2022 was 40.0, 36.1 and 180.6 million baht, respectively. This net cash flow is mainly used in procuring new machinery and maintenance its components, as well as in installing new software for the purposes of repair and improvement of production. In 2022, there was also an investment in machinery for the new production line.

- In 2020, the net cash flow used in investment activities was 40.0 million baht, mainly from the 72.0 million baht investment in machinery, components of machinery and extensions of building, while the net cash income from the repayment of debts by director was 31.6 million baht.
- In 2021, the net cash flow used in investment activities was 36.1 million baht, from the cash paid in buying permanent assets as part of the investment in machinery in preparation for the new production line and the procurement of new machinery to improve productivity.
- In 2022, the net cash flow used in investment activities was 180.6 million baht, mainly from the investment in machinery for the new production line and to improve productivity. Also included was the investment in intangible assets worth 1.1 million baht, namely the software updates. The Company also received an interest payment from the bank worth 1.1 million baht.

Net Cash Flow (used in) Financing Activities

The net cash flow used in financing activities in 2020 – 2022 was 252.5, 73.3 and 548.6 million baht, respectively. Some of this net cash flow was the repayment of debts to financial institutions especially the long-term loans with this net cash flow being most used in financing activities in 2022 as PLUS received most of its cash flow from the capital increase in May 2022. The details of the net cash flow used in financing activities are as follows;

- In 2020, the net cash flow used in financing activities was 252.5 million baht, comprising (1) the cash repayment of short-term loans from outside parties and the long-term loans from financial institutions respectively worth 82.5 and 10.0 million baht (2) debts from the rent contract and interest expenses of 24.3 million baht and (3) the repayment of overdraft and promissory notes worth 145.7 million baht.
- In 2021, the net cash flow used in financing activities was 73.3 million baht, mainly from (1) the cash repayment of short-term loans from outside parties and the long-term loans from financial institutions respectively worth 31.2 and 40.0 million baht (2) debts from the rent contract and interest expenses of 9.0 million baht and (3) the repayment of short-term loans from financial institutions worth 33.0 million baht and (4) the cash income from the long-term loans from financial institutions worth 40 million baht, which was used in the machinery investment in preparation for the new production line and the improvement of productivity.

- In 2022, the net cash flow used in financing activities was 548.6 million baht, mainly from (1) cash income from capital increase worth 765 million baht (2) cash used in paying the 23.5 million baht cost of the said capital increase and (3) the cash repayment of the short-term and long-term loans plus interest to financial institutions worth 132.9 million baht and (4) the cash used in paying the dividends worth 60.0 million baht.

As elaborated above, it could be interpreted that the net cash flow used in operating activities (CFO) can sufficiently cover the investment and financing activities (CFI and CFF). Thus, as of 31 December 2022, the cash and cash equivalents of PLUS exhibited a net increase of 578.2 million baht.

Liquidity Sufficiency

Liquidity Ratio	unit	For the Year Ended 31 December		
		2020	2021	2022
Current Ratio	(times)	0.6	0.8	4.4
Quick Ratio	(times)	0.1	0.3	3.4

The liquidity ratio of PLUS exhibits a constant increase from 0.6 to 0.8 and then to 4.4 from 2020 to 2022. This demonstrates the company's ability to repay short-term debts that have constantly grown. The quick liquidity ratio of PLUS also increased from 0.1 to 0.3 and then to 3.4. As of the end of 2022, the liquidity ratio of PLUS increased to reach 4.4 because of the increase in cash and trade receivables, while current liabilities decreased as a result of the repayment of short-term loans to financial institutions.

Financial Policy Ratio

Financial Policy Ratio	unit	For the Year Ended 31 December		
		2020	2021	2022
Interest-Bearing Debt to EBITDA ¹	(times)	1.1	0.9	0.0
Debt to Equity Ratio (D/E Ratio)	(times)	1.5	1.0	0.2
Interest Coverage Ratio	(times)	6.6	17.5	207.5
Debt Service Coverage Ratio (DSCR) ²	(times)	0.9	2.1	4,599.5
Dividend Payout ³	%	-	70.1	42.0

¹ Calculation is through dividing the total liabilities with interest with profit and then adding the depreciation, amortization, financial cost and income tax values.

² Calculation of DSCR ratio = profit before interest, tax, depreciation and amortization / short-term loans with interest + long-term loans with interest that is due within 1 year.

³ Dividend payment calculation = dividend as described in the annual payment announcement / annual net profit (Dividend payment from 2022 performance is awaiting the consideration and approval by the 2023 Annual General Meeting of Shareholders scheduled on 26 April 2023 and the dividend payment is scheduled on 17 May 2023).

Debt to Equity Ratio of PLUS exhibits a constant decreasing trend from 2020 – 2022 as a result of the on-time repayment of debts and the existence of the unappropriated accumulated profit from 2020 onwards. As of 31 December 2022, PLUS has a Debt to Equity Ratio of 0.2 times.

The interest coverage ratio also exhibits an increasing trend from 2020 – 2022 because of the increasing profit before interest payment, tax, depreciation and amortization and the decreasing financial cost as a result of the repayment of loans to financial institutions and outside parties. As of 31 December 2022, the interest coverage ratio of PLUS is 207.5 times.

Debt Service Coverage Ratio of PLUS also increased from 0.9 to 2.1 and to 4,599.5, respectively, because of the continuous repayment of debts that meant the decrease in debts with interest that would be due within one year, as well as the constantly improving performance of PLUS that made PLUS better able to repay its debts.

Debt Liabilities and the Off-Balance Liabilities Management

As of 31 December 2022, PLUS has liabilities with unrelated businesses, as follows;

- Liabilities in capital expenses for buildings and equipment of 192.3 million baht
- Liabilities in capital expenses for software's copyright of 0.2 million baht
- Liabilities under the short-term rent contract and low-value assets of 1.4 million baht

Nonetheless, PLUS' is capable of repaying the aforementioned liabilities in full.

4.2 Factors or Incidents that may significantly impact financial and operational status

The 2 factors or incidents that may significantly impact the Company's financial and operational status, as follows;

Fluctuation of Foreign Currency Exchange Rate

The sales revenue of PLUS is principally in USD and RMB. If BAHT appreciates in value in relation to the said two currencies, PLUS' income will decrease when converted into baht and when compared with PLUS' expenses that are mainly in baht, the expense to income ratio would increase and profitability ratio decrease. However, PLUS has a policy regarding the foreign exchange rate risk management such as by negotiating the usage of baht in sales, the usage of FCD (Foreign Currency Deposit) account, the utilization of natural hedge in paying foreign currencies by receiving the same foreign currencies, as well as the booking of forward contract to avoid the risk emanating from the foreign exchange rate fluctuation. These will help cushion PLUS from the risk from exchange rate fluctuations.

Food and Drug Regulations

The food and drug regulatory agencies in various countries are government agencies who inspect, control and check the safety with regards to drug, food, medical equipment and cosmetics. They may adopt more stringent criteria in checking the quality of imported food and drug. However, PLUS has a policy to continuously enhance its production capacity and to select the high-quality ingredients to ensure compliance with the food and drug regulations of all PLUS' export destinations.

4.3 Financial Highlight

Audit Report Summary

Year	Auditor	Auditor's Opinions
2020	Mr. Nattapong Tantijattanont Licensed Auditor License No. 8829 KPMG Phoomchai Audit Company Limited	PLUS'financial statements show the financial status of the Company as of 31 December 2020 as well as the performance and cash flow during the same period. The statements are correct and contain all information as required by the financial report standards.
2021	Mr. Nattapong Tantijattanont Licensed Auditor License No. 8829 KPMG Phoomchai Audit Company Limited	PLUS'financial statements show the financial status of the Company as of 31 December 2021 as well as the performance and cash flow during the same period. The statements are correct and contain all information as required by the financial report standards.
2022	Mr. Nattapong Tantijattanont Licensed Auditor License No. 8829 KPMG Phoomchai Audit Company Limited	PLUS'financial statements show the financial status of the Company as of 31 December 2022 as well as the performance and cash flow during the same period. The statements are correct and contain all information as required by the financial report standards.

Financial Statement Summary Table

Statement of financial position

Description	31 December					
	2020		2021		2022	
	million baht	%	million baht	%	million baht	%
Assets						
Current assets						
Cash and cash equivalents	8.7	1.3%	37.9	5.2%	578.2	39.8%
Trade accounts receivable	18.5	2.7%	53.7	7.4%	63.6	4.4%
Other current receivables	8.7	1.3%	7.3	1.0%	30.9	2.1%
Inventories	140.2	20.4%	118.8	16.4%	120.4	8.3%
Other current assets	22.3	3.2%	13.6	1.9%	28.2	2.0%
Total current assets	198.3	28.8%	231.3	31.8%	821.4	56.6%

Description	31 December					
	2020		2021		2022	
	million baht	%	million baht	%	million baht	%
Non-current assets						
Restricted bank deposit	8.0	1.2%	8.0	1.1%	8.0	0.6%
Property, plant and equipment	468.2	68.0%	463.9	63.9%	544.7	37.5%
Intangible assets	3.4	0.5%	3.1	0.4%	3.6	0.2%
Deferred tax assets	2.1	0.3%	6.8	0.9%	9.0	0.6%
Other non-current assets	8.5	1.2%	13.4	1.8%	65.5	4.5%
Total non-current assets	490.1	71.2%	495.2	68.2%	630.8	43.4%
Total assets	688.4	100.0%	726.5	100.0%	1,452.2	100.0%
Liabilities and Equity						
Current liabilities						
Bank overdrafts	-	-	14.5	2.0%	0.1	0.0%
Short-term loans from financial institutions	77.8	11.3%	30.3	4.2%	-	-
Trade accounts payable	113.5	16.5%	98.6	13.6%	92.5	6.4%
Advance received	49.1	7.1%	18.7	2.6%	16.7	1.1%
Other current payables	39.7	5.8%	87.0	12.0%	53.9	3.7%
Current portion of long-term loans from financial institutions	31.2	4.5%	28.1	3.9%	-	-
Short-term loan from other person	40.0	5.8%	-	-	-	-
The portion of lease liabilities due within one year (2018-2019: Current portion of finance lease liabilities)	0.6	0.1%	0.4	0.0%	-	-
Income tax payable	7.0	1.0%	20.6	2.8%	22.5	1.6%
Other current liabilities	0.9	0.1%	1.4	0.2%	1.0	0.1%
Total current liabilities	359.8	52.3%	299.6	41.3%	186.7	12.9%

Description	31 December					
	2020		2021		2022	
	million baht	%	million baht	%	million baht	%
Non-current liabilities						
Long-term loans from financial institutions	45.6	6.6%	57.5	7.9%	-	-
Lease liabilities (2018-2019: finance lease liabilities)	0.4	0.1%	-	-	-	-
Non-current provisions for employee benefits	7.1	1.0%	8.2	1.1%	11.9	0.8%
Total non-current liabilities	53.1	7.7%	65.7	9.0%	11.9	0.8%
Total Liabilities	412.9	60.0%	365.3	50.3%	198.6	13.7%
Equity						
Issued and paid-up capital	250.0	36.3%	250.0	34.4%	335.0	23.0%
Share premium on ordinary shares	12.5	1.8%	12.5	1.7%	673.7	46.4%
Retained earnings						
Appropriated - legal reserve	1.0	0.1%	5.3	0.7%	15.7	1.1%
Unallocated	12.1	1.8%	93.4	12.9%	229.2	15.8%
Total Equity	275.6	40.0%	361.2	49.7%	1,253.6	86.3%
Total Liabilities and Equity	688.4	100.0%	726.5	100.0%	1,452.2	100.0%

Statement of Comprehensive Income

Description	For the Year Ended 31 December					
	2020		2021		2022	
	million baht	%	million baht	%	million baht	%
Revenues						
Revenue from sale of goods	1,102.8	99.7%	1,003.2	99.4%	1,428.2	98.0%
Other income ¹	3.7	0.3%	6.3	0.6%	29.2	2.0%
Total Revenues	1,106.5	100.0%	1,009.5	100.0%	1,457.4	100.0%
Cost of sales of goods ²	823.1	74.6%	728.9	72.7%	1,002.3	70.2%
Gross Profit²	279.7	25.4%	274.3	27.3%	425.9	29.8%
Distribution costs	66.1	6.0%	65.6	6.5%	98.0	6.7%
Administrative expenses	120.6	10.9%	99.4	9.8%	97.0	6.7%
Total Expenses	1,009.8	91.3%	894.0	88.6%	1,197.3	82.2%
Profit before finance costs and income tax expenses	96.7	8.7%	115.5	11.4%	260.1	17.8%
Finance costs	20.6	1.9%	8.7	0.9%	1.5	0.1%
Profit before income tax expense	76.0	6.9%	106.8	10.6%	258.7	17.7%
Income tax expense	18.8	1.7%	21.2	2.1%	51.0	3.5%
Profit for the year	57.2	5.2%	85.6	8.5%	207.6	14.2%
Items that will not be reclassified to profit or loss						
Loss on remeasurements of defined benefit plans (net of tax)	(0.5)	(0.0%)	-	-	(1.5)	(-0.1%)
Total comprehensive income for the year	56.8	5.1%	85.6	8.5%	206.1	14.1%
Basic earnings per share (baht) (par100 baht)	22.9	N/A	34.3	N/A	N/A	N/A
Basic earnings per share (baht) (par0.50 baht)³	0.114	N/A	0.171	N/A	0.342	N/A

¹ Other income includes income from foreign exchange rate, interest and others

² When calculated in comparison with sales revenue

³ PLUS has registered to change its ordinary share from 100 baht per share to 0.5 baht per share from 1 July 2021 onwards. Thus, the calculation is based on the newly-averaged ordinary shares to allow for the comparison between years.

Statement of cash flows

Description (Unit:million baht)	For the Year Ended 31 December		
	2020	2021	2022
Cash flow from operating activities			
Profit for the year	57.2	85.6	207.6
Adjustments to reconcile profit to cash receipts (payments)			
• Income tax expense	18.8	21.2	51.0
• Financial costs	20.6	8.7	1.5
• Depreciation and Amortization	40.4	37.2	47.4
• Provisions for employee benefits	1.0	1.1	1.9
• (Reversal) Impairment loss recognised in profit or loss	1.9	(0.5)	-
• Gains on change in the fair value of derivatives measured through profit or loss	-	-	(6.7)
• Provision for warranty	-	6.1	3.6
• Loss on disposal of inventories	47.5	6.9	14.7
• (Reversal of) loss on inventories devaluation	(4.5)	12.9	0.0
• (Gain) Loss on disposal of plant, equipment and intangible assets	(0.3)	1.9	0.1
• Interest income	(0.2)	(0.0)	(1.1)
Cash flows before changes in operating assets and liabilities	182.5	181.1	320.0
Changes in operating assets and liabilities (increase) decrease			
• Trade accounts receivable	45.0	(34.6)	(10.0)
• Other current receivables	4.3	1.0	(16.8)
• Inventories	(45.7)	1.5	(16.3)
• Other current assets	53.8	8.7	(14.7)
• Other non-current assets	(0.2)	(0.0)	(2.3)
• Trade accounts payable	34.8	(14.8)	(6.2)
• Advance received	19.2	(30.3)	(2.0)
• Other current payables	6.7	37.7	(32.7)
• Other current liabilities	(0.2)	0.5	(0.4)
Net cash generated from operating	300.3	150.8	218.6
• Taxes paid	(0.0)	(12.2)	(46.3)

Description (Unit:million baht)	For the Year Ended 31 December		
	2020	2021	2022
Net cash from operating activities	300.3	138.6	172.3
Cash flows from investing activities			
(Increase) Decrease in restricted bank deposits	(0.0)	0.0	-
Proceeds from short-term loans to related parties	100.0	22.0	-
Short-term loans to related parties	(68.4)	(22.0)	-
Proceeds from sales building and equipment	0.3	0.4	-
Acquisition of plant and equipment	(72.0)	(36.1)	(180.5)
Acquisition of intangible assets	0.0	(0.7)	(1.2)
Interest received	0.1	0.3	1.1
Net cash used in investing activities	(40.0)	(36.1)	(180.6)
Cash flows from financing activities			
Proceeds from issue of shares	-	-	765.0
Share issuance fees	-	-	(23.5)
Increase (decrease) in bank overdrafts and repayment of short-term loans from financial institutions	(145.7)	(33.0)	(44.7)
Proceeds from short-term loans from related parties	2.3	-	-
Cash paid for short-term loans from related parties	(2.3)	-	-
Repayment of short-term loans from other parties	(10.0)	(40.0)	-
Proceeds from long-term loans from financial institutions	10.0	40.0	-
Repayment of long-term loans from financial institutions	(82.5)	(31.2)	(85.6)
Payment of lease liabilities	(4.0)	(0.6)	(0.3)
Dividend paid	-	-	(60.0)
Interest paid	(20.3)	(8.4)	(2.3)
Net cash from (used in) financing activities	(252.5)	(73.3)	548.6
Net increase in cash and cash equivalents	7.7	29.2	540.3
Cash and cash equivalents at 1 January	1.0	8.7	37.9
Cash and cash equivalents at 31 December	8.7	37.9	578.2

Financial Ratios

(Unit: Million Baht)

Financial Ratios	2020	2021	2022
Liquidity Ratio			
Current Ratio	0.6	0.8	4.4
Quick Ratio	0.1	0.3	3.4
Operating Cash Flow to Current Liabilities Ratio	0.7	0.5	0.7
Account Receivable Turnover Ratio	26.3	27.8	24.4
Average Collection Period	13.9	13.1	15.0
Inventory Turnover Ratio	5.9	5.6	8.4
Average Sale Inventory Period	61.6	64.8	43.6
Account Payable Turnover Ratio*	8.6	6.9	10.5
Average Payment Period	42.6	53.1	34.8
Cash Cycle	32.9	24.9	23.8
Profitability Ratio			
Gross Profit Margin	25.4%	27.3%	29.8%
Operating Profit Margin	8.8%	11.5%	18.2%
Other Profit Margin	0.3%	0.6%	2.0%
Cash to Net Profit Ratio	310.6%	120.0%	66.2%
Net Profit Margin	5.2%	8.5%	14.2%
Return on Equity	23.1%	26.9%	25.7%
Efficiency Ratio			
Return on Assets	7.7%	12.1%	19.1%
Fixed Asset Turnover	23.2%	26.2%	50.2%
Total Assets Turnover Ratio	1.5	1.4	1.3
Financial Policy Ratio			
Debt to Equity Ratio	1.5	1.0	0.2
Interest Coverage Ratio	6.6	17.5	207.5
Interest-Bearing Debt to EBITDA Ratio	1.4	0.9	0.0
Debt Service Coverage Ratio*	0.9	2.1	4,599.5
Dividend Payout**	-	70.1%	42.0%

* Calculation of DSCR ratio = profit before interest, tax, depreciation and amortization / short-term loans with interest + long-term loans with interest that is due within 1 year.

** Dividend payment calculation = dividend as described in the annual payment announcement / annual net profit

5. Corporate Profile and Other Significant Matters

5.1 General Information

Company Name	: Royal Plus Public Company Limited
Symbol	: PLUS
Business Type	: Production and Distribution of Fruit Beverages and Other Beverages
Registration Number	: 0107564000235
Address	: No 84/3-7 Soi Rama II, Soi 69, Samae Dam Sub-District, Bang Khunthian District, Bangkok 10150
Telephone	: 0-2416-9209
Fax	: 0-2416-0219
Registered shares Capital	: 335,000,000 THB common shares 670,000,000 shares (at par value of Baht 0.50)
Paid-up Capital	: 335,000,000 THB common stock 670,000,000 shares (at par value of Baht 0.50)
Website	: http://www.royalplus.co.th
Investor Relations	: ir@royalplus.co.th

Share Registrar

Company Name	: Thailand Securities Depository Company Limited
Address	: No 93, Ratchadaphisek Road, Din Daeng Sub-District Din Daeng District, Bangkok 10400
Telephone	: 0-2009-9000
Fax	: 0-2009-9991
TSD Call Center	: 0-2009-9999

Auditor

Company Name : KPMG Phoomchai Audit Limited

Address : Empire Tower Building, Floor 50, No 1, South Sathon Road,
Yannawa Sub-District, Sathon District, Bangkok 10120

Telephoner : 0-2677-2000

Fax : 0-2677-2222

Internal Auditor

Company Name : IA Signature Company Limited

Address : No 324/10 Verve Petchkasem, No. 81 Ma Charoen Road,
Nong Khang Plu Sub-District, Nong Kham District, Bangkok 10160

Telephone : 0-2079-5499

5.2 Other Material Information

5.2.1 Other information that may significantly influence Investor's decision making

- None -

5.2.2 The restriction of foreign shareholders in the case where the Company has a policy to seek a resolution of the shareholder's meeting for offering an issuance of share capital

- None -

5.3 Legal Disputes

5.3.1 Legal case that may negatively affect the Company's securities in proportion higher than 5% of total stock held, as of 31 December 2021

- None -

5.3.2 Legal case that may significantly affect the Company's operation (but cannot be counted)

- None -

5.3.3 Legal case that did not stem from the Company's operation

- None -

5.4 Secondary Market

- None -

5.5 Frequently-contacted Financial Institutions

Financial Institutions

Bangkok Bank Public Company Limited

Headquarters Address : No 333 Silom Road, Silom Sub-District, Bang Rak District, Bangkok 10500

Telephone : 0-2645-5555

Thahan Thai Thanachart Bank Public Company Limited

Address : No 3000 Phahonyothin Road, Chom Thong Sub-District, Chatuchak District, Bangkok 10900

Telephone : 0-2299-1111

Valuator Company

Asian Engineering Valuation Company Limited

Address : No 42, Rattana Thibet Road, Bang Krasor Sub-District, Muang Nonthaburi District, Nonthaburi 11000

Telephone : 0-2045-5101-1

Asia Asset Appraisal Company Limited

Address : No 4, Thonburi Plaza Building, Floor 14, Room 4/37, Ratchadaphisek Road
(Tha Phra – Taksin), Talat Phlu Sub-District, Thonburi District, Bangkok 10600

Telephone : 0-2465-7466-7



PART 2

Corporate Governance

6. Corporate Governance Policy

6.1 Overview and Guidelines on Corporate Governance

The Company adheres to the law, objectives, regulations and resolutions of the General Shareholders' Meeting as well as follows the corporate governance guidelines for listed companies. The Board of Directors have governed according to the good governance principles and the regulations as set by the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). This policy is reviewed every year to ensure that it remains up-to-date, and is applied to all shareholders equally to ensure equality, transparency and adequate access to information.

The Board of Directors have also appointed sub-committee to oversee the internal control system, risk management and corporate governance, while encouraging all executives and employees to act with transparency and equality to ensure all stakeholders that the Company follows the good governance principles and, thus, will continue to grow sustainably. The Board of Directors has announced the 8 good corporate governance principles, as follows;

Principle 1 Role and Responsibilities of the Board of Directors as a leader conducive to sustainable growth

1. The Board of Directors understands its responsibilities as a leader that needs to make sure that the Company has good governance that includes the adequate designation of objectives, goals, strategy, operation policy and adequate resource management that contributes the fulfilment of the said objectives, while ensuring that the adequate evaluation, monitoring and report system is in place
2. The Board of Directors has announced policies that include the corporate governance policy and corporate social responsibility policy that is conducive to sustainability. These will encourage the Company's operation that is morally good, while remaining responsible towards all stakeholders and shareholders. Thus, the Company can attain its intended goals while reducing impact on the environment and remaining adaptable.
3. The Board of Directors has the duty to ensure that all directors and executives act with accountability and responsibility, the duty of care and the duty of loyalty, while keeping the Company's benefits above all. They have to follow the law, objectives, regulations and resolutions of the General Shareholders' Meeting, as well as the Company's policies. Adequate mechanism has to be set up towards this end. The policies that have to be followed include the Related Party Transaction Policy and the Anti-Corruption Policy, to name a few. Adequate mechanism also has to exist to approve important undertakings such as investment and any transactions that have significant impact on the Company like dividend payment.

4. The Board of Directors has to understand its roles, responsibilities and the limit thereof, and has to clearly define these of all sub-committees and executives. They also have to make sure that they fulfil their intended roles according to the Charter set by the Board, which is to be reviewed at least once a year to ensure compliance with the Company's direction.

Principle 2 The objectives and main goals of the Company must be sustainable

1. The Board of Directors must outline the objectives and main goals of the Company to ensure that it can grow alongside the society sustainably, creating values and benefits for itself, employees, partners, customers, shareholders, stakeholders and the society. The Board must communicate and encourage the objectives and main goals of the Company to be reflected in all undertakings at every level, essentially creating the corporate culture that follows good corporate governance.
2. The annual and long-term business objectives, goals and strategy must coincide with the Company's objectives, environment, factors and risks that may impact all stakeholders, and must ensure that adequate technology and innovation are used. Additionally, any undertakings must take into account the risk of unethical conduct and make sure that these objectives and goals are communicated throughout the Company.

Principle 3 The Board of Directors must be productive

1. The Board of Directors has the duty and responsibilities to define its own structure in terms of composition, qualifications, expertise, experience and size in order to remain suitable for the business. The proportion of independent directors must be defined to coincide with the objectives and main goals of the Company. The guidelines for these are as follows;
 - (1) The General Shareholders' Meeting appoints the Board of Directors, with tenure not exceeding 3 years. Director whose office has elapsed can be re-elected by the Shareholders' Meeting.
 - (2) The Directors must have the required qualities and must not possess any qualities deemed unsuitable by the law
 - (3) The Board of Directors must have a proportion that 1 in 3 directors is independent but the number of independent directors must not be less than 3. These directors have to be free from any supervision by the executives, major shareholders and must not have any stakes in the finance and management of the Company. They must have all the qualifications required as announced by the SEC and have the duty as required by the law and relevant regulations.
 - (4) Directors and high-level executives have the duty to report the information on their positions inside other PLCs, limited companies and other limited partnerships to the Company in ways deemed appropriate by the Board.
 - (5) The Board of Directors must define its own duty inside the Board of Directors's Charter. The relevant details such as the composition, appointment and tenure of the Directors have to be described inside the Charter.

- (6) The Board of Directors must disclose inside the annual report and the Company's website its policies on the appointment of Directors that are diverse in terms of experience and backgrounds such as age, education, experience, shares held, years in office and positions inside other listed companies.
 - (7) The Board of Directors must appoint a Company Secretary to function in the roles as required by the law, and other roles as required by the Board of Directors
2. The Board of Directors will appoint a suitable person as Chairman to ensure that the composition and operation of the Board remain conducive to independent decision-making with clear separation of responsibilities between the Directors and Company's management in order to ensure check-and-balance, adequate performance review and that the Company's management remains efficient and transparent. Details are as follows;
 - (1) The Board of Directors: have important roles in dictating the direction, policies and strategy in business operation to maximize profits for shareholders as well as to evaluate and monitor the operation of the Management to ensure that the relevant policies and strategy are followed according to the law, regulations, objectives and resolutions of the Shareholders' Meeting.
 - (2) Management Executives: have the duty to carry out effective management of the Company that coincides with the direction, policies and business strategy as laid out by the Board, as well as to fulfil day-to-day management in an orderly manner.
 - (3) Chairman of the Board: have the role as the leader of the Company with key roles in supervising and overseeing the operation of the Board in accordance with law and other regulations as specified in (1).
 - (4) Chief Executive Officer: have the power to oversee the Company's operation to ensure compliance with the policies as laid out by the Board within the boundary of the law, Company's regulations and the resolutions of the Board and the Shareholders' Meeting.
 - (5) President: function as the leader of the Company's executives with roles as laid out by the Board of Directors to carry out day-to-day management within the budget and plan as approved by the Board of Directors, while ensuring transparency and remaining free from the conflict of interest that may affect the Company or subsidiaries.
3. The Board of Directors must make sure that the appointment of Directors is done by transparent and clearly defined process to ensure that the Directors have all the required qualifications.
4. The Shareholders' Meeting has the power to determine the Directors' remunerations. Thus, the Board of Directors will make sure that the structure and pay rate as proposed to the Shareholders' Meeting remain appropriate, while providing the incentives for the Directors to successfully fulfil the Company's short and long-term goals.

5. The Board of Directors will ensure that all Directors have enough time to successfully fulfil their duties.
6. The Board of Directors will set up the framework to oversee the policies, mutual understanding of policies and operation of all partner companies and sub-companies that fit with their own profiles.
7. The Board of Directors will monitor and evaluate their own performance, and that of the sub-committees and individual directors annually to ensure compliance with the Good Practices. This is to evaluate the performance of the Board, and to review the challenges and problems faced during the past year. These reviews will be used to further enhance the operation of the Board of Directors.
8. The Board of Directors will make sure that each Director has adequate understanding of the roles, business nature and relevant laws, as well as encourage each Director to improve upon their own understandings regularly.
9. The Board of Directors will ensure that it remains able to fulfil their operation with adequate access to information, and that the person who is appointed as Company Secretary has the necessary experience and knowledge.
10. The Board of Directors will appoint its Directors as members of the sub-committees with special roles to ensure that the sub-committees remain productive. These memberships will have the same tenure as the tenure of each Director, with duties as follows;

(1) The Audit Committee

To fulfil the roles as required by the Board including the auditing of the Company's financial report, internal control system, adherence to the law, auditors' selection, disclosure of information and composition of the Audit Committee's report. The roles are described in the Audit Committee's Charter.

(2) The Executive Committee

To fulfil the roles as required by the Board including the day-to-day operation of the Company, the screening of policies, business plans, budget, management structure, the evaluation of the Company's compliance with the Board's policies and the formulation of business plans that coincide with business environments. These are then submitted for the Board's consideration. The roles are described in the Executive Committee's Charter.

11. The Board of Directors will ensure the disclosure of the information on the roles and duties of the Board of Directors and sub-committees, the number of meetings, attendance of each Director in the past year, and will add the said information into the performance report of all sub-committees.

Principle 4 Appointment and improvement of executives and personnel management

1. The Board of Directors will make sure that the Chief Executive Officer and high-level executives are appointed from the persons whose knowledge, skills, experience and attributes will contribute to the Company's success.
2. The Board of Directors will make sure that the structure of remunerations is defined and adequately evaluated
3. The Board of Directors must understand the structure and relationship between each shareholder that may impact the management of the Company to avoid potential complications that may affect the Board. They also have to make sure that the above-mentioned information is adequately disclosed.
4. The Board of Directors will make sure that personnel management is carried out in a way that encourages every employee to have adequate knowledge, skills, experience and incentives.

Principle 5 Innovation Promotion and Responsible Business Operation

1. Innovations conducive to the Company's value creation are to be encouraged by the Board of Directors, with responsibilities towards the society and environment. These are done by taking into account the ever-changing environmental factors that may include the Company's business model, thinking framework and views on how to improve the production, operation and partnership cooperation process.
2. The Board of Directors will ensure that the management is done by taking into account the Company's social and environmental responsibilities, as reflected by the Operational Plan. The Company must also operate by taking into account the Company's strategies and roles of stakeholders. The Board of Directors must also make sure that Company's operation is morally good and conducive to sustainable attainment of main objectives and goals. To this end, the Company will add the guidelines on how to interact with stakeholders into the business ethics policies, and will disclose the relevant information to these stakeholders in a timely manner.

The Board of Directors realizes the importance of the roles of stakeholders, and will interact with them—including shareholders, employees, customers, partners and the society—in a transparent, equal and suitable manner with guidelines, as follows;

(2.1) Shareholders, investors and analysts

All shareholders and investors are treated equally. The Board of Directors, executives and employees will fulfill their roles with transparency and with the Company's benefits foremost in mind, refraining from conflict of interest, misuse of Company's information and unauthorized disclosure of confidential information. Shareholders' rights are to be respected in terms of adequate access to Company's performance and other information.

(2.2) Employees

Employees are the Company's most valuable assets. The Company closely follows labor and welfare laws and remains committed to ensuring that all employees have good mindset, realize their duties and responsibilities, are proud and believe in the Company and in being a team player. The Company encourages their employees to participate in every training that is relevant to their works. The Company attaches importance to the wellbeing of employees, carrying out annual health check-ups for every employee, supporting safe workplace environment, ensuring adequate remuneration and welfare. Thus, these remunerations are made by taking into account individual employees' performance and the Company's overall operation in comparison to others' short-term and long-term performance in the same industry.

The Company is open to complaints from the employees should they be mistreated. This can be done through complaint box or through the human resource department. The Company also has the duty to ensure safe, sanitary and suitable workplace environment.

(2.3) Customers

Long-term partnerships and cooperation are formed with the customers on the basis of transparency and mutual trust. The Company has the duties to ensure maximum satisfaction for the customers. All executives and employees must fulfil this duty to make sure that the Company continues to offer quality products and continues developing new quality products for customers.

(2.4) Creditors

Good relationships are made with creditors on the basis of honesty, mutual trust and respect, while fulfilling all the terms agreed with the creditors.

(2.5) Partners

All partners are treated equally to ensure that the Company's business operation continues to be appropriate and generates mutual benefits, while being sustainable. The Company will select its partners by considering wide-ranging factors, from price, quality, environmental impact, technical expertise, compliance with law, moral quality, to fulfilment of contracts. The Company will ensure that partners' confidential information remains confidential, and will not use the information to seek more profits, except if the partners allow it.

(2.6) Society, community and environment

The Company realizes its responsibilities towards the society, community and environment. To this end, the Company seeks to create values for the society and preserve the environment by efficiently managing its resources, reducing energy consumption, while making sure that its operation does not interfere with the public quality of life.

The Company remains committed to responsible operation, existing in cooperation with society, ensuring corporate social responsibility and sustainability.

(2.7) Competitors

The Company will operate transparently and will not create unfair competitive advantage.

(2.8) Government agencies

Make sure that the Company follows relevant laws and regulations, while supporting the activities of government agencies. Products the Company offers must be quality products, coinciding with the standards set by the Government. Additionally, all interactions with government agencies have to be politically unbiased, as described in the Code of Conduct and the anti-corruption policy.

3. The Board of Directors will make sure that the management uses the Company's resources efficiently, taking into account the impact throughout the value chain in order to be able to sustainably attain its objectives and goals.
4. The Board of Directors will dictate the mechanism to regulate the use of corporate information technology, and to make sure that the information technology is used to improve business opportunities, operation, risk management and the attainment of the Company's objectives and goals.

Principle 6 Make sure that the risk management and internal control systems are in place

1. The Board of Directors will make sure that the Company has the risk management and internal control systems are in place in order to achieve the Company's objectives and ensures the lawful operation of the Company.
2. The Board of Directors will appoint at least 3 members to the Audit Committee, all of which have to be independent Directors and must not have any qualities as prohibited by the law. They must have the attributes as specified by the SEC and SET to ensure effective and independent operation. They will fulfill the roles as required by the Board of Directors, including financial auditing, internal control system auditing, selection of auditors, disclosure of Company's information and the formulation of the Audit Committee's report. These details are further elaborated in the Audit Committee's Charter.

3. The Board of Directors will see to it that any conflict of interest between the Company and the Management, the Board and shareholders is dealt with. This includes the misuse of Company's assets, information and opportunities as well as other transactions that involve Company's stakeholders in an inappropriate manner. These details are to be elaborated in the Code of Conduct and the international information usage policy.
4. The Board of Directors must have a clear anti-corruption policy, and communicate it to all levels of the Company to ensure implementation. The Board of Directors will conduct activities that promote anti-corruption and compliance with the law and relevant regulations.
5. The Board of Directors will set up a mechanism to receive complaints and to act on the information received with clear guidelines on how to do it. Complaint channels will be outlined in the Company's website and its annual report.

Principle 7 Financial trustworthiness preservation and information disclosure

1. The Board of Directors will make sure that financial report is made and disclosed in a correct, sufficient and timely manner in accordance with the relevant standards and regulations.
2. The Board of Directors will oversee that the Company has enough financial liquidity and capabilities to meet its debt obligations.
3. The Board of Directors will make sure that operation plans are made in the event of financial difficulties so that the problems are dealt with through mechanisms that take into account all stakeholders and operational plausibility.
4. The Board of Directors will formulate the sustainability report as needed in order to disclose its operation according to the law, charter, ethics, code of conduct and the anti-corruption policy. The Company will interact with its employees and stakeholders equitably, with respect to human rights, social and environmental responsibilities. These details may be disclosed in the annual report or in a separate report as deemed appropriate.
5. The Board of Directors will make sure that the Management has a division to deal with investors' relations to communicate necessary information to the investors, shareholders, analysts and other stakeholders in an appropriate, equal and timely manner.
6. The Board of Directors will encourage the use of information technology in disclosing information. In addition to the information released as required by SET, the Board will also disclose information, in both English and Thai, through other channels such as the Company's website in a timely manner.
7. The Board of Directors will make the transparent disclosure of information part of the Company's business ethics.

Principle 8 Support shareholders' participation and communication

Shareholders are crucial to the Company, and ensuring that all shareholders are treated equally and their rights respected are central to the Company. Their rights as shareholders are (1) the right to sell or transfer shares (2) the right to have dividends from the profits (3) the right to access adequate information through the Company's website or that of the SET or others (4) the right to attend and vote in the Shareholders' Meeting independently to appoint or relieve Directors, to determine their remunerations, appoint auditors, determine dividend payment, determine whether to increase the capitals or offer new shares, and the right to question the Board of Directors on the Board of Directors's report or on other topics on the table, the right to add to the meeting agenda, to nominate persons to be voted in as Directors, and to participate in important Company's consideration. All shareholders can vote based on the shares held, with one share equaling one vote.

The Board of Directors must be aware of the shareholders' rights, and will not do anything that will decrease these rights. The Board of Directors support the exercise of shareholders' rights through policies, as follows;

1. The Board of Directors will make sure that shareholders participate in important Company's considerations, including;
 - (1.1) Protect and respect the shareholders' basic rights, including the rights to share sales or transfer, dividend payment, adequate access to information, attend shareholders' meetings to appoint or relieve Directors, appoint auditors, adjust dividend payment, make or adjust regulations or the memorandum of association, increase or decrease capitals, as well as approve special articles.
 - (1.2) Support and encourage the use of shareholders' rights during the General Shareholders' Meeting, including the rights to add to the meeting agenda, nominate persons as Directors, send questions to the meeting, explain their opinions and ask the Board. The Board must also facilitate minor shareholders' participation in Director nomination by opening channels to receive the profiles and letters of consent from the nominee to the Chairman based on relevant regulations and process.
 - (1.3) Make sure that shareholders are invited via letter to the shareholders' meeting with date, time, venue and agenda clearly defined. Relevant documents must also be released on the Company's website beforehand according to the law and relevant regulations. The notice of Annual General Meeting must be available in both English and Thai.
 - (1.4) Support the use of proxy form in a way that shareholders can participate in voting via the use of the Proxy Form A, B and C (Proxy Form for Custodians) to encourage the exercise of rights of those who could not attend the meetings in person. To this end, independent Directors are asked to attend the meetings in the absent shareholders' steads.
 - (1.5) Refrain from doing anything that may infringe upon the rights of shareholders in accessing adequate information. This information must be readily accessible based on relevant regulations. No agenda or documents will be presented without advance notice to the shareholders, for instance.

- (1.6) Facilitate the shareholders' exercise of rights such as making important information available via the Company's website.
2. The Board of Directors will ensure the orderly organization of shareholders' meeting in a transparent and convenient manner.
- (2.1) Facilitate the exercise of shareholders' rights in voting, and the Board will refrain from doing anything that may prohibit shareholders from participating. If a shareholder cannot participate, proxies must be permitted to attend.
- (2.2) Inform via letter the shareholders in advance on how to attend the meeting. Meeting facilitators have to use the regulations as specified in the letters, with all voting process being priority informed and elaborated in terms of procedures. This elaboration must be in the annual meeting's report.
- (2.3) Hold the meetings in an appropriate manner that allows shareholders to ask questions relevant to the agenda or the Company. Chairman must ask the attendees in each agenda item whether anyone want to make inquiries, and those inquiries, as well as their responses, must be documented in the annual meeting's report.
- (2.4) The meetings must proceed according to agenda priorities, and shareholding director will not add any unnecessary agenda, especially those agenda that requires careful inspection before proper consideration.
- (2.5) Support the use of technology in holding meetings such as barcode, voting cards and others. Technology can be used in registering shareholders and counting votes so that the voting can be done in a timely, transparent and accurate manner. All voting and its details must be elaborated in the annual meeting's report.
- (2.6) Independent persons must be appointed as witnesses of all vote counting, or may function as vote counters / checkers. These persons include company auditors or legal consultants, who, after the counting finishes, must declare the result to the meeting and add the result to the annual meeting's report.
- (2.7) The Annual Shareholders' Meeting is of central importance to the Company. Thus, all Directors are encouraged to attend to show respect to shareholders.
3. The Board of Directors will ensure the timely and complete disclosure of the shareholders' meeting report, including;
- (3.1) Make sure that the date, time, venue, agenda and relevant information of the shareholders' meeting are made available in advance before the meeting, with enough time for shareholders to study the information via the Company's website or letters before attending the meeting.

- (3.2) After each shareholders' meeting, the Director will ensure that the details of the meeting—including its attendance, resolution, inquiries and opinions—are compiled into the "Shareholders' Meeting Report," which are then made available on the Company's website and sent to the SET and /or other relevant agencies within 14 days after the meeting in accordance with the regulations by the SET and SEC. The general public must also be able to access the meeting resolution and voting results via the SET's system within the legally specified timeframe based on the regulations of the SEC and SET.
- (3.3) Encourage the exercise of shareholders' rights by disclosing information via the Company's website in advance. Documents with important information will not be presented for the first time during the meetings, and the Company will not add to agenda or change important information without prior notice.
- (3.4) Ensure that the shareholders receive adequate information that is up-to-date via the Company's website regularly.

6.2 Business Ethics

Business Code of Conduct

1. The Company will adhere to the law used to govern commerce and will conduct itself in the most honest and correct manner, even if the law does not expressly demand.
2. The Company believes that honest and morally good conduct is the right way to do business. Thus, it will continue to do good for the society, general public and environment.
3. The Company will respect the customs, culture and traditions of Thailand.
4. The Company will conduct itself honestly, with accurate accounting, transparent and efficient budget usage, evaluation of all investment projects in an honest and transparent manner, with nondiscriminatory and equitable practices in interacting with customers, and follow the law and regulations closely.
5. The Company will not disclose any customers' information unless required by law.
6. Customers can make complaints if products are found to be damaged. Adequate information on products and services is also made available, and if any agreements are found to be untenable, customers must be informed in advance to work out the solutions.
7. The Company seeks honesty from employees from all levels in following the policies, accounting procedures and other internal control measures. If employees find potential violations that may result in corruption or damages, they must inform their superiors at once.

Prohibition and Practice Guidelines

The Company prohibits the employees to carry out any acts that may damage themselves or the Company, as follows;

1. Must not embezzle the Company's time to do anything irrelevant to work
2. Must not operate any businesses that compete with the Company, be they for their own interest or others'. This includes being a major shareholder in companies that may affect the Company, both directly and indirectly
3. Must not conduct themselves in a way that may damage the Company's reputation
4. Must not give false statements or conceal the Company from any facts
5. Must work recklessly or do anything that may negatively affect their roles as good executives
6. Must not conceal any information for their own gains, which may damage the Company
7. Must not do anything that prohibits the rightful undertakings of the Company or issue any orders that require the employees to do wrong
8. Must not violate property and criminal laws that may damage themselves or others whether knowingly or unknowingly.
9. Must not disclose their pay rates or pay increase to others whether knowingly or unknowingly
10. Must not give bribes whether directly or through third parties, and must not use their influence incorrectly towards government representatives, partners or customers
11. Must not adjust the content of any documents that may change the meaning of the documents and may affect the accurate documenting of accounts
12. Must not make transactions or hold business activities which can be interpreted as intending to do things other than those specified by the transaction documents
13. Must preserve the Company's intellectual property, including those obtained through employees
14. Must not do anything that constitute abandonment of duties so that to allow others to seek gains from the Company, including access to the computer and data system without the Company's express permission.

Disciplines and punishments

1. If the violation is not serious and is the first time, the executives and employees will be warned in writing that indicates the nature of violations as well as the intents behind them. These persons can challenge these warnings and appeal to the disciplinary committee—convened by orders of managing directors—who has the final decision in all disciplinary matters.
2. If the violation is serious, or non-serious but is repeated or is a violation that is the result from reluctance to correct their own wrong (as described in 1.), the executives and employees in question may get severe disciplinary action that may include dismissal. Serious violations include bribery, disclosure of confidential information, fraud, disclosure of intellectual properties to third parties or anything that severely damage the reputation of the Company, including the concealment of information or important documents from their superiors. The disciplinary actions for this may include dismissal without compensation and without written warning in advance.

The disciplinary punishments are elaborated in the Company's work regulations.

6.3 Important changes and development in policies, guidelines and corporate governance system in the past year

The Board of Directors realizes the importance of good corporate governance. Thus, the corporate governance, business ethics and anti-corruption policies are enacted to serve as the Company's important policies. These will be reviewed at least once a year to ensure that it remains up-to-date and in accordance with the guidelines set by SET and SEC. In 2022, the following have been carried out;

1. Review the good corporate governance policy and the guidelines on good corporate governance in order to make them relevant to the current business landscape
2. Review the Board's and every sub-committee's Charters to clarify the scope of responsibilities
3. Review the anti-corruption and important policies of the Company to ensure that it remains up-to-date to the current business landscape

7. Corporate Governance Structure, Important Information on the Directors, Members of Sub-Committee, Executives, Employees and Others

7.1 Corporate Governance Structure

The Company's management structure is the responsibility of the Board of Directors to appoint and review in terms of size, composition and the suitable number of independent Directors with a view to achieve the Company's objectives in having a check and balance system with accountability. Power is shared among the Directors, while the Audit Committee helps to screen important tasks. The management (administrative) functions as the executives of the Company, consisting of the Executive Committee, Managing Director, Deputy Managing Director, Assistant Managing Director and Director. They have the authority to appoint sub-committees and specify the power of the Managing Director. These have to be written in charters and in the duty and responsibilities of the Managing Director. These then have to be approved during the Board of Directors's Meeting, with the Company Secretary functioning as the law requires and as the Board of Directors determines.



7.2 Directors' Information

7.2.1 Composition

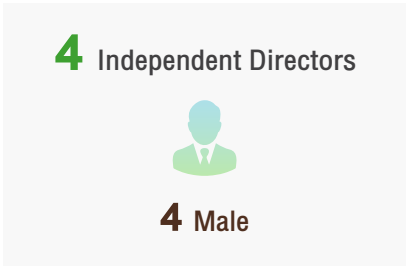
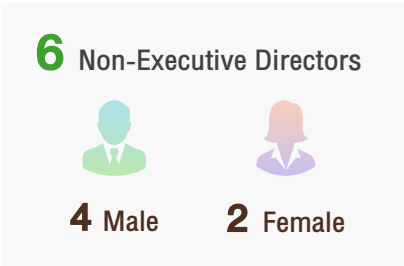
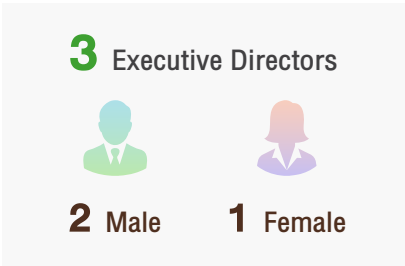
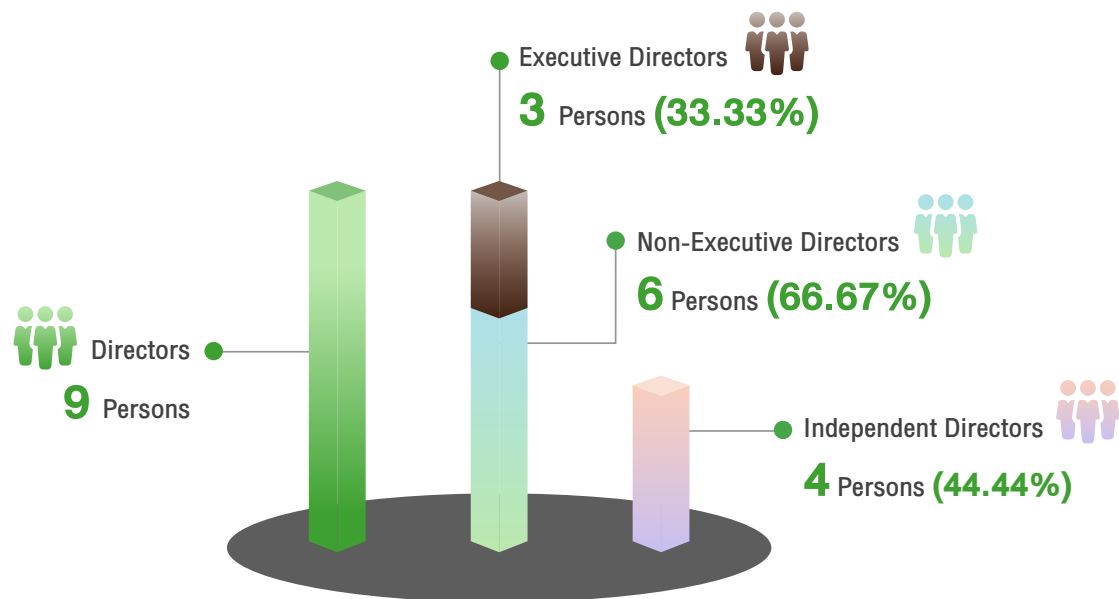
The Board of Directors functions to oversee the management to ensure that it follows good corporate governance principles to maximize the benefits of the Company and shareholders according to the law, policies, objectives, regulations and the shareholders' meeting resolutions. The Board has to act in a responsible, careful and rational manner. Their positions must not cloud their judgements and thinking process.

The Board of Directors consists of knowledgeable persons with diverse skills and experience and without gender discrimination. The Board must understand their roles and responsibilities of their office, as well as the Company's operational characteristics, as follows;

1. Check and Balance The Company specifies that the Board of Directors may not be made up of less than 5 Directors, with qualifications as a normal person with the following qualities;

- (1) Is of legal age
- (2) Is not a bankrupt person, an incompetent nor quasi-incompetent person
- (3) Has not been jailed as a result of a court's judgement regarding legal assets
- (4) Has not been dismissed or dishonorably discharged from government agencies as a result of fraudulent activities

In 2022, the Board of Directors consists of 9 Directors, which are;



4 in 6 Non-Executive Directors are independent Directors, and among them, 3 are members of the Audit Committee. The Chariman of the Board is an independent Director. All Directors are committed to their jobs as set by the Board of Directors and shareholders. They are free to give opinions, consider and decide on various matters with the Company's interest in mind.

The Company has compiled the Board Skill Matrix to document the diverse skills and expertise of the Board, especially those that coincide with the Company's business operations and needs. The directors have all qualifications as specified by the law, without the discrimination in terms of gender, nationality and religion.

Expertise	Total Directors with Expertise
Business and Marketing	
Risk Management	
Crisis Management	
International Competition	
Economics and Banking	
Accounting and Finance	
Research and Development	
Information Technology	

2. Director tenure follows the Company's regulations. Once their office is completed, they may be reelected. The Board will recruit and screen the persons fit to be a Director. He/she has to be knowledgeable, skilled, experienced in a wide range of areas as required by the Company's.

The Company has disclosed the names of the Directors and in case if they are independent Directors, **their backgrounds, experience, number of shares held and the total time spent in the capacity of Directors.** Information on whether the Directors also hold the position of directors for other companies is also elaborated. The said profile is in attachment 1: details regarding executives and directors. At present, the current Directors hold office in no more than 5 listed companies.

3. Merger and separation of positions the Chairman of the Board of Directors must not be the same person as the Managing Director, but need to be separate to ensure check and balance, and clear separation of duties with the Chairman being the lead policymaker and supervisor for the Management, as well as chairing the Board's Meeting and Shareholders' Meeting. Directors must be allowed to express themselves freely and shareholders must be permitted to make inquiries. The Chairman of the Executive Committee is the same person as the Managing Director, with the former role being the key managing and planning executive to ensure compliance with the Board's policies, while the Managing Director ensures that all operations follow the guidelines, policies and responsibilities of the Managing Director. The Company also defines the separation of powers of each committee in the form of each committee's charter with clear specification of the Managing Director's role and responsibilities to ensure transparency.

4. The Company's Director must not be one of the partners of the external auditor hired by the Company.

5. Independent Directors in the Board of Directors must not simultaneously hold directorial offices in 5 listed companies.

In the past year,

- No serious violations of regulations are found in accordance with the regulations announced by the SEC and SET.
- No instances of corruption or moral misconducts are found
- No resignations of Company's directors are filed because of incidents involving corporate governance, serious damage to Company's image or failure to adequately oversee the operation of the Company

7.2.2 Directors and Executives' Information

Names of the 9 Directors as listed in the Ministry of Commerce's certificate dated 31 December 2022 are as follows;

Name – Surname	Positions	Begin Date
1. Mr. Nilsuwan Leelarasamee	Chairman of the Board	4 July 2016
2. Mr. Thasana Boonkwan	Director	4 July 2016
3. Mr. Phonseang Saebe	Director	24 March 1998
4. Miss Amornrat Ketvisate	Director	31 October 2005
5. Mr. Kittti Wachirajirakorn	Director	1 July 2021
6. Mr. Comepisith Ratchatakanjanemas	Director	4 July 2016
7. Mr. Sunti Chirawatthanagkoon	Director	4 July 2016
8. Mrs. Nusara Ma	Director	4 July 2016
9. Miss Monthira Saebe	Director	4 July 2016

Mr. Kittti Wachirajirakorn also functions as Company Secretary since 14 May 2021.

Directors with authority to sign documents on behalf of the Company

Two of these four Directors must co-sign and impress the Company's seal

1. Mr. Phonseang Saebe
2. Miss Amornrat Ketvisate
3. Mrs. Nusara Ma
4. Mr. Kittti Wachirajirakorn

7.2.3 Roles of the Directors

Roles and Responsibilities of the Board of Directors

- 1) Fulfil their roles while following the law, objectives, Company's regulations and the shareholders' meeting resolutions honestly to preserve the Company's interest
- 2) Consider important matters pertaining to undertakings of the Company such as the vision, mission, strategy, financial goals, risk, operational plan and budget, as well as monitoring and supervision, and make sure that the Management fulfils their functions while following the policies and operational plan, with a view to maximize economic value and shareholders' wealth.
- 3) Monitor and evaluate the performance of the Management, as well as specify the remuneration and review the continuity plan
- 4) Formulate the corporate governance policy, approve such policy and carry out regular review and implementation review of the policy.
- 5) Formulate the business ethical code to ensure compliance among the Directors, executives and all employees. Foster the understanding of the business ethics and follow up on the implementation of the ethics
- 6) Carefully consider any matters that may have the conflict of interest with clear guidelines to preserve the Company's and shareholders' interest. Ensure compliance with the guidelines on how to deal with and disclose information on matters that may contain potential conflict of interest
- 7) Establish an operational control system in terms of financial report and observance of rules, regulations and policies, and ensure that independent persons are appointed to evaluate the said control system with periodic review.
- 8) Formulate the risk management policy to be applied Company-wide, with the Management being the one responsible for the policy implementation and regular reports to the Board. The risk management system is to be regularly reviewed every time any factors change that may affect the Company's direction or if any suspicious activities are found
- 9) Formulate the anti-corruption policy and make sure that support system exists to help employees at every level realize the importance of the policy with regular reviews being held to evaluate the appropriateness of the policy
- 10) Appointment sub-committee or any persons to help in monitoring, evaluating and controlling the administration of the Company. Evaluate the performance of the sub-committee or give extra power to the sub-committee to carry out specific tasks within a specified timeframe as the Board sees fit.

However, the powers given to the sub-committee or persons as described above must not involve any powers that make them capable of approving any matters that contain conflict of interest involving the Company. The shareholders' meeting needs to approve any matters that involve the purchase or sale of Company's property in accordance with regulations laid out by the SEC and / or SET. In the event that any matters containing potential conflict of interest come up, the Directors and persons that are involved in the said conflict of interest may not vote or approve such matter.

The Board of Directors may consider empowering any sub-committees or persons to make transactions that involve the day-to-day operation and / or investment of the Company with a clearly defined scope of power and budget. Empowerment without specified budget limit is not permitted.

- 11) Appointment the Company Secretary to carry out tasks on behalf of the Company or the Board such as the Board's registration, Board's meeting invitation, and the shareholders' meeting invitation.
- 12) Compose an annual Board report and oversee the formulation and disclosure of financial report that exhibits the financial status and operation of the Company in the past year, and submit these reports for the shareholders' information

In 2022, the Board of Directors held a total of 7 meetings to review the vision, mission, goals and value of the Company. The Board discerned that they are still relevant to the present business landscape. The Board also makes sure that common objectives, business and budget policies are defined to serve as the Directors', executives' and employees' common goals, with regular review to evaluate compliance with relevant laws, regulations, and charters. The attendance of individual Directors is described in the Attendance and Individual Directors' Remunerations section.

Chairman

The Board of Directors select 1 of its members to serve as the Chairman.

Roles and Responsibilities of the Chairman are as follows;

- 1) Take responsibility as the leader of the Board in overseeing the operation of the Board and sub-committee
- 2) The Chairman in the Board's meeting. In the event of voting deadlock, the Chairman has the final say.
- 3) Call the Board of Directors's meeting, or may appoint others to function in his/her stead
- 4) The Chairman in the shareholders' meeting and control the meeting in compliance with the Company's regulations on meeting and meeting agenda, except in the case that 2 in 3 of the shareholders vote to move up or move down the agenda items.
- 5) Other tasks as specified by the Board of Directors

Roles and Responsibilities of the Managing Director

- 1) Function as the decision maker in important matters concerning the Company, in outlining the mission, objectives, guidelines and policies, as well as in overseeing overall operation, customer's relations and directly answer to the Board
- 2) Approve transaction, project funding, investment and sale or purchase of the Company's properties once approved by the Executive Committee or the Board of Directors under a pre-set budget
- 3) Consider matters pertaining to the Company's capital accumulation and submit to the Executive Committee for approval
- 4) Hire, ask to resign, dismiss, specify pay rate, bonus, pay raise, and remunerations for all employees from the Deputy Director downward.
- 5) Act as a representative of the Company when interacting with outside parties in matters that are beneficial to the Company
- 6) Conduct day-to-day administration of the Company
- 7) Conduct other duties as instructed by the Board of Directors, the Audit Committee, the Risk Management Committee and the Executive Committee
- 8) Can empower other persons to act on his/her behalf but this empowerment has to fall within the scope as specified by the Power of Attorney Letter, or according to the relevant regulations, guidelines or the Board of Directors's orders

7.3 Profile of the Sub-Committee

7.3.1 Structure and Composition

The Board of Directors is responsible for the specification and review of its own structure, including its size, composition, suitable independent director composition, structural clarity, check and balance system, and accountability. Powers may be transferred between the Board, sub-committee and the Management, with the Board of Directors's structure consisting of the Board of Directors, Audit Committee and the Executive Committee.

(1) Audit Committee

The Board of Directors may appoint 3 Directors who have the qualifications as announced by the SEC and are independent to serve in the Audit Committee. Its roles are to support the Board's duty in overseeing good corporate governance in terms of financial report, internal control system, internal inspection, risk management, anti-corruption policy implementation and the adherence to relevant laws and regulations. The Audit Committee comprises the members as follows;

Name – Surname	Positions
1. Mr. Thasana Boonkwan	Chairman of the Audit Committee
2. Mr. Comepisith Ratchatakanjanemas	Audit Committee
3. Mr. Sunti Chirawatthanagkoon	Audit Committee

Mr. Kittu Wachirajirakorn functions as the Audit Committee Secretary

The Audit Committee's office term is 3 years, but the members whose terms have elapsed are eligible to be re-nominated and reelected.

Audit Committee's Qualifications as specified in the Charter

- 1) Possesses no more than 1 percent of the total voting shares of the Company, including the shares owned by their affiliates
- 2) Is not a Director who has been instructed by the Board of Directors to make policies or have power pertaining to the Company's management. Is not an employee or consultant that receives salaries from the Company, its major shareholders, those with controlling power over the Company or other legal persons with conflict of interest—be they during or less than 2 years before the beginning of their tenure
- 3) Are not kin by blood or by marriage or by kinship of other Directors, Executives, major shareholders, those with controlling power over the Company or any persons who are to be nominated as Directors, Executives or those with controlling power

- 4) Do not possess any business relationship with the Company, major shareholders or those with controlling power in a way that may interfere with unbiased decision-making. Is not or not used to be a significant shareholder or those with controlling power over the Company's partners and major shareholders, except if those qualities have elapsed for more than 2 years. The mentioned business relationships include commercial transaction, leading or leasing, financial assistance, surety or any other similar relationships that require the Company to pay debts in a proportion of more than 3 percent of the total tangible assets of the Company or more than 20 million THB. The calculation method pertaining to this is the same as that used to calculate the related subjects according to the SEC's announcement regarding the simplified related subjects. This debt includes those starting to exist no more than a year before the beginning of business relationships with the mentioned persons.
- 5) Is not or not used to be the auditor of the Company, major shareholders or those with controlling powers. Is not a significant shareholder or partner of the audit company that has a contract with the Company, major shareholders or those with controlling power, except if that quality has elapsed for more than 2 years.
- 6) Is not or used to be persons who provide any services relating to legal or financial counsel that has received more than 2 million THB per year from the Company, major shareholders or those with controlling power. Is not a significant shareholder or partner of the audit company that has a contract with the Company, major shareholders or those with controlling power, except if that quality has elapsed for more than 2 years.
- 7) Is not a Director who has been appointed as the representative of the Board, major shareholders, and the shareholders who are related to major shareholders
- 8) Does not own or is not affiliated with any companies that have similar or competitive characteristics in comparison to the Company. This includes being an employee, staff, consultant or managing directors or shareholders who hold more than 1% of the total voting shares of the Company that has similar characteristics and is competing with the Company or its subsidiaries
- 9) Does not possess any other characteristics that may inhibit independent opinions with regards to the Company's operation

Roles and Responsibilities of the Audit Committee

- 1) Ensure that the Company produces a financial report (quarterly and annual) in a correct and adequately transparent manner, with prior disclosure of information to the Board of Directors.
- 2) Ensure that the Company has an internal control and inspection system that is sufficient and efficient, while considering the independence of internal audit agencies and giving approvals to the transfers and dismissals of any heads of the internal audit agencies or other agencies with internal audit roles
- 3) Ensure that the Company has an efficient and adequate risk evaluation and management system
- 4) Ensure the Company's compliance with the Securities and Exchange law and other regulations as laid out by SET or any other relevant business laws

- 5) Consider the appointment of suitable persons as the Company auditors, and designate their remunerations, while communicating with the auditors to outline the objectives, scope, guidelines, plans and problems that occur during the audit, as well as other points that the auditors deem important. Participate in a meeting with auditors without the presence of the Management at least once a year
- 6) Consider subjects that are related parties transaction or may have conflict of interest in a correct and complete manner in accordance with the law and regulations of the SET. Disclose the data on Company's transactions to make sure that they are rational and answer to the Company's benefits
- 7) Audit the correctness of all reference documents and self-evaluation forms pertaining to anti-corruption measures
- 8) Produce the Audit Committee report and disclose it inside the Company's annual report, in which the Chairman of the Audit Committee must sign, with details as follows;
 - Opinions on the correctness, completeness and believability of the Company's financial report
 - Opinions on the sufficiency of the Company's internal control system
 - Opinions on the Company's risk management system
 - Opinions on the Company's adherence to law regarding the Securities and Exchange law, regulations set out by the SET or other business laws
 - Opinions on matters of potential conflict of interest
 - Total number of the Audit Committee meeting held as well as their attendance
 - General suggestions and observations of the Audit Committee are to be outlined
 - Other topics that the shareholders and general investors deem appropriate within the Audit Committee's framework and responsibilities as instructed by the Board.
- 9) Fulfil other roles as instructed by the Board of Directors and approved by the Audit Committee
- 10) Ensure that the internal audit agencies closely follow the inspection plan as approved by the Audit Committee. Audit the scope of internal audit effort to ensure that all parties carry out their duties as intended
- 11) Consider and approve the Audit Committee's charter before submitting to the Board of Directors for approval with its suitability reviewed at least once a year

In 2022, the Audit Committee consisted of 3 members, **with 1 member having the expertise in accounting and finance**. The Committee held a total of 4 meetings with a 100% percent attendance rate. The Committee also submitted the audit reports to the Board's meeting every quarter, with the "Audit Committee Report" being drafted to showcase its annual performance and to be disclosed in the 56-1 One Report.

(2) The Executive Committee

the Board of Directors appoints its members to serve in the Executive Committee. Appointees must be skilled and experienced in managing the Company's operation. The Executive Committee functions as the Management, overseeing the overall operation of the Company as instructed by the Board in a responsible, transparent and rational manner. The Executive Committee consists of members as follows;

As of 31 December 2022, the Executive Committee consists of 3 members:

Name – Surname	Positions
1. Mr. Phonseang Saebe	Chairman of the Executive Committee
2. Miss Amornrat Ketvisate	Executive Committee
3. Mr. Kittti Wachirajirakorn	Executive Committee

Ms. Suratchanee Prachanuchit serves as the Executive Committee Secretary.

Roles and Responsibilities of the Executive Committee

- 1) Specify the vision, mission, policies, strategy, business plans, budget, management structure and management power and submit them for the Board of Directors's approval. Carry out their duties as approved by the Board of Directors. Inspect and follow up on the said operation to ensure efficiency
- 2) Oversee all matters that concern the day-to-day operation of the Company
- 3) Approve any contracts or transactions that concern the day-to-day operation of the Company (such as the purchase, investment and joint venture with other parties that constitute normal transactions of the Company for the benefits of the Company according to its objectives) under a specified budget limit as described in the Company's transactional power.
- 4) Approve the loans, pledging and credit applications from financial institutions or approve the surety of the Company or subsidiaries (if applicable) under a specified budget limit as described in the Company's transactional power.
- 5) Approve the appointment of consultants necessary for the Company's operation within a specified budget as approved by the Board of Directors annually
- 6) Specify the framework and policies for salary specification, pay rise, bonus payments, remunerations and other incentives for employees and executives (except the high-level executives)
- 7) Carry out other duties as instructed by the Board of Directors or according to the Board's policies

- 8) Empower other persons to carry out any activities on behalf of the Executive Committee. This empowerment may not be in a way that it would allow the Executive Committee or proxies to approve any subjects of potential conflict of interest, except if the subjects are in accordance with the policies laid out by the Board of Directors's meeting.

In 2022, the Executive Committee consisted of 3 members, with the meeting's attendance rate of 100% (out of the 12 meetings held). The Executive Committee has carried out its functions according to the charter and approve every subject according to the power bestowed upon it, and any subjects that are beyond its scope of power would be discussed before submitting to the Board of Directors for their approval.

7.4 Profile of the Executives

7.4.1 Management Team

As of 31 December 2022, the Company has 5 executives as follows;

Name – Surname	Positions
1. Mr. Phonseang Saebe	Managing Director
2. Miss Amornrat Ketvisate	Deputy Managing Director
3. Mr. Kittti Wachirajirakorn	Vice President - Finance & Operation
4. Miss Phatraporn Kaweesuttikul	Manufacturing Director
5. Miss Irin Phatthawatwekin	Sales and Marketing Director

Disclaimers :

1. Mr. Veerachai Noppaprach resigned from his position Sales and Marketing Director on 31 December 2021.
2. Miss Irin Phatthawatwekin assumed the position as the Sales and Marketing Director on 1 March 2022.

7.4.2 Remunerations for the Executives

The Company has criteria for remunerations for the Executives based on the knowledge, skills, experience and past achievements in comparison with those of comparable companies.

The Board of Directors will determine the remunerations for the Managing Director by taking into account the evaluation based on the KPI of the Company and the 360 Degree evaluation result. The Managing Director will determine the remunerations for High-Level Executives by taking into account their evaluations based on the KPI of the Company, in accordance with the policies and criteria of the Company.

7.4.3 Total Remunerations for the Executives

In 2022, the remunerations for the 5 Executives (excluding the accounting supervisor) are as follows;

(1) Monetary Remunerations

Year	Modes of Payment	Total(Person)	Total (Million Baht)
2020	Salary, Bonus and Others	4	11.229
2021	Salary, Bonus and Others	5	14.624
2022	Salary, Bonus and Others	5	16.253

Disclaimers : Other remunerations include position perquisites, vehicle allowance and social security contributions.

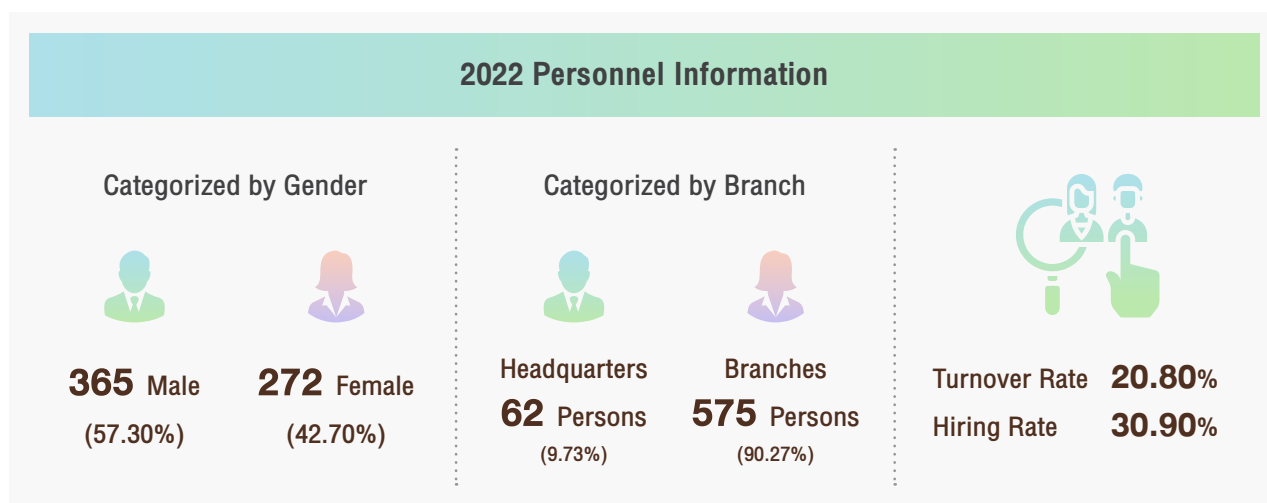
(2) Other Remunerations

The Company has set up a provident fund, with contributions ranging from 3 – 5% of the salaries. In 2022, the 5 Executives have received a total of Baht 500,899.26 in provident fund, while in 2021 and 2020, they received a total of Baht 425,604.15 and Baht 317,621.52, respectively.

7.5 Information on the Employees

As of 31 December 2022, the Company has 637 employees (excluding High-Level Executives), with details as follows;

Main Lines of Work	Total (Persons)		
	2020	2021	2022
1. Headquarters	53	56	62
2. Branches	510	484	575
Total	563	540	637



Employee Remunerations

(1) Monetary Remunerations

In 2022, the Company paid remunerations to employees in the forms of salary, bonus, overtime and others, totaling Baht 122,047,681.86.

Disclaimers : Other Remunerations include position perquisites, skill perquisites, commission, transportation allowance, phone bill allowance and incentives.

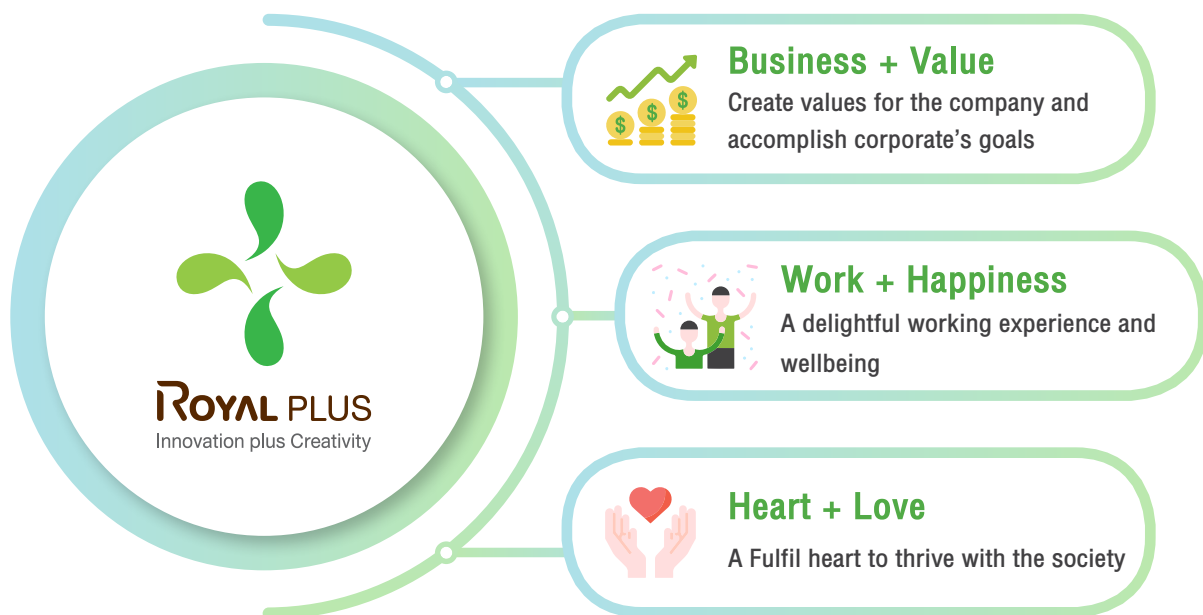
(2) Other Remunerations

The Company set up provident fund with the BBL Assets Management Co., Ltd. under the name “Sinsathaphon Provident Fund” on 15 February 2015. In 2022, the Company designated that the provident fund contributions would be 3 – 5% of the employee’s salary, based on how long they have worked for the Company. The 2022 contributions stood at 1,292,562.43THB for a total of 192 employees (93.66% of total employees), whose probationary period has elapsed, who were members of the Provident Fund.

Human Resource Policy

All employees are important assets and resources of the Company, are the main factors in contributing to the Company's competitiveness as well as its efficient and productive operation. For the past 24 years, the Company has believed that the Company's sustainability can only be attained by having employees who are productive and happy. Thus, the Company has enacted the strategic plan on personnel as one of the Company's main missions in accordance with PLUS' values of "think positive, be loyal and united, towards sustainability," to serve as a key tool to steer the Company towards security and sustainability, while also serving as a tool to help steering the Company towards the achievement of its goals. The plan also contributes to even closer cooperation between the executives and employees with a view to achieve the Company's goals with a happy work spirit.

In formulating the strategic plan on personnel, the Company took into account the values of all employees to make sure that the plan could sustainably contribute to a better living quality and happiness, under the 3 main missions of the Company, namely;



Under these 3 missions, the Company has enacted the policy concerning personnel as a tool to lead every employee towards the goal of becoming a productive and happy employee with social, communal and environmental responsibilities. This would contribute to the sustainable development according to the Company's good corporate governance principles.

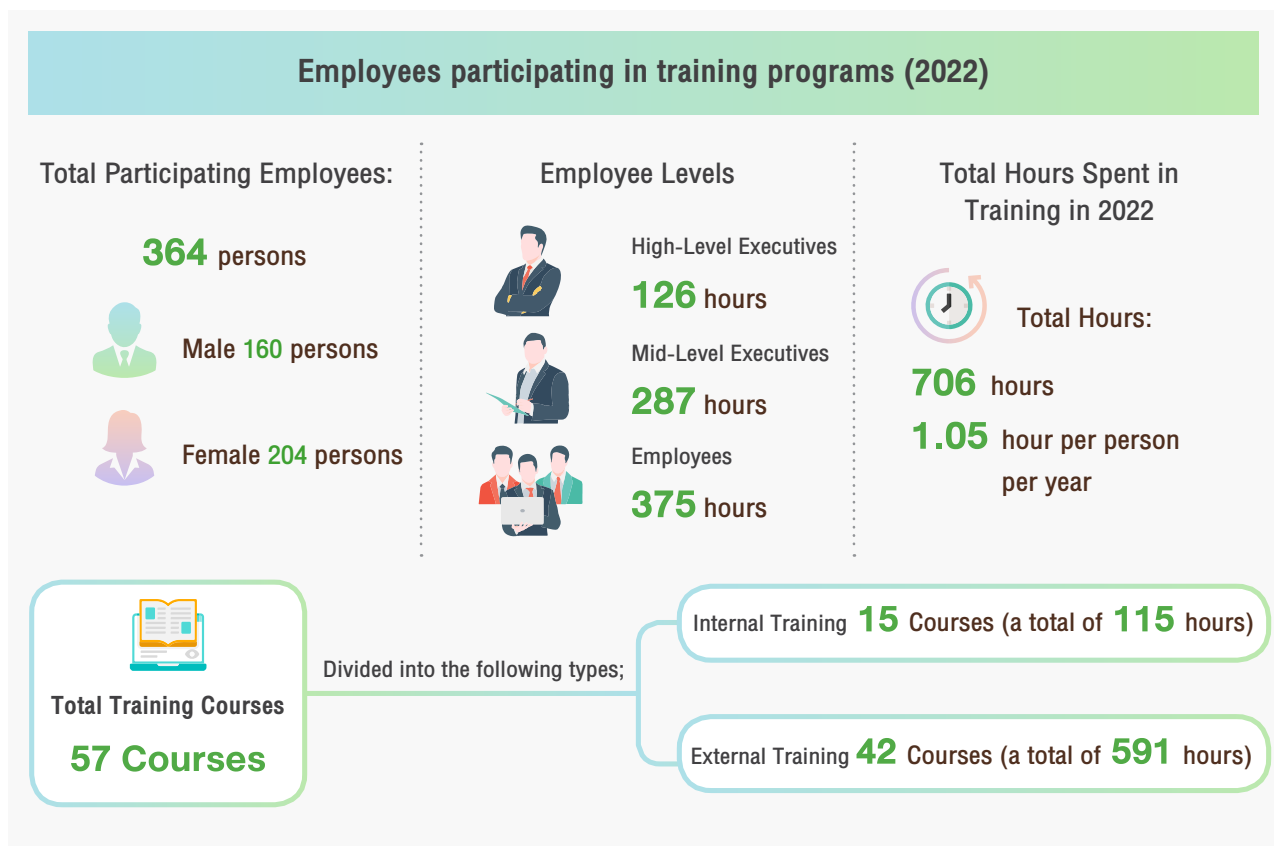
Knowledge Management and Personnel Development

The Company has a policy to train the skills of employees to accelerate their career growth. Skillful employees will be considered and appointed to suitable positions, while the Company remains committed to organizing training programs for employees to equip them with the necessary capabilities to adapt to changes and to succeed in their careers going forward, to reduce the turnover rate and to preserve the Company's valuable human assets.

The Company has outlined the guidelines to develop its personnel under the new way of working to coincide with contemporary situations, including the emergence and subsequent resolution of the COVID-19 Pandemic as well as the current economic situations that have raised the cost of living for employees. Additionally, the Company also seeks to expand further with more targeted markets on the radar. To this end, the Company gives great importance to training because it can increase the employees' efficiency and work speed. Knowledge management and personnel development are key to fostering employees' skills, capabilities and positive mindsets that will heighten the employees' productivity as well as brighten their career paths.

The training programs are divided into 2 main groups, which are;

1. Functional competency development program
2. Mandatory program



Fostering Work-Life Balance during the COVID-19 Pandemic

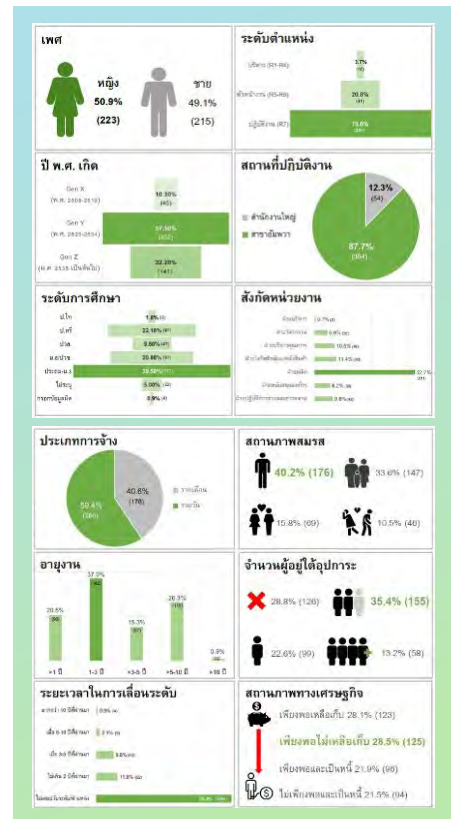
The Company has issued guidelines to ensure good health and safety of the employees during the COVID-19 Pandemic by outlining measures to safeguard their wellbeing and prevent the spread of the virus inside the Company

- Employees can choose to work from home with necessary equipment provided by the Company to ensure productivity.
- Equipment needed to protect the employees against the virus is provided such as face masks, alcohol sand sanitizers and the Antigen self-test kit (ATK).
- Measures are put in place to ensure the wellbeing of the employees who cannot work from home such as the cleaning of frequently used surfaces, flexible work hours to reduce office's crowdedness, flexible lunch breaks and dining and office table barriers.
- All employees are offered free COVID-19 vaccinations to reduce the risk of infection and the severity of the disease.
- Measures are put in place to regulate how employees and outside persons enter and leave the workplace

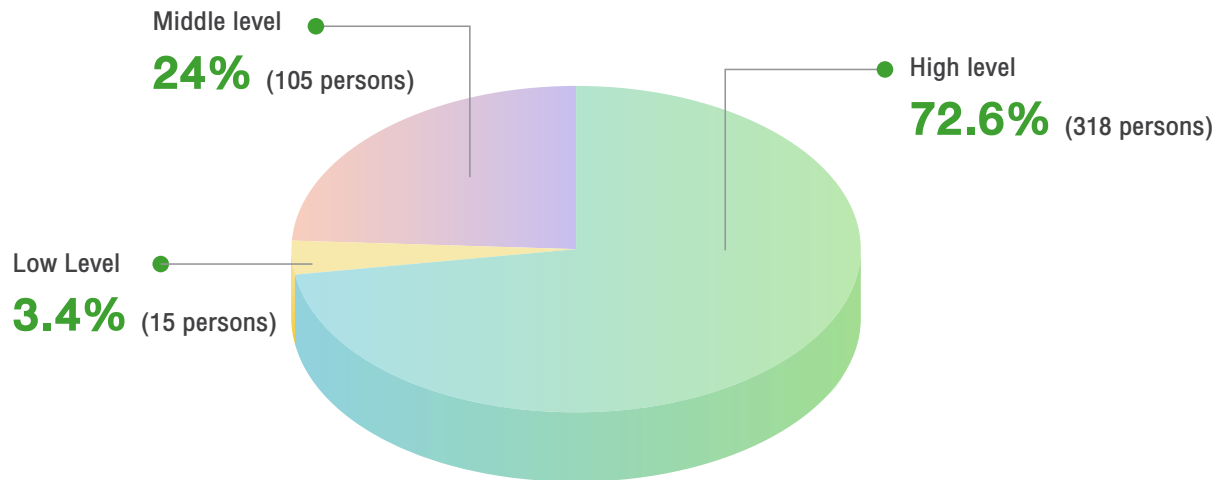
Company's Engagement

The Company has measures to raise the engagement between the Company and employees by organizing activities such as the Royal Plus Engagement Survey by using the Emo-meter: Employee Engagement Survey carried out by the team from NIDA to survey the emotional wellbeing and happiness of employees. The Emo-meter is a tool to analyse each individual to gauge their satisfaction and wellbeing with regards to the Company to create a sense of belonging that will encourage every employee to do their best for the Company. The result of the test was then submitted to the head of HR, head of departments and every employee.

Over 440 employees from all departments participated in this survey



The survey result suggested that over 72.6% of all participating employees rate their sense of belonging inside the Company as high.



The Company has used this survey result to formulate the plan to foster the sense of belonging and acceptance of the Company, while encouraging each employee to be satisfied with their work and continue to do their best for the Company, which would contribute to more productivity and efficiency in the long term. Plan was also outlined to hold more training courses, skill development courses and other Company activities to foster unity among employees such as the Company's birthday celebration and other activities held during festive periods during the year.

7.6 Other Important Information

7.6.1 Persons appointed to the following positions

(1) Company Secretary

The Board of Directors appointed Mr. Kitti Wachirajirakorn to serve as the Company Secretary on 14 May 2021, with his details elaborated in Attachment 1.

If the Company Secretary is deemed unfit to continue his duty, the Board has to appoint new Company Secretary within 90 days after the old Company Secretary's tenure has elapsed or has been deemed unfit. The Board also has the power to appoint one of the Directors to continue in his function during the interim period.

(2) Head of Internal Audit

The Audit Committee appointed the IA Signature Co., Ltd. via Mr. Sutee Tanvanichkul to serve as Head of Internal Audit of the Company in 2022, with his details elaborated in Attachment

(3) Head of Compliance

The Company did not appoint the Head of Compliance but had instructed the Company Secretary to oversee that all departments follow the law, policies and other regulations as set by the SET and the SEC, as well as the public law.

(4) Responsible Person for Accounting Supervision

Ms. Arissa Chumemode, Accounting Manager was deemed as qualified for this position according to the Department of Business Development's announcement. Thus, she was appointed to serve as the responsible person for accounting supervision with the duty to formulate budgetary report, disclose complete and correct accounting information, with the details of the responsible person for accounting supervision elaborated in Attachment 1.

7.6.2 Head of Investor Relations

The Company appointed the person who is responsible for investor relations to disclose the knowledge, news and information that the investors should know. She can be reached via;

Ms. Natnapin Wongratpanya

 Tel. : 0-2416-9209 ต่อ 108

 Fax : 0-2416-0219

 Email : ir@royalplus.co.th

7.6.3 Auditor's Remunerations

(1) Audit fee

In 2022, the Company paid the 2,400,000 THB audit fee to the KPMG Phoomchai Audit

(2) Non-audit fee

No non-audit fee

8. Report on the significant activities on corporate governance

8.1 Performance of the Board of Directors in the Past Year

The Board of Directors has important roles in making the Company's policies in conjunction with the Executive Committee and High-Level Executives. The Board also designates the visions, missions, business goals, strategy, operation plan, risk management plan, budget and oversees to make sure the annual strategy and operation plan coincide with the Company's goals. In doing so, business environment, capabilities, challenges, competitive factors and the sufficiency of internal control system are also taken into account when formulating strategic objectives and the Company's main strategy.

The Board's Meeting

- 1) The Company has the Board of Directors' meeting once very quarter, with every Director encouraged to attend the meeting regularly to consider important matters of the Company. In sum, at least 5 Board's meetings each year
- 2) The Company encourages every Director to record at least 75% attendance rate for the entire year, with the meetings' dates being formally communicated to every Director on a yearly basis to allow the Directors to manage their schedules. However, additional meetings may be called in special cases that require approvals from the Board or in urgent matters. In 2022, all members of the Board participated in 100% of the meeting.
- 3) In 2022, a total of 7 Board's meetings were held, reflecting the duty and responsibilities of the Board and the business operation of the Company.
- 4) The Company will send the meeting's invitation and attachments with details on every agenda item to each Director at least 7 days in advance so that the Directors have ample time to study the topics of discussion. During this process, every Director has the right to ask for more elaboration on the details in question.

- 5) In the past year, every Director has participated actively and prudently during the meetings, with rigorous and independent debates to preserve the interest of all shareholders and stakeholders. If a Director is found to have a conflict of interest in any particular matters, he/she has to stay out of the meeting when that topic is being discussed. The Chairman of the Board also spared enough time for the meeting to allow thorough discussion and examination with the participation of key executives in giving details on the matters.
- 6) After the Board's meeting, the Company Secretary will compose a written meeting report and seeks the report's approval from the Board, with the approved copies being kept at the Company Secretariat, so that they may be examined when required.

8.1.1 Nomination, Development and Performance

Assessment of the Board's Performance

(1) Independent Directors

The Board of Directors may select and appoint persons who do not have any characteristics that are prohibited by the Company's regulations nor the Securities and Exchange Commission's announcement regarding the persons who can hold managing positions in listed companies. The selection process takes into account the knowledge, skills, experience, expertise, vision, moral qualities and independence, as well as other attributes as specified by the Company. Persons who have passed the selection process would then be considered for approval and elected by the Board of Directors and the Shareholders' Meeting.

Independent Directors mean the qualified persons who are independent from the management and majority shareholders. Their definition, as defined by the SEC, is as follows;

- 1) Hold no more than 1% of the Company's total voting shares. This also includes the shares held by majority shareholders or those with controlling power over the Company if they are related to the said Independent Directors.
- 2) Is not a Director who has been instructed by the Board of Directors to make policies or have power pertaining to the Company's management. Is not an employee or consultant that receives salaries from the Company, its major shareholders, those with controlling power over the Company or other legal persons with conflict of interest—be they during or less than 2 years before the beginning of their tenure
- 3) Is not a kin—by blood or by marriage or by kinship—of other Directors, Executives, major shareholders, those with controlling power over the Company or any persons who are to be nominated as Directors, Executives or those with controlling power
- 4) Do not possess any business relationship with the Company, major shareholders or those with controlling power in a way that may interfere with unbiased decision-making. Is not or not used to be a significant shareholder or those with controlling power over the Company's partners and major shareholders, except if those qualities have elapsed for more than 2 years.

The mentioned business relationships include commercial transaction, leading or leasing, financial assistance, surety or any other similar relationships that require the Company to pay debts in a proportion of more than 3 percent of the total tangible assets of the Company or more than 20 million THB. The calculation method pertaining to this is the same as that used to calculate the related subjects according to the SEC's announcement regarding the simplified related subjects. This debt includes those starting to exist no more than a year before the beginning of business relationships with the mentioned persons.

- 5) Is not or not used to be the auditor of the Company, major shareholders or those with controlling powers. Is not a significant shareholder or partner of the audit company that has a contract with the Company, major shareholders or those with controlling power, except if that quality has elapsed for more than 2 years.
- 6) Is not or used to be persons who provide any services relating to legal or financial counsel that has received more than 2 million THB per year from the Company, major shareholders or those with controlling power. Is not a significant shareholder or partner of the audit company that has a contract with the Company, major shareholders or those with controlling power, except if that quality has elapsed for more than 2 years.
- 7) Is not a Director who has been appointed as the representative of the Board, major shareholders, and the shareholders who are related to major shareholders
- 8) Does not own or is not affiliated with any companies that have similar or competitive characteristics in comparison to the Company. This includes being an employee, staff, consultant or managing directors or shareholders who hold more than 1% of the total voting shares of the Company that has similar characteristics and is competing with the Company or its subsidiaries
- 9) Does not possess any other characteristics that may inhibit independent opinions with regards to the Company's operation

Nonetheless, if the SEC announces the new characteristics for Independent Directors, the qualifications for the Company's Independent Directors will change accordingly.

In the past accounting period, the Company's Independent Directors as well as the candidates for the position were not found to have or used to have any business relationship or professional services with values exceeding the amount specified by the SEC's announcement regarding the permission to sell newly issued shares.

The Company's Board of Directors is independent from the majority shareholders or their affiliates. There are 4 Directors also have all the attributes required according to the SEC who has specified that every listed company must have no less than 1 in 3 proportion or no less than 3 positions for Independent Directors, with the Chairman of the Board of Directors being an Independent Director.

(2) Nomination of Company Directors and Executives

The Board of Directors will screen individual candidates using career backgrounds diversity as the main criteria. These candidates must not have the qualities that are prohibited by the Company's regulations as well as those announced by the SEC announcements regarding people who hold positions in listed companies. After the screening process, the list of candidates for the position of Director will be presented to the shareholders' meeting for consideration. However, if the position becomes vacant mid-term, the Board of Directors will screen and appoint suitable persons to fill in his/her stead in accordance with the Company's regulations.

1. The Board of Directors

The Board of Directors consists of persons with diverse attributes in terms of experience, area of expertise and gender. Its members must also possess the qualities as required by law, are of suitable size but no smaller than 5 and can fulfill their functions efficiently. In 2022, the Board of Directors consisted of 9 members with 3 members being executive directors, and 6 being non-executive directors. 1 in 3 members of the Board of Directors must vacate their positions during the General Annual Shareholders' Meeting, and if the total number of Directors do not add up, the members must vacate their seats in a similar fashion. However, Directors whose tenure have elapsed can be reelected.

Composition and Election

According to Article 17 Chapter 4 (Director and Directorial Power) of the Company's regulations and charter, the shareholders' meeting can designate a number of directorial positions (cannot be smaller than 5 members) and select their occupants from persons who are not legally disqualified by law and by the Company's and SEC's regulations. No less than half of the Directors must reside in Thailand, and the number of independent directors and auditing directors need to follow the SEC announcements.

Directorial Election Procedure

According to Article 18 Chapter 4 (Director and Directorial Power) of the Company's regulations, Directors are elected by the shareholders' meeting, with criteria and procedures, as follows;

- 1) Each shareholder has one vote per one share held
- 2) Each shareholder has to use all their votes to select one or more than one person to the position of Director. However, the votes cannot be unequally divided.
- 3) Candidates are ranked according to the number of votes and are appointed to the position of Director accordingly. In the case of a tie and insufficient available positions, the Chair of the shareholders' meeting has the final say.

Term of Service

- 1) 1 in 3 members of the Board of Directors must vacate their positions during the Annual General Shareholders' Meeting, and if the total number of Directors do not add up, the members must vacate their seats in a similar fashion. However, Directors whose tenure have elapsed can be reelected.
- 2) To comply with the good corporate governance principles, the term of office of the Directors who are independent should not exceed 3 consecutive terms or 9 years, unless the Board indicates otherwise.
- 3) Beside the conclusion of office term, Director is also relieved of his position in case of;
 - Death
 - Resignation
 - Found to be lacking the qualifications as announced by the SEC with regards to those who hold positions inside listed companies
 - The shareholders' meeting votes with a double majority (75% of voting shareholders who together comprise no less than half of the present shareholders).
 - Ruled out by law
- 4) If a Director wishes to resign, he/she has to do so in written form.
- 5) if the position becomes vacant mid-term, the Board will screen and appoint suitable persons with similar profile to fill in his/her stead in accordance with the SEC regulations during the next Board's meeting.

The maximum number of office terms are not specified by the Company because the Company believes that skills and experience of Directors do not come from age, but from their commitment to the position and the trust they receive from the Board and shareholders because the power to elect persons as Directors belongs to shareholders.

2. The Audit Committee

The Board of Directors will appoint 3 of its members to the Audit Committee. These Directors have to be independent and pass the qualifications as set by the SEC. The Audit Committee has the duty to formulate the financial report, disclose the information according to the standards and ensure that the Company has sufficient internal control system as per the Charter and the SEC announcements. The Audit Committee must consist of members that have diverse expertise, 1 in accounting, 1 in economics and banking and another who has knowledge and experience in budget audit and can function in other roles as required by the Committee.

Composition and Appointment

As per the Charter, all members must be the Board of Directors' members and must pass the qualifications as set by the SEC, as follows;

- 1) The Board of Directors appoint the Audit Committee by selecting the Directors who are non-executive and pass the qualifications as set by the SEC.
- 2) The members of the Audit Committee are 3 Independent Directors, with the following composition;
 - At least one member must be proficient and experienced in accounting and finance and with the capability to audit the financial report
 - All must have an adequate understanding of the Company's business
- 3) The Audit Committee selects one of its members to serve as the Chairman
- 4) The Audit Committee members whose office terms have elapsed may be reappointed by the Board of Directors

Nonetheless, if the SEC announces the new characteristics for Independent Directors, the qualifications for the Company's Independent Directors will change accordingly.

Terms of Service

- 1) The Audit Committee's term is 3 years with each term finishing during the Annual General Shareholders' Meeting. Members whose terms have elapsed can be reappointed.
- 2) If one of the Audit Committee Members resigns, the Board of Directors will appoint a new member to serve in his/her stead within 3 months after the resignation.
- 3) An Audit Committee Member is automatically relieved of his/her duty in case of;
 - Conclusion of office term
 - Decision by the Board of Directors to relieve the said persons
 - Death
 - Resignation
 - Failure to pass the qualifications
 - Arrested and jailed as a result of the final court' ruling
 - Become a legally incompetent or quasi-incompetent person
 - Bankruptcy
- 4) To resign, the Audit Committee Member must submit his resignation in written form to the Board of Directors at least 1 month in advance. The resignation date is to be specified in the letter, and if the date is not specified, it will be calculated using the date of the resignation submission. This will allow ample time for the Board to appoint a Director to fill in the place.

3. The Executive Committee

The Board of Directors appoint the Directors or other persons who are employees of the Company to the Executive Committee. These persons must be sufficiently knowledgeable and experienced to oversee the Company's operation. This position is one of Management, functioning as instructed by the Board of Director with responsibility, honesty, prudence and reasonableness. The Executive Committee must conduct itself in an unbiased manner and consists of no less than 3 members.

Composition and Election

As per the Charter, the Executive Committee must consist of no less than 3 members and is selected via appointment by the Board. Its members can be either Directors or other persons who are Company's employees who are sufficiently knowledgeable and experienced to oversee the Company's operation.

Terms of Service

The Executive Committee's office term will commence once the Board of Director has appointed its members, and will continue to serve in that capacity until the Executive Committee may be appointed.

The Executive Committee Member will be automatically relieved of his/her duty in the following cases:

- Decision by the Board of Directors to relieve the said persons
- Death
- Resignation
- Exhibit traits that are deemed appropriate or unworthy of trust in accordance with the SEC announcements

4. Appointment of Managing Director

The Board of Directors will appoint the Managing Director based on the knowledge, skills, experience and the Company's operation direction.

5. Appointment of Management

The Board of Directors will appoint the Management based on the knowledge, skills, experience and other qualities that are deemed necessary for the Company to achieve its goals. The Board will make sure that the remuneration and evaluation structure is adequately set up, with sufficient oversight to ensure that the personnel remain knowledgeable, skilled, experienced and adequately motivated.

The Company requires persons in important positions such as Managing Director, Executive Vice-President, Vice President - Finance & Operation, Manufacturing Director and the Sales and Marketing Director who are approaching the end of their terms to formulate a post-mortem and development report for the incoming persons.

The selection of persons who will feature in the post-mortem and development report of the outgoing incumbents uses a variety of human resource development strategies from the internal development of personnel to the recruitment of suitable outside persons. The incumbent persons will actively participate in formulating a strategy to develop the next incumbents.

6. The Appointment of Other Executives

The Management will consider the suitable persons from the pool of the Company's employees via the process as described in the Company's regulations based on merit and suitability.

(3) The Development of Directors and Executives

The Company encourages the capacity-building of all executives and directors, especially their participation in training courses that are beneficial, held by Thai Institute of Directors (IOD), SEC, SET and the Thai Listed Companies Association (TLCA). Executives and directors are also encouraged to exchange opinions among their counterparts from other Companies. The IOD training courses participated are as follows;

- 1) Director Accreditation Program (DAP)
- 2) Independent Observe Program (IOP)

Directors	(DAP) No.	(IOP) No.
Mr. Nilsuwan Leelarasamee	130/2559	3/2559
Mr. Thasana Boonkwan	130/2559	
Mr. Phonseang Saebe	130/2559	
Ms. Amornrat Ketvisate	130/2559	
Mr. Kittti Wachirajirakorn	181/2564	
Mr. Comepisith Ratchatakanjanemas	132/2559	
Mr. Sunti Chirawatthanagkoon	132/2559	
Mrs. Nusara Ma	132/2559	
Ms. Monthira Saebe	132/2559	

Disclaimers: Mr. Kittti Wachirajirakorn participated in the Company Secretary Program (CSP) Batch 117/2021.

Over 75% of the Board of Directors' members have participated in training courses that are related to their function in 2022. The Company encourages all executives and employees to actively participate in these courses to hone their skills, knowledge and understanding of their work.

Workshops and Study Visits

are modes of training that utilize real experience and knowledge transfer through real work which would update all employees on the new ways to attain their objectives. In 2022, the Company's executives participated in the workshop programs, then Lean Automation production process course and the Digital Lean Supply Chain course, as well as the study visits to interesting food and beverage companies, whose expertise could be adapted and adopted.

Networking between Executives and Employees

the Company has held activities to promote good relationship between executives and employees, and to transfer information from executives to employees via the top-down approach to make sure all employees are familiar with the policies, operation plans and directions of the Company. Employees are empowered to share their thoughts and participate in improving how the Company works. These activities are held in a communicative manner such the executive meeting, the quarterly executive-employee meeting and the annual Company's seminar, held once per year.

(4) Board of Directors' Self-Evaluation

The Board of Directors are requested to self-evaluate in 2022 by giving their opinions on efficiency of the Board of Directors in general and per each individual. The result is collected every year to compare and reviewed their performance and challenges in order to improve.

In 2022, the Company Secretary sent the self-evaluation form to all members of the Board. All Directors were free to fill in these forms and send back to the Company Secretary, who would gather the result and submit it for the Board of Directors's information during the next Board of Directors's meeting.

The evaluation criteria are calculated by the maximum score, as follows;

Satisfaction Level	Score
Most Satisfactory	More than 90%
Satisfactory	More than 70%
Average	More than 50%
Below Average	More than 30%
Not Satisfactory	30% or less

Annual Performance Evaluation of the Board of Directors

The Company has designated the criteria for evaluating the Board of Directors, including

Overall

- 1) Role, Duty and Responsibilities of the Board
- 2) Independence
- 3) Relationships with the Management and Stakeholders

Individual

- 1) Role, Duty and Responsibilities
- 2) Independence
- 3) Relationships with the Management and Stakeholders

In 2022, the evaluation result was

- In General “**Most Satisfactory**” (96.05%)
- Individual “**Most Satisfactory**” (95.41%)

Annual Performance Evaluation of the Sub-Committee

The Board of Directors has designated the criteria for evaluating every sub-committee both in overall and as an individual. In 2022, the result was as follows;

Sub-Committee	Score	Satisfaction Level
Audit Committee	100%	Most Satisfactory
Executive Committee	95.29%	Most Satisfactory

Annual Performance Evaluation of the Managing Director

The Board of Directors have instructed the Chairman of the Board to evaluate the performance of the Managing Director every year, with the result being used to consider the remunerations; with criteria as follows;

- 1) Company's Performance and Planning
- 2) Vision and Business Strategy
- 3) Business Skills and Knowledge
- 4) Leadership, Teamwork and Grooming of Successor
- 5) Self-Development to Attain the Goals

In 2022 the annual performance evaluation result of the Managing Director was “**Satisfactory**” (79.63%)

8.1.2 Directors' Individual Attendance and Remuneration Payment

(1) The Board of Directors' Meeting

The Board of Directors convenes at least 5 times per year, with the Company prioritizing the importance of all Directors' attendance because of its importance in making the Company's key decisions. In 2022, the Board convened a total of 7 times in accordance with the schedule that had to be made in advance every year and communicated to all Directors via letters sent by the Company Secretary. The agenda and minutes of the last meeting were attached to the letter for information. The invitation was sent in advance according to relevant laws and regulations that indicated that the invitation had to be sent at least 7 days in advance (no less than 5 working days), and that the Chairman of the Board, Chairman of the Executive Committee and the Managing Director were to jointly consider what agenda would be discussed. Additional agenda may be submitted for their consideration via the Company Secretary. More information on the agenda may be obtained from the Managing Director or the Company Secretary.

During the Board of Directors meeting, the Chairman of the Board will serve as the president who will conduct the meeting in an orderly manner, as follows;

Matters of Report

are those subjects such as economic situations, business trends and others that are presented for the meeting's information.

Matters for Consideration

are those subjects that are submitted for the meeting's consideration and approval. During this part of the meeting, directors who are stakeholders in these matters must leave the room and cannot vote during that agenda. The Company encourages all directors to give independent opinions openly. The President of the meeting will compile these opinions, control the flow of the meeting, and make final decision in case of voting deadlock

The Board of Directors's meeting is also attended by other executives who may have the information on the matters of discussion.

Once the meeting finishes, the Company Secretary will draft the minutes and keep the approved minutes as well as the meeting's attached documents. The approval is done by the Chairman of the Board and the Board of Directors.

The Board of Directors also allows non-executive director to convene among themselves and report the update to the Board for information.

In 2022, the Board of Directors convened a total of 7 times, with the attendance rate no less than 75% (100%) throughout the year.

Attendance Rate of Each Director in Each Meeting

In 2022, all committees convened, as follows

Names	Positions	Board of Directors (Total 7 times/year)	Audit Committee (Total 4 times/year)	Executive Committee (Total 12 times/year)	2022 General Shareholders' Meeting
1. Mr. Nilsuwan Leelarasamee	Chairman of the Board and Independent Director	7/7			1/1
2. Mr. Thasana Boonkwan	Chairman of the Audit Committee and Independent Director	7/7	4/4		1/1
3. Mr. Phonseang Saebe	Chairman of the Executive Committee and Director	7/7		12/12	1/1
4. Ms. Amornrat Ketvisate	Director and Executive Director	7/7		12/12	1/1
5. Mr. Kittti Wachirajirakorn	Director and Executive Director	7/7		12/12	1/1
6. Mr. Comepisith Ratchatakanjanemas	Audit Committee Member and Independent Director	7/7	4/4		1/1
7. Mr. Sunti Chirawatthanagkoon	Audit Committee Member and Independent Director	7/7	4/4		1/1
8. Mrs. Nusara Ma	Director	7/7			1/1
9. Ms. Monthira Saebe	Director	7/7			1/1

Disclaimers : The qualifications of the Independent Director and Audit Committee Members follow the relevant announcements

(2) Remunerations for Directors and Executives

The Board of Directors determines the structure and rate of remunerations that are appropriate and would adequately motivate the Board to achieve the Company's short-term and long-term goals. The remunerations are determined to fit with the responsibilities and duties of each Director by taking into account the performance report of the Board in general every year, the operation of Company, payments received by the shareholders' meeting and the total amount of remunerations paid during the past year in comparison to those of other comparable companies. These are then submitted for approval during the shareholders' meeting.

Monetary Remunerations

The 2022 Annual General Shareholders' Meeting on 21 March 2022 designated the total amount of remunerations for the Directors at 2 million baht. This excluded other incentives and welfares rendered to the director as an employee of the Company. The details are as follows;

1. Directors

Meeting Allowance (for the Directors who attended the meetings)

Remuneration	Quarterly	Other Meetings
	Baht / time	Baht / time
Chairman of the Board	20,000	10,000
Director	10,000	5,000

Disclaimers : A total of 550,000 baht was paid in 2022.

2. Audit Committee Member

Meeting Allowance (for those who attended the meetings)

Remuneration	Quarterly	Other Meetings
	Baht / time	Baht / time
Chairman of the Board	20,000	10,000
Director	10,000	5,000

Disclaimers : A total of 160,000 baht was paid in 2022.

3. Executive Director

No Meeting Allowance is stipulated because of their status as executive directors

Other Perquisites -none-

These fee remains effective as of the date of shareholders' meeting approval and will remain so until any changes are approved. The paid remuneration must not exceed the amount approved.

A total of 710,000 baht was paid in 2022.

The details of the remuneration payment in 2022 were as follows;

Unit : Baht

Name	Position	Remuneration
1. Mr. Nilsuwan Leelarasamee	Chairman	110,000
2. Mr. Thasana Boonkwan	Director	135,000
3. Mr. Phonsaeng Saebe	Director	55,000
4. Ms. Amornrat Ketvisate	Director	55,000
5. Mr. Kittiwachirajirakorn	Director	55,000
6. Mr. Comepisith Ratchatakanjanemas	Director	95,000
7. Mr. Sunti Chirawatthanagkoon	Director	95,000
8. Mrs. Nusara Ma	Director	55,000
9. Ms. Monthira Saebe	Director	55,000
Total		710,000

8.1.3 Corporate Governance of Subsidiaries and Affiliated Companies

The Company seeks to invest in other companies whose objectives, visions and growth strategies coincide with those of the Company, which would generate more profits, foster synergy, increase competitive advantages and achieve the Company's objective in becoming a leading company in its industry. The Company may consider investing in more businesses if they exhibit growth potential or are beneficial to the Company's business, with a view to generate more revenue. In deciding whether to invest, the Company will analyze investment probability, risk and potential via appropriate methods that have to be approved by the Executive Committee, Board of Directors or The Shareholders' Meeting (depending on the case).

The Company has implemented a policy to govern the governance of its subsidiaries, partner companies and affiliates to maintain the standards and mechanisms, both direct and indirect, to properly oversee the management of the subsidiaries, partner companies and affiliates as well as oversee that they follow the measures and mechanisms the Company has set up accordingly. They must also follow the relevant laws and the Company's policies to ensure that the Company's investment interest is safeguarded, with details as follows;

- 1) The Company will appoint its representative to a directorial position in its subsidiaries, partner companies and affiliates according to its share proportion. This person will oversee the governance of the subsidiaries, partner companies or affiliates to make sure that it is in line with the policies of the Company. The aforementioned appointments must be considered and approved by the Board of Directors.
- 2) If any transactions of the subsidiaries involve the sale or purchase of properties according or related to the relevant announcements that may require the approval by the Company's Board of Directors and/or Shareholders' Meeting and/or authorization by the relevant agencies, the subsidiaries are allowed to make that transaction only if the aforementioned approval / authorization has been secured.
- 3) If any transactions or any incidents occur in the subsidiaries that may compel the Company to disclose the information according to the relevant measures, the Directors of the mentioned subsidiaries are required to inform the Company's management immediately of the subsidiaries' plan to make the said transactions or if the incidents occur.
- 4) Directors and executives of the Company's subsidiaries, partner companies and affiliates have their duties and responsibilities in accordance with the relevant laws such as the disclosure of information with regards to finance and performance to the Company. These requirements are based on the announcements by SEC and SET. The Directors and executives are also required to disclose their information regarding their status as stakeholders or persons with transactions with the said subsidiaries, partner companies and affiliates, as well as the status of their related persons. This is to prevent potential conflict of interest from arising.
- 5) The Company has maintained an operation plan to ensure that its subsidiaries, partner companies and affiliates have a mechanism to disclose its financial and operational information. The Company will also oversee the monitoring of its subsidiaries, partner companies and affiliates to ensure that the said disclosure mechanism exists.

Moreover, the Company will closely monitor the revenue and operation of its subsidiaries, partner companies and affiliates to compile an analysis and opinions on their performance and submit the suggestions to the Board of Directors as well as to the mentioned subsidiaries, partner companies and affiliates with a view to improve further the operation of the said subsidiaries, partner companies and affiliates.

8.1.4 Compliance with the Policies and Guidelines on Corporate Governance

The Company follows the implementation of the good corporate governance principles, as follows;

1. Internal Data Usage Control

The Company follows the good corporate governance principles by making sure there exists a written measure to control internal data usage.

The Company forbids its Directors, Executives, Employees and other Staff from leaking its confidential and/or internal information to the public for their own interest, both direct and indirect. They are moreover forbidden from selling or buying the Company's properties via using internal data. The Company has the internal data usage prevent policies, as follows;

- 1) Familiarize the Directors and Executives with their roles to compile and send the report form on their ownerships of properties, held by themselves, their spouses—both legal and non-legal—offspring that is not of legal age, as well as other joint ownership legal persons (over 30% ownership) to the SEC. They must also report on their sale / purchase of said properties to the SEC.
- 2) Directors, executives and accounting / finance managers, as well as their spouses—both legal and non-legal—offspring that is not of legal age, as well as other joint ownership legal persons (over 30% ownership) must compile and disclose the property ownership report as well as its changes to the SEC, and simultaneously submit a copy of that report to the Company.
- 3) Directors, executives and employees who have received internal data that may affect the stock price of the Company must not undertake the transactions of any of their Company's stocks within 30 days before that internal data is given public access and within 24 hours after that data is released. These concerned persons have the duty to keep the confidentiality of the data until that data is publicly released.
- 4) Directors, executives and employees as well as other persons suspected to know the internal data that may affect the Company's stock price must not use this knowledge to buy, sell or make any transactions regarding the Company's stocks, both direct or indirect, as well as to influence others in undertaking similar transactions notwithstanding whether the benefits of these investments involve themselves or not.

- 5) Directors, executives and employees must not disclose the Company's data and must not use their positions or capacities with regards to internal data to seek their own interest or undertake anything that may benefit others based on the knowledge of this internal data, both direct or indirect, and notwithstanding whether the benefits of these investments involve themselves or not.
- 6) Directors, executives and employees must follow the internal data usage guidelines as specified in the Stock and Stock Market Act B.E. 2535 (amended) (1992) as well as other relevant laws.

If any violations of the aforementioned stipulations are found, they would constitute a disciplinary misconduct that may result in punishments, ranging from verbal warning, written warning and probate to dismissal.

2. Action against Conflict of Interest

The Company has dealt with the issue of conflict of interest with prudence, reasonableness and with the Company's interest in mind. Price specification is done on a sound and rational basis with transparency and adherence to the announcements made by the SEC. This action is one of the good corporate governance policies that ensure adequate information disclosure and equality of information. More details could be accessed via www.royalplus.co.th under the Section "Corporate Governance Policy".

(1) Property Exchange Supervision and Stakeholders Report

The Company has specified the measures to regulate the Company's property exchange inside the internal data usage protection policy by forbidding its Directors, executives and employees from undertaking the transactions of any of their Company's stocks within 30 days before that internal data is given public access and within 24 hours after that data is released. Members of the Board and Management must also inform the Chairman of the Board of their own exchange of properties at least 1 day prior to the purchase. Directors and executives (including their spouses and non-legal-age children) who have the duty to report on the exchange of the Company's properties must inform the SEC and SET and submit a copy to the Company Secretary in order to inform the Board of Directors during the next Board Meeting. During every Board Meeting, there is to be an agenda regarding the Company's ownership of properties, as well as those owned by Directors and Management, and if any changes occur, the Company Secretary will inform the Directors and Management alongside the announcement letters issued by the SEC and SET regarding the same matter.

Changes in the Directors and Management's ownerships of the Company's shares (As of 31 December 2022)

Names	Directors / Management	Spouses / Minor Children	Increase (Decrease) during the Year	Total Shares	%
1. Mr. Nilsuwan Leelarasamee	1,000,000	(Spouse) 100,000	53,200 (100,000)	1,053,200 -	0.157 -
2. Mr. Thasana Boonkwan	1,000,000	-	-	1,000,000	0.149
3. Mr. Phonsaeng Saebe	230,680,600	-	-	230,680,600	34.430
4. Ms. Amornrat Ketvisate	100,656,200	-	-	100,656,200	15.023
5. Mr. Kitti Wachirajirakorn	2,000,000	-	(69,800)	1,930,200	0.288
6. Mr. Comepith Ratchatakanjanemas	-	-	-	-	-
7. Mr. Sunti Chirawatthanagkoon	-	-	-	-	-
8. Mrs. Nusara Ma	3,272,000	-	-	40,547,400	6.052
9. Ms. Monthira Saebe	200,000	-	(90,000)	110,000	0.016
10. Ms. Phatraporn Kaweesuttikul	500,000	-	(100,000)	400,000	0.060
11. Ms. Irin Phatthawatwekin	200,000	-	(200,000)	-	-
534 Disclosures : The Company's first trade date on 20 May 2022	339,508,800	37,375,400	(506,600)	376,377,600	56.176

In 2022, the Directors and Management followed this policy and did not make any transactions during the prohibited time

(2) Stakeholders' Report The Company has measures to oversee the stakeholder ship of the Directors and Management

by maintaining that the Directors and Management must submit their (and their related persons') stakeholders' report, with details as follows;

- 1) Initial report due when the Director / Management first assumes office
- 2) Report when any changes in stakeholder ship occur
- 3) Directors and Management submit their stakeholders' report to the Company Secretary, who will submit a copy to the Board of Directors and the Audit Committee within 7 working days after the reports are received.

In 2022, all Directors and Management followed the mentioned guidelines

3. Anti-Corruption

The Board of Directors has a policy against corruption and bribery. This policy and operational guidelines can be accessed via www.royalplus.co.th under the Corporate Governance Section "Corporate Governance Policy". The Company seeks to imbue the mindset and values that encourage the adherence to the laws and regulations. The Company also forbids its Directors, Executives and Employees to ask for or hand out bribes or any unwarranted perquisites in order to obtain any services or compel others to undertake anything unlawful or unfitting with their positions. The Company has designated the disciplinary punishments for any violators in addition to their legal accountabilities (if any).

The Company has a mechanism to monitor and analyze the corruption risk, and has composed a plan to minimize said risk, with the head of internal audit serving as an auditor who will submit the findings to the Audit Committee. The Committee will function as per the internal control and evaluation system. If any acts of corruption are found, the internal audit department will notify the Audit Committee, who will then notify the Board of Directors.

In 2022, the Company has not found any misconducts that constitute corruption or any legal, regulatory or ethical breaches.

4. Whistleblowing

The Board of Directors has set up a channel for all stakeholders to communicate, make suggestions, and send complaints in matters that may damage the Company, from the accuracy of financial report, potential flaws in the internal control system and legal or moral misconducts to suspected corruption or other misconducts by employees. This is to address the potential incidents where some stakeholders' rights are violated or some are treated unfairly. In this way, employees or other stakeholders who have witnessed, suspected or have evidence indicating that such misconducts, corruption, bribery or other fraudulent activities concerning the Company have occurred can inform the Company. The said channel is as follows;

- 1) Verbal or written complaints, addressed to;
 - Company Secretary (Tel. 0-2416-9209 ext. 102)
 - Legal Division (Tel. 0-2416-9209 ext. 801)
- 2) Via E-mail Address: chairman.ac@royalplus.co.th
- 3) Via the Company's website under the Section "Corporate Governance > Misconduct Report
- 4) Via the suggestion box
- 5) By post, addressed to the Royal Plus PLC (Headquarters)
84/3-7 Rama 2 Alley (Alley 69), Samae Dam Sub-District, Bang Khunthian District, Bangkok 10150
- 6) If the persons making the complaints want to remain anonymous, the complaints must consist of clear details or sufficient evidence that adequately point to the mentioned participation in corruption or bribery.

The Company shall keep all complaints confidential and will take into account the safety of the persons who make the complaints, except in cases where the Company is legally required to disclose the information.

Dishonest Complaints

If the complaints are proven to be made in bad faith that have resulted in damages to any individuals or the Company, the persons making the complaints, if he/she is a Company's employee, will be disciplined in accordance with the regulations or punished by law. If the persons are outside persons who have caused damages to the Company, the Company reserves the right to pursue legal action against such persons.

Complaints or Whistleblowing Conditions

- 1) Must be related, directly or indirectly, to the Company e.g., a person working for the Company is found to have bribed the representative of a government agency, state enterprise or other companies.
- 2) Any misconducts that have violated the Company's regulations that may suggest potential corruption
- 3) Any misconducts that have damaged the Company or its reputation
- 4) Any legal, moral or ethical misconducts
- 5) Any violation of the regulations concerning good corporate governance and the anti-corruption policy
- 6) Any unfair workplace treatments

Related Persons

- 1) Complainers are those who make complaints
- 2) Complaint Recipients are those who receive the complaints as per 1. And 2.

Execution Procedure

- 1) After the complaint is received, the complaint recipient will check and gather facts, or may instruct others or trusted agencies to do so.
- 2) Complaint recipients or proxies may invite the suspected employees or related persons for questioning or may ask for any related documents for reference.
- 3) If the fact-finding results in truthful complaints, the Company will do the following;
 - 3.1) If the complaint suggests unlawful activities or any activities that breach the regulations, measures, policies or business ethics, the complaint recipient may give opinions on what to do next, then submit the suggestion to the Audit Committee or the Board of Directors for consideration.
 - 3.2) If the matters are of great importance such as those concerning damages to the Company's reputation, image, finance or constituting a violation of the Company's policies or related to high-level executives, the complaint recipient will submit the matters to the Audit Committee or the Board of Directors for consideration.
 - 3.3) If the complaints have caused harm to any parties, the complaint recipient will send the suggestion on how to mitigate the impact and render justice to the affected parties, then submit the matters to the Audit Committee or the Board of Directors for consideration.
- 4) If the investigation has resulted in the evidence that suggests that the suspected persons have really caused harm, the suspected persons will be informed of their accusations and given an opportunity to prove that the accusations are untrue.
- 5) If the suspected persons have really caused harm, and the misconduct concerns the breach of anti-corruption policy, the person will be subject to disciplinary actions according to the Company's regulations, and if the misconduct is criminal, the person will be subject to legal action.
- 6) The Company will update on the progress of any complaints or suspected misconducts to the complainers who have disclosed their names, addresses, telephone number and emails via the contact information given, or the complainers may follow up on their cases via other designated channels. However, if it becomes necessary to keep the complainers' identities confidential, the Company will not be able to update the mentioned progress to the complainers.

Whistleblower Protection Measures

- 1) The Company will protect the whistleblower or complainer to the maximum of its capacity without disclosing any information that may suggest their identities. Their identities will be kept confidential and access to it limited to only those responsible for the related investigation.
- 2) The Company will disclose the information only when absolutely necessary and take into account the right to privacy and the safety of the whistleblower and their significant others above all else.
- 3) The complainers, whistleblowers and related persons may be compensated by the appropriate and fair protection scheme.
- 4) Complaint recipients and persons related to the investigation have the duty to keep the details of the case and related documents confidential. No disclosures are allowed, unless lawfully demanded or absolutely required as part of the process.

In 2022, the Company did not receive any complaints via any of its designated channels.

8.2 Performance Report of the Audit Committee for the Past Year

Details are provided in the Attachment 6 The Audit Committee's Report

8.3 Performance Report of Other Sub-Committee

Details are provided in the Attachment 6 The Executive Committee's Report

9. Internal Control and Related Transaction

9.1 Internal Control

The Board of Directors opinions on the Company's Internal Control System

The Board of Directors Meeting No.1/2023 on 23 February 2023, also attended by all 4 Independent Directors, 3 of which were members of the Audit Committee. The Board of Directors evaluated the Company's internal control system for 2022 using the sufficiency evaluation form for the internal control system as issued by the Securities and Exchange Commission under the COSO guidelines. The Board of Directors obtained information from the Management and the Audit Committee, who was tasked with auditing the sufficiency of the internal control system as proposed by the Company's Head of Internal Audit, and concluded that the Company's internal control system was sufficient and suitable for the current operational landscape.

1. Control Environment

The Company has specified clear policies, business and operational objectives emphasizing the equal treatments of employees, partners, customers, competitors, creditors and government agencies, as well as responsibilities towards shareholders, society, community and the environment. The Company's progress in achieving these goals is regularly monitored and reviewed to ensure timely adaptation amidst the rapid changes in business environment.

The Company remains committed to honesty and morals by ensuring that all Directors fulfill their roles independently from the Management. They will oversee and enhance the internal control capacity by outlining concrete reporting structure, chain of command and division of responsibilities, clearly dividing the duties and responsibilities of the Board of Directors from those of the Management. This will make sure that the Company can operate efficiently with good internal control policies and tangible corporate governance principles, coupled with good understandings by the Board, Executives and employees. Fostering corporate culture that prevents conflict of interest and corruption also requires a competent head of audit under the supervision of the Audit Committee, to function as guided by the Charter and operational regulations. Capable monitoring and evaluation systems also ensure the Company's compliance with good corporate governance principles, charter and guidelines. In case of violation, the Company also has clearly-defined disciplinary measures that will tackle the problem in a timely manner according to the regulations on work and related legislation manner according to the code of conduct and any related laws.

2. Risk Assessment

The Board of Directors has instructed the Audit Committee to oversee risk assessment in a systematic and efficient manner according to the risk framework that requires clear indication and analysis of risks that stem from both internal and external factors. The assessment method also necessitates the formulation of operational plan and process to deal with potential risks alongside the risk management evaluation that is done in a regular manner. All executives need to take part in risk management and communicate to employees regarding its development.

The Company has assessed its corruption probability, reviewed its operational objectives, while considered the reasonableness of incentives and remunerations for employees to make sure that none of these encourage inappropriate behaviors. The Company also familiarized the Board of Directors, executives and all employees with the anti-corruption policy and guidelines, in addition to raising awareness among the general public and stakeholders.

Moreover, the Company has closely adhered to the ordinary accounting principles that fit the Company's business by disclosing a genuine financial report that truly reflects the operation of the Company.

3. Control Activities

The Company has specified the roles and approved the budget for the Management at every level, while designating an operation control measures that will minimize risks and use technology to enhance its capacity. This is to ensure the Company's compliance with the relevant law and outline the IT safety system that meets international standard. In case of transaction with major shareholders, the Board, executives and other parties related to the shareholders, the Company has followed the announcement made by the SEC and SET, as well as the relevant Company's regulations. All business dealings and transaction approvals must be done without the involvement of stakeholders to prevent the misappropriation of assets.

4. Information and Data Communication System

The Company gives importance to the information and data communication system, and encourages its continuous development to ensure that the information is always correct and updated. Using a modern, efficient and safe information system, the Company ensures information security, from its gathering, processing, storing to monitoring. The policies on information technology security and information security guidelines are also regularly updated.

The Company has sufficient data and documents are provided to the Board of Directors for any matters of consideration, and the meeting report accurately written. All these documents are properly registered and stored in a safe place within the timeframe as legal obligated. The formulation of budget also adheres to the TFRS standard by selecting an accounting policy that is suitable to the Company's business. The Company also maintains its backup data in a ready-to-be-used condition to prepare for potential emergency situations.

The Company has an internal and external data communication system that is efficient and appropriate to support the internal control system, so that it can function as intended. Additionally, the Company has opened channels for receiving information and leads regarding corruption from outside persons and its own employees, with the personal data of whistleblowers kept confidential.

5. Monitoring Activities

The Company requires all supervisors to monitor and evaluate the operation of the Company in a regular manner to ensure that the internal control system functions properly. The Audit Committee then will audit the system with the Head of Internal Audit being responsible for the inspection and analysis of the internal control for each line of work. The inspection result will be reported to the Audit Committee, who holds quarterly meeting to process if flaws are detected and then submit the findings to the Board of Directors for consideration how to rectify the problem, whose process is then regularly monitored.

The Audit Committee Opinions

The Board of Directors has opined that the Company's internal control system remains sufficient and appropriate. This opinion also coincides with that of the Audit Committee (extra details can be found in the Audit Committee's Report), and the accounting auditor also has no suggestions whatsoever regarding the internal control system.

Head of Internal Audit

The Audit Committee has appointed the IA Signature Co., Ltd., a third-party company, to oversee internal audit and report directly to the Audit Committee. Mr. Sutee Tarnvanichkul has been appointed the main responsible person for internal audit. This is because the Audit Committee has concluded that he has all the required attributes and experience to function as a capable head of internal audit for the Company. He has extensive knowledge and experience on internal audit and exhibits good understanding of the Company's business, alongside the experience working with other listed companies. The profile of the Head of Internal Audit can be found in Attachment 3 Details on the Head of Internal Audit

The internal auditor has audited the internal control system according to the operational plan approved by the Audit Committee to inspect the sufficiency and appropriateness of the system, as well as make sure that the internal control guidelines are completely followed. The result of this audit will be reported to the Audit Committee.

9.2 Related Parties Transaction

The Company has a policy regarding related parties transaction in accordance with the measures announced by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand. All unordinary transactions with a value of more than 0.03% of the Company's NTA must be submitted to the Audit Committee for their consideration, then submitted to the Board of Directors for approval. Directors who are stakeholders in said transactions must refrain from attending the meeting and abstain. After the meeting, the said transactions must be disclosed in Thai and English to the SET and publicized in the Company's website (www.royalplus.co.th)

The Board of Directors also formulate guidelines for the Management concerning all transactions that are business-related or other transactions that are deemed rational trade agreements, without the preference that may suggest biases or misuse of anyone's status as Director, Executive or a related party.

Trend on Related Parties Transaction that concerns the Company's operation

The Company no longer requires any Directors to give guarantees after its enlistment on the Stock Exchange, with the Company now having the related parties transaction policy in accordance with the announcements of the SEC and SET.

Related Parties Transactions concerning Parties with Potential Conflict of Interest

In 2021 and 2022 the Related Parties Transactions concerning parties with potential conflict of interest are as follows;

Party Concerned	Relations
1. Mr. Phonsaeng Saebe (Director)	- Is a Director with the power to sign documents on behalf of PLUS - Is the Managing Director of PLUS - Is a Majority Shareholder, with a total share of 230,680,600 or 34.43% of paid-up capitals as of 31 December 2022.
2. Ms. Amornrat Ketvisate (Director)	- Is Mr. Phonsaeng's wife - Is a Director with the power to sign documents on behalf of PLUS - Is a Deputy Managing Director of PLUS - Is a Majority Shareholder with a total share of 100,656,200 or 15.02% of paid-up capitals as of 31 December 2022

In 2020, 2021 and 2022, PLUS recorded the following related parties transactions (please consider these transactions in details in the disclaimers accompanying the budget report.)

Party Concerned	Transaction Type	2020 (BAHT)	2021 (BAHT)	2022 (BAHT)	Comments of the Audit Committee
1. Mr. Phonsaeng Saebe (Director)	Loans given to Directors				tails on the loans given to Mr. Phonsaeng
	Beginning Balance	31,580,838	-	-	Is a historical loan given to Mr. Phonsaeng in the past
	Loans during the fiscal year / installment	68,377,000	22,000,000	-	On 3 January 2019, PLUS granted loans to Mr. Phonsaeng for the total amount of 50 million baht and determined the repayment in the form of promissory note only upon request and without guarantees. The interest rate (in 2020 and 6M2021) was 0.375% per year, comparable to the normal bank rate.
	Loans decrease during the year / installment	(22,000,000)	(22,000,000)	-	From January - December 2020, Mr. Phonsaeng issued 32 promissory notes to PLUS, constituting the amount of 68,377,000 THB and in 2020, Mr. Phonsaeng paid back the entirety of the remaining 99,957,838 THB.
	Annual total amount / installment	-	-	-	From January - February 2021, Mr. Phonsaeng issued 3 promissory notes to PLUS in order to obtain more loans, totaling 22 million baht, which was paid back in full in February 2021.
	Interest income	106,080	4,801	-	The loans given to Mr. Phonsaeng generated 106,080 THB in interest payment received by PLUS in 2020, and 4,801 in 6M2021.
	Interest due	215,452	-	-	In Q2/2021, Mr. Phonsaeng paid the interest amount due of 215,452 THB in full, meaning no outstanding balance remain.
					This transaction will not happen again in the future
					Comments of the Audit Committee
					This transaction happened in the past with an interest rate specified for Directors being lower than that of PLUS' bank loan. This transaction was unreasonable and should not happen again. To this end, the 2/2021 Board of Directors Meeting on 14 May 2021 issued a policy forbidding PLUS from handing loans to persons with potential conflict of interest.

Party Concerned	Transaction Type	2020 (BAHT)	2021 (BAHT)	2022 (BAHT)	Comments of the Audit Committee
2. Mr. Phonsaeng Saebe (Director)	Loans obtained from Director				Details on the Loans obtained from Mr. Phonsaeng
	Beginning Balance	-	-	-	In the past, PLUS obtained loans from Mr. Phonsaeng to help with PLUS' liquidity.
	Loans during the fiscal year / installment	-	-	-	No loan agreements are made, but promissory notes were issued. Repayment was due only upon request and with no guarantees. The interest rate was 0.375% per year, a rate comparable to bank rate.
	Loans decrease during the year / installment	-	-	-	In Q2/2021, PLUS paid back the interest amount due in full, meaning no outstanding balance remain.
					This transaction will not happen again in the future
					Comments of the Audit Committee
	Annual total amount / installment	-	-	-	This transaction happened in the past out of the need to obtain the circulating fund for PLUS with the goals to expand its business. The interest rate was lower than that of financial institutions, which was beneficial to PLUS. However, PLUS should not seek loans from any persons with potential conflict of interest, and this transaction should not happen again.
	Interest income	-	-	-	
	Interest due	90,979	-	-	

Party Concerned	Transaction Type	2020 (BAHT)	2021 (BAHT)	2022 (BAHT)	Comments of the Audit Committee
3. Ms. Amornrat Ketvisate (Director)	Loans obtained from Director				Details on the Loans obtained from Ms. Amornrat
	Beginning Balance	-	-	-	This transaction happened in the past to help with PLUS' liquidity.
	Loans during the fiscal year / installment	2,250,000	-	-	No loan agreements are made, but promissory notes were issued. Repayment was due only upon request and with no guarantees. The interest rate was 0.375% per year, a rate comparable to bank rate.
	Loans decrease during the year / installment	(2,250,000)	-	-	From February - April 2020, PLUS obtained loans from Ms. Amornrat in the form of 7 promissory notes totaling 2.25 million baht out of the need to help with the Company's liquidity. This amount was paid back by PLUS in full in April 2020, and no outstanding balance remain as of 31 December 2020.
	Annual total amount / installment	-	-	-	This loan from Ms. Amornrat caused PLUS to record an interest payment of 730 THB in 2020 and the interest payment due shown in the list of circulating debts of 13,952 million baht at the end of 2020. However, in Q2/2021, PLUS paid the entirety of the interest due to Ms. Amornrat, meaning no outstanding balance remain.
	Interest income	730	-	-	This transaction will not happen again in the future.
	Interest due	13,952	-	-	Comments of the Audit Committee
					This transaction happened in the past out of the need for PLUS' circulating fund with the goals to expand business. The interest rate was lower than that of financial institutions, which was beneficial to the Company. However, PLUS should not seek loans from persons with potential conflict of interest, and this transaction should not happen again in the future.

Credit Limit Guarantee, Pledge and Mortgage

As of 31 December 2021, Directors and Majority Shareholders of PLUS had no credit limit guarantee obligations with regards to PLUS. For this purpose, the bank issued a letter certifying the release of credit limit guarantee to PLUS (more details on this can be accessed in Part 1 Section 1 Assets used in operating business). Plus has no policies to seek guarantees from any persons with potential conflict of interest and no guarantees shall be sought in the future.

Bank Loan Agreements

Lender	Loan Type	Total Loan Sum (Million baht)	Mr. Phonsaeng	Ms. Amornrat	Disclaimers
Bangkok Bank PLC (BBL)	Term Loan (for purchasing factory plots)	90.0	Guaranteed in full	Guaranteed in full	Bank was in the process to consider releasing the Directors' guarantee obligations as of 23 February 2022.
	Circulating Fund	45.0	Guaranteed in full	Guaranteed in full	On 10 June 2022, bank issued a letter certifying the release of guarantee obligations for both Directors. The Company no longer had any transactions that rely on any Directors.
	Circulating Fund	40.0	Guaranteed in full	Guaranteed in full	
	OD	20.0	Guaranteed in full	Guaranteed in full	
	Packing Credit	130.0	Guaranteed in full	Guaranteed in full	
	LC/TR/PN	10.0	Guaranteed in full	Guaranteed in full	
TMBThanachart Bank PLC (TTB)	Soft Loan	40.0	Guaranteed in full	Guaranteed in full	
	Term Loan	1.0	72 million baht guarantee	72 million baht guarantee	Bank was in the process to consider releasing the Directors' guarantee obligations as of 23 February 2022.
	OD	5.0			On 10 June 2022, bank issued a letter certifying the release of guarantee obligations for both Directors. The Company no longer had any transactions that rely on any Directors.
	Foreign Transaction Loans	60.0			
	Foreign Exchange Hedging	6.0			



PART 3

Financial Statement

Report on The Board of Directors' Responsibility for Financial Statements

The Board of Directors realizes its duty and responsibilities in their status as the directors of SET listed company, with regard to compilation of financial statements of Royal Plus Public Company. The financial statements were prepared in accordance with Thai-Financial Reporting Standards (TFRS), based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable statement, together with necessary clarification and analysis regarding the financial positions and performances by the company, so as to contribute to the interests of the shareholders and general investors. The financial statements as of 31 December 2022 has already been audited, reviewed and expressed with an unconditional opinion from the company's independent certified public accountants.

The Board of Directors had exercised effort to promote good corporate governance practice, and to establish risk management system and internal control system in an efficient and effective manner. These practices were intended to ensure that the recording of accounting information was carried out in an accurate, complete and sufficient manner, in order to safeguard the assets of the company, while also safeguarding against any significant fraud or abuse to ensure the business sustainability.

In the regard, the Company's Audit Committee whose members comprising independent directors had duty carried out audit work on the quality of financial statements and the efficiency of internal control system. The opinions of the Audit Committee were displayed per the Audit Committee's report contained in the 56-1 One Report publication.

Accordingly, The Board of Directors is of the opinion that good corporate governance practice, the risk management system and the Company's internal control system were well adequate and sufficient, reasonably providing sufficient confidence to all the concerned parties that, the financial statement of the company ended 31 December 2022, were prepared and presented in substantial context, in an accurate and reliable manner in accordance with Thai Financial Reporting Standards.

(Dr. Nilsuwan Leelarasamee)
Chairman

(Mr. Phonsaeng Saebe)
Managing Director

Independent Auditor's Report

To the Shareholders of Royal Plus Public Company Limited

Opinion

I have audited the financial statements of Royal Plus Public Company Limited (the "Company"), which comprise the statement of financial position as at 31 December 2022, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standard (TFRSs).

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 Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matter is the matter that, in my professional judgment, was of most significance in my audit of the financial statements of the current period. The matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matters.

Valuation of inventories	
Refer to Notes 3 (e) and 7 to the financial statements	
The key audit matter	How the matter was addressed in the audit
The Company's inventories are measured at the lower of cost and net realisable value. Market competition affects to the determination of the Company's selling price. Therefore, there is a risk that inventories may be presented at cost higher than net realisable value including the occurrence of slow-moving. Due to the materiality of the inventory balance to the financial statements, and the significant judgment of management required in determining allowance for decline in value and obsolete inventories. I considered this matter as a key audit matter.	My audit procedures included: • Understanding the policies and procedures that the Company's management applied for providing allowance for decline in value of inventories; • Evaluating the design and implementation and also testing of operating effectiveness of internal controls relating to inventory management; • Performing test the accuracy of inventory aging calculation in the inventory aging report with relevant supporting documents to ensure that inventories are classified within an appropriate range; • Assessing the reasonableness of management's assumptions used in determining the percentage of obsolete and slow-moving inventories by comparing with historical information, verifying with relevant supporting documents and tested calculation; • Performing test on a sample basis of net realisable value of inventories by investigating with the sales documents after period end and selling expenses with relevant supporting documents and tested calculation; • Considering of the adequacy of the Company's disclosures in accordance with the related Thai Financial Reporting Standards.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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

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

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

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



(Natthaphong Tantichattanon)

Certified Public Accountant

Registration No. 8829

KPMG Phoomchai Audit Ltd.

Bangkok

23 February 2023

Statement of financial position

Assets	Note	31 December	
		2022	2021
		(in Baht)	
Current assets			
Cash and cash equivalents	5	578,247,584	37,900,469
Trade accounts receivable	6	63,643,944	53,660,843
Other current receivables		24,189,870	7,358,624
Inventories	7	120,419,671	118,825,795
Other current financial assets	18	6,708,751	-
Other current assets		28,221,215	13,564,547
Total current assets		821,431,035	231,310,278
Non-current assets			
Restricted bank deposit	9	8,000,000	8,000,000
Property, plant and equipment	8	544,703,018	463,948,499
Intangible assets		3,581,754	3,086,165
Deferred tax assets		8,987,195	6,774,483
Advance payment for machines		61,158,318	11,379,120
Other non-current assets		4,377,549	2,042,150
Total non-current assets		630,807,834	495,230,417
Total assets		1,452,238,869	726,540,695

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

Statement of financial position

Liabilities and equity	Note	31 December	
		2022	2021
		(in Baht)	
Current liabilities			
Bank overdrafts and short-term loans from financial institutions	9	66,863	44,775,560
Trade accounts payable		92,493,197	98,627,405
Advance received		16,712,781	18,746,145
Other current payables	10	53,928,336	86,980,614
Current portion of long-term loans from financial institutions	9	-	28,118,237
Current portion of lease liabilities	9	-	353,319
Income tax payable		22,514,040	20,644,480
Other current liabilities		1,009,136	1,413,261
Total current liabilities		186,724,353	299,659,021
Non-current liabilities			
Long-term loans from financial institutions	9	-	57,494,726
Non-current provisions for employee benefits		11,935,477	8,182,134
Total non-current liabilities		11,935,477	65,676,860
Total liabilities		198,659,830	365,335,881
Equity			
Share capital	11		
Authorised share capital		335,000,000	335,000,000
Issued and paid-up share capital		335,000,000	250,000,000
Share premium on ordinary shares	12	673,727,108	12,500,000
Retained earnings			
Appropriated			
Legal reserve	12	15,678,000	5,296,000
Unappropriated		229,173,931	93,408,814
Total equity		1,253,579,039	361,204,814
Total liabilities and equity		1,452,238,869	726,540,695

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

Statement of comprehensive income

		For the year ended 31 December	
	Note	2022	2021
		(in Baht)	
Revenues			
Revenue from sale of goods	13	1,428,187,449	1,003,174,745
Net foreign exchange gain		12,447,825	-
Other income		16,776,001	6,291,490
Total revenues		1,457,411,275	1,009,466,235
Expenses			
Cost of sales of goods	14	1,002,270,799	728,912,992
Distribution costs	14	97,993,831	65,607,021
Administrative expenses	14	97,004,018	96,719,857
Net foreign exchange loss		-	2,711,593
Total expenses		1,197,268,648	893,951,463
Profit from operating activities		260,142,627	115,514,772
Finance costs		1,482,034	8,738,100
Profit before income tax expense		258,660,593	106,776,672
Income tax expense	15	51,032,988	21,146,003
Profit for the year		207,627,605	85,630,669
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Loss on remeasurements of defined benefit plans - net of tax		(1,480,488)	-
Total comprehensive income for the year		206,147,117	85,630,669
Earnings per share			
Basic earnings per share	17	0.34	0.17

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

Statement of changes in equity

	Note	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Total equity
				Legal reserve (in Baht)	Unappropriated	
Year ended 31 December 2021						
Balance at 1 January 2021		250,000,000	12,500,000	1,014,198	12,059,947	275,574,145
Comprehensive income for the year						
Profit		-	-	-	85,630,669	85,630,669
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	85,630,669	85,630,669
Transfer to legal reserve	12	-	-	4,281,802	(4,281,802)	-
Balance at 31 December 2021		250,000,000	12,500,000	5,296,000	93,408,814	361,204,814
Year ended 31 December 2022						
Balance at 1 January 2022		250,000,000	12,500,000	5,296,000	93,408,814	361,204,814
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Issue of ordinary shares	11	85,000,000	661,227,108	-	-	746,227,108
Dividends	16	-	-	-	(60,000,000)	(60,000,000)
Total contributions by and distributions to owners		85,000,000	661,227,108	-	(60,000,000)	686,227,108
Comprehensive income for the year						
Profit		-	-	-	207,627,605	207,627,605
Other comprehensive loss		-	-	-	(1,480,488)	(1,480,488)
Total comprehensive income for the year		-	-	-	206,147,117	206,147,117
Transfer to legal reserve	12	-	-	10,382,000	(10,382,000)	-
Balance at 31 December 2022		335,000,000	673,727,108	15,678,000	229,173,931	1,253,579,039

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

Statement of cash flows

		For the year ended 31 December	
	Note	2022	2021
		(in Baht)	
Cash flows from operating activities			
Profit for the year		207,627,605	85,630,669
<i>Adjustments to reconcile profit to cash receipts (payments)</i>			
Income tax expense	15	51,032,988	21,146,003
Finance costs		1,482,034	8,738,100
Depreciation and amortisation		47,394,146	37,230,716
Provisions for employee benefits		1,902,733	1,121,912
Reversal of impairment loss recognised in profit or loss		-	(554,903)
Provision for warranty		3,548,813	6,129,408
Gain on change in fair value of derivative measured through profit or loss		(6,708,751)	-
(Reversal of) loss on inventories devaluation		(47,161)	12,908,172
Loss on disposal of inventories		14,712,117	6,923,430
Loss on disposal of plant, equipment and intangible assets		131,954	1,840,902
Interest income		(1,090,274)	(16,302)
		319,986,204	181,098,107
<i>Changes in operating assets and liabilities</i>			
Trade accounts receivable		(9,983,101)	(34,594,673)
Other current receivables		(16,831,246)	1,047,584
Inventories		(16,258,833)	1,515,976
Other current assets		(14,656,668)	8,738,797
Other non-current assets		(2,335,399)	(31,742)
Trade accounts payable		(6,134,208)	(14,838,452)
Advance received		(2,033,364)	(30,320,893)
Other current payables		(32,699,078)	37,688,045
Other current liabilities		(404,125)	469,415
Net cash generated from operating		218,650,182	150,772,164
Taxes paid		(46,312,794)	(12,197,355)
Net cash from operating activities		172,337,388	138,574,809

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

Statement of cash flows

		For the year ended	
		31 December	
	Note	2022	2021
(in Baht)			
Cash flows from investing activities			
Decrease in restricted bank deposits		-	1,991
Proceeds from short-term loans to related parties		-	22,000,000
Short term loans to related parties		-	(22,000,000)
Proceeds from sale of plant and equipment		-	441,808
Acquisition of plant and equipment		(180,509,441)	(36,158,862)
Acquisition of intangible assets		(1,147,544)	(652,320)
Interest received		1,090,274	275,415
Net cash used in investing activities		(180,566,711)	(36,091,968)
Cash flows from financing activities			
Proceeds from issue of shares	11	765,000,000	-
Share insurance fees	11	(23,466,115)	-
Decrease in bank overdrafts and repayment of short-term loans from financial institutions		(44,708,697)	(33,026,506)
Repayment of short-term loans from other parties		-	(40,000,000)
Proceeds from long-term loans from financial institutions		-	40,000,000
Repayment of long-term loans from financial institutions		(85,612,963)	(31,184,620)
Payment of lease liabilities		(353,319)	(649,590)
Dividend paid	16	(60,000,000)	-
Interest paid		(2,282,468)	(8,399,000)
Net cash from (used in) financing activities		548,576,438	(73,259,716)
Net increase in cash and cash equivalents		540,347,115	29,223,125
Cash and cash equivalents at 1 January		37,900,469	8,677,344
Cash and cash equivalents at 31 December	5	578,247,584	37,900,469
Non-cash transaction:			
Payable for purchase of plant and equipment		-	3,101,579

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

Notes to the financial statements

For the year ended 31 December 2022

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 23 February 2023.

1 General information

Royal Plus Public Company Limited (“the Company”) is a company incorporated in Thailand and was listed in the Stock Exchange of Thailand on 20 May 2022.

As of 31 December 2022, the major shareholders were Mr. Polsang Sae-be and Ms. Amornrat Ketwiset, with 34.43% and 15.02% of shareholding, respectively (2021: Mr. Polsang Sae-be and Ms. Amornrat Ketwiset with 46.14% and 20.13% shareholding, respectively).

The principal activities of the Company are manufacture and distribution of beverage, fruit juice, fruit juice with basil seeds, fruit juice with chia seeds, coconut milk and soy milk.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in the notes, have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Company’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

(b) Financial instruments

(b.1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivable (see note 3(d))) are initially recognised when the Company becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

(b.2) Derecognition and offset

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and the Company intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(b.3) Derivatives

Derivative are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

(b.4) Impairment of financial assets other than trade accounts receivable

The Company recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

(b.5) Write offs

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(b.6) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand are a component of financing activities of the statement of cash flows.

(d) Trade accounts receivable

A trade receivable is recognised when the Company has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Company estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the first in first out principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(f) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Land improvement	2 - 3 years
Buildings and buildings improvement	3 - 35 years
Machinery and equipment	3 - 15 years
Furniture, fixtures and office equipment	2 - 5 years
Vehicles	5 years

(g) Intangible assets

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licences	5 years
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(h) Leases

At inception of a contract, the Company assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Company has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as an expenses on a straight-line basis over the lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any initial direct costs incurred. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Company uses the Company's incremental borrowing rate to discount the lease payments to the present value. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(i) Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised in profit or loss if the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss of asset recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Employee benefits

Defined contribution plan

Obligations for contributions to the Company's provident funds are expensed as the related service is provided.

Defined Benefit plan

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed regularly every 3 years by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Company determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

A provision for warranties is recognised when the underlying products are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

(l) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

(m) Revenue from contracts with customers

Revenue is recognised when a customer obtains control of the goods in an amount that reflects the consideration to which the Company expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Company estimates the returns based on the historical return data, does not recognise revenue for this transaction and remains recognition of inventory for the estimated products to be returned.

(n) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the financial statements.

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

(o) Earnings per share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

4 Related parties

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Company; a person or entity that is under common control or under the same significant influence as the Company; or a person or entity over which the Company has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

Related parties that the Company had significant transactions with during the year were as follows:

Name of related parties	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Significant transactions with related parties for the years ended 31 December

	2022	2021
	<i>(in Baht)</i>	
Key management personnel		
Interest income	-	4,801
Key management personnel compensation		
Short-term employee benefits	15,461,771	15,869,340
Post-employment benefits	250,296	374,699
Total key management personnel compensation	15,712,067	16,244,039

Balance as at 31 December with related parties were as follows:

Short-term loans to related parties	Interest rate (% per annum)	At 1 January	Increase	Decrease	At 31 December
			<i>(in Baht)</i>		
2021					
Key management personnel	0.38	-	22,000,000	(22,000,000)	-

Short-term loans to related parties are promissory notes. These promissory notes are unsecured and repayable on demand.

5 Cash and cash equivalents

	2022	2021
	<i>(in Baht)</i>	
Cash on hand	22,643	14,698
Cash at banks - current accounts	789,865	723,442
Cash at banks - saving accounts	577,435,076	37,162,329
Total	578,247,584	37,900,469

6 Trade accounts receivable

	2022	2021
	<i>(in Baht)</i>	
Within credit terms	48,105,059	50,679,793
Overdue:		
1 - 30 days	15,535,335	2,981,050
31 - 60 days	3,550	-
More than 90 days	-	-
Total	63,643,944	53,660,843
Less allowance for expected credit loss	-	-
Net	63,643,944	53,660,843

Information of credit risk is disclosed in note 18 (b.1).

7 Inventories

	2022	2021
	<i>(in Baht)</i>	
Finished goods	11,598,137	47,081,008
Work in progress	53,888,479	42,237,413
Raw materials	36,948,983	13,592,427
Packaging	17,367,416	15,735,930
Factory supplies	6,127,102	4,277,706
Goods in transit	8,883,281	10,342,199
Total	134,813,398	133,266,683
Less allowance for decline in value	(14,393,727)	(14,440,888)
Net	120,419,671	118,825,795

Property, plant and equipment

	Land and land improvement	Buildings and buildings improvement	Machinery and equipment	Furniture, fixtures and office equipment (in Baht)	Vehicles	Assets under construction and installation	Total
Cost							
At 1 January 2021	54,933,804	315,507,612	214,956,998	4,831,245	11,281,240	49,247,022	650,757,921
Additions	102,360	1,914,200	4,308,570	432,823	-	27,594,668	34,352,621
Transfers	79,000	4,569,833	30,349,222	-	-	(34,998,055)	-
Disposals	-	(26,754)	(10,763,576)	(100,526)	(1,470)	-	(10,892,326)
At 31 December 2021 and 1 January 2022	55,115,164	321,964,891	238,851,214	5,163,542	11,279,770	41,843,635	674,218,216
Additions	14,151,825	2,287,409	8,446,803	548,885	-	102,193,742	127,628,664
Transfers	-	16,277,380	41,739,080	224,520	-	(58,240,980)	-
Disposals	-	-	(2,670,444)	(37,500)	(1,641,514)	-	(4,349,458)
At 31 December 2022	69,266,989	340,529,680	286,366,653	5,899,447	9,638,256	85,796,397	797,497,422
Depreciation							
At 1 January 2021	335,639	58,154,963	109,419,763	4,046,335	10,625,303	-	182,582,003
Depreciation charge for the year	335,639	12,924,349	22,324,038	417,824	295,538	-	36,297,388
Disposals	-	(25,783)	(8,512,714)	(69,708)	(1,469)	-	(8,609,674)
At 31 December 2021 and 1 January 2022	671,278	71,053,529	123,231,087	4,394,451	10,919,372	-	210,269,717
Depreciation charge for the year	335,639	14,462,084	31,473,712	296,755	173,996	-	46,742,186
Disposals	-	-	(2,541,533)	(37,499)	(1,638,467)	-	(4,217,499)
At 31 December 2022	1,006,917	85,515,613	152,163,266	4,653,707	9,454,901	-	252,794,404

	Land and land improvement	Buildings and buildings improvement	Machinery and equipment	Furniture, fixtures and office equipment (in Baht)	Vehicles	Assets under construction and installation	Total
Net book value							
At 31 December 2021							
Owned assets	54,108,247	250,911,362	115,620,127	769,091	360,398	41,843,635	463,612,860
Right-of-use assets	335,639	-	-	-	-	-	335,639
	<u>54,443,886</u>	<u>250,911,362</u>	<u>115,620,127</u>	<u>769,091</u>	<u>360,398</u>	<u>41,843,635</u>	<u>463,948,499</u>
At 31 December 2022							
Owned assets	68,260,072	255,014,067	134,203,387	1,245,740	183,355	85,796,397	544,703,018
Right-of-use assets	-	-	-	-	-	-	-
	<u>68,260,072</u>	<u>255,014,067</u>	<u>134,203,387</u>	<u>1,245,740</u>	<u>183,355</u>	<u>85,796,397</u>	<u>544,703,018</u>

9 Interest-bearing liabilities

	2022	2021
	(in Baht)	
Current		
Bank overdrafts - secured	66,863	14,456,573
Short-term loans from financial institutions - secured	-	30,318,987
Current portion of long-term loans from financial institutions - secured	-	28,118,237
Current portion of lease liabilities	-	353,319
Total current	66,863	73,247,116
Non-current		
Long-term loans from financial institutions - secured	-	57,494,726
Total non-current	-	57,494,726

Short-term loans from financial institutions

Short-term loans from financial institutions are promissory notes and letter of credit due within 1 to 4 months with interest at the rate of 4.13% - 5.25% per annum.

Long-term loans from financial institutions

The movement of long-term loans from financial institutions for the years ended 31 December are as follows:

	2022	2021
	(in Baht)	
At 1 January	85,612,963	76,797,583
Increase	-	40,000,000
Decrease	(85,612,963)	(31,184,620)
At 31 December	-	85,612,963

During the year of 2022, the Company repaid long-term loans in full amount to the financial institutions.

As at 31 December 2022 the Company had unutilised credit facilities totalling Baht 64.93 million (2021: Baht 180.22 million).

Secured interest-bearing liabilities as at 31 December

	2022	2021
	(in Baht)	
Restricted bank deposit	8,000,000	8,000,000
Property, Plant and equipment	19,523,623	145,891,928
Total	27,523,623	153,891,928

10 Other current payables

	2022	2021
	<i>(in Baht)</i>	
Accrued expenses	30,377,676	67,317,405
Provision for warranty	9,678,221	6,129,408
Accrued interest	-	800,434
Others	13,872,439	12,733,367
Total	53,928,336	86,980,614

11 Share Capital

	<i>Par value per share (in Baht)</i>	2022		2021	
		Number	Amount (shares / in Baht)	Number	Amount
Authorised					
At 1 January					
- ordinary shares	100	-	-	2,500,000	250,000,000
- ordinary shares	0.50	670,000,000	335,000,000	-	-
Reduction in par value					
- from Baht 100 to Baht 0.50	0.50	-	-	497,500,000	-
increase of new shares	0.50	-	-	170,000,000	85,000,000
At 31 December					
- ordinary shares	0.50	670,000,000	335,000,000	670,000,000	335,000,000
Issued and paid-up					
At 1 January					
- ordinary shares	100	-	-	2,500,000	250,000,000
- ordinary shares	0.50	500,000,000	250,000,000	-	-
Reduction in par value					
- from Baht 100 to Baht 0.50	0.50	-	-	497,500,000	-
Issue new shares	0.50	170,000,000	85,000,000	-	-
At 31 December					
- ordinary shares	0.50	670,000,000	335,000,000	500,000,000	250,000,000

Initial Public Offering

In May 2022, the Company offered 170 million ordinary shares to the initial public offering (“IPO”). The new shares were issued at a price of Baht 4.5 per share (par value of Baht 0.5 and share premium on ordinary shares of Baht 4). The Company received cash from issuing of new ordinary shares of Baht 765 million. The Company registered the increase of paid-up share capital with the Ministry of Commerce on 17 May 2022 and the shares of the Company were begun trading in the Stock Exchange of Thailand on 20 May 2022. The Company had expenses (net of tax) related to share issuance amounting to Baht 18.77 million. Hence, the Company recognised premium on ordinary shares totalling Baht 661.23 million.

12 Share premium and legal reserve

Share premium

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

Legal reserve

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

13 Segment information and disaggregation of revenue

Segment results that are reported to the Company’s Managing Director (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Company operates in a single line of business, namely the Beverage business. Therefore, revenue, profit and total assets on the financial statements involved in the Beverage business segment.

Geographical information	2022	2021
	<i>(in Baht)</i>	
Thailand	182,356,187	154,002,721
The United States of America	739,530,518	432,463,925
China	249,534,300	236,442,091
Others	256,766,444	180,266,008
Total	1,428,187,449	1,003,174,745

All non-current assets of the Company are located in Thailand.

All revenues of the Company are recognised at a point in time.

Major customers

Revenues from 2 customers (2021: 2 customers) represent approximately Baht 775.16 million (2021: Baht 535.72 million) of the Company’s total revenues.

14 Expenses by nature

	2022	2021
	(in Baht)	
Changes in inventories of finished goods and work in progress	23,831,805	(2,175,369)
Raw materials and supplies used	765,799,280	560,621,637
Employee benefit expenses	183,542,653	146,159,091
Depreciation and amortisation	47,394,146	37,230,716
Transportation expenses	61,843,317	35,943,684
Loss on disposal of inventories	14,712,117	6,923,430
Others	100,145,330	109,248,274
Total cost of sales of goods, distribution costs and administrative expenses	1,197,268,648	893,951,463

15 Income tax

<i>Income tax recognised in profit or loss</i>	2022	2021
	(in Baht)	
Current tax expense		
Current year	52,875,578	25,846,831
Deferred tax expense		
Movements in temporary differences	(1,842,590)	(4,700,828)
Total income tax expense	51,032,988	21,146,003

<i>Reconciliation of effective tax rate</i>	2022		2021	
	Rate (%)	(in Baht)	Rate (%)	(in Baht)
Profit before income tax expense		258,660,593		106,776,672
Income tax using the Thai corporation tax rate	20	51,732,119	20	21,355,334
Expenses that are deductible at a greater amount		(3,992,026)		(1,866,403)
Expenses not deductible for tax purposes		3,292,895		1,657,072
Total	19.73	51,032,988	19.80	21,146,003

16 Dividend

The dividends paid by the Company to shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share (in Baht)	Amount (in million Baht)
2022				
2021 Annual dividend	21 March 2022	19 April 2022	0.12	60.00

17 Basic earnings per share

	2022	2021
	(Share / Baht)	
Profit for the year attributable to ordinary shareholders of the Company	<u>207,627,605</u>	<u>85,630,669</u>
Ordinary shares outstanding		
Number of ordinary shares outstanding at 1 January	500,000,000	2,500,000
Effect of change in par value	-	497,500,000
Effect of shares issued during the year	<u>106,657,534</u>	<u>-</u>
Weighted average number of ordinary shares outstanding at 31 December	<u>606,657,534</u>	<u>500,000,000</u>
Earnings per share (basic)	<u>0.34</u>	<u>0.17</u>

18 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	Carrying amount	Fair value			
	Fair value to profit or loss	Level 1	Level 2 (in Baht)	Level 3	Total
At 31 December 2022					
Financial asset					
Forward exchange contracts	6,708,751	-	6,708,751	-	6,708,751

The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

Type	Valuation technique
Forward exchange contracts	The fair value is determined using quoted forward exchange rates as of the reporting date.

(b) Financial risk management policies

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

(b.1.1) Trade accounts receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 13.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's commercial terms and conditions are offered. The Company's review financial statements, industry information and in some cases bank references. Sale limits are established for each customer and reviewed regularly. Any sales exceeding those limits require approval from the Company's Managing Director.

The Company limits its exposure to credit risk from trade accounts receivable by establishing a maximum payment period of 30 days. Outstanding trade accounts receivable are regularly monitored by the Company. An impairment analysis is performed by the Company at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade accounts receivable to reflect differences between economic conditions in the past, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivable are disclosed in note 6.

(b.1.2) Cash and cash equivalent and derivatives

The Company's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions which the Company considers to have low credit risk.

(b.2) Liquidity risk

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

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

At 31 December 2022	Carrying amount	Contractual cash flows		
		1 year or less	More than 1 year but less than 5 years	Total
			(in Baht)	
Non-derivative financial liabilities				
Bank overdrafts	(66,863)	(66,863)	-	(66,863)
Trade accounts payable	(92,493,197)	(92,493,197)	-	(92,493,197)
Total	(92,560,060)	(92,560,060)	-	(92,560,060)

At 31 December 2021	Carrying amount	Contractual cash flows		
		1 year or less	More than 1 year but less than 5 years	Total
			(in Baht)	
Non-derivative financial liabilities				
Bank overdrafts and short-term loans from financial institutions	(44,775,560)	(45,042,837)	-	(45,042,837)
Trade accounts payable	(98,627,405)	(98,627,405)	-	(98,627,405)
Long-term loans from financial institutions	(85,612,963)	(30,241,568)	(60,954,711)	(91,196,279)
Lease liabilities	(353,319)	(361,263)	-	(361,263)
Total	(229,369,247)	(174,273,073)	(60,954,711)	(235,227,784)

The cash flows disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

(b.3) Market risk

The Company is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(b.3.1) Foreign currency risk

The Company is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Company primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

<i>Exposure to foreign currency At 31 December</i>	2022		2021	
	United States Dollars	Chinese Yuan	United States Dollars	Chinese Yuan
				(in Baht)
Cash	6,777,470	448,715	20,646,108	-
Trade account receivable	56,595,275	-	45,898,409	-
Trade account payable	-	-	(5,404,318)	(347,606)
Net statement of financial position exposure	63,372,745	448,715	61,140,199	(347,606)
Forward exchange contracts	(56,595,275)	-	-	-
Net exposure	6,777,470	448,715	61,140,199	(347,606)

19 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital by evaluating result from operating activities divided by total shareholders' equity, and also monitors the level of dividends to ordinary shareholders.

20 Commitments with non-related parties

	2022	2021
	(in Baht)	
Capital commitment		
Buildings and equipment	192,347,216	7,823,600
Software license	225,000	450,000
Total	192,572,216	8,273,600
Other commitments		
Short-term leases and leases of low-value assets commitments	1,421,200	192,960
Unused letters of credit for goods	-	5,404,318
Total	1,421,200	5,597,278

21 Event after the reporting period

At the Board of Directors' meeting of the Company held on 23 February 2023, the meeting approved dividend payment of Baht 0.13 per share, totalling not exceeding Baht 87.10 million. This is subject to approval by the shareholders at the annual general meeting in April 2023.

22 Thai Financial Reporting Standards (TFRS) not yet adopted

The Federation of Accounting Professions has issued and revised TFRSs which are effective for annual accounting periods beginning on or after 1 January 2023 and have not been adopted in the preparation of these financial statements because they are not yet effective. The Company has assessed the potential initial impact on the financial statements of these issued and revised TFRSs and expected that there will be no material impact on the financial statements in the period of initial application.

The background features a hand holding a white stylus, pointing at a list of five items on a tablet screen. Each item is preceded by a white checkmark icon inside a circle. A large, semi-transparent green circle is centered over the image, containing the word 'Attachment' in white. To the right of the green circle, there are several overlapping squares in shades of orange, blue, and grey, and a blue line graph is partially visible.

Attachment

Attachment 1

Information of the Boards of Directors, Executives, Controlling Persons, Chief Financial officers, Supervising Accounting and Company Secretary

1

Dr. Nilsuwan Leelarasamee

Chairman and Independent Director

Age : 71 Years Old

Date of Appointment as Director

4 July 2016

Education

- Ph.D. Pharmaceutics,
West Virginia University, USA
- M.Sc. Pharmaceutical Sciences,
West Virginia University, USA
- B.Sc. Pharmacy,
Chiang Mai University

Expertise

- Management and Administration
- Business and Marketing
- International Competition
- Research and Development

Training by the Thai Institute of Directors

Association (IOD)

- Director Accreditation Program (DAP) 130/2016
- Independent Observe Program (IOP) 3/2016

Board Member/Management in Other Company

Listed Company : 1 Organization

- Chairman of the Audit Committee
Thai O.P.P. Public Company Limited

Non-Listed Company : 1 Organization

- Director, Nomination Director,
Executive Director and Head of R&D
Golden Cup Pharmaceutical Company Limited

Work Experience in the Past 5 Years

- 2019 - Present Chairman of
the Audit Committee
(Thai O.P.P. Public
Company Limited)
- 1992 - Present Director, Nomination Director,
Executive Director and
Head of R&D
(Golden Cup Pharmaceutical
Company Limited)

(%) Shareholding (As of 31 December 2022)

Held personally :

0.16% (1,053,200 shares)

Spouse / minor children :

-None-

Family Relationship among Director and Executives

-None-

Attendance at the Board of Directors' Meeting during 2022

7 times out of 7 times



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2

Dr. Thasana Boonkwan

Position Independent Director and Chairman of the Audit Committee

Age : 54 Years Old

Date of Appointment as Director

4 July 2016

Education

- Ph.D. International Marketing, Nova South-eastern University Florida, USA
- MA Finance, University of Wisconsin, USA
- BA Finance and Banking, Thammasat University

Expertise

- Management and Administration
- Risk Management
- Crisis Management
- International Competition
- Economics and Banking

Training by the Thai Institute of Directors**Association (IOD)**

- Director Accreditation Program (DAP) 130/2016

Board Member/Management in Other Company**Listed Company :** -None-**Non-Listed Company :** 1 Organization

- Director
BBB&V Company Limited

Work Experience in the Past 5 Years

- 2019 - Present Director, Laem Chabang Engineering Technological College
- 2013 - Present Director
BBB&V Company Limited
- 2014 – 2018 Professor, Faculty of Business Administration, University of the Thai Chamber of Commerce
- 2009 - 2013 Dean, Graduate College, University of the Thai Chamber of Commerce

(%) Shareholding (As of 31 December 2022)**Held personally :**

0.15% (1,000,000 shares)

Spouse / minor children :

-None-

Family Relationship among Director and Executives

-None-

Attendance at the Board of Directors' Meeting during 2022

7 times out of 7 times

Attendance at the Audit Committee's Meeting during 2022

4 times out of 4 times



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3

Mr. Phonsaeng Saebe

Position Director, Chairman of the Executive Committee and Managing Director
(Director with authority to sign on behalf of the Company)

Age : 47 Years Old

Date of Appointment as Director

24 March 1998

Education

- Higher Education Certificate in Logistical Management, Laem Chabang Engineering Technological College
- Mini MBA
Thammasat University

Expertise

- Management and Administration
- Risk Management
- Business and Marketing
- International Competition

Training by the Thai Institute of Directors

Association (IOD)

- Director Accreditation Program (DAP) 130/2016

Other Trainings

- Corporate Sustainability Strategy (S01 – S04)
4/2022, The Stock Exchange of Thailand
- Special Program for Listed Company Executives
“SET x IAA: Techniques to Create Added Values for Listed Companies from the Perspectives of Securities Analysts” Batch 2, The Stock Exchange of Thailand
- Short Program for Business Owners and Executives for Business Advancement towards Export Markets (Top X), Batch 1, Export-Import Bank of Thailand

Board Member/Management in Other Company

Listed Company : -None-

Non-Listed Company : -None-

Work Experience in the Past 5 Years

- 2016 - 2021 Managing Director,
Royal Plus Company Limited
- 1998 - 2022 Director,
Royal Plus Company Limited

(%) Shareholding (As of 31 December 2022)

Held personally :

34.43% (230,680,600 shares)

Spouse / minor children :

15.02% (100,656,200 shares)

Family Relationship among Director and Executives

Spouse (Ms. Amornrat Ketvisate)

Older Brother (Ms. Monthira Saebe)

Attendance at the Board of Directors' Meeting during 2022

7 times out of 7 times

Attendance at the Executive committee' Meeting during in 2022

12 times out of 12 times



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4

Ms. Amornrat Ketvisate

Position Director, Executive Committee and Deputy Managing Director
(Director with authority to sign on behalf of the Company)

Age : 51 Years Old

Date of Appointment as Director

31 October 2005

Education

- BA. Accounting,
Bangkok University

Expertise

- Management and Administration
- Accounting and Finance

Training by the Thai Institute of Directors**Association (IOD)**

- Director Accreditation Program (DAP) 130/2016

Board Member/Management in Other Company

Listed Company : -None-

Non-Listed Company : -None-

Work Experience in the Past 5 Years

- 2016 - 2021 Deputy Managing Director,
Royal Plus Company Limited
- 2005 - 2022 Director,
Royal Plus Company Limited

(%) Shareholding (As of 31 December 2022)**Held personally :**

15.02% (100,656,200 shares)

Spouse / minor children :

34.43% (230,680,600 shares)

Family Relationship among Director and Executives

Spouse (Mr. Phonsaeng Saebe)

Sister-in-law (Ms. Monthira Saebe)

Attendance at the Board of Directors' Meeting during 2022

7 times out of 7 times

Attendance at the Executive committee' Meeting during in 2022

12 times out of 12 times



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Mr. Kitti Wachirajirakorn

Position Director, Executive Committee (Director with authority to sign on behalf of the Company), Vice President - Finance & Operation and Company Secretary

Age : 45 Years Old

Date of Appointment as Director

1 July 2021

Education

- M.Sc. Information Technology,
King Mongkut's University of Technology Thonburi
- BA. Business Administration,
Chulalongkorn University
- BA. Accountancy,
University of the Thai Chamber of Commerce

Expertise

- Management and Administration
- Risk Management
- Accounting and Finance
- Information Technology

Training by the Thai Institute of Directors

Association (IOD)

- Director Accreditation Program (DAP)
181/2021
- Company Secretary Program (CSP)
117/2021

Continuing Professional Development Program (CPD)

- Catching Up and Analyzing Financial Report
1/2022 (6 Hours)
- Understanding Important Financial Report
Standards and Audit Report 1/2022 (6 Hours)
- CFO Refresher 3/2022 (6 Hours)

Other Trainings

- Business Sustainability Strategy (S01 - S04)
4//2022, The Stock Exchange of Thailand
- Techniques to Create Added Values for Listed
Companies from the Perspectives of Securities
Analysts" Batch 2, The Stock Exchange of Thailand
- Digital Transformation
The Stock Exchange of Thailand
- TTB Digital Lean Supply Chain Batch 17
Food and Beverage Industry

Board Member/Management in Other Company

Listed Company : -None-

Non-Listed Company : -None-

Work Experience in the Past 5 Years

- 2019 - 2021 Vice President – Finance & Operation,
Royal Plus Company Limited
- 2011 - 2019 OTC Manager, DHL Global
Forwarding (Thailand) Company Limited

(%) Shareholding (As of 31 December 2022)

Held personally :

0.29% (1,930,200 shares)

Spouse / minor children :

-None-

Family Relationship among Director and Executives

-None-

Attendance at the Board of Directors' Meeting during 2022

7 times out of 7 times

จำนวนครั้งที่เข้าร่วมประชุมคณะกรรมการบริหารในปี 2565

12 times out of 12 times



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6

Mr. Comepisith Ratchatakanjanemas

Position Independent Director and Member of the Audit Committee

Age : 44 Years Old

Date of Appointment as Director

4 July 2016

Education

- BA. Cost Accountancy,
University of the Thai Chamber of Commerce

Expertise

- Accounting and Finance
- Risk Management
- Management and Administration

Training by the Thai Institute of Directors**Association (IOD)**

- Director Accreditation Program (DAP)
132/2016

Board Member/Management in Other Company**Listed Company :** -None-**Non-Listed Company :** -None-**Work Experience in the Past 5 Years**

- 2010 - Present Owner,
A-Goo Fish Ball
- 2004 - Present Independent Accountant

(%) Shareholding (As of 31 December 2022)**Held personally :**

-None-

Spouse / minor children :

-None-

Family Relationship among Director and Executives

-None-

**Attendance at the Board of Directors' Meeting
during 2022**

7 times out of 7 times

**Attendance at the Audit Committee's Meeting
during 2022**

4 times out of 4 times



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Dr. Sunti Chirawatthanagkoon

Position Independent Director and Member of the Audit Committee

Age : 44 Years Old

Date of Appointment as Director

4 July 2016

Education

- PhD. E-Business Strategies,
Southern Cross University
- MA. MIS,
Deakin University
- BA. Business Administration,
Assumption University

Expertise

- Risk Management
- Management and Administration
- Information Technology

Training by the Thai Institute of Directors

Association (IOD)

- Director Accreditation Program (DAP)
132/2016

Board Member/Management in Other Company

Listed Company : -None-

Non-Listed Company : 4 Organizations

- Director and President
Thaiphetchkasem BTC (2017) Company Limited
- Director and President
Boonsiri Asset Company Limited
- Director and President
TPK Auto Paint Company Limited
- Director and President
Thaiphetchkasem Auto Car Company Limited

Work Experience in the Past 5 Years

- 2017 - Present Director and President
Thaiphetchkasem BTC (2017)
Company Limited
- 2016 - Present Director and President
Boonsiri Asset
Company Limited
- 2015 - Present Director and President
TPK Auto Paint
Company Limited
- 2011 - Present Director and President
Thaiphetchkasem Auto Car
Company Limited

(%) Shareholding (As of 31 December 2022)

Held personally :

-None-

Spouse / minor children :

-None-

Family Relationship among Director and Executives

-None-

Attendance at the Board of Directors' Meeting during 2022

7 times out of 7 times

Attendance at the Audit Committee's Meeting during 2022

4 times out of 4 times



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8

Mrs. Nusara Ma

Position Director

(Director with authority to sign on behalf of the Company)

Age : 53 Years Old

Date of Appointment as Director

4 July 2016

Education

- Higher Education Certificate,
Rajadamnuan Commercial College

Expertise

- Management and Administration

Training by the Thai Institute of Directors**Association (IOD)**

- Director Accreditation Program (DAP)
132/2016

Board Member/Management in Other Company**Listed Company :** -None-**Non-Listed Company :** 2 Organizations

- Director
Four Runner Import Export Company Limited
- Director
Veo Marketing Company Limited

Work Experience in the Past 5 Years

- 2022 - Present Director
Four Runner Import Export
Company Limited
- 2022 - Present Director
Veo Marketing Company Limited
- 2014 - 2021 Executive Secretary
Royal Plus Company Limited

(%) Shareholding (As of 31 December 2022)**Held personally :**

0.49% (3,272,000 shares)

Spouse / minor children :

5.56% (37,275,400 shares)

Family Relationship among Director and Executives

-None-

**Attendance at the Board of Directors' Meeting
during 2022**

7 times out of 7 times



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9

Ms. Monthira Saebe

Position Director

Age : 37 Years Old

Date of Appointment as Director

4 July 2016

Education

- M.Sc. Oral and Maxillofacial Surgery,
Prince of Songkla University
- Advanced Diploma. Oral and Maxillofacial Surgery,
Prince of Songkla University
มหาวิทยาลัยสงขลานครินทร์
- B.Sc. Dentistry,
Mahidol University

Expertise

- Management and Administration

Training by the Thai Institute of Directors**Association (IOD)**

- Director Accreditation Program (DAP)
132/2016

Board Member/Management in Other Company**Listed Company :** -None-**Non-Listed Company :** -None-**Work Experience in the Past 5 Years**

- 2017 – Present Dentist (Specialized in Oral
Surgery and Impants)
Adenza Dental Clinic

(%) Shareholding (As of 31 December 2022)**Held personally :**

0.02% (110,000 shares)

Spouse / minor children :

-None-

Family Relationship among Director and Executives

Younger Sister (Mr. Phonsaeng Saebe)

Sister-in-law (Ms. Amornrat Ketvisate)

**Attendance at the Board of Directors' Meeting
during 2022**

7 times out of 7 times



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10

Ms. Phatraporn Kaweesuttikul

Position Manufacturing Director

Age : 36 Years Old

Education

- B.Sc. Microbiology,
Chulalongkorn University

Training by the Thai Institute of Directors**Association (IOD)**

-None-

การอบรมอื่นๆ

- Lean Automation System Integrator
(The Thai-Germany Institute)

Board Member/Management in Other Company**Listed Company :** -None-**Non-Listed Company :** -None-**Work Experience in the Past 5 Years**

- 2017 - 2021 Assistant Director for Quality
Management Royal Plus
Company Limited
- 2013 - 2017 Quality Control Assistant
Trimarine International
Company Limite

(%) Shareholding (As of 31 December 2022)**Held personally :**

0.06% (400,000 shares)

Spouse / minor children :

-None-

Family Relationship among Director and Executives

-None-



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11

Ms. Irin Phatthawatwekin

Position Acting Sales and Marketing Director

Age : 34 Years Old

Alma Mater Education

- MA. Business Administration,
Assumption University
- BA. Business Administration (Marketing),
Assumption University

Training by the Thai Institute of Directors**Association (IOD)**

-None-

Board Member/Management in Other Company**Listed Company :** -None-**Non-Listed Company :** -None-**Work Experience in the Past 5 Years**

- 2017 - 2022 Key Account Manager
Royal Plus Company Limited
- 2015 - 2017 Sales & Marketing Manager
Elite Publishing (Thailand)
Co., Ltd.

(%) Shareholding (As of 31 December 2022)**Held personally :**

-None-

Spouse / minor children :

-None-

Family Relationship among Director and Executives

-None-



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Information of the Person Supervising Accounting

Ms. Arissa Chumemode

Accounting Manager

Age : 36 Years Old

Alma Mater

- B.A. Accountancy,
Sripatum University

Training by the Thai Institute of Directors

Association (IOD)

-None-

Continuing Professional Development Program (CPD)

- Comprehensive Cost Accounting Programme 2/2022
(6 Hours)
- Strategic Management Accounting Programme 2/2022
(6 Hours)

(Completed all CPD Programme
as required by the DBD)

Board Member/Management in Other Company

Listed Company : -None-

Non-Listed Company : -None-

Work Experience in the Past 5 Years

- 2009 – 2015 Assistant Accounting Auditor
United Chartered
Accountant Company Limited

(%) Shareholding (As of 31 December 2022)

Held personally :

0.01% (62,100 total shares)

Spouse / minor children :

-None-

Family Relationship among Director and Executives

-None-

Information of the Company Secretary

The Board of Directors has appointed Mr. Kittu Wachirajirakorn to serve as the Company Secretary. To this end, the Company has submitted his name alongside the location of the Company documents storage to the Securities and Exchange Commission (SEC).

Power, Duty and Responsibilities of the Company Secretary

1. Make and keep the following documents
 - 1) Directors Registration
 - 2) Notice of the Board of Directors' Meeting, Minutes of the Board of Directors' Meeting
 - 3) Notice of the Shareholders' Meeting, Minutes of the Shareholders' Meeting
 - 4) Company's Annual Report
 - 5) Report on interest filed by directors or executives
2. Submit the Stakeholders Report as stipulated in Article 89/14 to the Chairman of the Board and Chairman of the Audit Committee within 7 working days after receiving the report
3. Give advice on any points of regulations that the Board and executives should know
4. Support the Company's operation based on the good corporate governance principles
5. Carry out other tasks as stipulated by the SEC
6. Company Secretary must fulfil his duty with responsibilities, carefulness and honesty, and must closely follow the law, Company's objectives and regulations as well as the resolution of the Board Meeting and the Shareholders Meeting by taking into account every consideration concerning the Board based on Article 89/23 of the Securities and Exchange Act (No.4) B.E. 2551 (2008).

Attachment 2

Details of Director of Subsidiary

The Company does not have any subsidiaries and joint ventures.

Attachment 3

Information of the Head of Internal Audit

Details on the Head of Internal Audit

The Company hired the IA Signature Co., Ltd. to function as the internal auditor for 2022, with the details of the head of internal audit as follows;

Appointed Person	Sutee Tarnvanichkul
Age (Years Old)	40
Position	Managing Director
Alma Mater	• MA in Business Administration (Marketing Management), Dhurakij Bundit University • MA in Accounting (Special Program), Kasetsart University • BA in Accounting, Dhurakij Bundit University
Training Course / Program	• Certified Professional Internal Auditor of Thailand awarded by the Institute of Internal Auditors of Thailand (CPIAT) • Independent Audit Evaluator with CAC SME Certification under the Thai Collective Action Against Corruption (CAC) Program • Training Program on PDPA: Data Protection Foundation, Data Protection Practitioner, Data Protection Officer, ACIS Professional Center • Training Program for Forensic Accounting Certification (FAC), Batch 93, Federation of Accounting Professions • (IIA¹⁾)'s Endorsed Internal Auditing Program (EIAP), Chulalongkorn University • 238/2017 Director Certificate Program (DCP) by the Thai Institute of Directors • Anti-Corruption the Practical Guide (ACPG), Batch 37, Thai Institute of Directors

Remark:

¹⁾ IIA : The Institute of Internal Auditors

Professional Experience

- Managing Director, IA Signature Co., Ltd.
- Senior Director (2-Year term from July 2020 - July 2022),
Faculty of Business Administration,
Rajamangala University of Technology Rattanakosin
- Senior Director (2-Year term from November 2019 - November 2021),
The Institute of Internal Auditors
- 2021 Special Lecturer,
Rajamangala University of Technology Rattanakosin
- 2020 - 2021 Special Lecturer,
King Mongkut's Institute of Technology Ladkrabang
- 2019 - 2020 Special Lecturer, Mahidol University Kanchanaburi Campus
- 2018 Special Joint Lecturer (IPO Roadmap CEO-Executive Program,
Module 4: Business Systems & Internal Control), Stock Exchange of Thailand

Details on the Head of Compliance

The Company has not yet appointed the Head of Compliance team, the Company has assigned the Company Secretary to be responsible in supervising and coordinating with every department to ensure compliance with the law, regulations, measures, policies and announcements made by the Stock Exchange of Thailand and the Securities and Exchange Commission, as well as other public laws.

Attachment 4

Assets used in Business Operations and Valuation Details

Business Assets

Main Permanent Assets

1. Property, plant and Equipment

As of 31 December 2022, the main permanent business assets of the Company are as follows;

List of Asset	Net Book Value (Million Baht)	Ownership	Obligations
Land and Improvement	68.260	Owner	Some are mortgaged with the bank (more details can be found in Bank Loan Agreements)
Buildings and Buildings improvement	255.014	Owner	
Machinery and Equipment	130.096	Owner	
Decorations and Office equipment	5.353	Owner	No obligations
Vehicles	0.183	Owner	No obligations
Assets under construction ¹	85.796	Owner	No obligations
Total	544.703		

Disclaimers: ¹. Assets under construction are extensions of office buildings and factories, including the installations and improvements made on machinery in the production line.

2. Owned Land and Improvement

Deed Number		Area (Rai-Ngan-Sq. Wah)	Usage	Ownership	Book Value (Million Baht) as of 31 Dec 2022	Obligations
Head Office (Rama 2) : 84/3-7 Rama 2 Rd., Soi 69, Samae Dam Sub-District, Bang Kunthian District, Bangkok.						
1	113685	0-0-36.0	Office Building ¹	Owner	3.922	Details can be found in Bank Loan Agreements
2	166222	0-0-27.0				
3	166223	0-0-27.0				
4	166224	0-0-24.0				
5	166225	0-0-24.0				

Deed Number		Area (Rai-Ngan-Sq. Wah)	Usage	Ownership	Book Value (Million Baht) as of 31 Dec 2022	Obligations
Branch 1 (Phutthamonthon Sai 5) : 29/88 Moo 8, Phutthamonthon Sai 5 Rd., Soi 4 (Sukhaphiban 2), Om Noi Sub-District, Krathum Ban District, Samut Sakhon						
6	483382	6-3-17.0	Warehouse	Owner	23.506	No obligations
Branch 2 (Amphawa) : 129 Moo 6, Phraek Nam Dang Sub-District, Amphawa District, Samut Songkram						
7	7129	7-3-55.0	Factory and Warehouse	Owner	29.630	No obligations
8	8131	10-2-55.0				
9	11596	28-3-16.0				
10	11597	11-1-25.0				
11	11600	22-3-75.0				
12	26227	0-3-74.0	Residence for Employees			No obligations
Branch 3 (Amphawa) : 78 Moo 4, Phraek Nam Dang Sub-District, Amphawa District, Samut Songkram						
13	19814	2-2-0	Factory and Warehouse	Owner	11.202	No obligations
14	4689	22-2-28	Residence for Employees			
Total					68.260	

3. Buildings and Buildings improvement

Branch	Usage	Ownership Type	Book Value (Million Baht) as of 31 Dec 2022	Obligations
Head Office (Rama 2)	Office Building	Owner	21.627	Details can be found in Bank Loan Agreements
Factory 1 (Phutthamonthon Sai 5)	Warehouse	Owner	45.998	No obligations
Factory 2 (Amphawa)	Factory and Warehouse	Owner	187.389	No obligations
Total			255.014	

4. Long-term Rent

Rent Contract for Headquarters' Parking Area

Contracting Parties	Person (unrelated to the Company) ("Lessor") Royal Plus Public Company Limited ("Renter")
Date	2 January 2022
Effective Period	3 Years (1 January 2020 - 31 December 2022)
Objective	The renting of area (0-3-4 sq. Wah) to be used as the Headquarters' (Rama 2) parking area. The area address is Soi 69, Samae Dam Sub-District, Bang Kunthian District, Bangkok 10150
Contract Values	Rent worth 26,000 THB per month (VAT included) for the period from 1 January 2020 - 30 April 2020 Rent worth 28,600 THB per month (VAT included) for the period from 1 May 2020 onwards
Key Conditions	- Lessor consents to the building of parking building and other buildings by the Renter, with the Renter being responsible for all the building expenditure. These buildings shall be owned by the Renter. - Renter may not transfer the rights awarded in the contract to others and may not lease the rented area to others, except only if the Lessor consents to said transactions in writing.
Termination of Contract	- Lessor may enforce the effectiveness of this contract or may terminate this contract as well as ask for compensations from the Renter if the Renter violates any terms of this contract. - This contract shall be automatically terminated before its effective date has elapsed if the rented assets are devastated or mostly devastated because of fire. - The contracting parties agree to terminate this contract if the Renter enters into official receivership or are declared bankrupt.

Intangible Assets

As of 31 December 2022, the Company has the following Intangible assets of business;

Intangible Assets	Book Value
Ready-Made Software	3.582

Privileges by Investment Promotion Measures

The Company has received investment promotion as elaborated in the letter dated 14 December 2022. On 29 November 2022, the sub-committee empowered by the Board of Investment agreed to award investment promotion measures to the Company type 1.17 measures for business that produce or preserve food, beverages, food additives and food ingredients that use advanced technology (except drinking water, ice cream, candy, chocolate, chewing gum, sugar, carbonated beverage, alcoholic beverage, caffeinated beverage, plant-derived flour, bakery, instant noodles, chicken extracts and bird's nest).

The Company consented to these measures on 5 January 2023, and is currently under the process of being issued the investment promotion certificate.

Bank Loan Agreements

Borrower	Renter	Loan Type	Date	Due Date (Million Baht per month)	Total Loan Limits (Million Baht)	Outstanding Loan (Million Baht) as of 31 Dec 2022	Interest Rate per year (%)	Guarantees	Key Financial Obligations
1 PLUS	TTB	OD, International Trade Loan ¹ (L/C, T/R, P/C), Foreign Currency Exchange Rate Hedging	17 October 2019 and the Memorandum of Agreements dated 29 June 2022	-	OD 30.0 International Trade Loan 35.0 Foreign Currency Exchange Rate Hedging 50.0	-	8 million baht OD = MOR - 3.47% 22 million baht OD = MOR - 1.75% International Trade Loan = Market Interest Rate	- Lan Deeds #166222, 166223, 166224, 166225 Samee Dam Sub-District, Bangkok Deed Kunthian District, Bangkok Deed No. 113685, Bang Bon Sub-District, Bangkok Deed Kunthian District, Bangkok, owned by the Company, Pledge amount 72 million baht - Secured Transaction Registration, TTB Saving Account No. 001-9-59465-4, owned by the Company, credit limit of 8 million baht	N/A
Total					115.0				

Disclaimers: ¹ Letter of Credit Loan (L/C), Trust Receipt Loan (T/R), Packing Credit Loan (P/C), Shipping Guarantee (S/G), Bill of Exchange Loan and/or Invoice and/or Shipping Invoice and/or Export Bill Purchase Loan (EBP) Originally, the loan agreements with TTB described certain key contract obligations; e.g. (1) no interim or annual dividends, nor benefits, nor any remunerations shall be awarded to shareholders unless agreed to by the bank (2) both direct and indirect share structure shall be upheld to make sure that Mr. Phonsaeng Saeebe continues to hold no less than 46.13% of authorized capitals and Ms. Amornrat Ketvisate no less than 20.13% of authorized capitals. TTB later terminated these obligations on 15 March 2022. Another obligation, namely (3) to maintain the guarantee obligations as mentioned in the guarantee contract made with Mr. Phonsaeng Saeebe and Ms. Amornrat Ketvisate, was terminated by TTB on 30 June 2022.

Insurance Agreements

No.	Company	Insurance Company	Insurance Details	Insurance Type	Limit (million baht)	Beneficiary	Begin Date	Expiry Date
1	PLUS	LMG Insurance PLC	Assets in Branch 1 (Phutthamonthon Sai 5) 1) Building (incl. foundation) (40.0 million baht) Assets in Branch 2 (Amphawa) 1) Building (incl. foundation) (175.0 million baht) 2) Machinery (195.0 million baht) 3) All stockpiles (150.0 million baht)	Industrial All Risk Insurance	560.0	Royal Plus PL	26 Dec 2022	26 Dec 2023
2	PLUS	LMG Insurance PLC	Both branch 1 and branch 2 are insured	Third Party Liability Insurance	30.0	Royal Plus PLC	26 Dec 2022	26 Dec 2023
3	PLUS	LMG Insurance PLC	Building (not incl. foundation) at PLUS headquarters (84/3-7 Rama 2 Rd., Samae Dam, Bang Bon, Bangkok 10150)	Fire Policy	18.60	TMBThanachart Bank PLC	16 Oct 2022	16 Oct 2023

Assets Valuation Details (fiscal year 2022)

Type of Valuated Assets	Address	Valuation Objectives	Valuated Value (million baht)	Valuator / Main Valuator	Date	Land Area (Rai-Ngan-Sq. Wah)	Obligations
1. Land and Buildings (both land and buildings are valuated)	78 Moo 4, Phraek Nam Dang - Khao Yoi Rd. separated from Rama 2 Rd. (TR.35) at KM.80, Phraek Nam Dang Sub-District, Amphawa District, Samut Songkram	To know the current asset values for accounting purpose	120.37 (Land Value of 22.50 and Building Value of 97.87)	Asian Engineering Valuation Co., Ltd. by Mr. Kanapoj Jamnian, main valuator (permit no. Wor Tor. 195)	15 Nov 2022	22-1-98.0 (8,998 Sq. Wah)	No obligations
2. Land and Buildings (both land and buildings are valuated)	Phraek Nam Dang Sub-District, Amphawa District, Samut Songkram	To know the current asset values for accounting purpose	18.39 (Land Value of 2.00 and Building Value of 16.39)	Asian Engineering Valuation Co., Ltd. by Mr. Kanapoj Jamnian, main valuator (permit no. Wor Tor. 195)	15 Nov 2022	2-2-0.0 (1,000 Sq. Wah)	No obligations

Attachment 5

Corporate Governance Policy, Practice Business Ethics and Business Ethics

The Company has adhered to the guidelines of good corporate governance, business ethics and Code of conduct by applying Corporate Governance 2017 (CG Code) and being complied by directors, management and officers. The corporate governance of the Company will be reviewed annually. The policy is divided into the following sections:

- The Corporate Governance Policy
- The 8 Principles of Good Corporate Governance
- The Business Code of Conduct
- The Company's Policies

In this regards, the Company has published its Good Corporate Governance Principle and Code of Conduct Manual for the Company's Director, Management and employees on the Company's website www.royalplus.co.th under section "Corporate Governance".

Attachment 6

Report of the Audit Committee

The Audit Committee of the Royal Plus Public Company Limited was appointed by the Board of Directors and consists of 3 Independent and Non-Executive Directors with the qualifications specified by the Securities and Exchange Commission and the Stock Exchange of Thailand, namely: Dr. Thasana Boonkwan as Chairman of the Audit Committee, Mr. Comepisith Ratchatakanjanemas and Dr. Sunti Chirawatthanagkoon as members.

In 2022, the Audit Committee held 4 meetings throughout the year, with full attendance for all the Audit Committee member as follows;

Name		Position	No. of Attendance
1. Dr. Thasana	Boonkwan	Chairman of the Audit Committee	4/4
2. Mr. Comepisith	Ratchatakanjanemas	Audit Committee	4/4
3. Dr. Sunti	Chirawatthanagkoon	Audit Committee	4/4

The Audit Committee has performed their duties with the authority and the responsibilities entrusted by the Board of Directors and the Audit Committee's charter, as follows;

1. Review the Financial Reports of the Company for each quarterly period and the full year 2022 as review and audit by Auditor. The financial statements are prepared in accordance with generally accept Accounting Standards & Financial Reporting, with explaining for Auditor and Accounting and Finance executives. In order to ensure adequately disclose the required information in an accurate manner.

The Audit Committee met with auditors, without any members of the management being present, to discuss key operational issues and Accounting Standards and Financial Reporting Standards in a fully independent manner.
2. Audit the internal control system, risk management, sustainable corporate governance, accordance with anti-corruption policies and to approve the yearly audit plan and follow up on the internal control system evaluation. Auditors will report to the Board of Directors every quarter to ensure that the Company's internal control system remains sufficient and suitable to the business environment.
3. Consider and review the related transaction or conflict of interests. The Audit Committee is of the view that every Company's transaction is transparent and beneficial to the Company, comprising proper and sufficient disclosure as per the announcement of the Securities and Exchange Commission.
4. Consider and review the Audit Committee's Charter on a yearly basis as well as the self-evaluation of the performance with the result being **"most satisfactory"**

5. Consider the appointment and determination the audit fee for the year 2022. The Audit Committee has considered the opinion that Mr. Natthaphong Tantichattanon C.P.A. License No. 8829 and/or Ms. Chanarat Chanwa C.P.A. License No. 9052 and/or Ms. Sophit Prompol C.P.A. License No. 10042 of KPMG Phoomchai Audit Limited are qualified and independent, working standard results as the Company's auditor for 2022 with the audit fee of 2,400,000 Baht. These will be subsequently proposed to the Board of Directors to appoint and determine and to propose to the Annual General Meeting of Shareholders for approval.

Having completed the duties above, the Audit Committee did not find any significant defect with any possible effect on the Financial Statements of the Company. The Audit Committee's Report has been reported to the Board of Directors of the performance above.



(Dr. Thasana Boonkwan)
Chairman of the Audit Committee

The Executive Board's Report

The Executive Board is appointed by the Board of Directors and consists of 3 members, namely the three directors:

1. Mr. Phonsaeng Saebae, Chairman of the Executive Committee
2. Ms. Amornrat Ketvisate, Executive Director and
3. Mr. Kittiwachirajirakorn, Executive Director, with Ms. Suratchanee Prachanuchit serving as the Executive Committee's Secretary.

The Executive Committee functions as instructed by the Board of Directors. In 2022, the Executive Committee held a total of 12 meetings, which were general monthly meeting. Each meeting was attended by management of the Company with objectives of reporting performance, and reported to the Board of Directors. The report can be summarized as follows;

1. Consider and revise the objectives, policies, business plans, strategy, action plan, budget and the Company's investment structure, both normal investment and new investment. All these would be submitted for the Board's approval.
2. Conduct monitoring of the Company's operation, both monthly and quarterly. Updates on investment projects, acknowledge performance reports, production plan, inventory management and other issues are also monitored in order to formulate suggestions to improve the Company's operation.
3. Ensure accurate, complete and timely financial reporting for submission to the auditor for audit and/or review prior to propose to the Audit Committee and the Board of Directors respectively.
4. Promoted and supported an anti-corruption policy for communicated to all executives and employees and tracking some expense that may be a channel for corruption, reviewed the work system, working standards to comply with business changes, laws, company regulations, working regulations and other standard.
5. Conduct a yearly review of the Executive Committee's charter to ensure that it is up-to-date and relevant to the current situation, as well as evaluate the operation of the Executive Committee, with the most recent result being "most satisfactory"

The Executive Committee was committed to performing duties in pursuance of targets under the set action plan that assign from Board of Directors with prudence, transparency, accountability, social and environmental conscience, with a view to stable and sustainable growth.



(Mr. Phonsaeng Saebae)
Chairman of the Executive Committee

GRI Content Index

Report of The Audit Commitee

GRI Standard / Other Souce	Disclosure	Location	Omission	
			Reason	Explanation
General Disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details	17-18, 28, 38-39, 64-65		
	2-2 Entities included in the organization's sustainability reporting	28		
	2-3 Reporting period, frequency, and contact point	124		
	2-4 Restatements of information	-		
	2-5 External assurance			
	2-6 Activities, value chain and other business relationships	81		
	2-7 Employees	112		
	2-8 Workers who are not employees	112		
	2-9 Governance structure and composition	170-171		
	2-10 Nomination and selection of the highest governance body	192-195		
	2-11 Chair of the highest governance body	173		
	2-12 Role of the highest governance body in overseeing the management of impacts	174-176		
	2-13 Delegation of responsibility for managing impacts	N/A		
	2-14 Role of the highest governance body in sustainability reporting	174-176		

GRI Standard / Other Source	Disclosure	Location	Omission	
			Reason	Explanation
	2-15 Conflicts of interest	-		
	2-16 Communication of critical concerns	207-208		
	2-17 Collective knowledge of the highest governance body	N/A		
	2-18 Evaluation of the performance of the highest governance body	197-198		
	2-19 Remuneration policies	201-202		
	2-20 Process to determine remuneration	201-202		
	2-21 Annual total compensation ratio	182,201		
	2-22 Statement on sustainable development Strategy	4-5		
	2-23 Policy commitments	78-80		
	2-24 Embedding policy commitments	78-80		
	2-25 Processes to remediate negative impacts	70-77		
	2-26 Mechanisms for seeking advice and raising concerns	207-208		
	2-27 Compliance with laws and regulations	115-116		
	2-28 Membership associations	24-26		
	2-29 Approach to stakeholder engagement	82-85		
	2-30 Collective bargaining agreements	N/A		

GRI Standard / Other Souce	Disclosure	Location	Omission	
			Reason	Explanation
Material Topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	85-86		
	3-2 List of material topics	86		
Anti-Corruption				
GRI 3: Material Topics 2021	3-3 Management of material topics	117		
GRI 205: Anti-Corruption 2016	205-1 Operations assessed for risks related to corruption	119		
	205-2 Communication and training about anti-corruption policies and procedures	119		
	205-3 Confirmed incidents of corruption and actions taken	119		
Energy Efficiency				
GRI 3: Material Topics 2021	3-3 Management of material topics	91-92		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	92		
	302-2 Energy consumption outside of the organization	N/A		
	302-3 Energy intensity	N/A		
	302-4 Reduction of energy consumption	N/A		
	302-5 Reductions in energy requirements of products and services	N/A		

GRI Standard / Other Souce	Disclosure	Location	Omission	
			Reason	Explanation
Water Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	93		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	N/A		
	303-2 Management of water discharge related impacts	N/A		
	303-3 Water withdrawal	94-95		
	303-4 Water discharge	94-95		
	303-5 Water consumption	94-95		
GHG Emissions and Climate Change Strategy				
GRI 3: Material Topics 2021	3-3 Management of material topics	89-90		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	90,94		
	305-2 Energy indirect (Scope 2) GHG emissions	90,94		
	305-3 Other indirect (Scope 3) GHG emissions	90,94		
	305-4 GHG emissions intensity	90,94		
	305-5 Reduction of GHG emissions	N/A		
Supply Chain Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	120		

GRI Standard / Other Source	Disclosure	Location	Omission	
			Reason	Explanation
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	120-121		
	308-2 Negative environmental impacts in the supply chain and actions taken	120-121		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	120-121		
	414-2 Negative social impacts in the supply chain and actions taken	120-121		
Employee Engagement & Development				
GRI 3: Material Topics 2021	3-3 Management of material topics	100-101, 184-185		
401: Employment 2016	401-1 New employee hires and employee turnover	N/A		
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	N/A		
	401-3 Parental leave	N/A		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	101, 113		
	404-2 Programs for upgrading employee skills and transition assistance programs	N/A		
	404-3 Percentage of employees receiving regular performance and career development reviews	N/A		

GRI Standard / Other Source	Disclosure	Location	Omission	
			Reason	Explanation
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	112		
	405-2 Ratio of basic salary and remuneration of women to men	N/A		
Occupational Health and Safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	102-104		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	102-104		
	403-2 Hazard identification, risk assessment, and incident investigation	104		
	403-3 Occupational health services	102-104		
	403-4 Worker participation, consultation, and communication on occupational health and safety	102-104		
	403-5 Worker training on occupational health and safety	104-106		
	403-6 Promotion of worker health	102-104		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	104-106		
	403-8 Workers covered by an occupational health and safety management system	-		100%
	403-9 Work-related injuries	104,113		
	403-10 Work-related ill health	N/A		

GRI Standard / Other Souce	Disclosure	Location	Omission	
			Reason	Explanation
Community Development				
GRI 3: Material Topics 2021	3-3 Management of material topics	107-110		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	N/A		
	413-2 Operations with significant actual and potential negative impacts on local communities	N/A		
Consumer Health and Safety				
GRI 3: Material Topics 2021	3-3 Management of material topics	111-112		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	112		
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	112		
Cyber Security and Data Privacy				
GRI 3: Material Topics 2021	3-3 Management of material topics	121-123		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	123		
Innovation Management				
GRI 3: Material Topics 2021	3-3 Management of material topics	N/A		



ROYAL PLUS
Innovation plus Creativity

ROYAL PLUS PUBLIC COMPANY LIMITED

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