



**sj**  
**REEF SAFE**  
 Coral Reef Protection  
 SPF 50+  
 PA++++  
**SUN SCREEN**  
 Non Oxybenzone (Benzophenone-3, BP-3)  
 Non Octinoxate (Ethylhexyl methoxycinnamate)  
 Non 4-Methylbenzylid Camphor (4MBC)  
 Non Butylparaben

PCR  
 SOYINK  
 PCR  
 FORESTS FOR ALL  
 FSC FOREVER

High Natural Origin

CSR  
 Sustainable Development



Old Elephant Conservation Project

**sj** ANNUAL REPORT 2023

FORM 56-1 ONE REPORT

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# Message from the Chairman



“ In year 2023, by adopting the utmost determination and dedication, S&J overcame numerous obstacles, and continued to show good steady growth in accordance with the organization sustainable development (ESG). This resulted in 2023, with the Company, along with its subsidiaries continued to thrive by achieving an all-time high rate of growth. Revenue from sales, and net profit were Baht 6,804 million and Baht 763 million respectively, also representing a year-on-year increase of 14 percent and 41 percent, respectively. ”

In 2023, both the Thai and global economies experienced a degree of economic growth. However, the anticipated levels were not reached due to various factors, including geopolitical events, and unsatisfactory financial policies being set by major economies, causing international economic volatility. In turn, this resulted in Thai Baht exchange rate fluctuations, higher energy prices, and increased inflation.

Notwithstanding these events, S&J International Enterprises Public Company Limited, along with its subsidiaries continued to thrive by achieving an all-time high rate of growth. Sales revenue reached Baht 6,804 million, representing a 14% increase, and net profit reached Baht 763 million, representing a 41% growth compared to the previous year. This success was the result of the group's strong performance and its ability to adapt quickly to changes, as well as continuously responding to the needs of customers, both locally and abroad. At the same time, S&J created continuous new innovations and effectively managed its operations to control production costs and increase competitiveness.

Along with successful business management, the Company's vision includes adhering to having sustainable organizational development guidelines, and not focusing solely on profit. Regarding the environment, the Company continued its activities to reduce energy consumption and drive the reduction of greenhouse gas emissions to achieve its goal of Carbon Net Zero by 2050. For society, the Company managed its human resources with fairness and equality, including complying fully with human rights policies.

Concerning incorporating principles of good corporate governance, S&J conducted its business with honesty, integrity, transparency, as well as accountability. Additionally, it had measures in place to fight corruption and treat all shareholders equally.

Furthermore, to promote sustainable business growth, for over 15 years the Company has been actively engaged in various projects that demonstrate its continuous responsibility towards society, community, and the environment.

In 2023, the Company was recognized as one of the 25 listed companies on the Stock Exchange of Thailand that achieved the highest score in all four criteria recognized by the Thai Investors Association. This included the 5-Star criteria set by the Thai Institute of Directors, the SET ESG Rating criteria and SET Awards criteria from the Stock Exchange of Thailand, along with the AGM Checklist criteria from the Thai Investors Association. These awards represent a proud achievement for the Company and are also another successful step in highlighting the importance of driving the organization's steady growth with sustainably. Thus, it can be recognised in the past year that the Company has been able to achieve its goals and make progress in important strategic areas, whether it be growth, profitability, or sustainability, all of which help enhance the confidence of investors and stakeholders, in every sector over the long term.

On behalf of the Board of Directors, I would like to express our gratitude to the shareholders, customers, business partners, and all stakeholders who have continuously given their confidence, trust, and support to our company.

I would also like to extend our heartfelt appreciation to the executives and every employee who have worked together to support the operations and fulfil their duties to the best of their abilities to maintain competitiveness by evolving with the ever-changing world.



Mr. Boonkiet Chokwatana  
Chairman

# Board of Directors



**Mr.Boonkiet Chokwatana**  
Chairman



**Mrs.Tipaporn Chokwatana**  
Vice Chairman



**Mr.Thirasak Vikitset**  
Managing Director



**Dr.Atthakorn Glankwamdee**  
Deputy Managing Director



**Mr.Amorn Asvanunt**  
Chairman of Audit Committee



**Pol.Gen.Somchai  
Prabhasabhakdi**  
Director of Audit Committee

# Board of Directors



**Mrs. Pradittha Chongwattana**  
Director of Audit Committee



**Assist. Prof. Dr. Pongchai Athikomrattanakul**  
Director of Audit Committee



**Admiral Apichart Pengsritong**  
Independent Director



**Mrs. Pismai Chandrubeksa**  
Independent Director



**Mrs. Kaewta Ongsaranakom**  
Director



**Prof. Dr. Malyn Ungsurungsie**  
Director



**Mrs. Chitraporn Vikitset**  
Director



**Mrs. Teerada Ambhanwong**  
Director



**Mr. Suthep Dansiriviroj**  
Director



# Part 1

## Business Operation

# 1. Business Structure and Operation

## 1.1 Policy and Business Overview

### Quality Policy

S & J has its policy to be partnership with our business partners, also we are committed to produce quality products, deliver on time with competitive price and good services. Our operation are always socially responsible and environmental friendly. Each employee shall cooperate to continue improve and provide greater customer satisfaction.

### Overview of Business

S&J has responded to both the market trends and the needs of the cosmetics and beauty market. We provide a full range of services for brands retailers and our innovation has given rise to new market segments. We have been a leader in the business that offers the highest priority to the image in terms of form, design and packaging, efficient factories with high-quality technology. We are recognized and renowned for our expertise, as well as being recognized in the logistics network that is accessible around the world, and also marketing support that creates new standards in this industry.



### Vision

*"Being a leader in the comprehensive beauty industry in Thailand and Asian region inspired by innovation in products and services to meet the direct needs of customers and customer's behaviour"*



### Mission

*"The Company will expand customer base and market to cover more both domestic and overseas through its expertise and being recognized as the leader in the complete beauty industry while expanding opportunities and growth from new businesses with the potential of research and innovation development. By enhancing production capability, Supply chain management and bring in new technologies in order to add value to products and services to respond to changing customers needs. The Company strongly recognizes and stands on good cooperate governance that takes into account benefits of partners, customers, society and environment while moving forward to digital development to be the innovative organization coupled with the continuous enhancing of the abilities and capacities of personnel."*



## Core Value



### Business Operation Plan

- **Short-Term Operation Plan**

The Company will develop work processes to respond the needs of customers and be able to adapt in time to market conditions, product costs, currency fluctuations, customer needs, employees, as well as the requirements of business partner countries that will have a significant impact to the Company's performance.

- **Long-Term Operation Plan**

The Company will bring advanced technology to develop systems and processes to increase speed with accuracy to meet customer needs, and competitiveness in the market.

### Competitive Strategies

Strategies and Goals established to enhance the growth and strength for the Company are as follows:

- **Maintain the existing customers base and acquiring both new domestic and international customers.**
  - The Company has planned for and promoted good relationship with all existing customers while improving effectiveness through quality products and speed to market in developing product to serve customers requirement in order to maintain and increase orders for new products. Additionally, the Company will be able to find small to large sizes new customers apart from existing customers in America, Asia and Southeast Asia in addition to the customers bases in England, Australia and Japan.
  - The Company has planned to introduce new products which are popular and modernized while monitoring needed trends of each consumer group closely to introduce new products to catch up to fast changing demand of both existing and new customers in a timely manner.

- **Increase efficiency for supply chain and productivity.**

The Company has planned for and increased capabilities for cost and production to enhance speed to delivery the goods to customers. The Company will continually improve various working processes from products improvement, raw materials procurement, manufacturing and delivery from the sources to customer with quality and speed to increase customer's satisfaction. The company has been improving its operation system together with information technology to increase effectiveness of supply chain to reduce delay process or additional cost process.

- **Increase recognition and promotion for Corporate Brand**

The Company has planned for Corporate image and Branding to enhance recognition among customers, consumers and public awareness about the distinguished capacity, experiences and successes as research and development of leading beauty and health care products for Thailand and the Asian region. The Company has so far operated with international standard of laboratories for research and development and factory as well. Moreover, the Company is of the long operation experiences as the cosmetic and personal products manufacturer for leading brands of both domestic and overseas.

- **Increase capacity with research and development efficiency**

The Company has planned to highly upgrade research and development efficiency with an aim to firstly improve other product groups to serve consumer's demand while the Company is still of unexperiences in certain areas. Accordingly, the Company has so far concentrated to develop certain products to catch up the changing life styles of children, teenagers, working people as well as the senior and elder groups. These consumers are of changing behaviour with more attention to health care, innovative products and environmentally friendly.

- **Increase capacity with upgrading of personnel and organization efficiency**

The Company has established the plan with investment to upgrade the organization management as the "Innovative Organization" for the digital era on the operational process of digital technology including various services dimension and corporate functioning procedure coupling with personnel capabilities upgrading based on the highest acquired benefits from digital technologies.

### 1.1.1 Events and Development Highlights

S & J international Enterprises PCL., started its business in year 1980 with the major shareholder group by SAHA Group, formerly the name of S & J Food Co., Ltd. with primery objective to produce instant food. Later, the company changed its business to manufacturing cosmetics with technical support from the specialists from the United States. In the year 1983, the company changed its name to S & J International Enterprises Co., Ltd. and in year 1988 the company has listed on the Stock Exchange of Thailand Thailand. In year 1994, the company registered as a is a public company in the name of S & J International Enterprises PCL.

- 1988 - Listed on the Stock Exchange of Thailand and Increase its registered capital to 30 million baht.
- 1994 - Registered as a public company and increased its registered capital to 120 million baht.
- 1996 - Established of EF Company Limited, registered capital 1 million, held 49.96% by the company, with business operation as a distributor of Personal Care consumer goods.
- 2001 - EF Company Limited ( a subsidiary) increased its share capital from 3 million to of 4 million baht, held 99.99% by the company.
  - Constructed its building on an area of 10,000 square metres for production of Liquid Toiletry.
- 2003 - Changed its par value from 10 bath each to 1 baht each, resulted increase in share capital from 12 million shares to 120 million shares and increased in paid-up share capital from 8 million shares to 80 million shares.
  - Established Wild Life (Thailand) Co., Ltd. (a subsidiary), registered capital of 1 million baht, held 99.99% by the Company, with its business operation as consumer goods distributor of sunscreen and mosquito repellent cream.
- 2004 - Called up its share capital 20 million shares of 100 million baht.
  - Registered the change in paid-up capital from its original 80 million shares of 80 million baht to of 100 million shares of 100 million baht with the Ministry of Commerce on May 9, 2004.
- 2005 - Approved by the ordinary general meeting of shareholders No.26 on April 25, 2005 for the ESOP program and got approval from the Securities and Exchange Commission, on February 20, 2005 for offering new shares to employees of the company.
- 2006 - Issued warrants to purchase common stocks offered to directors and employees of the company and its subsidiaries under the ESOP program for 5 million shares, the proposed sale of securities to directors and employees of the company and its subsidiaries (ESOP), the number of 5 million unit rate. The exercise ratio is 1 unit to 1 common stock at the exercise price of 4 Baht per shares to allocate to exercise of the ESOP project of, 5 million shares for exercise period from March 10, 2006 to March 9, 2009.
- 2009 - Established S & J International (UK) Ltd. (a subsidiary), registered capital of 5 million baht, held 100% by the company, with its business operation to provide for the marketing and distribution of raw materials and packaging.
- 2010 - Constructed its building on an area of 8,000 square meters for producing Lipstick, chemical laboratory and biological microscopically, office and warehouse.
- 2011 - Increased its share capital of 45,186,500 shares by offering to the existing shareholders of the Company in proportion to their shareholding (Right Offering) at the price of 12 baht, in case of the remaining unsubscribed shares were offering to the private placement, The offering price must not lower than 90 percent of the average market share price.
  - Constructed Pinthong plant on the space of 9,000 square meters, for manufacturing Liquid, Skin Care and Toiletry products.

- 2015 - Established 4WD Vision Co.,Ltd. (a subsidiary), registered capital of 10 million baht, held by the company at 99.99%, with its business operation of trading.
- Established SAAS co.,Ltd. (a subsidiary), registered capital is 20 million baht, held by the company at 99.99%, with its business operation to research and development of the cosmetic formulation.
- 2016 - Investment in Atika Beauty Manufacturing Sdn. Bhd. (an Associate) in Malaysia with registered capital of 5 million ringgit, held 35% by the company, with its business of manufacturing of halal cosmetics.
- 2019 - Increased in proportion of shareholding in Atika Beauty Manufacturing (an Associate) in Malaysia due to the associate increased its registered share capital of 1 million Ringgit, totaliiing share capital of 6 million Ringgit.
- 2020 - Signed a joint investment agreement with DKSH (Thailand) Co.,Ltd. to establish DKSJ Co.,Ltd. with registered capital of 100,000 baht, by shareholding at 50%. The operation of business is distribution and marketing of beauty and body care products for customers throughout Asia including Thailand.
- 2021 - Resolved Wildlife (Thailand) Co., Ltd. (subsidiary) to register its dissolution, which is in the process of liquidation
- 2022 - Resolved SAAS Co., Ltd. (subsidiary) to register its dissolution, which is in the process of liquidation
- 2023 - Resolved DKSJ Company Limited (a joint venture company) register to dissolve its business, and register to dissolved at the Ministry of Commerce on July 7, 2023.
- SAAS Co., Ltd. (subsidiary) to register dissolved at the Ministry of Commerce on September 13, 2023.
- Increased in proportion of shareholding in Osoth Inter Laboratories Company Limited (an Associate) due to the associate increased its registered share capital of 70 million baht, totaliiing share capital of 670 million baht.

Moreover, the company has developed the Management and Environment during the past 5 years as follows:

- 2019 - Received "SET Awards of year 2019", Highly Commended Sustainability Excellence Awards 2019 from the Securities Exchange of Thailand.
- Received "the Thailand Sustainability Investment award of year 2019" from the Securities Exchange of Thailand.
- Received "ESG100 Certificate of year 2019" which is 1 in 100 listed companies from Thaipat Institute, Outstanding in the business of sustainable environmental, social and corporate governance (Environmental, Social and Governance : ESG100).
- Received "FDA quality awards competition 2019" from the Food and Drug Administration. This award is intended to recognize establishments to do well, morality and ethics, produce products that are standard and safe for consumers.
- Received National award for workplace excellence; Occupational Safety. The award was given by Department of Labor Protection and Welfare.

- 2020**
- Received “the Thailand Sustainability Investment award of year 2020” from the Securities Exchange of Thailand. This award is intended to the listed companies who operate their businesses in accordance with the principles of corporate governance with social and environmental responsibility.
  - Received “FDA quality awards competition of year 2020”, Best of the Best Award from the Food and Drug Administration. This award is intended to those who have consistently maintained their quality.
  - The Outstanding Disability Employer Awards of the year 2020 from the Department of Empowerment of Persons with Disabilities, the Ministry of Social Development and Human Security.
- 2021**
- Received “SET Awards of year 2021”, Highly Commended Sustainability Excellence Awards 2021 from the Securities Exchange of Thailand.
  - Received “the Thailand Sustainability Investment award of year 2021” from the Securities Exchange of Thailand.
  - The Outstanding Disability Employer Awards of the year 2021 from the Department of Empowerment of Persons with Disabilities, the Ministry of Social Development and Human Security.
- 2022**
- Received “SET Awards of year 2022”, Highly Commended Sustainability Excellence Awards 2022 from the Securities Exchange of Thailand.
  - Received “the Thailand Sustainability Investment award of year 2022” from the Securities Exchange of Thailand.
  - Best of the Best Awards of the year 2022 from the Food and Drug Administration.
- 2023**
- Received “SET Awards of year 2023”, Highly Commended Sustainability Excellence Awards 2023 from the Securities Exchange of Thailand.
  - Received “the Thailand Sustainability Investment award of year 2023” and SET ESG Rating level “AA” of year 2023 from the Securities Exchange of Thailand.
  - Received “FDA quality awards competition 2023” from the Food and Drug Administration.

**Internationally Quality standards during the past 5 years as follows:**

- 2019**
- Pinthong Plant Recertified the International Standard, ISO 22716: 2007 (Cosmetic GMP) from TUV NORD (Thailand).
  - Expanded the Scope of Accreditation for Testing standards ISO / IEC 17025: 2017, Preservative Cosmetics Testing from the Bureau of Laboratory Quality Standards, Ministry of Public Health.
- 2020**
- Recertified the International Standard, HAS 23000 and Certified Halal certification mark from LPPOM MUI, Indonesia
  - Recertified the cosmetic good manufacturing practice (GMP) of the Food and Drug Administration.
  - Recertified the International Standard, ISO 9001 : 2015 from TUV NORD (Thailand).
  - Recertified the Environmental Management System ISO 14001: 2015 from TUV NORD (Thailand).

- 2020 - Certified the Occupation & health and safety management system ISO 45001:2018 from TUV NORD (Thailand).
- Certified the Roundtable on Sustainable Palm Oil (RSPO) from TUV NORD (Thailand).
- 2021 - Certified the Roundtable on Sustainable Palm Oil (RSPO) version 2020 from TUV NORD (Thailand), its latest version.
- The company has received permission for the production of medical device products from The Medical Devices Control Division, Food and Drug Administration.
- The first company in Thailand was Certified to BS EN 1276: 2019 in the Disinfectant Efficacy Test from Bureau of Laboratory Quality Standards, Ministry of Public Health.
- Recertified Thai Labour Standard Certification (TLS.8001:2020) from Department of Labour Protection and Welfare, Ministry of Labour.
- 2022 - The company has been changed accredited status of Halal Standard (HAS23000) from Halal Status A to Halal Certificate and cover all products type of plant Sriracha by LPPOM MUI, Indonesia.
- 2023 - CGMP (Current Good Manufacturing Practice)/ 21CFR part 210, 211 standard certification for producing OTC (Over The Counter) products for sale in the United States.
- Carbon Footprint of Organization (CFO) certificate from Thailand Greenhouse Gas Management Organization (Public Organization)
- Green Industry Certificate, Level 4, (Green Culture) from the Ministry of Industry.

#### 1.1.2 The Purpose as Disclosed; those are

- None –

#### 1.1.3 Obligation that the Company Pledges in the Securities Offering Registration Statement and/or the SEC's Conditions and/or SET's listing Conditions

- None –

#### 1.1.4 Company Head Office

S & J International Enterprises Public Company Limited (“the Company”) operates the main business, designing, researching, developing and producing cosmetics in the Skin Care, Make Up category, as well as products used in the bathroom and gift set. The symbol of the Company's stock trading in the Stock Exchange of Thailand is “S&J”. The Company has registered as a Public Limited Company since September 6, 1988, and its registration number is 0107537001366.

As at December 31, 2023, the Company has registered capital at Baht 200,000,000 of which 200,000,000 ordinary shares with a par value of Baht 1 per share. The paid-up capital is to Baht 149,930,828.

Company Head Office – 600/4, Moo 11, Sukhapiban 8 road, Nongkham subdistrict, Sriracha district, Chonburi province 20230, Telephone (038) 480-086-89, Fax (038) 480-139, www.snjinter.com.

## 1.2 Nature of Business Operations

### 1.2.1 Revenue Structure

Saperated Revenue of each company	%	Shareholding of Company	2023		2022		2021	
			Million Baht	%	Million Baht	%	Million Baht	%
<b>Manufacturing and Others Business Income</b>								
<b>Manufacturing of Cosmetic</b>								
S & J International Enterprises PLC.	Domestic	-	3,157.4	38.8	2,097.5	29.3	1,559.3	25.5
	Oversea	-	2,489.2	30.6	2,682.7	37.5	2,407.4	39.4
<b>Total Manufacturing of Cosmetic</b>			<b>5,646.6</b>	<b>69.4</b>	<b>4,780.2</b>	<b>66.8</b>	<b>3,966.7</b>	<b>64.9</b>
<b>Manufacturing of Packaging</b>								
Top Trend Manufacturing Co.,Ltd.	Domestic	50.00	1,326.4	16.3	1,181.7	16.5	1,022.5	16.8
	Oversea	50.00	76.2	1.0	135.5	1.9	93.1	1.5
<b>Total Manufacturing of Packaging</b>			<b>1,402.6</b>	<b>17.3</b>	<b>1,317.2</b>	<b>18.4</b>	<b>1,115.6</b>	<b>18.3</b>
<b>Others Business</b>								
Wildlives (Thailand) Co.,Ltd.	Domestic	99.99	-	-	-	-	0.2	-
	Oversea	99.99	-	-	-	-	-	-
EF Co.,Ltd	Domestic	99.99	6.1	0.1	8.6	0.1	14.6	0.2
	Oversea	99.99	-	-	-	-	-	-
S & J International (UK) Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea	100.00	715.0	8.8	567.7	8.0	682.4	11.2
Guangzhou S & J Cosmetic Co.,Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea	100.00	40.6	0.5	43.5	0.6	-	-
4WD Vision (HK) Ltd.	Domestic	100.00	-	-	-	-	-	-
	Oversea	100.00	115.3	1.4	165.0	2.3	110.8	1.8
4WD Vision Co.,Ltd.	Domestic	99.99	147.7	1.8	142.7	2.0	90.8	1.5
	Oversea	99.99	-	-	-	-	-	-
4WD Vision Europe B.V.	Domestic	99.99	-	-	-	-	-	-
	Oversea	99.99	58.9	0.7	125.9	1.8	127.7	2.0
SAAS Co.,Ltd.*	Domestic	99.99	-	-	0.7	-	0.9	0.1
	Oversea	99.99	-	-	-	-	-	-
<b>Total Others Business</b>			<b>1,083.6</b>	<b>13.3</b>	<b>1,054.1</b>	<b>14.8</b>	<b>1,027.4</b>	<b>16.8</b>
<b>Total Manufacturing and Others Business Income</b>			<b>8,132.8</b>	<b>100.0</b>	<b>7,151.5</b>	<b>100.0</b>	<b>6,109.7</b>	<b>100.0</b>

**Remark :** Additional information are disclosed in the Notes to Financial Statements for the year ended December 31, 2023 No.25 Financial Information by Segment.

\*The company have already registered its dissolution with the Department of Business Development, the Ministry of Commerce on September 13, 2023

## 1.2.2 Significant developments during the past year

### S & J International Enterprises Public Company Limited

#### 1. Product Design and Service

The company is a leading manufacturer in the beauty and cosmetic industry for over 40 years, offering a full range of comprehensive OEM/ODM manufacturing services, covering research and development processes, product research with new innovations, product and packaging design, product development according to customer's requirement, product manufacturing with modern and standardized machinery and advanced technology, as well as designing business concepts and developing marketing strategies for domestic and overseas customers, including the start-up business. In addition, the company has been certified with world-class quality standards, which creates even more confidence in the quality of products among customers based on these certificates, for example;

- Certificate of GMP Production Standard from Food and Drug Administration (FDA), Ministry of Public Health
- ISO 9001: 2015 Quality Management System Certificate from TUV Asia Pacific Limited – Hong Kong
- ISO 14001: 2015 Environmental Management System Certificate from TUV Asia Pacific Limited – Hong Kong
- ISO 17025 Cosmetics Lotion Type Quality Certificate from the Department of Medical Sciences, Ministry of Public Health
- OHSAS 18001: 2007 Occupational Health and Safety Certificate from TUV Asia Pacific Limited – Hong Kong
- CSR-DW (Corporate Social Responsibility – Department of Industrial Work) Certificate or ISO 26000 equivalent
- ISO 22716: 2007 Quality Certificate from TUV Asia Pacific Limited – Hong Kong
- ESG 100 (Environmental Social Governance 100) certificate from Thaipat Institute
- Halal certification mark from LPPOM MUI Indonesia
- Thai Labor Standard Certificate (TLS.8001:2010)
- The company is a member of the Sedex Members Ethical Trade Audit (SMETA) or SEDEX
- Roundtable on Sustainable Palm Oil (RSPO) Production Standard Certificate from TUV NORD (Thailand)
- CGMP (Current Good Manufacturing Practice)/ 21CFR part 210, 211 standard certificate for producing OTC (Over The Counter) products for sale in the United States of America.
- Carbon Footprint of Organization (CFO) certificate from Thailand Greenhouse Gas Management Organization (Public Organization).
- Green Industry Certificate, Level 4, (Green Culture) from the Ministry of Industry.



## 2. Market and Competition

### (A) Policy and Market of Key Products and Services

- **Competitive Strategy**

Today, consumers of all genders and ages, from teenagers, students to working-age groups, are increasingly focusing on cosmetics and thus become an integral part of everyday life. Not only female groups but men also have an increasing demand for cosmetic products, including skincare products, hair care products, oral care products, or cosmetic products. It has been found that the market for such products is diverse both in terms of price and quality that can meet the needs of consumers and clearly reach the target group, leading to even more intense competition.

Moreover, there is also increasing consumer demand for natural products that are environmentally friendly and safe. As a result, the research and development of new cosmetic products that use natural herbs as raw materials are likely to grow more rapidly. The company, therefore, focuses on various strategies as follows.

1. **Products** The company focuses primarily on the quality of products and ingredients or formulas that can respond to the needs of consumers. This is done by having a research and development department to study and develop new products to offer to customers. Also, the product packaging is designed to be visually appealing, modern, and convenient to use. This includes the continuous development of the quality of existing products to create satisfaction in the variety of products. The company produces products with efficient machines and advanced production technology. It has a quality inspection system at every step, in order to obtain products of a standard and high quality, thus gaining confidence from both domestic and international customers. Additionally, the company is also certified with world-class quality standards.

2. **Price** In assessing pricing for products, the image of the product, production costs, and marketing costs are taken into consideration as a basis of choosing the right price and quality with the goal of ensuring customer satisfaction.

3. **Relationship** The company establishes a good relationship with the supplier by placing large orders continuously and paying on time. It has earned the trust of the supplier, thus having the power to negotiate the price of the product. As a result, the company has a cost that is competitive with other companies.

4. **Service** The company has a customer relations department to meet with and inquire about the needs of customers in order to know the real issue and fix it correctly. The company puts emphasis on creating customer satisfaction by delivering the correct and quality products on time.

5. **Corporate Social Responsibility (CSR)** The company uses natural and environmentally friendly raw materials or even reusable packaging (Refill) to reduce energy consumption and improve energy efficiency.

- **Customer Characteristics**

The company serves both domestic and overseas customers. The majority of its customers are domestic customers of both local and foreign brands. The company's main customers are reputable multi-national companies and national marketing leaders who have long-term relationships with the company for years. While the company has expanded and added new customers both domestically and internationally, these clients have strong performance and good financial standing.

- **Target Customers**

The company targets middle-class entrepreneurs and above, which are its majority of customers, focusing on the quality of the product at a price that will attract the attention of this target customer group.

- **Sales and Distribution Channels**

The company sells its products both domestically and internationally. Its business model involves contract manufacturing. The company's customers are both direct sales customers (Direct Sales) and department store customers (Counter Sales). The proportion of domestic to export sales ratio is 56 to 44, with products exported to the United Kingdom, USA, Japan, Australia, Malaysia, Hong Kong, Indonesia, and the Philippines.

Additionally, the company plans to expand both its domestic and international markets by participating in trade shows in the country, such as those organized by the Saha Group, as well as international trade fairs in foreign countries, such as France, etc., as another channel to find new customers.

### **(B) Industry Competition**

Competition within the industry will be based on quality, product development and diversity, price, and customer satisfaction. The markets in which the company competes are characterized by high quality. There are two competitors in the same market with similar sizes to the company.

S&J is a leading cosmetics manufacturer with executives who possess knowledge, ability, and experience in administration and management. Employees have consistently cooperated and worked well together to deliver products and services. With its own R&D department, the company continuously develops new products for the market and improves the quality of existing products to increase its expertise in the production of cosmetic products, supported by manufacturing and research expertise from American companies with global technology networks. The management of customer response time is also faster (Quick Response). The company has a factory built on its own land at Sahapat Industrial Park, Sriracha District, and a factory at Pinthong Industrial Park in order to support the continuously increasing competition and keep up with the needs of customers who have confidence in choosing products from S&J. The company has a stable financial position and has good results from the beginning, allowing the company to always have credibility with customers.

### **(C) Trend of Industry and Future Competition**

The competitive trend of the cosmetic market has changed rapidly and quite intensely because of increasing numbers of competitors both large and small. With the growth of online marketing and increasing consumers' awareness of healthcare and the environment, the company, therefore, has a strategy to respond to various changing factors, such as the development of digital technology systems in the organization and the adaptation of corporate culture towards digital technology, research and development of new innovations from natural extracts in lieu of chemical use, and the proposal of green packaging to customers, which includes the use of biodegradable materials, etc.

### 3. Procurement of Products or Services

The company has two factories as follows.

- **Main factory** is located at 600/4, Moo 11, Sukhapiban 8 road, Nongkham subdistrict, Sriracha district, Chonburi province 20230. In 2023, its production capacity was 173 million pieces per shift.
- **Branch factory** is located at 789/159, Moo 1, Nongkho – Leamchabang Road, Nongkham subdistrict, Sriracha district, Chonburi province 20230. In 2023, its production capacity was 31 million pieces per shift.

Raw materials used in production are depending on the type of product, and come from domestic and foreign sources. Domestic raw materials are purchased directly from manufacturers and importers. For raw materials ordered from abroad, the company will first check whether these raw materials are available in the country before placing the order. The company obtains raw materials from around the world via distributors in Thailand or directly from manufacturers, or through companies with technical assistance and a global network. Presently, raw materials are available from a wide variety of suppliers and are highly competitive. Since they can easily find substitute raw materials, the impact of the loss of raw material procurement on the Company is very low. Raw material producers improve the quality of their products continuously, so there are more sources of raw material available.

The company did not purchase raw materials from suppliers more than 30% of total revenues over the past three years. The selection and procurement of raw materials are based on quality and reasonable price. In 2023, the company had over 474 raw material suppliers, with raw materials bought in local and overseas suppliers in a ratio of 79:21.

As part of its production process, the company raises awareness among all employees and ensures that problems that harm the environment are prevented. As can be seen from its environmental policy, the company promotes the use of resources in its production process economically and with maximum efficiency, and strictly adheres to environmental laws and regulations.

### 4. Products or Services pending for Delivery

- None -

## Top Trend Manufacturing Company Limited

### 1. Product Design and Service

Top Trend Manufacturing Co., Ltd. manufactures plastic packaging for cosmetics, food, and medical products, namely tubes, bottles, jars, powder cartridges, and lipstick sticks. Other than its own products, the company also supplies packaging produced by others such as pump caps to provide full service to customers.

### 2. Market and Competition

#### (A) Policy and Market of Key Products and Services

- **Competitive Strategy**

The company focuses on producing the products that are of standard quality and meet customers' needs to establish confidence and satisfaction in our products. Most products are manufactured according to the order of each customer and are of different characteristics. Hence, the company requires proper production planning and a good delivery system to be able to arrange shipments in full at the quality as customer require and right on schedule.

The company attaches great importance to and closely controls every step of the production process. Also, it focuses on improving the competency of its employees to increase production efficiency and reduce the loss rate during production. This results in the reduction of production costs and the better quality of the products. Furthermore, the company has emphasized on maintaining good relationships with customers and offering technical service to enable customers and end users have a good understanding of the products.

- **Customer Characteristics**

The company serves both domestic and foreign customers. Our customers are mainly local companies that have been doing business with each other for a long time, have good stability, be the market leader, and have a long track record of relationships as “business partner” with the company.

The overseas customers are mostly expanded in a group of AFTA counties, such as Malaysia and Singapore, and are well known for their leading position in the packaging business, especially in tube products. This market is growing every year and the company also plans to expand our business to other regions, for example Australia and European countries.

- **Target Customers**

Our main customers are still cosmetics companies. Whereas the company’s goal is to expand our business to other groups of customers, such as cosmeceuticals, food and medicine, hair products, and others to enlarge our market for sustainable growth.

- **Sales and Distribution Channels**

The company’s products are distributed through manufacturers of, for example cosmetics and hair products, which are passed to consumers in various channels, namely direct sales, over-the-counter sales, and sales in supermarket and discount store. The company will expand into the business of sourcing of products according to customer needs.

## **(B) Industry Competition**

The packaging industry is highly competitive both in terms of quality, pricing, and design of products and the services that require comprehensive delivery and efficient communication and services. There are about 7 major market leaders in this business. Compared to market leaders, the company is ranked in the middle of the group with stable financial status, good operating results, a highly efficient management team, and readiness for the competition.

## **(C) Trend of Industry and Future Competition**

Whilst the expansion of the plastic packaging industry in the country continues to grow, the competition in price and speed are still the key demand of the market. The company focuses on human resources development and quality management throughout the organization to satisfy the needs of our customers and build relationships with them in order to expand our business in the country and overseas.

### **3. Procurement of Products or Services**

The company supplies products to meet customer needs, where customers specify the quality and competitive pricing in the market. Additionally, the company continues to develop new products with added value in response to the demand of domestic and international customers. With awareness as a service provider, the company focuses on

delivering good services to its customers, both before and after sales services, to ensure that the products delivered are of good quality and corresponded to the demand of the customers.

#### 4. Products or Services pending for Delivery

- None -

### EF Company Limited

#### 1. Product Design or Service

EF Co., Ltd. is the supplier of consumer products and consumables in production for industrial factories. It is the owner of a personal care product brand “EXFAC” and a chemical cleaning product brand “BIO EX”, and the trader of other personal care products and products relating to manufacturing processes for use in offices and industrial factories from other trading companies.

#### 2. Market and Competition

##### (A) Policy and Market of Key Products and Services

- **Competitive Strategy**

The company is the brand owner and the supplier of daily-use consumer products in the group of personal care product and chemical cleaning products, including equipment and consumables in production for industrial factories. Its customers include wholesalers, cleaning companies, end user group of industrial factories, and service providers. The company emphasizes its competitive strategy on quality, price, and services that engage, access, and understand customer needs to reduce storage whilst having goods for use to meet the schedule. Additionally, the company arranges the product trial before placing orders and the environmentally friendly production process.

- **Customer Characteristics**

Customers are mainly industrial factories and sales representatives.

- **Target Customers**

Traditional Trade, Modern Trade, Beauty Shop, Industrial factories and Service Business.

- **Sales and Distribution Channels**

The company distributes directly in Traditional Trade, Modern Trade, Beauty Shop, Industrial factories and Service Business with efficient sales staffs and through sales agents in some remote areas to expand sales area.

##### (B) Industry Competition

There is a high level of competition with the major and small domestic players. However, the company is still capable to expand its business from the strength of quality, service, and customers who are confident in the quality of our products and services continuously for many years.

##### (C) Trend of Industry and Future Competition

The trend of industry and competition is still intense in terms of pricing. The company therefore emphasizes on engagement and accessibility approaches and understands the needs of entrepreneurs closely because we value

the consultation more than the products we offer. This helps maintain our existing markets and expand new markets continuously.

### 3. Procurement of Products or Services

The company has appointed/hired the company that has been certified for international manufacturing standards both inside and outside the group to develop and manufacture products to meet the needs of consumers in the target group. Hence the company has the capability of supplying to meet the demands of customers sufficiently for the expansion of the market in the future.

### 4. Products or Services pending for Delivery

- None –

## S & J International (UK) Limited

### 1. Product Design or Service

The company's main businesses are the provider of marketing services and the distributor of raw material and packaging relating to the cosmetic manufacturing and beauty care products industry.

### 2. Market and Competition

#### (A) Policy and Market of Key Products and Services

- **Competitive Strategy**

Main customers are companies in the cosmetic manufacturing and beauty care products industry. The company focuses on the distribution of raw material and packaging that are of varieties, with regard to quality, price, and the speed of responding to the needs of customers. Furthermore, the company also provides marketing services to customers who want to expand their consumer base to the United Kingdom.

- **Customer Characteristics**

At present, the company has overseas customers, of which most of them are in the cosmetic manufacturing and beauty care products industry. The company's main customers are the parent companies and their subsidiaries that are reputable multi-national companies or the leaders in cosmetic manufacturing in Thailand.

- **Target Customers**

Major customers are currently companies in the cosmetic manufacturing and beauty care products industry, where the company's goal is to expand its business to other business groups, for example cosmeceuticals, food and medicine, and others to enlarge the market for further growth.

- **Sales and Distribution Channels**

The company offers services directly to top executives of the target customers, focusing on the quality and price of the products and the speed in responding to the needs.

#### (B) Industry Competition

The competition in this industry continues to focus on product quality, delivery, price, and service. As the United Kingdom remains an important market for beauty care and healthcare products, consumer preferences are

therefore the determinant of the style and design of products. Hence, the company closely monitors the trend of this market in order to supply and truly respond to the needs.

### **(C) Trend of Industry and Future Competition**

The competition continues to focus on product quality, delivery, price, and service. As the United Kingdom is a key market for cosmetics and beauty care products, consumer preferences are therefore the determinant of the style and design of products. Hence, the company closely monitors the trend of this market in order to truly respond to the needs.

### **3. Procurement of Products or Services**

With such a broad scope and variety of a number of manufacturers in the United Kingdom and nearby countries, the company can select high-quality raw materials and packaging for customers to use to produce their products for the global market.

### **4. Products or Services pending for Delivery**

- None -

## **Guangzhou S & J Cosmetic Company Limited**

### **1. Product Design or Service**

The company's main businesses are the provider of marketing services and the distributor of raw material and packaging relating to the cosmetic manufacturing and beauty care products industry.

### **2. Market and Competition**

#### **(A) Policy and Market of Key Products and Services**

- **Competitive Strategy**

Main customers are companies in the cosmetic manufacturing and beauty care products industry. The company focuses on the distribution of raw material and packaging that are of varieties, with regard to quality, price, and the speed of responding to the needs of customers. Furthermore, the company also provides marketing services to customers who want to expand their consumer base to the People's Republic of China.

- **Customer Characteristics**

The company has overseas customers, of which most of them are in the cosmetic manufacturing and beauty care products industry. The company's main customers are the parent companies and their subsidiaries that are reputable multi-national companies or the leader in cosmetic manufacturing in Thailand.

- **Target Customers**

Major customers are currently companies in the cosmetic manufacturing and beauty care products industry, where the company's goal is to expand its business to other business groups, for example cosmeceuticals, food and medicine, and others to enlarge the market for further growth.

- **Sales and Distribution Channels**

The company offers services directly to top executives of the target customers, focusing on the quality and price of the products and the speed in responding to the needs.

## **(B) Industry Competition**

The competition in this industry continues to focus on product quality, delivery, price, and services. As China is also an important market for beauty care and healthcare products, consumer preferences are therefore the determinant of the style and design of products. Hence, the company closely monitors the trend of this market in order to supply and truly respond to the needs.

## **(C) Trend of Industry and Future Competition**

The competition continues to focus on product quality, delivery, price, and services. As China is a key market for cosmetics and beauty care products, consumer preferences are therefore the determinant of the style and design of products. Hence, the company closely monitors the trend of this market in order to truly respond to the needs.

### **3. Procurement of Products or Services**

With such a broad scope and variety of a number of manufacturers in China and nearby countries, the company can select high-quality raw materials and packaging for customers to use to produce their products for the global market.

### **4. Products or Services pending for Delivery**

- None -

## **4WD Vision (HK) Limited**

### **1. Product Design or Service**

The company's main businesses are the provider of marketing services and the distributor of raw material and packaging relating to the cosmetic manufacturing and beauty care products industry.

### **2. Market and Competition**

#### **(A) Policy and Market of Key Products and Services**

- **Competitive Strategy**

Main customers are companies in the cosmetic manufacturing and beauty care products industry. The company focuses on the distribution of raw material and packaging that are of varieties, with regard to quality, price, and the speed of responding to the needs of customers. Furthermore, the company also provides marketing services to customers who want to expand their consumer base to China.

- **Customer Characteristics**

At present, the company has overseas customers, of which most of them are in the cosmetic manufacturing and beauty care products industry. The company's main customers are the parent companies and their subsidiaries that are reputable multi-national companies or the leaders in cosmetic manufacturing in Thailand.

- **Target Customers**

Major customers are currently companies in the cosmetic manufacturing industry and beauty care products, where the company's goal is to expand its business to other business groups, for example cosmeceuticals, food and medicine, and others to enlarge the market for further growth.



- **Sales and Distribution Channels**

The company offers services directly to top executives of the target customers, focusing on the quality and price of the products and the speed in responding to the needs.

**(B) Industry Competition**

The competition in this industry continues to focus on product quality, delivery, price, and service. As Hong Kong is also an important market for beauty care and healthcare products, consumer preferences are therefore the determinant of the style and design of products. Hence, the company closely monitors the trend of this market in order to supply and truly respond to the needs.

**(C) Trend of Industry and Future Competition**

The competition continues to focus on product quality, delivery, price, and service. As Hong Kong is a key market for cosmetics and beauty care products, consumer preferences are therefore the determinant of the style and design of products. Hence, the company closely monitors the trend of this market in order to truly respond to the needs.

**3. Procurement of Products or Services**

With such a broad scope and variety of a number of manufacturers in Hong Kong and nearby countries, the company can select high-quality raw materials and packaging for customers to use to produce their products for the global market.

**4. Products or Services pending for Delivery**

- None -

#### **4WD Vision Company Limited**

**1. Product Design or Service**

4WD Vision Co., Ltd. is a fully integrated beauty service trading company, focusing on the trading of raw materials, packaging, and other beauty related items. The company primarily supplies to the Thai market and the AEC.

**2. Market and Competition**

**(A) Policy and Market of Key Products and Services**

- **Competitive Strategy**

The core of the business is to develop an efficient procurement system that can increase the business of the manufacturer and distributor of cosmetic products in Thailand and the AEC.

- **Customer Characteristics**

As a new business, the company has developed a customer base that will bring products and services from overseas networks.

- **Target Customers**

While most of the target customers are from, but not limited to, the beauty care industry, the company, as a fully integrated trading company, is also looking for opportunities in other industries.

- **Sales and Distribution Channels**

The diversity of channels will be considered, including those relating to the rapid growth of digital opportunities and new media.

**(B) Industry Competition**

The offering of effective and cost-efficient service that is different from others with the innovation and a good design will ensure that the business will be well received in the industry.

**(C) Trend of Industry and Future Competition**

As Thailand is the key trading center in the region, and as related markets are increasingly expanding, the circulation of commodities and services between countries has become easier and opens up important opportunities for Thai companies to participate in new growth businesses. Hence, the company has expanded its business to the Netherlands to distribute cosmetic products and gift sets and provide marketing services.

**3. Procurement of Products or Services**

Initially, 4WD Vision Co., Ltd. works in close co-operation with other S & J entities to source the products and raw materials from Europe, Asia, and America, to build supply chain system and operations that have the potential for its AEC businesses.

**4. Products or Services pending for Delivery**

- None –

**4WD Vision Europe B.V.**

**1. Product Design or Service**

The company is a fully integrated beauty service trading company, focusing on the trading of raw materials, packaging, and other beauty-related items to its main customers in Thailand and the AEC.

**2. Market and Competition**

**(A) Policy and Market of Key Products and Services**

- **Competitive Strategy**

The core of the business is to develop an efficient procurement system that can increase the business of the manufacturer and distributor of cosmetic products in Thailand and the AEC.

- **Customer Characteristics**

As a new business, the company has developed a customer base that will bring products and services from overseas networks.

- **Target Customers**

While most of the target customers are from, but not limited to, the beauty care industry, the company, as a fully integrated trading company, is also looking for opportunities in other industries.

- **Sales and Distribution Channels**

The diversity of channels will be considered, including those relating to the rapid growth of digital opportunities and new media.

## **(B) Industry Competition**

The offering of effective and cost-efficient service that is different from others with the innovation technology and a good design will ensure that the business will be well received in the industry.

## **(C) Trend of Industry and Future Competition**

The company will promote and increase business opportunities. Additionally in the future, the company will apply new technologies in health and hygiene products to help expand the product portfolio of its products and services.

### **3. Procurement of Products or Services**

The company works in close co-operation with a subsidiary of S & J group that is responsible for sourcing the products and raw materials from Europe, Asia, and America, to build supply chain system and operations that have the potential for its AEC businesses.

### **4. Products or Services pending for Delivery**

- None -

## **Operational Energy Group Limited**

### **1. Product Design or Service**

The company is a provider of services relating to the production and maintenance of power plants under the Private Power Producer project and industrial plants both locally and overseas, the rental service of power generation machinery, and technical quality assessment (due diligence) of power plants for financial advisor.

### **2. Market and Competition**

#### **(A) Policy and Market of Key Products and Services**

- **Competitive Strategy**

The company's executives and operators operate under the quality management standard certification ISO9001:2015 from BSI Certification Services (Thailand) Ltd. Also, it has been certified with the environment quality management standard ISO14001:2015 from the same certifier, BSI Certification Services (Thailand) Ltd.

- **Customer Characteristics**

Customers of the production and maintenance of power plants business are owners and investors who are granted a license as private power producer. Most of them are joint venture companies in Thailand that are granted investment promotion privileges and have a contract to generate and supply electricity to the Electricity Generating Authority of Thailand (EGAT) and directly to electricity users who live in the area around the power plant.

- **Target Customers**

The company seeks customers from the private power producer group, the reputable and reliable real estate projects from the fast-growing markets, and industrial plants in various industries, notably those related to power, which has a vision to expand their production capacities to keep up with the country's economic growth.

- **Sales and Distribution Channels**

The company offers services directly to the top executives of the target customers. The company also continuously strives to maintain the quality and performance of services provided to existing customers, along with efforts to expand the customer base to projects that are under construction and new projects that are being promoted, such as electricity generation from agricultural products. Moreover, the company aims to expand the business to the distribution of materials related to the factory industry and service industry that are rapidly growing.

**(B) Industry Competition**

In the market for power plant operation and maintenance service providers, there is a high level of competition with both domestic and foreign experts entering the market. In spite of the fact that backup power generation is in oversupply and the demand for electricity tends to stabilize with economic growth. Hence, the company try to maintain its customer base.

**(C) Trend of Industry and Future Competition**

The COVID-19 epidemic situation has hindered the growth of the power plant business expansion to stumble even further. Manufacturers of consumer goods and service providers have reduced their production capacity. Thus, the consumption of electricity has decreased proportionally. Consequently, both the government and the private sector have slowed down their investments in electricity production. Nevertheless, the Company will accelerate its efforts to generate apparent results for current customers in general which can serve as a reference.

**3. Procurement of Products or Services**

The company aims to maintain the quality and performance of the supply of products or services by evaluating the performance of its suppliers or service providers, as well as seeking for new suppliers or quality service providers in order to improve the management.

**4. Products or Services pending for Delivery**

- None -

**Yamahatsu (Thailand) Company Limited**

**1. Product Design or Service**

The company is a manufacturer of hair coloring products, hair perming products, and a distributor of hair care products.

**2. Market and Competition**

**(A) Policy and Market of Key Products and Services**

- **Competitive Strategy**

The company has developed its manufacturing operation by installing efficient machinery in the production, making it capable of producing quality goods at a more reasonable price. In addition, the company has continually been certified for goods manufacturing standards (GMP) by the Food and Drug Administration (FDA).

- **Customer Characteristics**

The company categorized its customers into 2 groups, which are;

1. Domestic customers

The products for this group of customers are the products that targeted users in working age group and customers of beauty salon.

2. Overseas customers

The company has groups of customers in many countries, namely Japan, the People's Republic of China, Australia, New Zealand, Korea, Taiwan, Singapore, Malaysia, India, and the Philippines, etc.

- **Target Customers**

The company has expanded the series of products to attract new customers in Asia and has upgraded its products under the original brand to maintain the old customer base that has used the company's products. At the same time, it also added more product categories for existing customers to have more variety of products.

- **Sales and Distribution Channels**

The company still uses the same distribution channel, which is through distributors both domestically and abroad. The percentage of overseas distribution has increased compared to domestic distribution at a ratio of 90 :10.

### (B) Industry Competition

Albeit the volatility of the economy, the company has managed to maintain and continue growing the business. However, amongst the intense competition in both domestic and overseas markets and the marketing activities to increase market shares, such as advertising and promotion, the company has been adapted to the use of efficient machinery in production to ensure that the product is of standard quality and to provide efficient production so that the cost of the product is at the right level to support the price to be competitive in the market.

### (C) Trend of Industry and Future Competition

The company continues to develop new products every year and launch new products every three months. In terms of the product formula, the company continues to improve the quality of the formula and try to use non-specific substances for each formula as necessary, so that the company does not need to purchase a variety of raw materials but order a few items in a large amount at low price. This economy of scale keeps the production costs competitive in the market. Moreover, increasing order volume from customers across Asia also helps the company better manage its procurements.

### 3. Procurement of Products or Services

The company purchases quality raw materials at a reasonable price, both chemical and packaging raw materials, to use in producing products. The company sources materials from both local and overseas manufacturers by comparing quality and price before concluding the order. Apart from this, it also selects raw materials that are harmless to consumers and inspects manufacturers on the standard of employment. With regard to our social responsibility, the company will purchase from suppliers that hire the right labor and provide appropriate treatment to employees.

The procurement of quality raw materials will create consumer confidence and trust in the company's products. Furthermore, the company has improved the logistic management to ensure efficient production management.

The company has properly defined the process to ensure the appropriate disposal of waste and industrial waste by hiring industrial waste disposal service company that has been certified by the government in order not to create harmful effects on the environment. Furthermore, the company uses the sewage pits for the disposal of wastewater. This demonstrates environmental awareness and compliance with the regulations of the Ministry of Industry.

#### 4. Products or Services pending for Delivery

- None –

### Osoth Inter Laboratories Company Limited

#### 1. Product Design and Service

Osoth Inter Laboratories Company Limited (OSI) aims to be a center of health and well-being hub for customers. OSI is the only company under the Sahapat Group (Saha Pathanapibul) authorized to manufacture, distribute (wholesale and retail), import and export modern medicine, pharmaceutical and medical supplies, cosmetics, and dietary supplements that meet international standards for over 30 years. Additionally, the Company focuses on social development by providing health-related knowledge to benefit society and the community through its Facebook page, Mor Ya Yak Bok (Pharmacist Wants to Tell).

In this regard, the Company is always seeking new health innovations in preparation for the upcoming aging society.

#### 2. Market and Competition

##### (A) Policy and Market of Key Products and Services

- **Competitive Strategy**

The Company focuses on developing both its products and distribution channels. In terms of products, the Company plans to develop new generic drugs and dietary supplements for the elderly and also focuses on importing pharmaceutical products, medical supplies, cosmetics, and dietary supplements to address various health issues faced by customers. The Company also working to identify additional selling points and further develop its existing products in collaboration with educational agencies, including leading universities, in an effort to maintain its original product base and expand the usage of its products more widely.

Furthermore, the Company continually focuses on increasing both domestic and international distribution channels and its manufacturing.

- **Customer Characteristics & Target Customers**

The Company has divided customers into 2 groups, which are

1. Domestic customer groups

The Company's customers in this group are public and private hospitals, clinics, pharmacies, and wholesale pharmaceutical products and medical supplies companies across the country.

## 2. Foreign customer groups

Wholesale pharmaceutical products and medical supplies companies in Lao, Myanmar, Cambodia, the Philippines, with a target to expand to other ASEAN countries.

- **Sales and Distribution Channels**

The Company has more than 40 sales representatives operating in every direct target channel across the country to provide information, distribute products, and offer after-sales services directly to customers. Additionally, they cater to retail drug stores and Mor Ya Yak Bok, a Facebook page used directly for communication with patients or consumers.

### **(B) Industry Competition**

Entrepreneurs operating in the pharmaceutical industry can be classified into two groups, which are:

Group 1 Government agencies, which are (1) Government Pharmaceutical Organization (GPO), a major producer of drugs, including some imported drugs, specifically drugs that treat chronic non-communicable diseases such as lipid-lowering drugs and antidiabetic drugs, for sale at affordable prices and (2) Defence Pharmaceutical Factory focuses on producing generic drugs for sale within the country in place of imported drugs. According to the Government Procurement and Supplies Management Act B.E.2560, the Government Pharmaceutical Organization is classified as entrepreneur, the same as the private sector in the same industry. This has increased competition in the market between the Government Pharmaceutical Organization and private sector operators, which include foreign operators that producing cheap drugs for sale, such as India and China.

Group 2 Private sector pharmaceutical companies are divided into two categories: (1) Thai pharmaceutical companies owned by Thai entrepreneurs who are the major shareholders, Most of these companies manufacture generic name medicine at a price that is not expensive and some are also contract manufacturers and (2) multinational pharmaceutical companies (MNCs) with the majority of shares owned by foreigners. Some of these companies import original or patented drugs at a high price and some have established factories for medicine production in Thailand. In 2021, multinational pharmaceutical companies generated the highest revenue due to the benefit from the manufacture and import of COVID-19 vaccines.

Presently, private pharmaceutical manufacturers in Thailand are facing pressure from (1) the competition from cheap drugs imported from India and China that have lower production costs than Thai drugs, (2) some private manufacturers are somewhat disadvantaged compared to government agencies in terms of production costs and access to distribution channels, (3) the Ministry of Public Health and the Comptroller General's Department determine the Median price of drugs to control costs and enable the government hospitals to purchase medicines at reasonable prices, hence a restriction on increasing the price of certain types of drugs, (4) the need to comply with GMP-PIC/S standards due to Thailand is a member of the European Union's pharmaceutical inspection co-operation scheme, which adds to their

production costs, and (5) the need to provide suitable and adequate drug storage and distribution facilities, according to the criteria of the Ministry of Public Health regarding the distribution of modern medicine in 2021, effective from 1 January 2022.

### **(C) Trend of Industry and Future Competition**

It is anticipated that drug sales value will continue to grow, attributable to a growing trend of chronic non-communicable diseases among the elderly, the access to a universal health coverage system, a growing number of foreign patients likely returning for medical services, and the trend of health consciousness and demand for preventive healthcare in alignment across the world.

In this regard, the revenue of modern drug manufacturers tends to grow continuously due to (1) the continued demand for drugs related to virus infections or remaining symptoms after COVID-19 virus infection, including vaccines to prevent disease, while the relaxation of strict measures to control the pandemic has allowed economic and social activities to resume to near normal levels, resulting in a higher number of patients seeking medical services in the hospitals, (2) the number of patients with chronic non-communicable diseases is continually increasing, (3) access to medical and public health services through the government's health insurance system has positive impact on drug manufacturers who distribute drugs through hospitals, particularly patented drugs, and (4) drug manufacturers have the opportunity to add channels to distribute drugs through pharmacies and expand exports to ASEAN countries where there is continued demand for medicines and vaccines.

### **3. Procurement of Products or Services**

Osoth Inter Laboratories Company Limited has its head office located at 600/9, Moo 11, Sukhaphiban 8 Road, Nong Kham Subdistrict, Sriracha District, Chonburi Province 20230 and sales office located at no.10, K.N.T.Building, 5<sup>th</sup>, 7<sup>th</sup>-8<sup>th</sup> Floor, Soi Narathiwat Ratchanakarin 8, Narathiwat Ratchanakarin Road, Thung Wat Don Subdistrict, Sathorn District, Bangkok 10120.

The Company follows good manufacturing practices (GMP) and has continually received GMP certification for producing modern medicines from the Food and Drug Administration, Ministry of Public Health.

In 2002, the Company began implementing the ISO 9001:2000 quality system and received certification from UKAS and NAC in October 2003. Then, the Company developed the quality system from ISO 9001:2000 to ISO 9001:2008 and received certification on 8 December 2009.

In 2003, the Company expanded its production scope adding another division for the manufacture of dietary supplements and obtained a license in 2003. The production started in 2004 and passed the GMP assessment for food production from the Food and Drug Administration, Ministry of Public Health, in August 2004.

In 2006, the Company received the certification of the ISO 9001:2015 quality system on 14 December 2006 from SGS, UKAS, and NAC and has continuous quality inspections every year.

In 2022, the Company received the certification for meeting modern medicine distribution standards given to places that import or order modern medicine into the Kingdom on 20 June 2022 from the Food and Drug Administration, Ministry of Public Health.



In 2022, the Company also received the certification of ISO 9001:2015 quality system on 14 December 2022 from SGS, UKAS, and NAC and has continuous quality inspections every year.

In 2023, the company expanded its scope and obtained GMP standards certification for the manufacture of dietary supplements in the category of liquid medicine on 12 August 2023 from the Food and Drug Administration, Ministry of Public Health. The Company also received the certification of the ISO 14001:2015 quality system on 31 October 2023 from SGS, UKAS, and NAC. In addition, the Company has been audited and is in the process of certifying the ISO laboratory standard certification ISO/IEC 17025:2017 from the Bureau of Laboratory Standards, Department of Medical Sciences.

#### 4. Products or Services pending for Delivery

-None-

### Atika Beauty Manufacturing Sdn.Bhd.

#### 1. Product Design or Service

The company's products under the main objective of the business are the sale of makeup cosmetic products with the "HALAL" certification under its own brand, such as face powder, lipstick, eyeshadow, mascara to meet the needs of customers through various channels, with an emphasis on primarily domestic Muslim customers.

#### 2. Market and Competition

##### (A) Policy and Market of Key Products and Services

- **Competitive Strategy**

The company is a distributor of cosmetic products under its own brand, where it hires manufacturers that is Halal-certified and have technical expertise in product development, which is a key competitive factor. The company employs the market strategy that emphasizes the quality of its products at a high level, including packaging design that is beautiful, modern, and convenient to use. Additionally, it emphasizes the suitability of price and quality that attracts the attention of customers, taking into account the highest level of customer satisfaction.

- **Customer Characteristics**

Muslim customers who are looking for high-quality makeup products at reasonable price.

- **Target Customers**

The company's target customers are teenagers and working people who want quality cosmetics at an affordable price.

- **Sale and Distribution Channels**

The company sells products through modern trade channels.

##### (B) Industry Competition

Growth in Muslim populations and increasing purchasing power are factors driving the increasing demand for makeup products. Additionally, the Muslims' interest in makeup products has been increasing dramatically, providing potential growth opportunities for the Halal cosmetics industry.

Currently, the number of Muslim consumers using cosmetic products is increasing every year, allowing the company's products to have a market share in order to meet consumer needs and reach target groups.

**(C) Trend of Industry and Future Competition**

The Halal cosmetics industry is growing and highly competitive. However, the company believes that its growth strategy will allow it to maintain its business growth, improve its operating results in the future, and strengthen its leadership position in the makeup category of the Halal cosmetics market.

**3. Procurement of Products or Services**

The company hires manufacturers from both domestic and foreign factories that specialize in specialized production, have advanced manufacturing technology and machinery, and have a standardized quality control system in place to meet the needs of customers.

**4. Products or Services pending for Delivery**

- None -

## 1.3 Company's Business Structure

### 1.3.1 Company's Business Structure

#### S & J

The company is responsible for the design, research and development and sourcing of raw materials and packaging. Production is planned with cooperating with customers, and factory production to meet the needs of our customers.

#### Subsidiaries

A group of companies which supports the business of the company and is significant as its business unit meanwhile the company is their major investor. Affiliates are also a group of companies which is supervised by the company closely in order to ensure the pursuit of the company's policy as well as to have an efficient service.

The companies in this type are as follows :

- Top Trend Manufacturing Co., Ltd. (TTM)
- EF Co.,Ltd. (EF)
- S & J International (UK) Ltd. (S & J UK)
  - Guangzhou S & J Cosmetic Co., Ltd. (GZ S & J)
  - 4WD Vision (HK) Co.,Ltd. (4WD HK)
- 4WD Vision Co.,Ltd. (4WD TH)
  - ❖ 4WD Vision Europe B.V. (4WD NL)
- Wildlives (Thailand) Co.,Ltd. (WL)\*

#### Remark :

- Shareholding in the company, Guangzhou S & J Cosmetic Co.,Ltd. and 4WD vision (HK) Co.,Ltd. an indirect shareholding of the company through S & J International (UK) Ltd.
- ❖ Shareholding in the company, 4WD Vision Europe B.V. an indirect shareholding of the company through 4WD Vision Co.,Ltd.
- \* The company have already registered its dissolution with the Department of Business Development on June 4, 2021 and have been in the liquidation process.

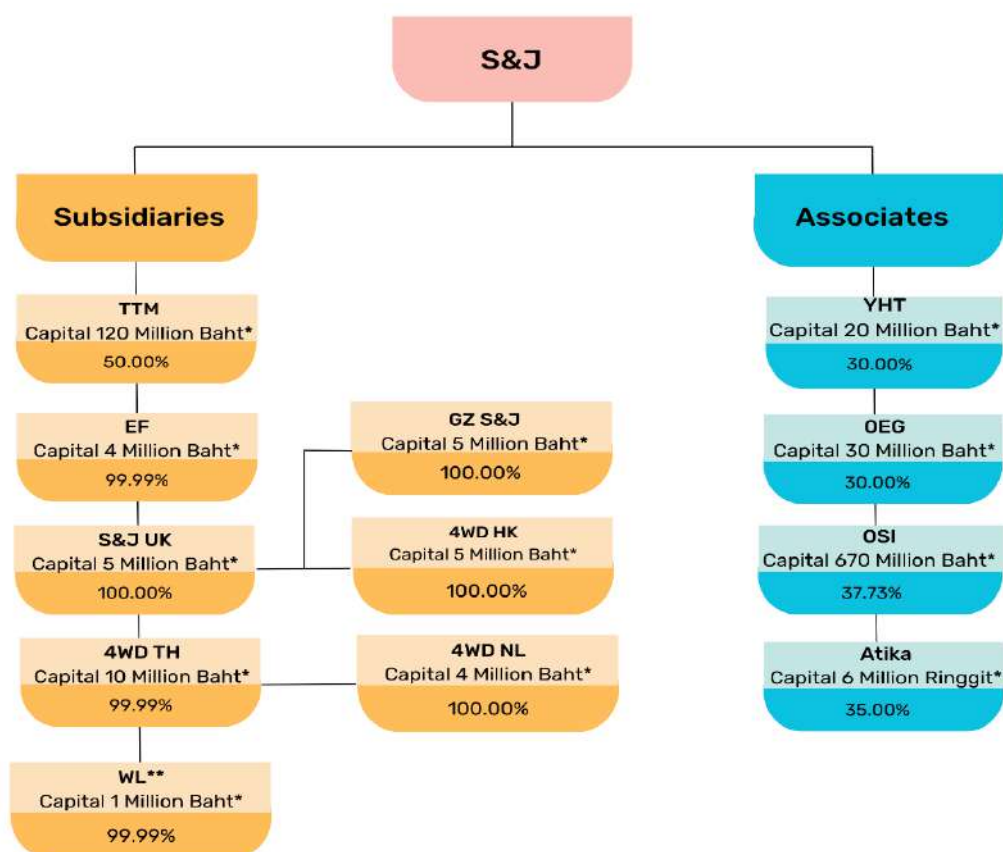
#### Associates

A group of companies which have investment ratio with its affiliates in order to provide benefits to the company strategically and for business coordination especially in form of various product development besides company's products. The companies in this type are as follows:

- Yamahatsu (Thailand) Co.,Ltd. (YHT)
- Operational Energy Group Limited (OEG)
- Osoth Inter Laboratories Co.,Ltd. (OSI)
- Atika Beauty Manufacturing Sdn. Bhd. (Atika)

The company's operating policy is to establish delegation within the group by each company having their own Board of Director to oversee and be responsible for their own company. Each Board of Directors has freedom to take care and supervise the company's activities under their own authority and designated responsibilities.

### Shareholding structure for companies under S & J



TTM Top Trend Manufacturing Co.,Ltd

EF EF Co.,Ltd.

S & J – UK S & J International (UK) Ltd.

GZ S & J Guangzhou S & J Cosmetic Co.,Ltd.

4WD HK 4WD Vision (HK) Ltd.

4WD TH 4WD Vision Co.,Ltd.

4WD NL 4WD Vision Europe B.V.

WL Wildlives (Thailand) Co.,Ltd.\*\*

YHT Yamahatsu (Thailand) Co.,Ltd.

OEG Operational Energy Group Limited

OSI Osoth Inter Laboratories Co.,Ltd.

Atika Atika Beauty Manufacturing Sdn. Bhd.

\* issued and paid-up share capital

\*\* Such companies have already registered its dissolution and have been in the liquidation process.

Investment in other Companies in which the Company holds 10% or more of paid-up shares

Company/Address	Type of Business	Type of Shares	No. of Paid-up Shares	Shareholding by the Company	
				No. of Shares	%
<b>Subsidiaries</b>					
1. S&J International (UK) Limited 1B Montague Road, Wimbledon, London, SW191TB Tel. (0203) 167 0095 Mobile No. 447 5989 31250 Fax No. 0870 421 5752	Distributing cosmetic products and gift set and marketing service	Common Stock	100,000	100,000	100.00
2. EF Co.,Ltd. 600/4 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. (6638) 480-086-89 Fax. (6638) 480-139	Consumer Products	Common Stock	40,000	39,994	99.99
3. Wildlives (Thailand) Co.,Ltd.* 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. (662) 676-2727 Fax. (662) 676-2726,(662) 676-4493	Consumer Products	Common Stock	100,000	99,993	99.99
4. 4WD Vision Co., Ltd. 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. (662) 676-2727 Fax. (662) 676-2726	Import Export and Trading of chemicals, packaging and cosmetic products	Common Stock	1,000,000	999,997	99.99
5. Top Trend Manufacturing Co.,Ltd. 334, Moo 1, Sriracha Industrial Zone, Sukaphiban 8 Road, Boun, Sriracha, Chonburi 20230 Tel. (6638) 760-763, (6638) 480-851 Fax. (6638) 760-763	Container	Common Stock	1,200,000	600,000	50.00

**Remark:** \* The company have already registered its dissolution with the Department of Business Development on June 4, 2021 and have been in the liquidation process.

Company/Address	Type of Business	Type of Shares	No. of Paid-up Shares	Shareholding by the Company		
				No. of Shares	%	
<b>Associates</b>						
6. <b>Atika Beauty Manufacturing Sdn. Bhd.</b> Suite 12-A, Level 12 Menara Northam, No. 55 Jalan Sultan Ahmad Shah 10050, Penang, Malaysia.	Manufacturing and distribute cosmetic products	Common Stock	6,000,000	2,100,000	35.00	
7. <b>Osoth Interlaboratories Co.,Ltd.</b> 600/9, Moo 11, Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. (6638) 480-766-7 Fax. (6638) 480- 828	Manufacturing Pharmaceutical	Common Stock	6,700,000	2,527,910	37.73	
8. <b>Operational Energy Group Limited.</b> 170/14 Floor 6th Ocean Tower 1 Building New Ratchadapisek Road, Klongtoey, Bangkok Tel. (662) 661-8990 Fax. (662) 661-8991	Servicing to operate the power plant	Common Stock	3,000,000	899,999	30.00	
9. <b>Yamahatsu (Thailand) Co.,Ltd.</b> 600/48 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi 20230 Tel. (6638) 320-100 Fax. (6638) 320-111	Hair products	Common Stock	2,000,000	599,995	30.00	
<b>Related companies</b>						
10. <b>B.K.C. International Marketing Co.,Ltd.</b> 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok 10120 Tel. (662) 676-2727 Fax. (662) 676-2726, (662) 676-4493	Consumer Products	Common Stock	1,000,000	189,999	19.00	
11. <b>E.P.F. Co.,Ltd.</b> 549/2 Soi Saengsuk, Sathupradith Rd., Chongnonthri, Yannawa, Bangkok Tel. (662) 294-0091-4 Fax. (662) 294-4479	Consumer Products	Common Stock	65,000	11,700	18.00	
12. <b>Train Time Test Co.,Ltd.</b> 530 Soi Sathupradith 58, Bangpongpan, Yannawa, Bangkok 10120 Tel. (662) 293-9000	Training, Seminar	Common Stock	200,000	28,000	14.00	

	Company/Address	Type of Business	Type of Shares	No. of Paid-up Shares	Shareholding by the Company	
					No. of Shares	%
13.	T-Way Co.,Ltd. 549/2 Soi Saengsuk, Sathupradith Rd., Chongnonthri, Yannawa, Bangkok Tel. (662) 294-0091-4 Fax. (662) 294-4479	Tourism, hotel, buying and selling goods	Common Stock	16,000,000	1,920,000	12.00

### 1.3.2 Person who may have led to the conflict of interests of the company with more than 10% holding of voting shares of the company, subsidiaries, or associate companies

- **Subsidiary**

The company has invested in Top Trend Manufacturing Company Limited (TTM), a subsidiary, with shareholding at 50%. It has 2 major shareholders of the company who may have conflicts of interest in the company, namely Saha Pathana Inter-Holding Public Company Limited (SPI), which shareholding at 20%, and I.C.C. International Public Company Limited (ICC), which shareholding at 15%.

- **Associates**

The company has invested in Osoth Inter Laboratories Co.,Ltd. (OSI), an associate, with shareholding at 37.73%. It has a major shareholder of the Company who may has conflicts of interest in the company, namely Saha Pathana Inter-Holding Public Company Limited (SPI), which shareholding at 15%,

In this regard, the major shareholders of the company, holds shares in the said subsidiary and associate more than 10% of the number of shares with voting rights because the major shareholders have potential support to the subsidiary and associate to have business partners throughout the supply chain. Which, the company has the right to manage its investment independently in proportion to its ownership interest in TTM, and as a listed company on the Stock Exchange of Thailand, the company adheres to the principles of good corporate governance and good internal control to treat all shareholders equally and take into account the benefits to the company and shareholders. These include measures to take action on transactions that may have conflicts of interest, such as approval of transactions with potential conflicts of interest that must be approved by the Board of Directors and must be considered by the Audit Committee in order to comply with the laws and regulations of the Stock Exchange of Thailand to ensure that these transactions are reasonable, having general commercial terms as if a transaction with third party and are in the most benefit of the company.

In addition, the regulations applicable to listed companies also encourage transparency and fairness in entering into connected transactions, both currently and in the future. Therefore, persons with vested interests will not have the right to vote, either as a director or shareholders, in transactions to which there may be conflicts of interest above.

### 1.3.3 Relationship with major shareholder business group

The company has entered into transactions with companies in the group of Saha Pathana Inter-Holding Public Company Limited and I.C.C. International Public Company Limited, which are the company's major shareholders. All of the aforementioned transactions are ordinary business transactions.

### 1.3.4 Shareholders

#### 10 Major shareholders as of December 31, 2023

Name	No. of shares	%
1. Saha Pathana Inter-Holding Public Company Limited*	31,278,000	20.86
2. I.C.C. International Public Company Limited*	21,897,781	14.60
3. I.D.F. Company Limited*	15,682,694	10.46
4. Vittayasith Company Limited*	13,039,447	8.70
5. Mr.Boonkiet Chokwatana	10,298,408	6.87
6. Mr.Virapat Poonsakudomsin	7,430,144	4.96
7. Mr.Boonsithi Chokwatana	3,452,374	2.30
8. Mrs.Tipaporn Chokwatana	2,725,652	1.82
9. Ms.Ratiporn Punsak-Udomsin	1,800,000	1.20
10. Mrs.Pavinee Punsak-Udomsin	1,800,000	1.20
<b>Total 10 Major Shareholders</b>	<b>109,404,500</b>	<b>72.97</b>
<b>Total Shareholders</b>	<b>149,930,828</b>	<b>100.00</b>

Remark : \* Saha Group Companies

#### Shareholding structure classified by shareholding party categories (As of December 31, 2023)

Shareholder Category	Number	No. of shares	%
<b>Legal entity</b>			
Thai nationality	32	89,062,621	59.40
Foreign nationality	4	409,788	0.27
<b>Total legal entity</b>	<b>36</b>	<b>89,472,409</b>	<b>59.67</b>
<b>Ordinary person</b>			
Thai nationality	950	60,075,526	40.07
Foreign nationality	14	382,893	0.26
<b>Total Ordinary person</b>	<b>964</b>	<b>60,458,419</b>	<b>40.33</b>
<b>Total</b>	<b>1,000</b>	<b>149,930,828</b>	<b>100.00</b>



Shareholding structure classified by shareholding ratio (As of December 31, 2023)

Shareholder Category	Number	No. of shares	%
<b>Legal entity</b>			
Holding shares over 0.5%	9	86,880,221	57.95
Holding shares not over 0.5% but not less than 1 board lot	25	2,592,138	1.73
Holding shares less than 1 board lot	2	50	0.00
<b>Total legal entity</b>	<b>36</b>	<b>89,472,409</b>	<b>59.68</b>
<b>Ordinary person</b>			
Holding shares over 0.5%	16	40,246,396	26.84
Holding shares not over 0.5% but not less than 1 board lot	776	20,209,691	13.48
Holding shares less than 1 board lot	182	2,332	0.00
<b>Total Ordinary person</b>	<b>964</b>	<b>60,458,419</b>	<b>40.32</b>
<b>Total</b>	<b>1,000</b>	<b>149,930,828</b>	<b>100.00</b>

**Distribution Information Shareholdings (Free Float)**

As of February 23, 2023, the closing date of the company entitled to attend the Annual General Meeting of Shareholders No.44 on March 13, 2023 of which the company's minor shareholders holding is 31.99%.

**Agreement between major shareholders.**

There is no agreement between the group of major shareholders of the company ( Shareholders Agreement) or with the company in matters affecting the issuance and sale of securities or management of the company.

**Cross-shareholding as of December 31, 2023**

While the company allows the structure for cross-shareholding, nevertheless, such cross-shareholding is not of the nature conflicting with nor contradicting to the announcement by The Capital Market Supervisory Board no. Thor Chor 258/2008 regarding "the permission request and the permission to offer newly-issued shares" no. 14. The company has acquired shares because of receiving a good rate of return in dividends payment every year and it is beneficial business to each other.

Company name	Shareholding Percentage	
	Shareholding by the company	Shareholding in the company

**1. In the case of over 50% shareholding**

1.1 Other companies holding over 50% shares in the company. Cross-shareholding by the company in other companies is not allowed.

1.2 The company holding over 50% shares in other companies. Cross-shareholding by other companies in the company is not allowed.

Company name	Shareholding Percentage	
	Shareholding by the company	Shareholding in the company
1. Top Trend Manufacturing Co.,Ltd.	50.00	-
2. Wildlives (Thailand) Co.,Ltd.*	99.99	-
3. EF Co.,Ltd.	99.99	-
4. S & J International (UK) Ltd.	100.00	-
5. Guangzhou S & J Cosmetic Co., Ltd. (100% share held by S&J UK)	100.00	-
6. 4WD Vision (HK) Co.,Ltd. (100% share held by S&J UK)	100.00	-
7. 4WD Vision Co.,Ltd.	99.99	-
8. 4WD Vision Europe B.V.	99.99	-
1.3 The company holding over 50% shares in 2 other companies and Cross-shareholding between other such companies is not allowed.	-	-
<b>2. In the case of over 25% shareholding, but not exceeding 50% shareholding</b>		
2.1 Other companies holding over 25% but not exceeding 50% shares in the company. Over 10% cross-shareholding by the company in other companies is not allowed.	-	-
2.2 The company holding over 25% but not exceeding 50% shares in other companies. Over 10% cross-shareholding by other companies in the company is not allowed.		
1. Yamahatsu (Thailand) Co.,Ltd	30.00	-
2. Operational Energy Group Co.,Ltd.	30.00	-
3. Osoth Inter Laboratories Co.,Ltd	37.73	-
4. Atika Beauty Manufacturing Sdn. Bhd.	35.00	-
<b>3. In the case of not exceeding 25% shareholding</b>		
3.1 Other companies holding not exceeding 25% shares in the company. Over 25% shareholding by the company in other companies is not allowed.	-	-
3.2 The company holding not exceeding 25% shares in other companies. Over 25% shareholding by other companies in the company is not allowed		
1. Saha Pathana Inter-holding Public Company Limited (SPI)	0.32	20.86
2. I.C.C. International Public Company Limited (ICC)	0.35	14.60
3. Saha Pathanapibul Public Company Limited (SPC)	0.36	0.16

Remark : \* The company have already registered its dissolution and have been in the liquidation process.

## 1.4 The Company Registered capital and Paid up capital

As at December 31, 2023, the Company registered capital was Baht 200,000,000 of which Baht 149,930,828 had been paid up. The paid up capital comprises of 149,930,828 ordinary shares with a par value of Baht 1 per share, entitling of 1 share with 1 vote.

## 1.5 Issuance of other securities

- None -

## 1.6 Dividend Policy

### 1.6.1 Policy of the company

The company has a policy to pay dividends to shareholders at the rate of 20-80% of net profit of the company's separate financial statement. However, this rate principally depends on economic conditions and business performance of the company as well as the resolution of the shareholders' meeting. Dividend payment will comply with clause 56-58 of the Articles of Association of the company. The stated clauses have an essential stipulation that dividends must be paid on the basis of profit only but not from other incomes. In case the company has deficit, it is prohibited to pay dividend. Dividend will be calculated on the amount of shares basis, each share has an equal dividend. The dividends must be paid within one month after the date of the Shareholders' or Board of Directors' meeting has a resolution. The board may pay interim dividends to shareholders if the board regards that the company has a sufficient profit and report to shareholders in the next meeting.

Dividend payments for 5 latest fiscal years are as follows:

Year of Announcement	Unit	2022	2021	2020	2019	2018
1. Profit for the year	Million Baht	452.80	340.43	238.22	262.17	377.69
2. Number of Share	Million share	149.93	149.93	149.93	149.93	149.93
3. Earnings per Share	Baht/ Share	3.02	2.27	1.59	1.75	2.52
4. Interim Dividend per share	Baht	-	-	-	1.10	-
5. Annual Dividend per share	Baht	1.70	1.20	1.00	-	1.26
6. Dividend Paid	Million Baht	254.88	179.92	149.93	164.92	188.91
7. Payout ratio	%	56.29	52.86	62.94	62.91	50.02

**Remark :** The Board of Directors meeting No 1/2024 held on February 29, 2024 had the resolution to propose to the shareholders meeting scheduled on April 22, 2024 in order to approve for dividend payment baht 2.25 per share in accordance with the dividend payment policy of the company.

## 1.6.2 Policies of subsidiaries

Dividends payment of subsidiaries, the company has not determined the ratio of dividend payment of the subsidiaries to the company which based on the results of operations and cash flows of each subsidiary. If the subsidiary has enough cash flow and made provision under the law, the Subsidiary's Board of Directors will consider the dividend payment on case by case basis. However, dividend payment will not exceed the unappropriated retained earnings of subsidiaries.

## 2. Risk Management

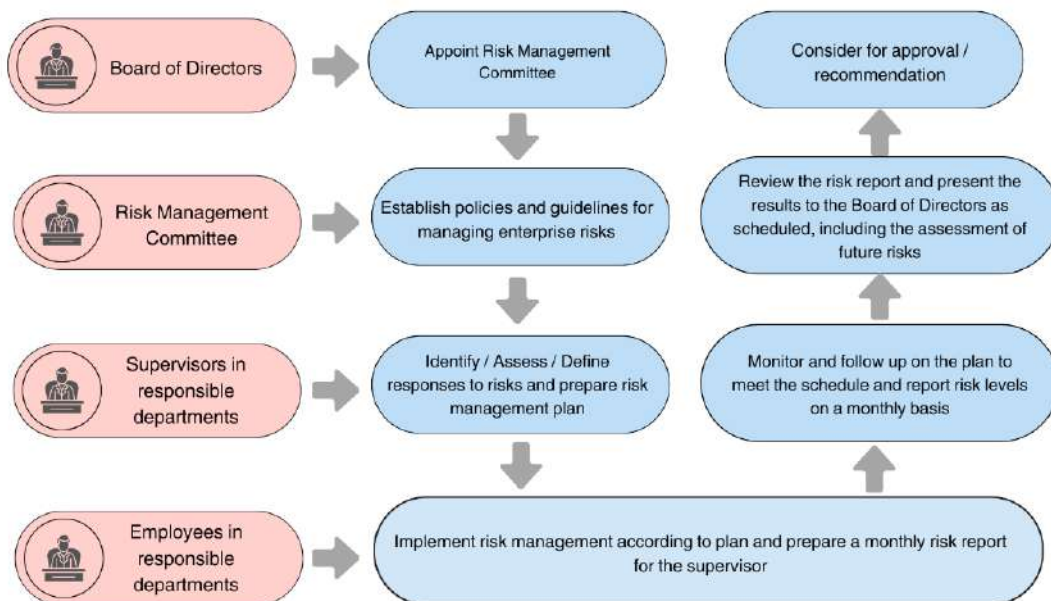
### 2.1 Risk Management Policy and Plan

Risk management is an important part of good corporate governance and supports a business to achieve its objectives. To efficiently manage risks, it is essential to consider various risk factors that are existing or likely to occur in the future to help identify risks and potential obstacles and be able to prepare support plans or adjust strategic directions on time to mitigate impacts and reduce the risk to an acceptable level. In its awareness of potential risks to the organization, the Company has a Risk Management Committee responsible for setting enterprise risk management policies and guidelines. The committee reports on the results of risk management operations and presents them to the Board of Directors twice a year to review the performance of the risk management process and provide advice to increase operational efficiency to ensure a more comprehensive approach to risk management.

#### 1. Risk Management Process Structure

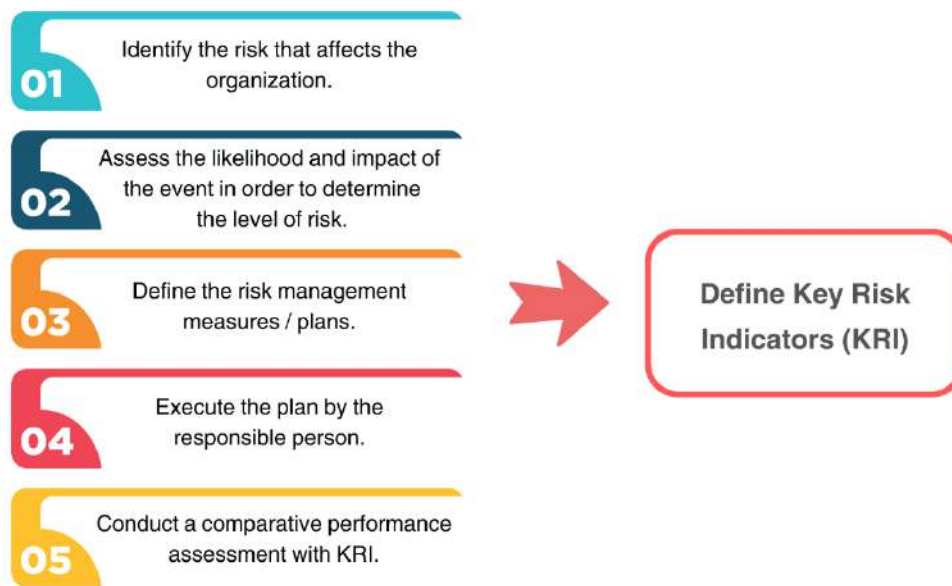
The Company recognizes the importance of risk management which must be practiced in all departments across the organization in order for systematic risk management to be achieved. Therefore, the Company has established a risk management process structure that involves the Board of Directors, the Risk Management Committee, supervisors, and employees in the responsible departments. Roles in risk management are defined in accordance with the following processes:

Risk Management Process Structure



## 2. Determination of Key Risk Indicators (KRI) and Risk Assessment Criteria

To ensure continuous and effective risk assessment throughout the process, the Risk Management Committee has established key risk indicators (KRI) in order to monitor, inspect, and assess risks every quarter. The risk indicator assists in determining whether a risk is high, medium, or low, thereby, enabling more comprehensive risk management.



In addition, the Company has conducted a risk analysis by considering the type and degree of impact and the likelihood of that impact to derive a criterion for the overall level of risk, which is having three levels, ranging from low to high. The Company considers low and medium levels of overall risk to be acceptable. For high risks, additional risk mitigation plans will be prepared for managing such risks to reduce, including assigning responsible persons and scheduling a time frame for completion, as well as monitoring the process as described above.

In 2023, the Company was aware of the fluctuations in the global economy, which may pose a risk to the business or organization. Therefore, the Company had reviewed and monitored existing risks and analyzed additional new risks in consistent with the risk management guidelines. Due to the uncertainty of the global economic situation, geopolitical conflicts, and rapid changes in weather conditions that have expanded impact on the environment and, hence, may create risks affecting the Company's business operations in the future, the Company had prepared a total of 6 risk plans, as follow:

1. Enterprise Risk
2. Emerging Risk
3. Customer Risk
4. IT and Technology Risk, Personal Data Protection Risk (PDPA)
5. Supply Chain Risk
6. Social, Environmental, and Governance Risk (ESG Risk)

The Company reviewed and considered the level of risk and analyzed the likelihood of occurrence and its effects, including risk level indicators for use in monitoring and measuring risk management to ensure efficiency throughout the organization.

## 2.2 Risk Factors for the Company's business operations

The Risk Management Committee has reviewed all aspects of risks with relevant departments in order to define measures to prevent and reduce the likelihood of occurrence, of which the following key risks have been considered.

### 1. Enterprise Risk

#### Importance and Rationale

Enterprise risk is essential as it reflects the organization's policies, corporate governance, culture, and environment. These are basic elements that are vital in establishing a sustainable business direction through an appropriate organizational structure for planned business operations.

#### Impact Assessment

Rapid technological advancements and consumer behaviors that are changing according to the demographic structure in many countries that are entering an ageing society show changes in trends of products and services, which may increase, decrease, or gradually disappear over time. As a result, the Company has scheduled a review of its organizational structure, business strategy plan, and key personnel to stay up to date with the potential changes.

#### Measures/Plans for Risk Management and Determination of Risk Indicators

The Company has reviewed the organizational structure across all departments and noticed that the operations could efficiently respond to customer needs and proceed according to the business plan in both the short and long term regarding sales revenues, development of new products and establishment of an innovation center to support research work at the level of innovation that creates a competitive edge for the company. In terms of important personnel, the Company has developed a succession plan that is monitored by the Human Resources department and the Company's directors closely and continuously.

### 2. Emerging Risk

#### Importance and Rationale

The global geopolitical conflict has begun to arise noticeably from the Russia-Ukraine crisis in 2022 which has shown no signs of ending. Furthermore, towards the end of the year, there was a crisis on the Red Sea in the Middle East, which is a global transportation hub connecting Asia and Europe. These two major events have had an inevitable impact on the global economy, leading to rising energy prices, supply chain disruptions, and slowdowns in investment in key industries in many countries. If the situation continues to prolong, it will have a widespread impact on the economy, society, and environment.

In terms of finance, the increase in the US policy rate has affected exchange rates, trade, and financial markets, particularly the import-export sector, which has increased business costs, resulting in inflation spreading worldwide. This has led to a decrease in consumer demand and purchasing power and also the movement of investors into high-yield markets, which has had an immediate impact on the economy.

#### **Impact Assessment**

The Company sources 70% of its products from abroad, both directly and indirectly. This involves the use of foreign currencies such as USD, GBP, and EURO to pay for products, which can increase business costs, as well as interest rates and product delivery that may be delayed. The Company has viewed this as a risk that requires additional management for emerging risks in all aspects. It has considered 5 emerging risks, namely

1. Geopolitical conflicts
2. Increases in interest rates on deposits and loans
3. Exchange rate fluctuations
4. Increases in the price of crude oil around the world
5. Changes in government policy.

#### **Measures/Plans for Risk Management and Determination of Risk Indicators**

The Company has a working group to manage exchange rates and regularly track the direction and movement of exchange rates. The Company manages income and expenses in the same currency (Natural Hedge) and protects against exchange rate fluctuations by entering into forward foreign exchange contracts (Fixed Forward Rate) with risk indicators that there is no loss from the exchange rate. The operating results have shown that the Company did not incur any loss from foreign exchange. The Company has sufficient cash flow from operations and, therefore, does not need to borrow from financial institutions. Hence, there is no risk from interest rate fluctuations.

The follow-up with trading partners and customers to assess the impact of the economy on each trading country to determine if it impacts planned sales orders or not. This includes conducting a risk assessment 3-6 months in advance and keeping track of orders and product delivery to be in line with the plan, with risk indicators that customer orders are as the plan and orders from trading partners can still be delivered as usual.

Changes in government policies that are likely to adjust the minimum wage. The Company has prepared a plan to assess the impact on costs and calculate the potential impact on an annual amount.

The assessment of emerging risks in every issue found that these risks have been managed and monitored by relevant departments and have a report or a response plan already prepared. Therefore, the risk is at an acceptable level.

### **3. Customer Risk**

#### **Importance and Rationale**

Since the COVID-19 pandemic, there has been a shift in consumer product purchasing behavior. Consumers have noticeably become more cautious in their spending habits. The frequency of purchases and size of products impact their buying decisions. As a result, trends in the cosmetics market require strategic adjustments in terms of



marketing channels, sales methods, appropriate sizes and prices, and most importantly, innovation that meets consumers' needs to be competitive in their target market.

#### **Impact Assessment**

The increasing competition in the cosmetics market may cause customer sales not to meet the target, particularly the Company's major customers in the country and in the United Kingdom. If the customers are unable to adjust their marketing strategies in a timely manner, this could impact the pre-planned ordering schedule with the company and cause income and profits not to go as planned.

#### **Measures/Plans for Risk Management and Determination of Risk Indicators (KRI)**

The Company plans to expand its customer base both domestically and internationally to reduce dependence on major customers. This includes creating additional new product groups based on the macro-level growth direction of the cosmetics market and compared with the Company's strategic product groups, as well as developing innovative products that differentiate from competitors, which are expected to generate sales for the company in the long term.

The Company had set sales and profit targets as indicators and had a continuous monitoring plan. It was observed that during the first half of the year major customers had placed a large number of advance orders. This resulted in sales and profits exceeding the target, of which the total orders for the first half of the year covered sales from major customers for the entire year. Consequently, orders in the second half of the year were lower than planned. Nevertheless, the Company's sales and profits for the entire year surpassed the set targets.

Regarding the plan to add new customers, which is still not going according to the set plan, the Company has, therefore, developed additional strategies to reach new customers both domestically and internationally, including countries that have not previously done business together, through a range of channels to increase coverage. As a result, the risk is still at a moderate level that requires constant monitoring.

### **4. IT & Technology Risk and Personal Data Protection Risk (PDPA)**

#### **Importance and Rationale**

The Company has improved its digital technology to be more modern and to meet the needs of business competition. This includes updating hardware and changing work system programs to have a work process that is appropriate to the business in order to work and store data more efficiently. The Company has also upgraded its cyber security system to ensure that it is adequate and appropriate for its needs.

#### **Impact Assessment**

Upgrading the ERP system from SAP ECC6 to SAP S/4 HANA requires planning and management by a team that has a thorough understanding of the entire process. If this operation cannot be executed as planned, this may result in the use of a budget exceeding the plan set. Furthermore, any threat, theft, or breach of company information can have a widespread impact, from various work systems to user's computers. This can cause one or more processes or the entire system be disrupted to the point of causing severe damage.

### Measures/Plans for Risk Management and Determination of Risk Indicators (KRI)

The Company has established a plan to enhance the SAP S/4 HANA system and resources management across IT and related departments by hiring a consulting company and setting up a working group to collaborate with the needs of each department appropriately. This working group will jointly assess each step of the process to be carried out as planned by organizing follow-up meetings with the consultant throughout the project's duration. The indicators for the SAP S/4 HANA system improvement are defined as a time and budget as per the plans of each department. The performance remains on track as per the plan.

In the area of cyber security, preventive measures include installing firewalls to prevent cyber-attacks and regularly monitoring and upgrading new versions of the program, installing anti-virus programs on all computers, limiting the use of portable storage devices such as thumb drives and personal email, and managing the server to ensure the backup at all times. Given these upgrade plans or improvement measures during the specified period, there was no report of cyber-attacks. Hence the risk is considered at a low level.

The Company has established a personal data protection working group, which will be responsible for formulating policies and guidelines in compliance with the personal data protection laws, as well as coordinating and managing requests to exercise the legal rights of data owners, creating guidelines for departments involved in personal data to adapt for use, and defining measures for the preservation and destruction of personal information by law. Hence the risk is at a low level.

## 5. Supply Chain Risk

### Importance and Rationale

Given the economic fluctuations at a macro level in terms of the currency value causing the depreciation of the baht, the rise of oil price, and the geopolitical crisis in Russia, Ukraine and the Middle East, the Company was affected in the part of imported products, both directly and indirectly, where the price increased due to exchange rates and increased transportation costs. As approximately 70% of total purchases are imported products, hence the cost of products tends to increase.

### Impact Assessment

If the global oil situation continues to be uncertain due to conflicts in Russia, Ukraine, and the Middle East that cannot be resolved in the near future, this could directly affect trading partners whose production relies on energy from Russia. As a result, there may be increased prices for raw materials or packaging, as well as delayed deliveries, causing disruption of the supply chain.

### Measures/Plans for Risk Management and Determination of Risk Indicators (KRI)

The Company set a strategy to purchase raw materials that are commonly used in various products and are regularly and continually required, where the offer to purchase is in the appropriate proportion with the prices, along with managing the raw materials inventory according to the quantity desired for use, finding new sources of raw materials in Asia to reduce dependence on existing trading partners or partners in Europe, reduce expenses and delivery time. All these must work to collaborate throughout the supply chain to manage price and inventory levels in the appropriate quantities.

Regarding exports, the Company has secured a contract with a shipping line company for the goods exported under the agreement that the Company is responsible for paying the freight charges for the export container ships by specifying a freight charge rate for the entire contract duration. This agreement will help the Company obtain a lower price than the market rate or spot rate and also reduce the risk of sudden price fluctuation, for example, in such cases that the cruise line increases prices due to higher market demand.

The Company has set indicators and arranged to monitor fluctuations in prices of major raw materials groups in assessing the risk levels, including regular checks on export expenses. From these actions in various areas, the risk of price fluctuations and supply chain expenses are low.

## 6. Environmental, Social and Governance Risk

### Importance and Rationale

In 2015, the United Nations (UN) announced 17 Sustainable Development Goals (SDGs), which serve as a guide for the development of Thailand and the world. To conduct business sustainably, the Company needs to prioritize the environment, society, and governance, which impact the ability to generate profits, compete, build its image, and achieve the organization's sustainable growth.

### Impact Assessment

If the Company does not prioritize the environment, society, and governance, it may suffer from a loss of market share and a lack of confidence in the company, resulting in damage to its image and finances. Ultimately, the Company may be unable to sustain its operations.

### Measures/Plans for Risk Management and Determination of Risk Indicators (KRI)

The Company gives top priority to conducting business sustainably. It complies with environmental and labor laws, including human rights protection and fair treatment of all stakeholders, and establishes an environmental policy. There are clear announcements and communications within the organization. The Company complies with ISO 14001 standards and is certified by an official certification body with the continuation of annual renewal. Furthermore, it has expanded the scope to business partners, with inspections scheduled annually, regarded as the main criteria that all business partners must comply with.




The Company has set indicators that its business operations and those of its trading partners must not be disrupted due to labor issues, human rights, and discrimination. It was found that the Company's and its trading partners' business operations run smoothly in conformity with the specified guidelines. There were no reported complaints. Hence, it is considered a low-risk level.

### 3. Driving Business for Sustainability

#### 3.1 Policy and Goals on Sustainability Management

##### Sustainability Policy

The Company is committed to operating its business for sustainable growth under good corporate governance principles throughout the value chain with consideration of the impact on all groups of stakeholders. To drive the organization's business operations in an appropriate direction and create positive changes that benefit the economy, society, and the environment, the Company, therefore, has established guidelines for executives and employees to follow in driving operations within the organization, of which the essence is as follows.

<p style="text-align: center;"><b>Economy</b></p> 	<p>The Company conducts its business rightfully and adheres to the principles of transparency and fairness in accordance with good corporate governance principles. It has established policies and guidelines in the organization that align with quality systems at the international level and procedures for equal treatment of stakeholders.</p>
<p style="text-align: center;"><b>Society</b></p> 	<p><b>Employees</b>      The Company treats employees fairly, respects human rights, prohibits discrimination, does not engage child labor, ensures work safety, and provides adequate and continuous trainings.</p> <p><b>Partners</b>              Develop collaborative concepts and processes within the context of sustainability and fair rules.</p> <p><b>Customers/ Consumers</b>          Build good relationships in conducting business together, with regard to quality, consumer safety, and caring for society and the environment</p> <p><b>Community</b>          Engage participation and develop communities to build self-reliance to create coexistence atmosphere in the society.</p>
<p style="text-align: center;"><b>Environment</b></p> 	<p>The Company is mindful of the efficient use of resources and maximizing benefits throughout the supply chain from upstream to downstream with regard to energy conservation, water/wastewater management, reduction of greenhouse gas emissions, and systematic waste/industrial waste management. It also encourages stakeholders that have a significant impact on business operations, such as customers, partners, employees, and communities, to jointly care for the environment under the Green Initiative policy.</p>

## Sustainability management goals

### Performance of ESG in 2023

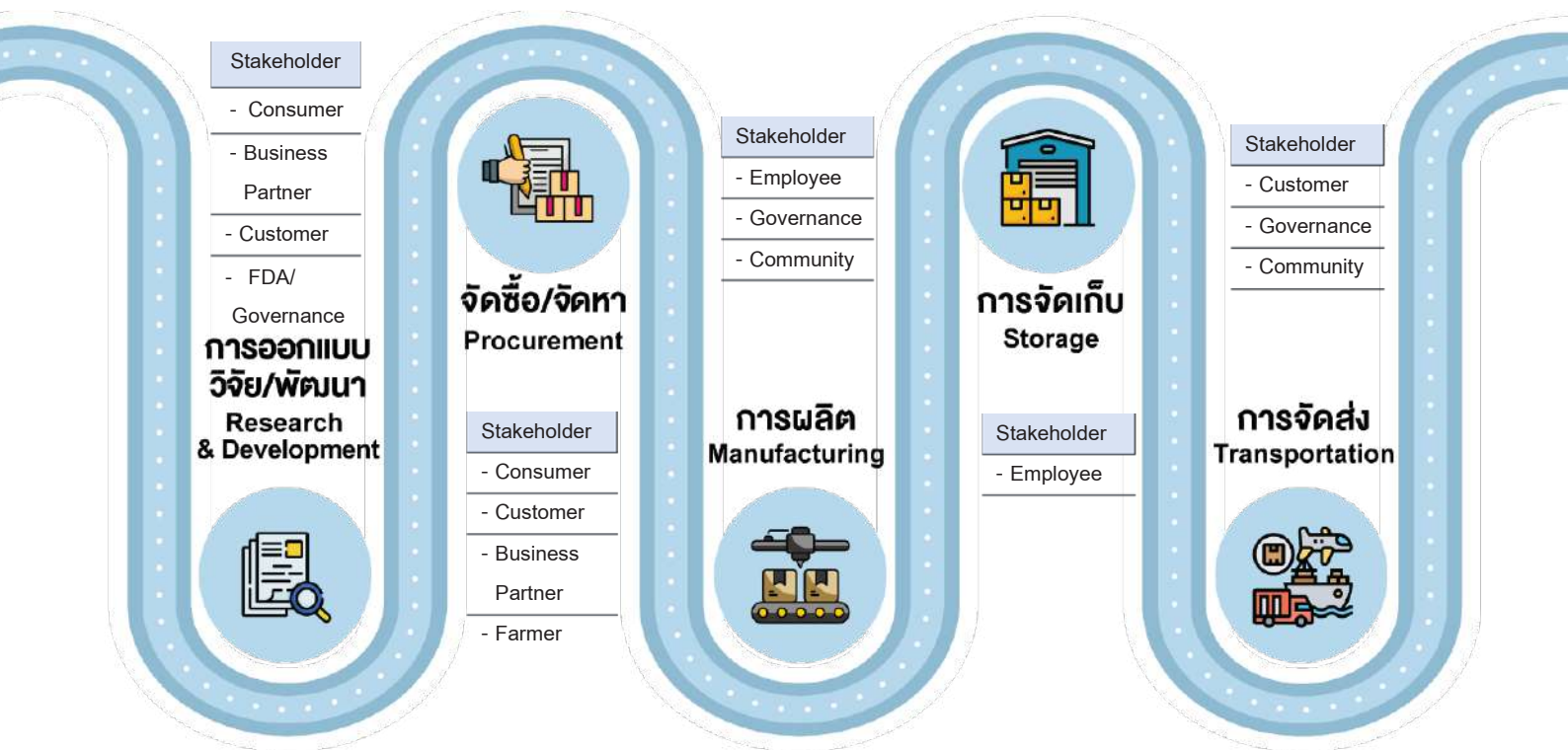
Key Issues / Indicators	Operating Performance			
	Goals	2023	2022	2021
Revenue (MB)	-	4,906	5,960	6,804
Net Profit (MB)	-	373	504	717
<b>Economic and Social Aspect : Goals</b>				
<b>Shareholders : The goal is to be an organization that conducts business transparently and fairly</b>				
Evaluation points for being good organization management	100	98*	100	100
The assessment results of corporate governance of listed companies by IOD	Excellent	Excellent	Excellent	Excellent
Complaint for corruption	0	0	0	0
Complaints from violations of business ethics	0	0	0	0
<b>Partners : Create sustainable growth</b>				
Inviting key partners to participate in announcing their intentions with CAC	50 partners	56 partners	77 partners	105 partners
Number of partners who received development and exchanged experiences	7 partners	9 partners	10 partners	3 partners
<b>Customers: Continuously create a good experience with the customers</b>				
Domestic Customer Satisfaction	> 85%	88%	90%	90.5%
International Customer Satisfaction	> 85%	84%	85%	84%
<b>Employees : Promoting organization innovation</b>				
Suggestions by employees	600 Suggestions /year	538 Suggestions	611 Suggestions	630 Suggestions
The number of KM	300 KM /year	447 KM	393 KM	310 KM
The number of innovations	>20 Item	25 Item	24 Item	25 Item
Sale for innovation products	-	489 MB	1,580 MB	885 MB
Average hours for personnel development	10 hr./person/year	35 hr./person/year	37 hr./person/year	30 hr./person/year
Evaluation points for employee engagement	>80%	84%	82%	83%
Complaint for human rights	0	0	0	0
<b>Communities : Caring for youth and the underprivileged and helping them to become self-reliant</b>				
Number of community development and capability enhancement projects	15 Project/year	15 Project/year	15 Project/year	15 Project/year
Community complaint	0	0	0	0
<b>Environment : The goal is to create participation in reducing greenhouse gas emissions</b>				
<b>Energy management ,Water management Waste &amp; Industrial waste management</b>				
Electricity using quantity per product (Base year 2020)	Decreased 10%	8.9%	10.70%	5.36%
Increase the usage ratio of renewable energy (solar cell) during the daytime	100%	65%	96%	100%

Key Issues / Indicators	Operating Performance			
	Goals	2023	2022	2021
Water use quantity per product (Base year 2020)	Decreased 5%	6.25%	6.25%	-6.25%
RO recycle	15,500 m <sup>3</sup>	19,093 m <sup>3</sup>	22,071 m <sup>3</sup>	18,000 m <sup>3</sup>
The proportion of hazardous and non-hazardous garbage	< 50%	50%	45%	31%
The amount of greenhouse gas emissions per each unit produced (Scope1+Scope2)	Decreased 5% Base in 2023	0.00037	0.00036	3.78%

### 3.2 Managing the Impact on Stakeholders in the Company's Supply Chain

#### 3.2.1 Value Chain of the Business

#### Business Value Chain



#### 3.2.2 Analysis of Stakeholders in the Company's Value Chain

Being aware of the significance of all stakeholders influencing the Company's business operations, the Company places a high priority on building engagement and delivering value for products and services, as well as dealing with changes to keep up with current situation. The Company intends to conduct its business by promoting engagement with all six groups of stakeholders through various channels to survey satisfaction, expectations, perspectives, suggestions, and opinions, which will assist the Company in planning appropriate responses and serve as a guide in preparing the sustainability report. The Company has implemented actions for each group of stakeholders according to the following examples.

Stake Holders	Expectation	Response to expectation	Operation indicators
Consumer	<ul style="list-style-type: none"> <li>Quality and safe products</li> <li>Clearly product information</li> <li>And do not exaggerate</li> </ul>	<ul style="list-style-type: none"> <li>Safety &amp; standard production development</li> <li>Clearly product information, Easy understanding and legal</li> <li>Setting complaint's channel and other information</li> </ul>	<ul style="list-style-type: none"> <li>The Product Quality Certification Awards (FDA). are detailed in <a href="#">Sustainable Development Report, page 2</a></li> <li>Provision of information/precautions in the product labels of the products released for sale. are detailed in <a href="#">Sustainable Development Report, page 94</a></li> </ul>
Customer	<ul style="list-style-type: none"> <li>Novel products and services innovation</li> <li>Production and delivery of products with efficiency, quality and on time</li> <li>Data Security &amp; Data Privacy</li> <li>Participation in social and environmental caring</li> </ul>	<ul style="list-style-type: none"> <li>Research &amp; development for new innovation to serve customer requirement</li> <li>Supply chain process optimization for responsiveness align with customer requirement change</li> <li>Operation plan based on Personal Data Protection Act</li> <li>Set up the project for carbon footprint approval</li> </ul>	<ul style="list-style-type: none"> <li>New innovations that generate sales are detailed <a href="#">Sustainable Development Report, page 66</a></li> <li>Customer satisfaction are detailed <a href="#">Sustainable Development Report, page 85</a></li> <li>Guidelines for taking care of customers' personal information</li> <li>The verification and certification of the organization's carbon footprint from external experts. are detailed in <a href="#">Sustainable Development Report, page 107</a></li> </ul>
Business Partner	<ul style="list-style-type: none"> <li>Joint business ethic code</li> <li>Procurement transparency</li> <li>Trading partners development</li> </ul>	<ul style="list-style-type: none"> <li>All business partner will be equality conducted according to Business Ethical Statements</li> <li>Expansion for joint corruption fighting</li> <li>Ethic code revision training for businesses with trading partners</li> <li>Trading partners development project</li> </ul>	<ul style="list-style-type: none"> <li>Expansion for joint corruption fighting are detailed in <a href="#">Sustainable Development Report, page 79</a></li> <li>Develop and share experience with business partners are detailed in <a href="#">Sustainable Development Report, page 79-81</a></li> <li>provide training to review work ethics with partners. are detailed in <a href="#">Sustainable Development Report, page 80</a></li> </ul>
Employee	<ul style="list-style-type: none"> <li>Developing potential for stability and career advancement</li> <li>Receiving fair compensation and benefits</li> </ul>	<ul style="list-style-type: none"> <li>Continuous development and training</li> <li>Employment of human rights principles in human resource management</li> </ul>	<ul style="list-style-type: none"> <li>Number of hours for personnel development at different levels. are detailed in <a href="#">Sustainable Development Report, page 23</a></li> <li>Results of the skilled group's level adjustment and promotion. are</li> </ul>

Stake Holders	Expectation	Response to expectation	Operation indicators
	<ul style="list-style-type: none"> <li>Equity &amp; ethical human rights principles</li> <li>Ensuring safety and providing a favorable working environment</li> <li>Health promotion and working stress caring</li> </ul>	<ul style="list-style-type: none"> <li>Establish a welfare committee</li> <li>Establish a policy and working group for safety, Occupational health and working environment.</li> <li>Arrange annual health examinations</li> </ul>	<ul style="list-style-type: none"> <li>detailed in <a href="#">Sustainable Development Report, page 26</a></li> <li>Employee Engagement Score are detailed in <a href="#">Sustainable Development Report, page 33-34</a></li> <li>Accident statistics. are detailed in <a href="#">page Sustainable Development Report, page 44-45</a></li> <li>Number of employees who receive annual health examinations. are detailed in <a href="#">Sustainable Development Report, page 32</a></li> </ul>
Shareholder	<ul style="list-style-type: none"> <li>The Company is of security and good returns</li> <li>Business management with responsibility based on sustainable development to enhance environment ad</li> <li>social governance (ESG)</li> </ul>	<ul style="list-style-type: none"> <li>Business management with good practices</li> <li>Scope and strategic planning for sustainability development</li> </ul>	<ul style="list-style-type: none"> <li>Company performance are detailed in <a href="#">Sustainable Development Report, page 7</a></li> <li>The assessment results of corporate governance of listed companies are detailed in <a href="#">Sustainable Development Report, page 55</a></li> <li>Outstanding Sustainability Awards are detailed in <a href="#">Sustainable Development Report, page 1</a></li> <li>Development Policy are detailed in <a href="#">Sustainable Development Report, page 6</a></li> <li>Environmental management project are detailed in <a href="#">Sustainable Development Report, page 95-114</a></li> </ul>
Community and Society	<ul style="list-style-type: none"> <li>Overseeing the environmental conditions in production processes that do not affect the community</li> <li>Encouraging participation and promoting communities in a sustainable manner</li> <li>Participation in activity from society and government</li> </ul>	<ul style="list-style-type: none"> <li>Social responsibility project and community association activities in various aspects</li> </ul>	<ul style="list-style-type: none"> <li>Social Development Project are detailed in <a href="#">Sustainable Development Report, page 95-114</a></li> </ul>



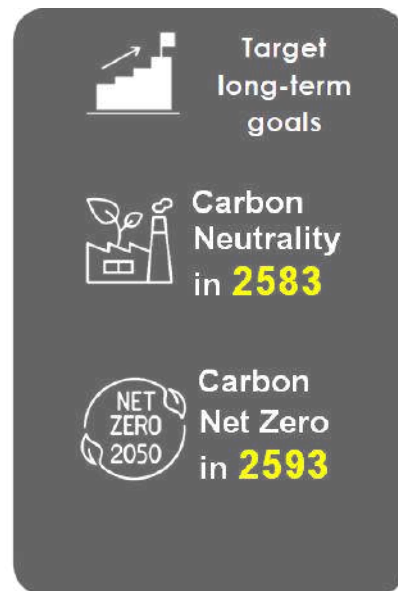
### 3.3 Sustainability Management in the Environmental Aspect

#### 3.3.1 Environmental Policies and Practices

##### Environmental Policy



With its realization of the importance of business operations that impact the environment and resources arising from the source of raw materials, production process, storage, and delivery of goods to end users, the Company aims to produce quality products under the intention to preserve the environment. Hence, it has established guidelines as follows.

1. Ensure compliance with laws, customer requirements, treaties, and environmental standards, both present and those that may arise in the future.
2. Manage with a focus to reduce resource consumption, reuse, and recycling, including prevention and elimination of things that pollute the environment.
3. Continuously develop the environmental capacity to create environmentally friendly products that contribute to the sustainable management of the environment.
4. Promote the consideration of the life cycle to achieve the most efficient use of resources.
5. Promote the reduction of resource consumption and products that affect greenhouse gas emissions (GHG) while focusing on the development of use and product design that is friendly to the environment
6. Promote and cultivate the consciousness of all employees, for them to be part of the impact prevention on natural resources and the environment.



### 3.3.2 Environmental Performance

The Company recognizes the importance of business undertaking in tandem with environmental conservation, especially efficient use of natural resources which is a crucial element in driving sustainable economic and social development. Hence, the company has laid down policies and guidelines for operations along the value chain, starting from formula design and development process, raw material procurement, manufacturing, and eco-friendly delivery, to use resources most efficiently for maximum benefits.

	Environmental Issues	Operational Approach	Performance 2023
Green Cosmetic	Formula Design	<ul style="list-style-type: none"> <li>Formula design and select environmentally friendly ingredients, such as RSPO certified palm oil</li> </ul>	<p>Green Formula Product</p> <p>20 Item in 2020</p> <p style="text-align: center;"></p> <p>220 Item in 2023</p>
Green Packaging	Packaging Design	<ul style="list-style-type: none"> <li>Reduces the use of plastic in packaging design.</li> <li>Using packaging that can be recycled</li> </ul>	<p>The number of friendly packaging with the environment</p> <p>54 Item in 2020</p> <p style="text-align: center;"></p> <p>8 814 Item in 2023</p>
Green Operation	Various Energy Consumption in the Production Process	<ul style="list-style-type: none"> <li>Energy Conservation Project (reducing electricity consumption)</li> </ul>	<p><b>Power consumption per product unit</b></p> <p>10% decreased comparing to 2020</p> <p>Decreased 5.36% in 2023</p>
		<ul style="list-style-type: none"> <li>Water Management Project (reducing water consumption)</li> </ul>	<p><b>Water consumption per product unit</b></p> <p>5% decreased comparing to 2020</p> <p>Increased 6.25 % in 2023</p> <p><b>RO Reject Water Reuse</b></p> <p>Target = 17,000 m<sup>3</sup></p> <p>Result = 18,706 m<sup>3</sup></p>
		<ul style="list-style-type: none"> <li>Solar Cell Project</li> </ul>	<p><b>% Usage percentage of electricity from Solar Cell (SJI1)</b></p> <p>Target : Increase 100% the usage ratio of solar cell during the daytime.</p> <p>increased 100% in 2023</p>
	Amount of Industrial and Various Wastes	<ul style="list-style-type: none"> <li>Greenhouse gas emissions cover all areas (GHG Scope 1+ Scope 2)</li> </ul>	<p><b>% Greenhouse gas emissions Covers all areas (Scope1+2)</b></p> <p>Target : 5% reduction compared to 2023 base year (starting in 2024)</p>
<ul style="list-style-type: none"> <li>Prepare Land fill Project</li> </ul>		<p><b>Waste incineration in cement kiln.</b></p> <p>Target is zero, Year 2023 is zero.</p>	

## Reducing Greenhouse Gas Emissions

### Requesting certification of Carbon Footprint of Organization in 2023

The Company has applied for Carbon Footprint of Organization Certification with the Thailand Greenhouse Gas Management Organization (TGO) at the Limited Level of Assurance, whereas the level of materiality = 5%.

#### Objective

1. To verify the conformity of the organization's carbon footprint report with the carbon footprint assessment guidelines of the TGO.
2. To distribute certified information to corporate stakeholders.

#### Scope of certification requested area in 2023

1. 600/4 Moo 11, Sukhapiban Road 8, Nong Kham Subdistrict, Si Racha District, Chonburi 20230
2. 789/159 Moo 1, Nong Kho-Laem Chabang Road Pinthong Industrial Estate 1, Soi 8, Nong Kham Subdistrict, Si Racha District, Chonburi Province 20230
3. Narathiwat Ratchanakarin Road, Thung Wat Don Subdistrict, Sathorn District, Bangkok 10120
4. 19/43 Moo 7, Bangna-Trad Road, Kilometer 17, Bang Chalong Subdistrict, Bang Phli District, Samut Prakan Province 10540

The agency that verifies the Company's greenhouse gas emissions data : V Green KU Company Limited

Indicators	Unit	2022	2023	% difference
<b>1. GHG Emissions</b>		tonCO <sub>2</sub> eq		
GHG Emissions Scope1	tonCO <sub>2</sub> eq	1,091	1,068	-2.11%
GHG Emissions Scope2	tonCO <sub>2</sub> eq	4,663	4,955	6.26%
GHG Emissions Scope3	tonCO <sub>2</sub> eq	14,117	19,577	38.68%
Scope1+2	tonCO <sub>2</sub> eq	5,754	6,023	4.68%
Scope1+2+3	tonCO <sub>2</sub> eq	20,489	25,600	24.95%
Piece Production	pcs	155,744,924	169,438,338	8.79%
GHG Emissions per product Unit (Scope1+2)	tonCO <sub>2</sub> eq/pcs	0.000037	0.000036	-3.78%
GHG Emissions per product Unit (Scope1+2+3)	tonCO <sub>2</sub> eq /pcs	0.000131555	0.000151087	14.85%
<b>2. Energy consumption</b>		kwh		
Energy consumption	kwh	20,853,367.02	22,841,721.69	9.53%
Amount of energy consumption per product Unit	Kwh/pcs	0.133894361	0.134808462	0.68%
<b>3. Water consumption</b>		m <sup>3</sup>		
Water consumption	m <sup>3</sup>	249,455.27	290,283.46	16.37%
Water consumption per product Unit	m <sup>3</sup> /pcs	0.0016	0.0017	6.96%
<b>4. Amount of industrial waste sent for disposed</b>		Tons of waste		
SJ11	Tons of waste	910,535	1,119,450	22.94%
SJ12	Tons of waste	230,942	253,316.3	9.69%
BKK	Tons of waste	37,089.08	44,639	20.36%
DC	Tons of waste	1,289.3	1,069.3	-17.06%
Amount of industrial waste disposed	Tons of waste	1,179,855.38	1,418,474.94	20.22%
Amount of industrial waste disposed per product unit	Tons of waste/pcs	0.007575562	0.008371629	10.51%

## Target of Greenhouse Gas Emissions Reduction

Based on the greenhouse gas emissions information analysis in each scope, it was found that

Scope	Significant Emission Source
Scope 1 1,068 Ton Co2	LPG used in the boiler
Scope 2 4,955 Ton Co2	Electricity consumption
Scope 3 19,577 Ton Co2	Acquisition of Raw Materials/Packaging

Remarks : The year 2022 was the starting year for defining activities to reduce greenhouse gas (GHG) emissions to minimize environmental impacts and monitoring and measuring activity performance. However, due to increased production, the volume of packaging used has also increased, resulting in an increase in GHG Scope 3 compared to the base year.

Therefore, in 2023, the Board of Directors agreed to set greenhouse gas emissions reduction target. The target is set at 5% reduction compared to the 2023 base year (in part of GHG Scope 1,2), which the Company will be able to report comparative information in 2024.

Further information can be found in the Company's Sustainability Report in 2023.

## 3.4 Sustainability Management in the Social Aspect

### 3.4.1 Social Policies and Practices

#### Community Participation Policy

S&J places importance on creating an atmosphere of coexistence among people in society, that is the internal society which means employees in the organization, by treating them equally in accordance with Thai labor standards, building good relationships between employees and employees, employees and supervisors, and employees and the organization, and the external society that means civilians or people in the community near and far. In addition, the company has a policy of cultivating awareness of community members in the context of sustainability to learn about self-reliance, helping one another, and cooperation to solve problems together and continually improve the community

#### Management Guideline

The Company maintains a commitment as a 3-life organization that values both business growth and the sustainable development of communities and society while preserving the surrounding environment. The Company has established the corporate social responsibility department that is responsible for addressing social aspects both externally and internally. The external social aspect deals with community/society and involves building relationships and planning various projects in response to issues raised through community dialogues. The internal social aspect pertains to employees and is managed by the Labor Relations Department. The Company has integrated the United Nations Sustainable Development Goals (SDGs Goals) framework in various areas such as good health, quality education, gender equality, reducing inequality, in-land ecosystems, marine ecosystems, peace and a peaceful society.

## Corporate Social Responsibility Strategy

The Company has a strategic framework for social responsibility in alignment with the United Nations Sustainable Development Goals (Sustainable Development Goals) (SDGs) to meet expectations and develop the growth of communities and society in conjunction with the company's business operations by adhering to the following principles.

1. A project that can respond to the expectations of the community.
2. A project that can associate and align with the company's business operations.
3. A project that can foster community involvement and self-reliance.

### 3.4.2 Social Performance

#### Target and Results

Indicators	Target Year 2023	Results Year 2023
1. Number of projects that aim to promote community development and participation.	15 Projects / Year	15 Projects
2. Project budget to promote development and community participation.	3,750,000 baht	3,826,179 baht
3. Community Satisfaction Assessment Score.	≥ 85%	96%

The company has operated according to plans and strategies. through various activities for society, which can be summarized as follows

Categories	Description	Results
1. Education	1. Mobile Science Project	<ul style="list-style-type: none"> <li>● Students have the opportunity to access Active Learning teaching, with over 6,000 students benefiting from it each year.</li> </ul>
	2. The Smart Science Teacher Project	Developing 70 science teachers in Active Learning teaching
	3. Innovation Teacher Development Project	70 teachers attended the training, 18 schools received knowledge transfer
	4. Project to upgrade local innovators to the international	<ul style="list-style-type: none"> <li>● New Innovations created by young innovators in cosmetics and health, totaling more than 90 works</li> <li>● Potential to be further developed and expanded into future product lines by more than 15 works</li> </ul>
	5. Scholarship Program for Scientists	Totaling 5 scholarships, amounting to Baht 133,000 per year.
	6. Development of recognition device for visual impaired youth Project	Total 120 devices, amounting to Baht 600,000 / year.

Categories	Description	Results
	7. Hometown Development Volunteer Project	Support budget for improvements Public Utilities Public Health Educational Equipment total 6 project, amounting to Baht 139,200.
2. Animal Care and Assistance	1. Elderly Elephant Conservation Project	Create career opportunities for mahouts in the community, starting in 2021, for more than 10 people. Generate annual income of Baht 144,000 per person per year.
	2. Project to reduce the population of stray dogs and cats	<ul style="list-style-type: none"> <li>● Reduce the population of stray dogs and cats by sterilizing vasectomy and birth control injections totalling 75 lives.</li> <li>● Vaccination against rabies totalling 175 lives.</li> </ul>
3. Environmental Development	1. Community Reforestation in a Low-Carbon Society Project : Terrestrial Ecosystems	In 2023 ,The 14-rai forest can help reduce CO <sub>2</sub> gas emission by 9.5 ton.
	2. Coral Conservation and Restoration Project : Marine Ecosystems	In 2023 Of which 900 coral trees had been distributed for restoration along the coastal line.
4. Community Development	1. Bedridden Patients Care Project	27 bedridden patients received donations worth Baht 50,000.
	2. Smile Sharing Creating Happiness The School for Elderly Project	The elderly have equal access to education > 100 people / year.
	3. You Can Save Project	<ul style="list-style-type: none"> <li>● The number of hospitals received donations to date are 39 hospitals. Total donation is amounted to Baht 1,440,0000.</li> </ul> <p>Opportunity to have equal access to medical care for underprivileged patients &gt; 500 patients / year.</p>
5. Continuation of Buddhism	1. Merit Making on Special Occasions	Merit Making on Songkran Day , Mother's Day , Navamindra the Great Day and Father's Day.
	2. Kathin Samakkhi Project	Total donation of Baht 592,372

Further information can be found in the Company's Sustainability Report in 2023.

## 4. Management Discussion and Analysis

### 4.1 Analysis of Financial Position and Operating Results

#### 4.1.1 Overview of Business Operation

In 2023, both the Thai and global economies experienced a degree of economic growth. However, the anticipated levels were not reached due to various factors, including geopolitical events, and unsatisfactory financial policies being set by major economies, causing international economic volatility. In turn, this resulted in Thai Baht exchange rate fluctuations, higher energy prices, and increased inflation.

Notwithstanding these events, S&J International Enterprises Public Company Limited, along with its subsidiaries continued to thrive by achieving an all-time high rate of growth in revenue from sales and net profit compared to the previous year. This success was the result of the group's strong performance and its ability to adapt quickly to changes, as well as continuously responding to the needs of customers, both locally and abroad. At the same time, S&J created continuous new innovations and effectively managed its operations to control production costs and increase competitiveness.

#### 4.1.2 Financial performance and Financial position

##### Revenue from Sales



(Unit : Million Baht)

Consolidated	2023	2022	2021	Increase (Decrease)			
				2023/2022		2022/2021	
				Amount	%	Amount	%
Domestic	4,424	3,283	2,575	1,141	34.8	708	27.5
Export	2,380	2,677	2,331	(297)	(11.1)	346	14.8
<b>Total</b>	<b>6,804</b>	<b>5,960</b>	<b>4,906</b>	<b>844</b>	<b>14.2</b>	<b>1,054</b>	<b>21.5</b>

In 2023, the company and its subsidiaries had revenue from sales of 6,804 Million Baht, increased from prior year of 844 million baht or 14.2% by mainly increase in cosmetic and packaging of local sales of 1,141 Million Baht or 34.8% whilst decreasing in export sales of 297 Million Baht or 11.1%.

### Gross profit

(Unit : Million Baht)

Consolidated	2023		2022		2021		% Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2023/2022		2022/2021	
							Amount	%	Amount	%
Revenue from Sales	6,804	100.0	5,960	100.0	4,906	100.0	844	14.2	1,054	21.5
Cost of goods sold	4,802	70.6	4,204	70.5	3,453	70.4	598	14.2	751	21.7
Gross profit	2,002	29.4	1,756	29.5	1,453	29.6	246	14.0	303	20.9

In 2023, the company and its subsidiaries had gross profit of 29.4% of revenue from sales which was closed to prior year due to appropriate controlling their cost and expenses for continuing in their profitability whereas cost of raw material was higher than prior year.

Other income (included Dividend Income, Exchange Gains and Gain from fair value measurement on derivatives)

(Unit : Million Baht)

Consolidated	2023	2022	2021	Increase (Decrease)			
				2023/2022		2022/2021	
				Amount	%	Amount	%
Dividened income	20	19	20	1	5.3	(1)	(5.0)
Exchange Gains	23	6	24	17	283.3	(18)	(75.0)
Other income	118	98	107	20	20.4	(9)	(8.4)
<b>Total</b>	<b>161</b>	<b>123</b>	<b>151</b>	<b>38</b>	<b>30.9</b>	<b>(28)</b>	<b>(18.5)</b>

In 2023, the company and its subsidiaries had other income of 161 Million Baht decreased from prior year of 38 Million Baht due to decrease in exchange gains and other income.

### Selling and distribution expenses

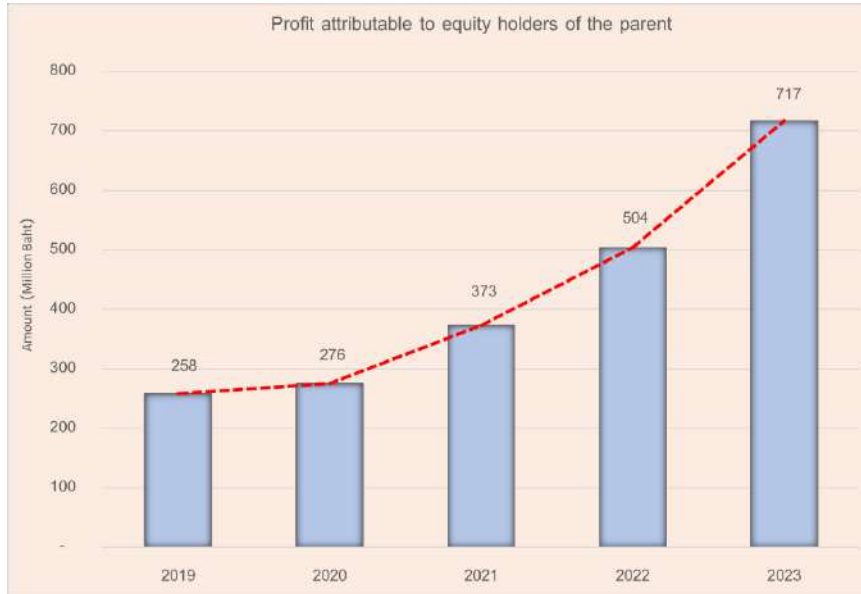
(Unit : Million Baht)

Consolidated	2023		2022		2021		% Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2023/2022		2023/2022	
							Amount	%	Amount	%
Selling expenses	164	2.4	241	4.0	212	4.3	(77)	(32.0)	29.0	13.7
Administrative expenses	1,187	17.4	1,056	17.7	999	20.4	131	12.4	57.0	5.7
<b>Total</b>	<b>1,351</b>	<b>19.9</b>	<b>1,297</b>	<b>21.8</b>	<b>1,211</b>	<b>24.7</b>	<b>54</b>	<b>4.2</b>	<b>86.0</b>	<b>7.1</b>



In 2023, the company and its subsidiaries had selling and administrative expenses of 1.351 Million Baht, increased from prior year 54 Million Baht or 4.2% which were related to increase in personal expenses and research and development whereas decrease in export expenses related to export sales decreased.

**Profit attributable to equity holders of the parent**



(Unit : Million Baht)

Consolidated	2023	2022	2021	Increase (Decrease)			
				2023/2022		2023/2022	
				Amount	%	Amount	%
Profit attributable to equity holders of the parent	717	504	373	213	42.3	131	35.1

In the consolidated financial statements of year 2023, the company and its subsidiaries had net profit attributable to equity holders of the parent company of 717 Million Baht, increased from prior year of 213 million baht or 42.3% due to increase in sales and its profitability together with overall control in cost and expenses as above explained.

**Return on Equity**



In the consolidated financial statements of year 2023, the company and its subsidiaries had return on equity of 15.3%, increased from prior year 3.8% due to increase in profit for the year. The company has a policy to pay dividend to shareholders at 20-80 percent of profit for the year of the company's separate financial statement (under the cost method). However, this rate principally depends on economic conditions and operational results of the company.

In 2023, the company had profit for the year of 603 Million Baht. The company had the resolution of the Board of Directors' Meeting No. 1/2024 held on February 29, 2024 which shall be proposed to the shareholders' ordinary meeting for their approval on April 22, 2024 to pay dividend at the rate of 2.25 Baht per share, totally 337.3 Million Baht. The proposed dividend payment is equal to 55.9% of profit for the year of the separate financial statement and shall be paid on May 21, 2024.

### Financial position

(Unit : Million Baht)

Consolidated	2023	2022	2021	Increase (Decrease)			
				2023/2022		2023/2022	
				Amount	%	Amount	%
Current asset	3,257	2,939	2,516	318	10.8	423	16.8
Non current asset	3,563	3,438	3,463	125	3.6	(25)	(0.7)
<b>Total Assets</b>	<b>6,820</b>	<b>6,377</b>	<b>5,979</b>	<b>443</b>	<b>6.9</b>	<b>398</b>	<b>6.7</b>

**Total Assets** : In 2023, the company and its subsidiaries had total assets amounting to 6,820 Million Baht, increased from prior year of 368 Million Baht or 6.9% due to material changes as follows:

1. Increase in Other current financial assets of 629 Million Baht from investment in Government bonds.
2. Decrease in Trade and other receivables of 181 Million Baht from collection of receivables
3. Increase in Right-of-use assets of 243 Million Baht mainly due to land lease payment for Bangkok office.
4. Decrease in Other non-current financial assets of 182 Million Baht due to decrease in listed equity instruments.

(Unit : Million Baht)

Consolidated	2023	2022	2021	Increase (Decrease)			
				2023/2022		2023/2022	
				Amount	%	Amount	%
Current liabilities	1,000	1,073	957	(73)	(6.8)	116	12.1
Non current liabilities	531	364	386	167	45.9	(22)	(5.7)
<b>Total Liabilities</b>	<b>1,531</b>	<b>1,437</b>	<b>1,343</b>	<b>94</b>	<b>6.5</b>	<b>94</b>	<b>7.0</b>
Shareholders' Equity	5,289	4,940	4,635	349	7.1	305	6.6

**Total Liabilities** : In 2023, the company and its subsidiaries had total liabilities amounting to 1,531 Million Baht, increased from prior year of 94 Million Baht or 6.5% due to material changes as follows:

1. Decrease in Bank overdraft and short-term borrowing from financial institutions of 131 Million Baht due to a subsidiary has repayment for borrowing from financial institution.
2. Increase in Trade and other payables of 46 Million Baht due to increase in purchase of raw material and packaging for manufacturing.
3. Increase in Lease liabilities, net of current portion of 198 Million Baht due to liabilities from land lease for Bangkok office.

**Shareholders' Equity** : In 2023, the company and its subsidiaries had shareholders' equity amounting to 5,289 Million Baht, increased from prior year of 349 Million Baht or 7.1% due to material changes as follows:

1. Total Comprehensive income for the year of 616 Million Baht.
2. Dividend payment of 267 Million Baht.

#### Liquidity

1. Cash flows in 2022, the company and its subsidiaries had net increase in cash and cash equivalent of 62 Million Baht by separated activities as follows:

(Unit : Million Baht)

	2023	2022	2021
Cash Flows provided from Operating Activities	998	676	552
Cash Flows provided from (used in) Investing Activities	(757)	(171)	(141)
Cash Flows used in Financing Activities	(431)	(210)	(61)
Increase (decrease) in transaction adjustments	0.3	(2)	5
Net Increase (Decrease) in Cash and Cash Equivalent	(190)	293	355

The material changes in cash flows are as follows:

- Increase in cash flows provided from operating activities of 322 Million Baht mainly due to net cash provided increased from financial operation of the company and its subsidiaries.
- Increase in cash flows used in investing activities of 586 Million Baht mainly due to investment in Government bonds.
- Increase in cash flows used in financing activities of 221 Million Baht mainly due to a subsidiary has repayment for short term borrowing from financial institutions and increase in dividend payment of the company.

#### 4. Sufficiency of liquidity

(Unit : Million Baht)

	2023	2022	2021	
Current Ratio	3.26	2.74	2.63	Times
Quick Ratio	1.57	1.82	1.61	Times
Current Cash Flow Ratio	0.96	0.67	0.70	Times
Debt to Equity ratio	0.29	0.29	0.29	Times

- In 2023, the company and its subsidiaries had increase in Current Ratio compare to prior year, whereas Quick Ratio was slightly decreased from prior year due to increase in investment in Government bonds.

#### 4.1.3 Sustainability Operations

The Company recognizes the importance of conducting business in conjunction with the sustainable development of the organization, where the impacts on the environmental aspects, social aspects, and corporate governance aspects are considered. In 2023, the Company carried out the following sustainability activities:

**Environmental aspect** The Company has set a goal to reduce greenhouse gas emissions from various activities by the amount of greenhouse gas emissions per each unit produced (Scope1+Scope2) was decreased at 5% with a long-term goal of Carbon Neutrality in 2040 and Carbon Net Zero in 2050 from the base year of 2019 to adapt and keep pace with the challenge of climate change. In 2023, the Company implemented the Carbon Footprint project at the corporate level and achieved certification, which led to setting long-term goals and plans to reduce greenhouse gas emissions. The environmental preservation, particularly the efficient use of natural resources, is a significant issue in driving the economy and social development toward sustainability. The Company has established policies and guidelines for conducting business throughout the supply chain, starting with the development and design of a formula, purchasing, procuring raw materials, producing, and delivering products that are environmentally friendly.

**Social aspect** The Company conducts its business under the philosophy of “good people,” which emphasizes the development based on basic human rights without discrimination. In 2023, The Company has key human resource Development Projects, such as The Successor Development Project (Succession Plan) to develop executives with a high potential for preparation and minimize the risk of personnel shortages in key positions or important jobs that may affect business continuity, The Up Skill and Re Skill Project to keep up with changing business needs. In 2023, there were expenses to development personnel for amounted to Baht 5 million, which accounted for 0.07% of total revenue.

Moreover, the Company encourages its employees to participate in the development of innovation within the organization to deliver products that are of high quality and environmentally friendly. In 2023, research and development expenses for technology and innovation amounted to Baht 147 million, which accounted for 2.16% of total revenue. The Company focuses on developing innovation to serve the needs of its customers, whether they are innovative products and services, production processes, and business models that can generate tangible business

benefits. For its research and development planning, the Company has a strategy and portfolio that are aligned with its current and future goals.

Continuous research and development of innovation is an important factor that enhances the competitiveness of the business. The Company has adjusted its innovation strategy to create added value in products and services and emphasized adaptation to meet customers' needs that change rapidly to generate higher profits. In 2023, the Company has used it as an ingredient in sunscreen products to increase the efficacy of care and be gentle on the skin, thus serving customers' needs and resulting in sales of up to Baht 885 million.

**Corporate Governance aspect** The company conducts its business under the principles of corporate governance and promotes a work environment that is transparent, fair, and no discrimination by implementing risk management principles and business continuity planning to ensure the business can continue its operations appropriately. In addition, the Company has prepared a tax policy to guide its tax operations in a transparent manner. The Company and its subsidiaries paid income tax expenses to the government as follows:

Consolidated	2023	2022	2021
Accounting profit before tax (Million Baht)	914.5	640.5	457.6
Applicable tax rate	0-20%	0-20%	0-20%
Income tax expenses (Million Baht)	151.3	100.6	58.8
Effective tax Rate (%) *	16.5%	15.7%	12.8%
Corporate income tax paid (Million Baht)	146.7	94.7	44.9

\* Calculated from income tax expenses divided by profit before tax

In 2023, the Company and its subsidiaries had Income tax expense according to the consolidated financial statements was Baht 151.3 Million, representing an effective income tax rate of 16.5%. However, the effective tax rate was lower than the applicable tax rate, main reason is that some companies have losses. In 2023, the Company and its subsidiaries paid income tax in the amount of Baht 146.7 Million.

## 4.2 Factors or situations which may significantly impact Operating Results and Financial Status of the Company and its Subsidiaries in the Future

In the future, aside from increased cost from the price of raw materials and oil prices that may affect the operating expenses of the company and its subsidiaries, economic conditions, purchasing power, and changes in consumer behavior, as well as technological advances and the economic impact of COVID-19 are also important factors that will affect the company's operations and financial position in the future. Nevertheless, if the company and its subsidiaries is able to adjust and manage its associated costs appropriately, develop innovative products through understanding the needs of customers and changing consumer behavior, and then use that information to set a short-term and long-term strategic plan that covers various related matters, this will lead to the opportunity to sell products to existing customers and new customers in the future.

### 4.3 Key Financial Information

Item	Unit	2023	2022	2021
<b>Statement of income</b>				
Revenue from sales	Million Baht	6,804	5,960	4,906
Cost of sales	Million Baht	4,802	4,204	3,453
<b>Gross Profit</b>	<b>Million Baht</b>	<b>2,002</b>	<b>1,756</b>	<b>1,453</b>
Selling and distribution expenses	Million Baht	164	241	212
Administration expenses	Million Baht	1,187	1,056	996
<b>Operating profit</b>	<b>Million Baht</b>	<b>651</b>	<b>459</b>	<b>245</b>
Share of profit from investments in associates	Million Baht	102	64	69
Other income	Million Baht	161	123	151
Other expenses	Million Baht	-	-	3
Finance income	Million Baht	10	1	1
Finance costs	Million Baht	10	6	5
<b>Profit before income tax expenses</b>	<b>Million Baht</b>	<b>914</b>	<b>641</b>	<b>458</b>
Income tax expenses	Million Baht	151	101	59
<b>Net profit</b>	<b>Million Baht</b>	<b>763</b>	<b>540</b>	<b>399</b>
Profit attributable to equity holders of the Company	Million Baht	717	504	373
Profit attributable to noncontrolling interests	Million Baht	46	36	26
<b>Statement of financial position</b>				
Cash and cash equivalents	Million Baht	727	917	624
Trade and other receivables	Million Baht	899	1,080	956
Inventories	Million Baht	921	841	864
Other current financial assets	Million Baht	640	11	8
Other current assets	Million Baht	70	90	64
<b>Total current assets</b>	<b>Million Baht</b>	<b>3,257</b>	<b>2,939</b>	<b>2,516</b>
Other non-current financial assets	Million Baht	1,052	1,234	1,299
Investments in associates	Million Baht	444	341	319
Investments in joint venture	Million Baht	-	1	1
Investment properties	Million Baht	74	77	81
Property, plant and equipment	Million Baht	1,539	1,592	1,579
Right-of-use assets	Million Baht	300	57	79
Intangible assets	Million Baht	16	19	24
Deferred tax assets	Million Baht	59	56	54
Other non-current assets	Million Baht	79	61	27
<b>Non-current assets</b>	<b>Million Baht</b>	<b>3,563</b>	<b>3,438</b>	<b>3,463</b>
<b>Total assets</b>	<b>Million Baht</b>	<b>6,820</b>	<b>6,377</b>	<b>5,979</b>

Item	Unit	2023	2022	2021
Bank overdrafts and short-term loans				
from financial institutions	Million Baht	88	219	206
Trade and other payables	Million Baht	786	740	652
Current portion of lease liabilities	Million Baht	32	28	35
Income tax payable	Million Baht	55	56	48
Other current liabilities	Million Baht	39	30	16
<b>Current liabilities</b>	<b>Million Baht</b>	<b>1,000</b>	<b>1,073</b>	<b>957</b>
Lease liabilities, net of current portion	Million Baht	226	28	45
Provision for long-term employee benefits	Million Baht	177	180	173
Deferred tax liabilities	Million Baht	127	155	167
Other non-current liabilities	Million Baht	1	1	1
<b>Non-current liabilities</b>	<b>Million Baht</b>	<b>531</b>	<b>364</b>	<b>386</b>
<b>Total liabilities</b>	<b>Million Baht</b>	<b>1,531</b>	<b>1,437</b>	<b>1,343</b>
Share Capital				
Registered 200,000,000 Ordinary shares of Baht				
1 each				
Issued and fully paid up 149,930,828 Ordinary				
shares of Baht 1 each	Million Baht	150	150	150
Share premium	Million Baht	725	725	725
Retained earning				
Appropriated-statutory reserve	Million Baht	20	20	20
Unappropriated	Million Baht	3,476	3,016	2,687
Other components of shareholders' equity	Million Baht	481	626	677
<b>Equity attributable to owners of the Company</b>	<b>Million Baht</b>	<b>4,852</b>	<b>4,537</b>	<b>4,259</b>
Non-controlling interests	Million Baht	437	403	377
<b>Shareholders' equity</b>	<b>Million Baht</b>	<b>5,289</b>	<b>4,940</b>	<b>4,636</b>
<b>Total liabilities and shareholders' equity</b>	<b>Million Baht</b>	<b>6,820</b>	<b>6,377</b>	<b>5,979</b>
<b>Statement of cash flows</b>				
Net cash flows from operating activities	Million Baht	998	676	552
Net cash flows used in investing activities	Million Baht	(757)	(171)	(141)
Net cash used in financing activities	Million Baht	(431)	(210)	(61)
Increase (decrease) in translation adjustments	Million Baht	-	(2)	5
<b>Net increase in cash and cash equivalents</b>	<b>Million Baht</b>	<b>(190)</b>	<b>293</b>	<b>355</b>
Cash and cash equivalents at beginning of the year	Million Baht	917	624	269
<b>Cash and cash equivalents at end of the year</b>	<b>Million Baht</b>	<b>727</b>	<b>917</b>	<b>624</b>

Item	Unit	2023	2022	2021
<b>Information per share</b>				
Par value	Baht	1.00	1.00	1.00
Book value	Baht	32.36	30.26	28.41
Earnings per share	Baht	4.78	3.36	2.49
Market price at year end date	Baht	52.75	31.75	29.00
Dividend payment	Baht	2.25*	1.70	1.20
<b>Financial Ratio</b>				
<b>Liquidity ratio</b>				
Current Ratio	times	3.26	2.74	2.63
Quick Ratio	times	2.43	2.76	2.79
Liquidity of Cash Flow from Operation	times	0.96	0.67	0.70
Account receivable Turnover	times	7.16	6.05	5.49
Average Collection Period	days	50	60	66
Inventory Turnover	times	16.74	13.60	11.61
Average Sale Period	days	22	26	31
Account Payable Turnover	times	13.38	12.42	11.74
Average Payment Period	days	27	29	31
Cash Cycle	days	45	57	66
<b>Profitability</b>				
Gross Profit Margin	%	29.43	29.45	29.62
Operation Profit Margin	%	9.58	7.69	4.99
Cash to Profit Margin	%	153.05	147.64	225.62
Return on Total Revenues	%	10.28	8.29	7.38
Return on Equity	%	15.28	11.47	9.35
<b>Efficiency ratio</b>				
Return on assets	%	10.87	8.16	6.73
Return on fixed assets	%	54.17	44.64	37.97
Asset Turnover	%	1.06	0.98	0.91
<b>Financial policy ratio</b>				
Debt to equity ratio	times	0.29	0.29	0.29
Interest coverage	times	113.09	133.00	112.18
Payout ratio (The Separate Financial Statements)	%	55.96*	56.29	52.86

\* The Board of Directors resolved to set dividend payment rate at Baht 2.25 per share, for further proposal to the shareholder's general meeting for approval on April 22, 2024.



## 5. General Information and Other Key Information

### 5.1 General Information

Name	S & J International Enterprises Public Company Limited
Stock Code	S&J
Registered No.	0107537001366
Major Activities	Cosmetics Manufacturing
Capital value	200,000,000 common stocks of Baht 1.- par value
Paid-up capital	149,930,828 common stocks of Baht 1.- par value
Address	<b>Office</b> 2 Naradhiwas Rajanagarindra Road, Thungwatdon, Sathorn, Bangkok, 10120, Thailand. Tel. (662) 676-2727, (662) 676-2737 Fax. (662) 676-2726, (662) 373-2747 <b>Factory 1 (Saha Group Industrial Park - Sriracha)</b> 600/4 Moo 11 Sukaphiban 8 Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand. Tel. (6638) 480-086-89 Fax. (6638) 480-139 <b>Factory 2 (Pinthong Industrial Park)</b> 789/159 Moo 1, Sai Nong Kho-Laemchabang Road, Nongkharm, Sriracha, Chonburi, 20230, Thailand. Tel. (6638) 348-512 Fax. (6638) 348-461
Website	<a href="http://www.snjinter.com">www.snjinter.com</a>

#### Contact Information

DEPARTMENT	TELEPHONE NUMBER	E-MAIL ADDRESS
COMPANY SECRETARY	(02) 676-2727 Ext. 2812	sumit_k@snjinter.com
INVESTOR RELATION	(02) 676-2727 Ext. 2508	sji_sec@snjinter.com
HEAD OF INTERNAL AUDIT	(02) 676-2727 Ext. 2784	Jittipong_s@snjinter.com

#### Other Personnel Reference

Security Registra	<b>Thailand Securities Depository Co., Ltd.</b> The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400, Thailand Tel. (662) 009-9000 Fax. (662) 009-9991
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Legal Consultant	Vira Law Office Co.,Ltd. 548/14-15 Soi Sathupradith 58 Yak 18, Bangpongpan Yannawa, Bangkok 10120 Tel. (662) 683-8023, (662) 683-8843 Fax. (662) 683-8843	
Financial Consultant	None	
Consultant or Contract Manager	None	
Auditor	Mrs.Saifon Inkaew	Certified Public Accountant No. 4434
	Mr.Termphong Opanaphan	Certified Public Accountant No. 4501
	Ms.Sineenart Jirachaikhuan Khan	Certified Public Accountant No. 6287
	Mr.Wichart Lokatekrawee	Certified Public Accountant No. 4451
	EY Office Limited. 193/136-137 Lake Rajada Office Complex, 33 <sup>rd</sup> Floor, Rajadapisek Rd., Klongtoey, Bangkok, 10110 Tel./Fax. (662) 264-9090, (662) 264-0789	

## 5.2 Other Key Information

- None -

## 5.3 Legal Disputes

5.3.1 The cases which may have the negative impact on the company's assets or its subsidiaries a higher number of 5% of the shareholders' equity as of December 31, 2023.

- None –

5.3.2 The cases that affect the business of the Company or its subsidiaries significantly but can not assess the impact number.

- None –

5.3.3 The cases that do not incur from the normal business operations of the company or its subsidiaries.

- None -

## 5.4 Secondary Market

- None –

## 5.5 Reference

- None -



# Part 2

## Corporate Governance

## 6. Corporate Governance Policy Overview

### Corporate Governance Policy

The Board of Directors is confident that a proper, transparent and accountable governance system is in place along with checks and balances and an internal control system that is sufficient and appropriate. Alongside these mechanisms are due respect for the rights and equality of shareholders and accountability to all stakeholders. These key factors contribute to the enhancement of the organization's immunity and promotion of a balanced and sustainable growth in long-term.

In pursuance thereof, the Board of Directors thereby prescribed the following corporate governance policies as a practice guideline for the company and the subsidiaries' directors, Executives and all employees.

1. Company Directors, Executives and all employees are fully committed to the application of corporate governance principles, business ethics and Codes of Conduct for Company Directors, Executives and employees to Company operations.
2. Company Directors, Executives and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles and Notifications.
3. Actions shall be taken to ensure that the Company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committees and Executives.
4. An internal control system shall be installed and risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
5. Information shall be disclosed in a sufficient, reliable and timely matter to the extent that the legitimate interests of the Company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.
7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment.
8. There shall be a determination to strive towards business excellence with commitment to the creation of customer satisfaction by receiving comments and self-assessments in order to enhance management capabilities and continually promote productive creativity.
9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of personnel.
10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.
11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the Company's interests.

With this regard, the company has revealed corporate governance policies, business ethics, and code of conduct for company directors, the management and employees to employees, shareholders, and general public via the company website, under the heading "Investor relations: Corporate Governance". <https://snjinter.com/wp-content/uploads/2022/06/The-Good-Corporate-Governance-Policy.pdf>

## 6.1 Overview of Corporate Governance Policies and Practices

In its past operations, the Board of Directors has complied with laws, objectives, regulations, and resolutions of the Company's general meeting of shareholders, as well as adhering to corporate governance guidelines for listed companies in 2017 (Corporate Governance Code for Listed Companies 2017) specified by the Securities and Exchange Commission (SEC), as guidelines for the Company's business operations to achieve operational efficiency and to build up confidence in its business operations to outsiders.

The Board of Directors has established a good corporate governance policy, including the preparation of 8 practices of good corporate governance principles, business ethics, and codes of conduct for the Board of Directors, executives, and employees in writing, to serve as guidelines of good practices for the Company's directors, executives, and employees. The policy is published on the Company's website (www.snjinter.com) under the "Investor Relations: Good Corporate Governance" section and distributed as a booklet to the Company's directors, executives, and employees for them to acknowledge the same practices for conducting business, in which all stakeholders are taken into consideration through a management policy under changing economic and social conditions in a balanced manner.

### Compliance with Good Corporate Governance Principles

The Board of Directors places great importance on creating a good corporate governance system and strives to continually raise the standard of good corporate governance to conduct business with transparency, efficiency, stability, and sustainable growth, as well as create added value and long-term stability for shareholders under changing economic and social conditions in compliance with the principles of good corporate governance for listed companies.

In addition, the Board of Directors is aware of its roles and duties as the organization's leader, arranging an annual review of good corporate governance principles to create sustainable value from the continuous development of good corporate governance principles. This has resulted, in 2023, the Company is assessed for compliance with good corporate governance principles and the arrangement of shareholders' meetings in the following.



## 6.1.1 Policy and Guidelines for The Board of Directors

### 1. Nomination of Directors and Top executives

#### The selection method of persons to be appointed as directors and independent directors

The Board of Directors has placed emphasis on the transparent selection of directors in accordance with the good corporate governance code. Therefore, a policy for nomination of directors and top executive has been determined in order for the structure of the Board of Directors consisting of directors with diverse qualifications and in line with the strategic direction of the company's business including the qualifications as specified in the Charter of Board of Directors.

#### Criteria of the selection of Directors

For nominating process of the persons to be appointed directors, the company has set the criteria as follows:

1. Qualifications of nominated directors to be diverse or what is called Board Diversity in terms of educational level, professional skills, specialization that is beneficial to the company's business, and ability to meet the requirements of the strategy of the company's business operation without discrimination such as sex, age, and race, etc.
2. Having leadership, vision, integrity and ethics, as well as transparent work experiences.
3. Being qualified and not be prohibited under the laws and regulations of the company.
4. In case of the nomination of the retiring directors to serve for another term, they will be considered additionally in term of the performance as directors and various committees in the past.
5. In case of the selection of persons to be appointed independent directors, they must have the qualifications required for independent directors, in accordance with The Notification by The Capital Market Supervisory Board.

### Process for the selection of directors and independent directors

1. The Nominating Committee has been assigned to select qualified persons having appropriate qualifications to be nominated as company directors for consideration by The Board of Directors, prior to submitting to the shareholders' meeting for approval by the majority votes of the shareholders present at the said meeting. In the case where the retirement took place prior to term completion with the remaining term being not less than 2 months, the Board of Directors' meeting shall then be authorized to select the persons from the candidates proposed by The Nominating Committee, for further appointment as company directors, by the majority votes of not less than 3/4 of the remaining directors. In such case, the newly-appointed directors shall serve out the remaining term of their predecessors.
2. The Nominating Committee will use Board Skill Matrix by the analysis of skills, experience, knowledge and expertise of the board as consideration information for selecting directors in accordance with the strategy of the company's business operation. In addition, regarding the selection of new board members, The Nominating Committee has considered more in terms of knowledge, ability and experience that can be beneficial to the performance of directors and essential to the structure of the board that is still lacking.
3. The company provides an opportunity for stakeholders to participate in the nomination of qualified directors. Including the Nominating Committee also considered the person to be nominated to serve as directors apart from List of professional directors of the Thai Institute of Directors Association (IOD).

With regard to the selection of persons to be appointed independent director, the Nominating Committee shall select from those persons having Qualifications required for independent directors, in accordance with the Notification by the Capital Market Supervisory Board, in addition to basic qualification requirements above.

#### **Independent Director's qualifications**

The Board of Directors resolved to adopt the definition for "independent director" having qualifications in accordance with the notification of the Capital Market Supervisory Board as follows:

1. Holding shares not exceeding 1 percent of the total number of voting rights of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, including the shares being held by related persons of independent directors.
2. Neither being nor having been an executive director, employee, staff, or advisor who received regular salaries, or being a controlling person of the company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholders or persons having supervision authority over the company, unless the foregoing status ended not less than two years prior to the date of their appointments as independent directors. Nevertheless, such prohibited nature would not apply in the case of these independent directors having earlier served as government officials, or advisors to government agency acting as major shareholder in the company or having supervision authority over the company.
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executive, major shareholder, controlling person, or person to be nominated as executive or as controlling person of the company or its subsidiary.

4. Not having business relationship with the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, in such manner likely to interfere with own independent judgement, and neither being nor having been a significant shareholder or person having supervision authority over the person who has business relationship with the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, unless the foregoing relationship ended not less than two years prior to the date of appointment as independent director. The term 'business relationship' aforementioned under paragraph one included any normal business transaction, rental or lease of immovable property, transaction relating to the assets or services or the granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action, resulting in the company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the company or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for the value of connected transactions under The Notification of The Capital Market Supervisory Board regarding The Compromise Criteria for Connected Transactions. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences.
5. Neither being nor having been an auditor of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.
6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the company, its parent company, subsidiary, affiliate, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority or partner of the professional advisor, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.
7. Not being a director who has been appointed as the representative of the company's director, major shareholder, or being a shareholder who is related to the major shareholder.
8. Not engaging in business operations of the same business nature or in competition against the business operations of the company or its subsidiaries, nor serving as a significant partner in a limited partnership or otherwise serving as a director participating in the management, or serving as employee or consultant receiving regular salary or holding over 1% shares out of total shares in other companies engaging in the same business nature or in competition against the company and its subsidiaries.



9. Not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

In the event of any announcement by The Capital Market Supervisory Board imposing the revision to the qualifications for independent director, the company's independent director would thereby be required to possess such qualifications well complying with such revision.

After being appointed independent director having qualifications complying with the criteria under item 1 to 9, the independent director may then be assigned by The Board of Directors to participate in the decision-making procedures for the company, its parent company, subsidiary, affiliate, same-level subsidiary, major shareholders or controlling person of the company on the condition that such decision must be a collective one.

Additionally, in the past accounting period, the independent directors of the company had neither business relationship nor professional services. Also, the appointed independent directors never have or had business relationship or professional services exceeded than the rules stipulated in the notification of The Capital Market Supervisory Board regarding the Application for and Approval of Offer for Sale of Newly Issued Shares.

#### The rights accorded minor shareholders regarding Directors appointment

##### **Nomination of Directors**

The company provided minor shareholders with the opportunity to nominate candidates to be appointed as company directors at the annual shareholders' general meeting in advance according to the criteria specified by the company, whose further details were displayed on the company website ([www.snjinter.com](http://www.snjinter.com)) under the heading "Investor Relations : Data of shareholders' Meeting".

##### **Vote-casting method for director appointment**

According to company articles of association no. 20, the shareholders' meeting was authorized to appoint company directors according to the criteria and method as follows:

- One shareholder shall have one vote per one share.
- Each shareholder must exercise all of the votes he or she has under the first paragraph to elect one or several persons to be a director or directors and must not allot his or her votes to any person in any number.
- The persons receiving the highest number of votes, followed by those with descending highest number of votes shall be elected as the directors fulfilling the number of directorships required to be elected by the shareholder's meeting. In case the number of votes for the candidates in descending order are equal and exceed the number of directors to be elected at said meeting, the Chairman shall cast the deciding vote.

## The nomination method for the persons to be appointed as top executive and Chairman of Executive Board

### **The nomination of the Chairman of Executive Board**

With the regard of nomination methods for the company's Chairman of Executive Board, The Nominating Committee shall consider and select from the current management or outsiders, with qualified knowledge and management skill, who understand the company's business very well, and has leadership with the experience as a leader of the organization, as well as be able to manage to achieve the objectives and targets set by The Board of Directors, and also not be prohibited by related laws and regulations. Accordingly, such person is then proposed to The Board of Directors for consideration of appointment.

### **The nomination of the top executive**

The company recruits people to be appointed as executives by selecting people with knowledge, ability, morality and ethics to join the company. The company then trains and develops these people to be well -prepared to meet the challenges as future top executive, through its consistent evaluation process of potentials and readiness for tenure. Those persons with good work potential and appropriate qualification would be assigned to work in the positions having higher authority and responsibility scope. The company has prepared to develop employees at all levels to replace them in the event of vacancies.

### **Succession Plan**

The Board of Directors supervises the organization to operate business continuously. Therefore, a succession plan has been approved to prepare for taking on key management positions at all levels, ranging from the position of Managing Director who is Chairman of Executive Board of the organization to the department executive level. This will allow the company to proceed its operations continuously and effectively, and enable to support business expansion and corporate direction. The process of creating the executive to succeed Chairman of Executive Board is as follows:

1. Determine the qualifications, knowledge, competence, and skills required of Chairman of Executive Board, such as leadership, vision, and honesty that are appropriate for the culture of the organization.
2. Select secondary executives with potential and capabilities per criterias set by the company
3. Analyze their qualification individually to assess potential and readiness for replacement position.
4. Create individual developing plan to promote potential and capability development.
5. Follow-up evaluation and summarize the results of potential and readiness assessment.
6. Report on the implementation of succession plan to The Board of Directors annually.

## **2. Remuneration for the Directors and Management Members**

The Board of Directors has set up a policy on the determination of the director's remuneration in a fair and reasonable manner and assigned The Remuneration Committee to be responsible for setting the budget and allocation criteria for the directors, on a comparative basis with other companies in the same business category. Consideration were given to such areas as, expansion in the company's business activities, business growth rate, operating results, together with proper reference to the authority, duty, responsibility scope, the financial liquidity position, the factors posing possible impacts on both the company and overall economic situation, and performances by the directors. In

addition, any director being assigned as a director of various committees would also be entitled to additional remuneration, depending on the added responsibility. The Remuneration Committee set the criteria on meeting allowance and yearly remuneration. The said resolution would be forwarded to The Board of Directors' meeting for their consideration prior to submitting to the shareholders' meeting for final approval of said remuneration budget.

Whereas the remuneration authorization for top executives and other executive members would be required to follow the criteria set forth by the company, in term of operation results, the duty and responsibility scope, as well as the individuals' performance evaluation by said top executives and executive members, who would be entitled to such same remuneration criteria. The Board of Directors' meeting approved the meeting allowance for Executive Directors attending in the Executive Board's meeting.

The Board of Directors was of the opinion that the remuneration structure was appropriate to the responsibilities and enable to motivate directors and executive members to lead the organization to carry out both short-term and long-term goals, as well as it can be compared with the level practiced in the industry.

### 3. The Independence of The Board of Directors from the Management

The company has separated the role and responsibility between the Board of Directors and the management in a clear manner by setting up the Board of Directors Charter and The Executive Committee Charter, which prescribe the duty and responsibility scope for each committee separately. In addition, the company specified the Chairman of The Board of Directors and the Managing Director to be different persons and the Chairman must not participate in the management of the company, so as to clearly separate the supervision and management authority for the company, and contributing to proper authority balance in company management within the company. In relation to this, the company has set up the authority, duty, and responsibility scope for the Chairman and the Managing Director separately.

### 4. Development for the Directors and the Executives

#### Training attended by the directors

The Board of Directors has set up a policy to promote and support those training activities seeking to promote further knowledge for the directors, the executives, and all parties concerned on a consistent basis, so as to gain better effective skills and understanding regarding their duty assignments. These activities included the programs organized by Thai Institute of Directors Association (IOD) and other agencies concerned, as well as the meeting to exchange opinions with the directors and the executives of other organizations, in order to apply the knowledge and experience gained to develop the company.

#### Orientation for new directors

The company hosted the orientation course for new directors, to properly prepare them for director assignments. The company arranged factory tour, organized presentations on company background, business perspective and business policies for these new directors. The company also provided them with the manual for directors for listed company, clearly summarizing and comparing the provision in the company regulations, with

those in The Securities and Exchange Act, The Public Company Act, Good Governance Practice Principles, as well as the charter for each respective Committee and the corporate governance policies, corporate governance principles, business ethics, and code of conduct for the company directors, the management, and employees, anti-corruption policy and other regulations. In addition to related regulations issued by concerned agencies in supervising over listed companies, to serve as their practice guidelines during the directorship term.

## 5. Performance Evaluation of Directors

The Board of Directors shall conduct a formal annual performance evaluation of itself and sub-committees. The evaluation results shall be used to strengthen their future performance. The Board of Directors has established the guidelines as follows :

1. The performance of The Board of Directors and sub-committees shall be evaluated at least once a year.
2. The Board of Directors shall disclose performance evaluation results, whether as a whole or as individuals, in the corresponding annual registration statement / annual report (Form 56-1 One Report).
3. The Board of Directors shall use evaluation results to improve its and sub-committees' performance.

## 6. Supervising the Operations of subsidiaries and associates

The company's directors were assigned to hold a joint meeting to consider selecting the person to be the company's representative. The number of individual that the company nominated and voted to appoint as director in subsidiaries and associates is in accordance with the company's proportion of shareholding. The person who was appointed as a director in subsidiary or associated companies was entitled to perform the operations for the best interests of their subsidiaries or associate, unless it is important policies affecting the company's business operations. The company required the appointed person to be approved by The Executive Board prior to cast a vote.

In addition, The Board of Directors assigned a policy to appoint the Managing Director to be a director in its subsidiaries and associates, in order to facilitate smooth and consistent operations management for these companies.

The company has laid down the policy for subsidiaries and associate that are the company's main business to have proper and adequate internal control systems. The internal control systems of subsidiaries were monitored by the Internal Auditor of the company annually.

Furthermore, the company has assigned the person who was appointed by the company to oversee its subsidiaries to operate and disclose significant information according to the rules in the same way as the company performed, such as making connected transaction, the acquisition or disposition of assets, or making other important transactions, including to supervise the information storage and bookkeeping of the subsidiaries for the company, so that it can be reviewed and collected for financial statements in due time.

The company had no agreements between the company and other shareholders in the management of Subsidiaries due to the company is a major shareholder and no other persons holding shares more than 10% of the shares with voting rights of subsidiaries. In addition, the company had no agreements between the company and other shareholders in sharing returns beyond normal returns according to proportion of their shareholding in subsidiaries.

## 6.1.2 Policy and Guidelines Related to Shareholders and Stakeholders

### 1. Protecting the Rights of Shareholders and Promoting Exercise of Rights

The Board of Directors recognizes and respects the rights of shareholders as the owners of the company without any action that violates or deprives the rights of shareholders, as well as creating equality and fairness for all groups of shareholders. Whether Thai or foreign, major or minor, individual or institutional, all shareholders shall exercise their rights, both the basic rights and other rights beyond basic rights, to set the Company's directions and decide on merits matters with significant impact on the Company's operations. The details are as follows.

#### 1.1 Basic rights

Referred to the right for shares transaction, the right to receive equitable profits allocation in term of dividend payment, the right to access company information in sufficient, timely, and equitable manner, the right to attend and cast votes at the shareholders' meeting, the right to elect individual company director and approve directors' remuneration, the right to appoint company auditor and approve audit remuneration, and the right to appoint proxy to attend and cast vote on his/her behalf.

#### 1.2 The right to significant information access

Shareholders were entitled to access information on an equitable basis. In that regard, the company facilitated information distribution in both Thai and English languages, via the channels of The Stock Exchange of Thailand and company website ([www.snjinter.com](http://www.snjinter.com)), to provide shareholders with additional access channel. Such information included performance results, connected transactions, changes in the funding structure, changes in supervisory control, transactions of significant company assets, and other information essential for decision-making by shareholders.

#### 1.3 The right to attend the shareholders' meeting

The company has a policy to support and facilitate the shareholders, including institutional investors to attend the shareholders' meetings by holding its annual shareholders' meeting regularly each year, within 4 months after completing its accounting year. In order to allow shareholders to participate in monitoring the company's performance, the company set appropriate date, time, place, and method. In case of emergency which the company needs to propose special agenda regarding shareholders' benefit, regulations or related laws which need to be approved by shareholders, the company shall call for an extraordinary shareholders' meeting. In 2023, the company convened the shareholders' general meeting once, without convening any shareholders' extraordinary meeting, according to the following details:

- **Prior to the shareholders' meeting**

In 2023, the Company scheduled to convene the Annual General Meeting of Shareholders No.44 on Tuesday 25 April 2023.

(1) The company provided the shareholders with the opportunity to propose meeting agenda prior to the meeting date for 2023, during the period of November 15 – December 30, 2022, by providing related conditions on company website on November 10, 2022 together with news channel of The Stock Exchange of Thailand. Nevertheless, there were no shareholders proposing any meeting agenda during the said specified period.

(2) Shareholders were notified of the Board of Directors' resolution determining the date of 44<sup>th</sup> shareholders' meeting 61 days prior to the meeting date, namely on February 23, 2023, through the Stock Exchange of Thailand's website and the company's website so as to enable the shareholders to set aside time for attending the meeting.

(3) The meeting notice together with all relevant documents in both Thai and English were published on the Company website on March 27, 2023 which was 30 days in advance of the meeting date So that shareholders can access information easily and having time to study in advance before submitting such documents.

(4) The same information was sent to the Thailand Securities Depository Company Limited, the Company's Share Registrar, for forwarding to shareholders in document format on April 3, 2023 or 22 days prior to the meeting date in order to give the shareholders sufficient time to study the meeting documents.

In case of foreign shareholder or institutional type, The Company sent the invitation letter by attaching English version of the meeting documents together with the Thai version to encourage all types of shareholders, including institutional investors to attend the meeting

(5) The notice of the meeting were also advertised in daily newspapers for a period of 3 consecutive days, and 20 days prior to the meeting date, during April 5-7, 2023.

(6) Prior to the meeting date, the Company had provided an opportunity for shareholders who may have queries regarding agenda to send them in advance during March 27 – April 21, 2023, via company's website. The procedure of sending questions was also mailed together with the notice of shareholder's meeting. In 2023, there were no questions received in advance.

(7) In order to facilitate shareholders who were unable to attend the meeting, the company invited the shareholders to appoint an independent director or any person to attend the meeting on their behalf by using a proxy form which the company has sent along with the appointment letter. This is a form in which the shareholders can determine the direction of voting according to the form that the Department of Business Development, Ministry of Commerce set together with information of independent directors designated by the company to be shareholders' proxies.

Shareholders are notified of the rules and procedures for attending the meeting in the meeting notice, with which Proxy Form B as prescribed by the Ministry of Commerce was also attached or a choice of either Proxy Form A or Proxy Form C. All three Proxy Forms can be downloaded them from the Company website. The Company also gave notice of such publication guidelines via the press release system of the Stock Exchange of Thailand.

For shareholders who are institutional investors or foreign investors appointed the custodian in Thailand. The company shall coordinate on documents and evidence that need to be presented before the meeting in advance for convenient in registration.

- **On the day of the shareholder's meeting**

The Board of Directors gives importance to the shareholders' meeting. The shareholders have a duty to attend the meeting in order to exercise their voting rights in the meeting according to the basic rights of the shareholders and this is opportunity for shareholders to ask directors about the company information.

(1) The Company has determined the date for the 44th general meeting of shareholders for 2023 on Tuesday 25 April 2023, at 1.00 p.m., Chao Phraya 2, Montien Riverside Hotel 372, Rama3 Road, Bang Khlo subdistrict, Bang Kho Laem district, Bangkok, 10120. For convenience, the company select meeting place that can be reached by mass transportation so that shareholders can easily travel to attend the meeting because it is next to the Rama3 road.

(2) Shareholders are able to register with the barcode system at least 2 hours prior to the meeting and continuing until the meeting is completed.

In the subsequent period until the end of the meeting, a right given to shareholders attending after the meeting had already commenced. Such latecomers would have the right to cast votes in the pending agendum that had not yet been voted on. The quorum would be counted since the agenda joined the meeting vote, unless the shareholders have other opinions.

During the registration, The Company arranges

- The company assigns adequate staffs members to administer the registration.
- Prepares duty stamps for affixing on the Proxy Form on their behalf. It is free of charge to provide services to shareholders who appoint other proxies to attend the meeting on their behalf
- Voting boards and polling cards were provided to the shareholders for use in casting votes.

(3) In the event that shareholders are unable to attend the meeting in person, the Company allows them to appoint a proxy to any person or the Company's independent director to exercise their rights on their behalf. The Company provided information regarding four members of the Audit Committee, including their names, age, and addresses in the notice of the shareholders' meeting, as well as information regarding documentary evidence and instructions on how to appoint a proxy for shareholders to prepare for and attend the meeting without difficulty. Nevertheless, in the event that shareholders appoint other persons as proxies to attend the meeting on their behalf, the Company has granted the rights and treated proxies as if they are shareholders.

The 44th Annual General Meeting of Shareholders was held on Tuesday, April 25, 2023, where 4 shareholders holding 1,823,614 shares designated proxies to the Company's independent directors to cast their votes.

(4) The Board of Directors placed much emphasis on the shareholders' meeting, by considering as their obligations to always attend the meeting in person unless facing inevitable circumstances or becoming seriously ill.

For the shareholders' meeting for the year 2023, there were 15 directors out of 15 directors accounting for 100% attended the said meeting, including **Chairman of the Board and Chairman of sub committees**. Furthermore, the meeting was also attended by the **Managing Director, the Chief Financial Officer, Executive Directors, as well as the company auditor**, so as to provide shareholders with the opportunity to ask questions related to the meeting agenda in progress. In addition, the company also invited representatives from the company's law office of Vira Law Office Co., Ltd., to act as meeting observers during vote tallying for each meeting agenda, to ensure that the meeting was conducted in a transparent manner, complying with legal and company articles requirements.

(5) Prior to the commencement of meeting pursuant to the agenda, the Company Secretary notified the meeting of the number and proportions of shareholders present and declared the meeting open. An explanation was given on the voting procedures and vote-counting procedures for shareholders casting votes in each agenda according to the law and articles of the Company. The Chairman of the Board of Directors, acting as chairman of the meeting opens the meeting.

Vote-counting procedures can be summarized as follows:

- The company determines the right to vote according to the number of shares held by shareholders, one share equal one vote. No shares shall have preferential rights to the other shareholders. Voting shall be done openly as shareholders shall raise their barcode placard (with barcode bar) then staff will collect the vote by barcode scanning.
- Any agenda that need the resolution, the company shall ask for confirmation card for transparency, and examinable. Voting in each agenda, the president of the meeting shall ask the shareholders and proxy to raise their barcode placard (with barcode bar) if disagreement and abstention, and sign their name in confirmation card. Staff shall scan barcode on placard then collect the confirmation card.

For shareholders who gave a proxy to independent director, the company shall do the vote by shareholders' intention.

- Counting the vote on each agenda, the company applied barcode system as counting tools. The voting results are displayed on the screen for shareholders to simultaneously acknowledge in order to be accurate and the results can be announced immediately after the end of each agenda.

(6) The shareholders' meeting was carried out in accordance with the agenda notified in the meeting notice. No additions or changes were made to significant data without giving prior notice to the shareholders. Appropriate and sufficient time was set aside for presenting various matters in each agenda and opportunities were given to shareholders to pose questions and express opinions fully in each agenda.

If shareholders need to propose agenda which were not contained in the notice for consideration during the meeting, such proposal need to be approved by the meeting with the minimum vote of 1/3 of shareholders who attend the meeting and have the right to vote.

The company provides a video recording of the annual general meeting of shareholders throughout the meeting and have published pictures of the meeting on the company's website.



The chairman of the meeting gave the shareholders an opportunity to ask questions and fully propose opinions during the shareholders' meeting on each agenda. Due to the epidemic situation of Coronavirus 2019 and for the safety reason and welfare of the attendees, the company refrains from preparing a microphone for any inquiries. However, the company provided paper form to write questions, suggestions, and opinions instead, and completely to took notes, of questions and answers in the minutes of the meeting. Moreover, there was a conclusion by voting together with the vote count in order that the shareholders who did not attend the meeting could acknowledge the matter.

In the year 2023, there was one shareholder asking questions which was already recorded in the minutes of the Annual General Meeting of Shareholders.

### Result of Voting in each Agenda

Votes on each agenda were cast openly; The ballots were distributed to all shareholders and proxies on the registration desk, and will be only collected on disagreement and / or abstention. Except for the election of directors, which were individually election, the ballots will be collected from every shareholders and proxies. Voting will be counted only for those who disagree and / or abstain including votes on bad ballots (if any) will be deducted from the total number of votes attended the meeting. The rest was the agreement vote on such agenda.

If there were additional shareholders attended the meeting, the number of shareholders and the number of additional shares will be announced on each agenda.

For 2023, voting at the 44th Annual General Meeting were held on Tuesday, April 25, 2023, which each agendas are as follows:

Agenda	Approve			Disapprove			Abstent		
	No. of Shareholder	Share	%	No. of Shareholder	Share	%	No. of Shareholder	Shares	%
1	79	122,883,355	100.00	-	-	-	-	-	-
3	81	122,984,355	100.00	-	-	-	-	-	-
4	82	123,002,926	100.00	-	-	-	-	-	-
5.1-5.4	82	123,002,926	100.00	-	-	-	-	-	-
5.5	80	123,002,746	100.00	2	180	-	-	-	-
6	83	123,437,046	100.00	-	-	-	-	-	-
7	83	123,437,046	100.00	-	-	-	-	-	-

Note : No voided ballot

For significant meeting agendas were disseminated in the "notice of meeting".

1. **Appointment of Directors** : The Company gave an opportunity for shareholders **to elect Directors individually**. The shareholders had been provided with preliminary information on the nominees, positions held in other businesses, clearly specifying the cases of companies carrying out businesses identical to or in competition with the Company, and the attendance of Board of Directors Meetings. Each director has been screened by the Nomination Committee by considering the appropriateness of qualifications, experience and expertise from various professions including the

performance as a director in the past. If considering on director whose term has ended, the nomination committee will propose to the Board of Directors meeting. The Board of Directors is authorized to select member of qualified candidates from the Nomination Committee's list.

**2. Directors' Remuneration** : The remuneration committee is responsible for considering the credit limit and allocating by considering Company operation performance, performance result, amount paid in the past year and compare with levels of practice in the same business group, also including authority and responsibility which were in accordance with the policies and conditions for directorial remunerations considered and reviewed by the Remunerations Committee. The Company has regularly proposed a remunerations limit for approval by the meeting of shareholders on yearly basis. The remuneration comprises of **Meeting allowance, Annual remuneration without others extra compensation**. Such remuneration paid to each Director were disclosed the Annual Report topic "Management Structure".

**3. Appointment of Auditor and Determination of Audit Fee** : The auditor must not be a director, employee or holder of any position in the Company. The auditor need to be accepted standard of verification be independent and meet all the requirements of the company and the Securities and Exchange Commission. The Company provided details on the name of auditor, audit office, the relationship between the audit office and the Company, the number of years of work performed, reasons for changing the auditor, and comparative data on audit fees for the current year and the preceding year. Such information had also been considered by the Audit Committee of the company.

**4. Dividend Payment** : The Company provided details on profit distribution, dividend payment in accordance with the Company's dividend policy by specify proposed dividend payment date, reasons and clear data assembled for consideration, and a comparison of dividend payment for the current year and the preceding year. The closing date of the register (Record Date) for the determination of the right to receive dividend payment was also specified.

#### **Guidelines on conflict of interest for the meeting**

In the shareholders' meeting if any director has a conflict of interest or related transaction in any agenda. The said director will inform the meeting to request leaving the meeting or abstaining on such agenda.

- **Subsequent to the shareholders' meeting**

(1) The company disclosed the resolutions adopted by the shareholders' meeting, together with the voting results for each meeting agenda, in both Thai and English, via the news channel of The Stock Exchange of Thailand, and the company website, on the following day.

(2) The company compiled the meeting minutes subsequent to the shareholders' meeting, by incorporating all essential details and summarizing voting results for each meeting agenda, classified as approve, disapprove, abstention and voided ballot votes, together with the record on the discussion and conclusion regarding significant topics. Said minutes was submitted to The Stock Exchange of Thailand and The Securities and Exchange Commission within 14 days subsequent to the meeting, and disseminated on the company website, in both Thai and English, so as to enable the shareholders to review said minutes content without having to wait until the next shareholders' meeting. Also, sent the reports to the Ministry of Commerce within time set forth by law.

(3) The company has video tape recorded and pictured meeting atmosphere and disseminate via company website for absent shareholders for acknowledgment.

(4) After the shareholders' meeting approved dividend payment, the company shall inform the resolution including dividend payment's details via SET news and cooperate with the registrar of Thailand Securities Depositories Co., Ltd. to ensure all shareholders receiving payment correctly and completely.

In recognition of its consistent efforts dedicated to holding the general shareholders' meeting efficiently on a continuous basis resulting, the company was awarded the "Excellent" appraisal result in 2023 for the quality of its shareholders' meeting by the Thai Investors Association.

#### 1.4 Distribution of shares

1. The Company set the Record Date on March 13, 2023 to determine the persons eligible for attendance of the Annual General Meeting of Shareholders.
2. The Board of Directors and their spouses as well as children who are underage including Managing Director, Executives and relating personnels hold a combined amount of 12.91% of issued shares, which does not exceed 25% of company's issued shares.
3. The free float proportion was 31.99% of issued shares which was greater than 25% of issued shares.

## 2. Equitable Treatment of Shareholders

The Board of Directors ensured that every shareholder was entitled to fair and equitable treatment as follows:

1. The company provided the minority shareholders with the opportunity to nominate candidates as directors prior to holding the shareholders' meeting in 2023, during the period of November 15 - December 30, 2022. For such purpose, the company compiled the nomination conditions and disseminated them on the company website, as well as notifying the shareholders via the news channel of The Stock Exchange of Thailand. Nevertheless, there was no shareholder nominating any candidate for consideration as company directors.

2. The allocation of votes in the meeting was based on the number of shares being held by each shareholder, with 1 vote representing 1 share and the company has only one type of shares, namely ordinary shares with no shareholding any special privilege in restricting the right of other shareholders.

3. In the case of foreign shareholders, the company sent out meeting invitation letter in English, to facilitate the understanding by foreign shareholders, as well as disseminating said information on company website made accessible at the same time as The Thai version.

4. In the case where shareholders could not attend the meeting in person, the company allowed said shareholders to appoint proxies from independent directors or other parties, to attend the meeting on own behalf. The company provided clear details pertaining to the proxy appointment letter which was sent together with the proxy appointment letter (form B), allowing the shareholders to instruct own voting direction.

For the shareholders' meeting in 2023, there were 4 shareholders holding the combined 1,823,614 shares who had appointed an independent director to act as the proxy on their behalf.

5. The voting procedure for each meeting agenda was carried out in a transparent manner with the voting ballot provided the shareholders for each agenda. Whereas, only disapproval and abstention votes were kept afterwards. Nevertheless, for the agenda related to directors' appointment, all voting ballots bearing the signature of each shareholder were collected and kept as evidence. Vote tallying was carried out using the barcode system and displayed on-screen in the meeting room, to facilitate convenience, transparency, and easy verification.

### 3. Responsibility to Stakeholders

Based on its recognition of the rights of stakeholders, The Board of Directors duly laid down relevant policies and guidelines in the company's business ethics manual and distributed them to the directors, management members and the employees, to be followed as practice guidelines, to ensure that all stakeholders receive fair and equitable treatment.

#### 3.1 Shareholders

The company duly respected the basic rights accorded the shareholders in accordance with the laws, regulations, and business ethics of the company. At the same time, the company had proper mechanism in place to ensure that the shareholders receive accurate and reliable information, having proper measures safeguarding against conflict of interests, and against the exploitation of inside information for personal gain. Furthermore, the company also aimed to generate justifiable return for the shareholders, by laying down appropriate dividend payment policy on a consistent basis

In year 2023, the company paid the dividend from the result of business performance of year 2022 at 1.70 Baht per share accounting for 56.29% of net profit of the separate financial statements by setting the date of payment on May 24, 2023. The dividend has been paid to shareholders for 44 years consecutively and of which accounted as real long-term wealth for all shareholders. So, each and every shareholder was invited to attend the Annual General Meeting of Shareholders of Year 2023 and has right of vote for each and every important agenda item as well as receive the important information through various medias, e. g. pamphlet and e-information. Besides, the company also reports the business performance at every quarter and disclose the transactions done with related persons in the same condition as that done with external persons for their awareness via the news system of the Stock Exchange of Thailand and the company's website.

#### 3.2 Employees

In the company's recognition of company employees as its valuable human resources playing the critical role in leading the organization toward success, The Board of Directors therefore set the company's policy to devote its best efforts to develop and upgrade the employees' potentials on a consistent basis. At the same time, the company sought to provide job security and advancement opportunities to all employees based on their own potentials, as well as encouraging the employees to play a part in charting the company policies. At the same time, the company laid down its remuneration policy toward the employees by providing the employees with fair and reasonable remuneration commensurate with the capability, responsibility, and performance results for each employee, which is in line with the compensation of the same industry. (See details under the heading "Management Structure" on employees).

The company provide benefits to promote quality of life and well-being, such as Provident Fund, Retirement gratuities to employees, Nursing room, Annual health check, product purchase welfare rates, Uniform, Loans for housing project, etc. Also has established welfare committees the opportunity to engage employees in welfare administration. As well as promoting the preparation of activities to engage employees, such as “Pheun Chuay Pheun Project”, “Dharma Sa-buy Jai Project”, New year activity.

At the same time, the company is also taking into consideration the safety of life, health and property of employees defined as Occupational Health and Safety Policy as follow:

1. Compliance with the law, Occupational Safety, Health and Environment, including a business deal for both current and future
2. To manage for committed to prevent injuries and reduce the accident rate to zero, including improved working environment to be safe.
3. Committed to developing performance management system in occupational health, safety continuously.
4. Support adequate resources in management to control and prevent danger from work of workers.
5. To cultivated conscious mind for everyone to recognize the safety to work by considering to be the primary function of all.

As noted in the policy, the company encourages and supports its employees and external workers to work safely and reduce the risk of occupational injuries and illnesses. The company has established an occupational health and safety management standard system in accordance with ISO 45001:2018 to enhance the compliance of occupational health and safety, and raise awareness of safety in order to reduce the number of accidents resulting in injury and property damage. In addition, the company encourages executives and employees in the organization to attend training, prepares standard operational procedures or manuals, improves the safety of machines and processes, and supports various projects that contribute to reducing the likelihood of work-related accidents and injuries.

The Company sets the occupational health and safety goals annually, of which the report of occupational health and safety operations can be found in the 2023 Sustainable Development Report on “Occupational Health and Safety at Work”.

As a result of the said policy, the Company was awarded a plaque of honor from Thailand Institute of Occupational Safety and Health (Public Organization), Ministry of Labor, for the 2021 Zero Accident Campaign in the gold and silver level.

**Note:** Further details can be found in the “2023 Sustainable Development Report” on “Occupational Health and Safety”.

### 3.3 Customer

The Board of Directors realizes that customer satisfaction and confidence are the keys to the company's sustainable success. Therefore, the Company has established its policies and guidelines adhering to honesty, integrity, and fairness and prohibiting any actions that violates customers' rights. The Company has emphasized its focus on providing impressive services to customers by offering quality products and services at reasonable prices to satisfy its customers and for them to receive the best value for money in both quality and price. Additionally, the Company operates its business with the determination to develop products, services, and innovations that increase the current value to meet continuous customer demand. Information necessary for decision-making is provided without concealing or distorting facts. Producing goods and services must be environmentally friendly and safe for consumers. The Company protects the confidentiality of customers' trade information by not using it for the benefit of oneself or those involved in an unjustified manner. The Company has established a policy on the retention of confidential information and the use of internal information as a guideline for its employees in handling customer trade secrets. Furthermore, the Company has established a personal data protection policy (PDPA) to protect customers' personal information and prevent it from being misused for wrongful purposes, as well as being attentive and fair in handling customers' complaints. The Company has set up a customer relations service where customers can inquire, comment, or file a complaint through various channels, namely the direct telephone line at (02) 676-2727.

The evaluation of customer satisfaction report compares year 2021 - 2023

	2023	2022	2021
Local-Customer	90.5%	90%	88%
Oversea-Customer	84%	85%	84%

In 2023, the Company received confidence from customers and consumers and got "HWB Award 2023" for Avocado Hair Treatment Wax, which has become their best-selling hair treatment and Dermaction Plus by Watsons-Alive Plankton Sleeping Mask, which has become their best-selling face mask treatment.

**Noteb** : Further details can be found in the "2023 Sustainable Development Report" on "Customer Relationship Management."

### 3.4 The Competitor

The Board of Directors operates business in accordance with the provisions of law. In this regard, the following policies and guidelines have been prescribed:

1. The Company shall conduct its business within the rules of fair competition with due regard to business ethics and trading laws competition of various countries in which the company operates.
2. The Company will not damage the reputation of its trade competitors.

In addition to these policies. The company did not seek the confidential information of competitors by dishonest or inappropriate ways. We considered competitors take part in empowering your organization's stability and even stronger. Throughout the period of the past, we never had any disputes with competitors.

### 3.5 Business Partner

The company treats business partners equitably and takes into account mutual interests by prescribing the following policies and guidelines:

1. The company has a system for screening business partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards, and friendliness to the environment. Business partners are treated on the basis of fair competition, equality and mutual respect.
2. The confidentiality of secrets or communications of trading partners are maintained and not exploited for wrongful gains of oneself or of others.
3. Relationships and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and services are jointly undertaken to promote mutual growth.
4. The Company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the company will expeditiously engage in early negotiations with business partners in order to reach a mutual remedy and loss prevention solution.
5. The company does not demand, receive or consent to the receipt of properties or any other benefits outside trade agreements.

In addition, the company have a policy for selection of business partners that recognizes its responsibility and environment, encourage partners to develop a process that takes regard to human rights, not using forced labor and regard to children rights. As well as offering products and service that take into consideration the environmental impact and the safety of consumers. As well as improving process of work to prevent pollution and impacts on the environment along with conservation of natural resources, reduce energy consumption and eliminate the risk of unsafe conditions, including got certified of quality standards ISO9001:2015 , ISO 14001:2015.

#### Selection Criteria and Business Partners Evaluation

The Company set up partner selection system based on the ability to manufacture products that satisfy the needs of the customer, the quality of business partners, production capacity, standard system, availability of services, transportation, safety, health, including operation of business partners who be responsible for social and environment, by using the questionnaire in the preliminary assessment and follow up to ensure that business partner are sufficient ability and reliable.

Moreover, the Company has prepared an announcement on using an ethics manual and guidelines for business partners so that they understand various risk issues in business operations, relevant regulations and regulatory requirements, including social and environmental issues, to prevent business disruption that may affect the image of business partnerships.

In which year 2023, there is no event that we do not abide by the contract partner.

**Remark :** Further details can be found in the “2023 Sustainable Development Report” on “Supply chain management.”

### 3.6 Creditors

The company's policy of treating all creditors equally and fairly by complying with the contract or the terms strictly creditors to disclose financial position correctly, on time, and in the case that cannot abide by any one institution that let the creditor know in advance in order to jointly find solutions and prevent damage.

For The Creditors, the company provides can be billed on the 1st to the 6th of each month and payable every 25th of every month by means of bank transfer in Media Clearing, Which are the facilities for the creditors.

In the year 2023 The Company pays to the trade meets Credit Term agreed in advance, without payment of any company's business been adhered to competition in good faith and fairness under the framework of the law strictly.

### 3.7 Community and socialty

The Board of Directors is aware of the responsibility toward the community and the society to define policies, there is a strong responsibility to the community and society, formed within the company, and employees at all levels as well as support activities beneficial to the community and society as a whole.

#### Social Responsibility Policy

S & J aim to a good model to operate in according with corporate governance. Proceed to social activities without force. Participate in society other than the pursuit of profit. Focus on the existence of the business coupled with value creation and corporate social responsibility from the process all section within the organization.

The company has appointed the Corporate Social Responsibility Committee responsible for determining corporate social responsibility policies and establishing guidelines for social activities consistent with the United Nations Sustainable Development Guidelines 17 GOALS covering CSR IN PROCESS and CSR AFTER PROCESS.

**Remark :** Further details can be found in the "2023 Sustainable Development Report" on "Good Society"

### 3.8 Environment

The Board of Directors of the company are aware of the responsibility for the environment. The policy is one of the missions of the company's governance and ethics in the operations. The company are aware for the impact on the natural resources and the environment.

The company has appointed a working group on environmental and conservation of energy in order to work in accordance with the laws and systems for environmental standards ISO 14001:2015 along with policy and planning environmental projects to reduce the negative impact that sources since in the process including. Waste disposal based on the 3R were Reduce: reducing resource usage, Reuse : reuse worthy and Recycle : recycled process standard as well as a support and rehabilitation in emergency situations.

#### Environmental Policy

S&J International Enterprises Public Company Limited aims to produce quality products in which it realizes the significance of business operations that have an impact on the environment and the resources, arising from the sources of raw materials, production process, storage, and delivery of products to the end users. In its intention to preserve the environment, the Company has defined operating guidelines as follows.



1. Comply with laws, customer requirements, treaties, and the environmental standards.
2. Manage with a focus on prevention, reduction, reuse, and recycling, including getting rid of things that pollute the environment.
3. Continuously develop environmental capabilities to create environmentally friendly products.
4. Promote the life cycle development to achieve the most efficient and effective use of resources.
5. Reduce the use of resources and products that contribute to greenhouse gas emissions.
6. Cultivate employees' awareness and involvement to prevent impact on natural resources and the environment.

According to the policy, the Company has managed the environment on all dimensions, including energy conservation, water conservation, waste management, carbon dioxide emission reduction, and air quality management. The Company has gathered all environmental activities from all departments to work together seamlessly and support each other under the "Green Initiative" concept.

In addition, the company has opened a channel of complaint for the community if it has been affected due to the company's business operations, which in the past year, the company has not received complaints about the impact of the operation on the environmental.

**Remark:** Further details can be found in the "2023 Sustainable Development Report" on "Environmental Management"

### 3.9 Educating and training employees on environmental

The board of directors encourage the employees to realize the importance of the environment. The Company provides dissemination environment to employees through E-learning system, manage the Information board and publicity through the sound cable. Activities about nature conservation and the environment, as well as encouraging employees to increase their knowledge training in environmental matters continuously. In 2023, the company provided training environment course, as follow:

- "Waste Management" course through the E-learning system, **with 2,243 employees receiving training.**
- "Risk & Opportunities ISO 45001 & ISO14001" course through the E-learning system, **with 107 employees receiving training.**

### 3.10 Social Responsibility Reporting

The Board of Directors is aware of social responsibility by providing an Sustainable Development Report to disclose its business practices, in accordance with the Code of Conduct and results of the implementation of the policies and guidelines for sustainable development of the company both on economic, social and environment.

Sustainable Development Report" of the Company have been prepared in accordance with International Standards of "Global Reporting Initiatives Guideline: GRI (G4 Guidelines)" has the analysis and link to the company's performance relative to the strategies and objectives of sustainable development of the company by further disseminating innovation in business and society. Including the implementation of against corruption consistent with the reporting guidelines of the Stock Exchange of Thailand.

The company has the commitment and work in this continuously, result in year 2023, the company received award of "Thailand Sustainability Investment 2023" from the stock exchange of Thailand which is a reward for the listed companies that have business operations in accordance with good corporate governance, social responsibility and the environment. The company has received the said reward for 10 consecutive years.

The company has delivered Sustainable Development Report 2023 to shareholders on QR Code together with invitation letter of The Annual General Meeting of Shareholders for the year 2024 and published the report for those interested on the company website "www.snjinter.com" under the topic "Investors Relation : Publication".

### 3.11 Encouraged to use resources efficiently

The Committee recognizes the value of the resources. To achieve efficient use of resources coupled with business operations, one of the established guidelines is "to promote the use of resources in the production process economically and efficiently". The company provides training and the campaign to conserve energy conscience continuously regarding ways to use resources to maximize value in all activities of the organization covers the use of electricity, water, paper and other consumables.

The company has implemented an energy conservation in various aspects, as follow:

- Energy - Energy conservation, Renewable energy
- Water - Water conservation, Renewable water, Waste water management
- Air - Reduces Carbon Dioxide and others emissions
- Industrial waste management

**Remark:** Further details can be found in the "2023 Sustainable Development Report" on : Environmental Management"

### 3.12 Supporting and Participation in Community Development

The company gives priority to business of social responsibility and the environment. In addition to conducting business without creating a negative impact on society and the environment, then. Engagement and social assistance, sustainable growth along the way. That is what the company has been addressed with its actions. It can be seen from the policy and guidelines on how to conduct activities that are clearly defined in various ways, such as Children and Youth, Community and Underprivileged, Elephant and other Animals, Religious charities, Environment.

**Remark:** Further details can be found in the "2023 Sustainable Development Report" on : Good Society.

### 3.13 Policies and practices regarding to human rights

The Board of Directors duly recognized the significance of human rights. Therefore, a human rights policy has been established as guidelines for business operations. It emphasized the importance of respecting and complying with human rights principles for all stakeholders, in accordance with domestic laws and relevant international standards, and accordance with the Thai labor standard system TLS 8001:2020 that it has been certified at the highest level by the Department of Labor Protection and Welfare, Ministry of Labor. The policy also aimed to promote equal opportunities by prohibiting discrimination based on gender, nationality, religion, political ideology, or any other

differences such as the hiring of people with disabilities to promote their participation in the workforce. Moreover, the company also laid down the policy to refrain and not support those actions infringing upon human rights. Some of those actions were anti-child labour campaign by refusing to accept person less than 18 years of age as company employee, entitlement of employee's rights to protest against allegation of fraud or misdeed, no unfair discharge of company employee, fair treatment of employees in accordance with labour laws supervising strict human rights compliance, as well as communicating and providing a better understanding of human rights to employees in order to be used as part of the operation. In addition, the company created cooperation and supported partners and business alliances to conduct business with respect and treat everyone according to human rights principles. Throughout its business operations to date, the company had no previous record pertaining to any violations of human rights lodged with court.

In 2023, the company has been awarded for the sixth consecutive years the "Excellent Support Organization for People with Disabilities for the year 2023" by the Ministry of Social Development and Human Security from "the SJI Care You project that promotes the employment of persons with disabilities".

**Remark** : Further details can be found in the "2023 Sustainable Development Report" on : Good people."

### **3.14 Policy and guidelines for promoting innovation in technology development, work processes, products and/or services**

The company placed importance on the development and creation of innovation in the organization, which is one of the driving forces for sustainable business growth.

#### Business Innovation Promotion Policy

S&J Company engages in a policy that promotes business innovation by using the Company's existing R&D strength in order to innovate new products to meet the needs of customers, and consumers, resulting in outstanding products with the difference from others available on the market. The operational approach of the Company is based on good governance principles, taking into account the quality, efficiency, and safety of consumers with social and environmental responsibility in order to earn the Company's trust, and reliability and be able to conduct business sustainably

#### Guidelines for Innovation Drive

S&J Company is aware of customer needs and customer-centric. It also places importance on both positive and negative impacts on society and the environment; therefore, the guidelines for the work are defined as follows :

- Create new products that meet consumer behavior under the concept of sustainability
- Focus on selecting/creating products that are environmentally friendly, Green Beauty
- Focus on selecting/creating products that do not damage marine ecosystems, especially Coral safe, as announced by the Department of National Parks
- Collaborate with the government sector and agencies to achieve further development by pushing the use of community economic crops as ingredients in products

Furthermore, to encourage its employees to engage in innovation development activities on a consistent basis, in term of products, and production system through the "SUPER "S" TO SUCCESS" project, which is an extension of the feedback writing project in the former system to be covered with more comprehensive topics. The objective is to create a preventive work culture and encourage employees to take the initiative and participate in systematic feedback. In every single year, there is a feedback contest to create incentives to continuously improve the work and expand the results to further innovation. In the year 2023, the company was not associated with abuse of any copyright and/or other intellectual property.

**Remark** : Further details can be found in the "2023 Sustainable Development Report" on : Innovation"

### **3.15 Policy and Guidelines Fighting against Corruption and Bribery Seeking Business**

The Board of Directors laid down the policy against corruption and bribery, to safeguard the company's interests, by including them in the business ethics, together with promoting awareness, values, and attitudes to the management and employees in performance according to laws and regulations with integrity. Moreover, the business ethics also prohibited the company's directors, the management and employees from seeking, accepting, or agreeing to receive any assets or benefits that are dishonest from the customers, or outside persons in connection with the work of the company. Also, it prohibited them from giving or offering to give any assets or benefits so the person may act or omit the action that is against the law or against the position. The company has the stipulation of penalties for those committing offence.

During 2023, the company duly followed said practice guidelines, and did not come across any irregularity as the result.

### **3.16 Policies and Guidelines for the Security of the Organization's Information Systems**

The Company places great importance on good organizational management to drive and expand business growth, build a stable financial position, and generate reasonable shareholder returns. In compliance with good corporate governance principles, the Company has established a policy and regulations for using the computer system as a guideline for safeguarding corporate information systems and reducing information technology risks. The Company has assigned the Digital and Technology department to be responsible for the company's information system, where it has measures to install a firewall on the server to prevent cyberattacks, as well as monitoring the upgrade of the fire wall, installing the Antivirus program on every computer, limiting the use of external storage devices (Thumb drive), and managing the back up of the server at all times.

In 2023, the Company had no cases of cyber threats that caused damage to the Company.

### **3.17 Personal Data Protection Policy and Guidelines**

The Board of Directors recognizes the importance of personal data protection and supervise, an management of personal data to be in line with personal data protection laws and related laws. The company has therefore established a personal data protection policy. In order that the company will operate its business in accordance with the Personal Data Protection Act B.E. 2562 and other relevant laws. This is for relevant people to know

and take it as a guideline for further practice. The PDPA (Personal Data Protection Act) law is a Personal Data Protection Act which is set up to protect personal information which effective date is 1 June 2022.

However, the Board of Directors has established a personal data protection policy and guidelines for directors, executives, employees and stakeholders to acknowledge and adhered to be a correct practice according to relevant laws. Moreover, there is the appointment Data Protection Working Group, who is responsible for carrying out personal data protection work in accordance with the Personal Data Protection Act.

In 2023, the Company has never happened about personal data breaches, and were not informed the request to exercise the rights of the owner of personal data in any way.

**Remark :** More information on the policy can be foundn at <https://snjinter.com/wp-content/uploads/2022/06/Personal-Data-Protection-Policy.pdf>

### 3.18 Tax Policy and Practices

The company places importance on complying with laws related to tax management by adhering to the principles of accuracy, transparency, and accountability. As well as adhearing to responsibility towards all stakeholders, and business ethics. In addition, to be consistent with guidelines for operating in the area of filing which focuses on allowing businesses to grow economically along with social development and environment in a balanced manner. The company has therefore established a tax policy to provide guidelines for tax management and tax transparency, which include

1. Tax Practice
2. Tax Responsibility
3. Transfer Pricing
4. Use of Tax Benefits
5. Relations with Government Agencies
6. Knowledge in Tax Law
7. Tax Transparency

The company has reviewed the policy annually to be consistent with business operations guidelines and cause Confidence that the company complies with the Revenue Code and related tax laws accurately and completely.

In 2023, the company strictly complies with tax policy. Therefore, did not receive a letter requesting tax clarification or additional fines from the Revenue Department.

## 4. Information Disclosure and Transparency

The Board of Directors duly recognized the importance of disclosing significant company information relating to both financial and non-financial topics, which was regarded as one of the company's policies regarding good corporate governance. The company ensured that the shareholders and investors receive such information, in a fast, accurate, and equitable manner, through such channels as, annual registration statement / annual report (Form 56-1 One Report), news distribution channel of The Stock Exchange of Thailand, and The Securities and Exchange Commission, as well as the company website, in both Thai and English (www.snjinter.com), with those information being regularly updated.

During 2023, the company facilitated information disclosure in accordance with the requirements of The Stock Exchange of Thailand and The Securities and Exchange Commission, as well as disclosed other significant information to display transparency in its business operations such as :

**4.1 Corporate Governance** : The company prescribed and disclosed its good corporate governance policy, good corporate governance principles, business ethics, and code of conduct for company directors, the management, and employees, together with those reports relating to such topics, by disseminating them on the company website.

**4.2 Sustainability Report** : The company prepared a sustainability report according to the GRI Standards framework, which is a guideline for preparing sustainability report based on international standards. This report ensured that all stakeholders were able to acknowledge and understand the company's sustainability information, which was published on the company website.

**4.3 Social and Environmental Management Policy** : The company incorporated these topics under mission and the policies on corporate governance and business ethics with regard to the society and environments. See the details about implementation of the policy under the heading 6.1.2 "Policy and Guidelines Related to Shareholders and Stakeholders (3. Responsibility to Stakeholders on item no. 3.7 and 3.8)" and heading 3 "Driving Business for Sustainability".

**4.4 Risk Management Policy** : The company has set up Risk Management Committee to supervise risk management of the organization in a systematic and effective manner, and cover all areas appropriately. The company has also prescribed risk management policy and guidelines to manage key risks in business operations and sustainability risks (ESG Risk), as well as analyze impacts and prepare plans to handle emerging risks, according to the details under the heading 2 "Risk Management".

**4.5 Shareholding Structure** : The company disclosed the names of the top 10 shareholders at the time of closing shares registration book for the shareholders' meeting, and at the ending date for each quarter, on the company website.

**4.6 The Board of Directors' Responsibility Report toward Financial Statements** : The Board of Directors recognized the importance of compiling financial statements in such manner deemed accurate and reliable, accompanied by preparing in accordance with financial reporting standards, to serve as references for decision-making by the investors, by displaying said report together with the certified public accountant's report in the annual registration statement / annual report (Form 56-1 One Report). The financial statements for the year 2023 were unqualified opinion by the auditor. In addition, the company facilitated the submission of said financial statements to The Securities and Exchange Commission and The Stock Exchange of Thailand within the timeframe required, and was never subject to any instruction to revise its financial statements.

**4.7 Duty Performances by The Board of Directors and Sub-Committees** : The company disclosed the details on the roles and authority of The Board of Directors and sub-committees, the number of meetings held, the number of meeting attendance by each director during the past year, under the heading 7.2 "The Board of directors", 7.3 "Sub-

Committees”, and heading 8.1 “Summary of The Board of Directors’ Performance in the Past Year”, 8.2 “Performance Report of The Audit Committee in the Past Year”, 8.3 “Summary of The Sub-Committees’ Performance”.

**4.8 Shareholding by the directors and the management :** The company annually disclosed shareholding and changes of the company’s shareholding of the directors and the management both directly and indirectly in the annual registration statement / annual report (Form 56- 1 One Report) as detailed in heading 8.1.4 “Compliance with the Corporate Governance Principles”, on item 2. Use of Inside Information to Seek Benefits.

**4.9 The Remuneration for Directors :** The company disclosed the remuneration structure and criteria for paying executive and non-executive directors, as well as the nature and number of remuneration received from being the directors for The Board of Directors and sub-committees, according to the details under the heading 6.1.1 “Policy and Guidelines for The Board of Directors” and 8.1.2 “Meeting Attendance and Remuneration of The Board of Directors”.

**4.10 Development for the directors and the management :** The company had placed much emphasis on supporting the training activities seeking to promote further knowledge for the directors, the management on continuous basis. The company disclosed the development and training of directors and the management as detailed in the heading 8.1.1 “Nomination, Development, and Performance Evaluation of The Board of Directors”.

**4.11 Related Transactions :** The Board of Directors laid down the policy for the company to comply with the regulations of the Capital Market Supervisory Board. In the case of important related transactions; although the approved amount of money is under the executive director supervising the division, the company shall present to The Executive Committee for consideration and/or approval depending on the case. After that, the company will bring the significant volume transaction to The Audit Committee’s meeting and The Board of Directors’ meeting for consideration respectively, so The Audit Committee can comment in case there are different opinions, and the directors and the management can acknowledge the details before the company informs The Stock Exchange of Thailand. Details are under the heading 9 “Internal Control and Related Transactions”.

**4.12 Performance Report :** In the case of sales revenue or net profit according to last financial statement changed from the financial statements in the same period last year more than 20 percent, the company has revealed the explanation of the operation’s results for the quarter on the website of The Stock Exchange of Thailand and the company website.

In 2023, the company disclosed its performance report 4 times.

**4.13 The Relationship with Investors :** The company established an investor relations department to communicate with investors and shareholders. Information concerning the Company is published to shareholders, analysts, and relevant agencies through various channels, including the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand, and the Company’s website. The Company ensures regular disclosures to shareholders on its website in both Thai and English and keeps this information up-to-date. This includes the vision and mission statement, financial statements, press releases, Annual Report, Form 56-1 One Report, Sustainable Development Report, organizational structure, the structure of the group of companies, as well as the shareholding structure and major shareholders and notices of shareholders’ meetings.

In 2023, the company and the Saha Group together with the SET hold “investors, analysts meet Saha Group” 12<sup>nd</sup> at 27<sup>th</sup> Saha Group Fair at Bangkok International Trade & Exhibition Centre (BITEC) to engage investors, analysts and the media met with the Board and management closely. Managing Director provided the information about the business, operations, industry, economic outlook and key developments including answers and question. The company prepared book summarizes the history and key operational results distributed to investors, analysts and media at the event as well as all of them have visited product and innovative of companies in the group that was on display at the 27<sup>th</sup> Saha Group Fair. An opportunity to purchase product at special price which has been received very well with attendance increasing every year. This caused investors, analysts and the media learned an overview of the business of the Saha Group, and more published through the Stock Exchange and the company’s website ([www.snjinter.com](http://www.snjinter.com)).



## 5. Prevention of Insider Information

The company placed much emphasis on the protection and supervision over insider information, by clearly specifying in the business ethics and code of conduct for company directors, the management and employees, that directors, the management and employees perform their duties with responsibility, carefulness and honesty, as well as consider the interests of the company as the most important. The company directors, the management, and employees were not allowed to exploit the information or assets belonging to the company, or accorded own position, in such manner seeking unjust gains for own self or for others. In relation to this, the company handed out relevant manuals to company directors, the management, and the employees, together with disseminating those information on company’s internet system channel and company’s website, to serve as guidelines for their business operations and assignments. Furthermore, the company also incorporated above information into company regulations, together with the penalty provision. (See additional details under heading 8.1.4 “Compliance with the Corporate Governance Principles”, on item 2. Use of Inside Information to Seek Benefits.).



## 6. Prevention of Conflict of Interest

The company had set a policy for company directors, the management, and employees to treat the issue of conflict of interests with caution and reason, with the company's interests in mind, by laying down operations systems in a transparent manner, deemed as one major policy regarding good governance practice and business ethics for the company. The company focused on the conflict of interest with the transparency and fairness in operation systems as well as full disclosure of information.

Accordingly, The Board of Directors shall establish a policy to manage and monitor conflicts of interest that might occur among the company, directors, management, and shareholders. The policy shall include measures to prevent the inappropriate use of corporate assets, information, and opportunities, as well as inappropriate transactions by related parties. Accordingly, The Board of Directors has prescribed the guidelines as follows:

1. The Board of Directors shall provide an information security system, which includes policies and procedures on the confidentiality, integrity, and availability of such information, as well as market-sensitive information. The Board of Directors shall oversee compliance by any directors, top executives, employees, and outsiders with access to such information.
2. The Board of Directors shall manage and monitor any transaction with a potential conflict of interest, as well as provide guidelines and procedures to make certain that such a transaction will be made in conformity with the legally prescribed procedure and information disclosure requirements in the best interest of the company and the majority of the shareholders. Any party with a vested interest in a particular transaction shall be excluded from the decision.
3. The Board of Directors shall require all directors to report their personal stake in a particular agenda item that will constitute a conflict of interest before the commencing the consideration of the item. Such a report shall be recorded in the minutes. The director(s) in question shall be excused from the meeting for the time being and shall cast no vote on that agenda item.

**Remark :** Further details of the policy can be found at <https://snjinter.com/wp-content/uploads/2022/06/2.Conflict-of-Interest.pdf>

## 7. Policy for Trading of the Company's Securities

The Company has established guidelines for the trading of the Company's securities to ensure equal treatment for all shareholders and to create transparency in the disclosure of important information under the Company's corporate governance policy, with details are as follows.

The company clearly specified conditions regarding the transaction of company securities in its business ethics, by forbidding the directors, the management, and the employees working in those departments accessible to inside information, to engage in the transaction of company securities, during the period of 1 month before the disclosure of such information to the public and 24 hours after disclosure of financial statements. The company distributed said instructions in circular to all concerned parties each quarter.

In 2023, all the company directors and management members strictly followed accordingly, without engaging in such transactions during said period.

The company informed company directors and the management to acknowledge of duty to report their first securities holding, together with any subsequent change in securities holding, to The Securities and Exchange Commission, in accordance with article 59 of The Securities and Exchange Act B.E.2535. Furthermore, the company provided for the report on securities holding by the directors and their spouses, as a regular item in The Board of Directors' meeting

The Board of Directors has set a policy for directors and top executive to inform of the company's securities trading to the company secretary at least 1 working day prior to trading. In 2023, the directors and the management have strictly followed the above policy by informing to the company secretary 4 - 6 days prior to trading.

#### 8. Compensation for Rights Infringement

The company adheres to the good corporate governance code and carries out its business with integrity and ethics. Accordingly, the company has placed emphasis on respecting and complying with human rights principles for all groups of stakeholders, together with not taking any actions in rights infringement. Furthermore, the company has measures to fairly remedy the impact caused by or related to the company.

#### 9. Anti-Corruption

It is The Board of Directors' policy to comply with anti-corruption laws. In this regard, The Board of Directors shall adopt the following guidelines:

1. Create consciousness, values, and attitudes for employees in performing their duties according to the law, rules with integrity.
2. An efficient and effective internal control system shall be put in place. There shall be suitable supervision and a system of checks and balances to prevent employees from being involved in fraud and corruption.
3. Directors, the management, and employees shall be prohibited from performing any act that amounts to a demand or acceptance of any property or any other benefit, whether for themselves or for others, as an inducement to wrongfully perform or refrain from performing a duty or to act in a way that could result in a loss to the company's legitimate benefits.
4. Directors, the management, and employees shall be prohibited from giving or offering to give any property or any other benefits to third parties to induce such persons to unlawfully or wrongfully perform or refrain from an act.
5. There shall be a transparent and accurate financial reporting system.
6. There shall be a channel for employees and related persons to provide notices of causes for suspicion with confidence of protection. Personnel shall be appointed to examine all notices of suspicion given.

**Remark :** Further details of the policy can be found at [https://snjinter.com/th/investor-relations/-Corporate Governance - Anti Corruption Policy](https://snjinter.com/th/investor-relations/-Corporate-Governance-Anti-Corruption-Policy)

## 10. Disciplinary Measures for Non-Compliance with Policy and Guidelines

1. The company shall take appropriate disciplinary action for those who do not comply with good corporate governance code, and they might be prosecuted in the case of law violation.
2. The company will punish and penalized directors, the management and employees who are in breach of these regulations, or who threaten or violate any other persons, or who fail to take any actions against any acts of non-compliance by others, or who breach or do not comply with the established anti-corruption policy. The penalties will be considered based on seriousness of guilt from written warning to dismissal, including out of duty and receiving any applicable civil or criminal prosecution in accordance with the established laws.
3. In the event that a business partner or any Stakeholder of the company does not comply with these established regulations and policy on anti-corruption - either in the capacity as a wrongdoer or in neglecting to take any actions against any acts of non-compliance by others, or in giving false information, then the company may consider terminating any existing business contracts or relationships with such parties.

## 6.2 Business Ethics

The company has prescribed business ethics, and code of conduct for company directors, the management and employees as part of the good corporate governance code. It shall be a practice guideline for company directors, the management and employees to follow it for their business operation, which could be summarized as follows :

1. Responsibility Towards Stakeholders
2. Conflict of Interest Management
3. Guidelines for Receiving or Giving Entertainment or Gift
4. Anti-Corruption
5. Non-Infringement of Intellectual Property
6. Non-Violation of Human Rights
7. Occupational Safety and Health
8. Formal Responsibilities
9. Maintenance of Company Assets
10. Informants and Complaints

The business ethics an code of conduct are presented in animated cartoon for easy understanding and open for employees to view regularly to create awareness of the practice. For new employees, the company included the topics of business ethics and code of conduct in the employee orientation. Furthermore, the company organized e-learning training and tested employees to ensure that they recognize, understand, and are aware of business ethics, and could apply them in the workplace. 100 percent of all employees received training or orientation and passed the test. Meanwhile, directors and the management signed an acknowledgment of compliance with good corporate governance principles, business ethics and code of conduct for company directors, the management and employees, representing 100 percent of all directors and the management.

In addition, the company has monitored the implementation of good corporate governance code and required supervisors at all levels to be responsible for monitoring their subordinates in compliance with business ethics and code of conduct for company directors, the management and employees to strengthen its management and business engagement transparency, and those who do not comply with such measures will be appropriately punished and might be prosecuted in the case of law violation. If the employees are in doubt and cannot comply or make decision, they shall consult with sequence supervisor. In the case of dispute, the judgment from the Managing Director, The Executive Committee and The Board of Directors will be considered as final order. (See full details of business ethics, and code of conduct for company directors, the management and employees on the company website ([www.snjinter.com](http://www.snjinter.com)) under section “Investor Relations” heading “Corporate Governance”.

In 2023, the company found that there were no violations of the organization’s ethics and code of conduct.

## 6.3 The Important Change and Development of Corporate Governance Policy, Guideline and Charter during the past year

### 6.3.1. Major changes and developments relating to the review of policies, guidelines, corporate governance, and charters in the past year

1. Establish a confidentiality policy and the use of inside information as a guideline for directors, executives, and employees to ensure the company’s confidentiality and that of its stakeholders.
2. Establish the Personal Data Protection policy as a guideline in compliance with the Personal Data Protection Act (PDPA).
3. Review the policy and regulations regarding to the use of computers as a guideline for the Company’s personnel to use the computer system and the Company’s network with due care and to prevent cyberattacks.
4. Establish rules on trading in company securities as a guideline for directors, executives, and those who know inside information for trading company stocks.
5. The Company has been certified as a member of the Thai Private Sector Collective Action Coalition Against Corruption (CAC) for the third time.
6. Arrange online training and public relations on anti-corruption, as well as having employees take a test to assess their knowledge of relevant policies and practices.

### 6.3.2 The adoption of CG Code 2017 for listed companies issued by the SEC

The Company has annually reviewed the appropriateness of compliance with the CG Code for listed companies issued by the SEC and adopted the Code for the Company’s business context as appropriate. Throughout 2023, the Company has fully complied with the CG Code, except for the following aspects:

Non - practiced aspects	Reasons
<p>1. The Board of Directors has specified the number of listed companies that each director hold directorship for not more than 5 places in the company's corporate governance policy.</p>	<p>The Board of Directors has not specified the number of listed companies that each director hold directorship for not more than 5 places, since The Board of Directors believed that each director's business expertise and capabilities should not be restricted by the number of companies said director served, as long as he/she proved to be capable and devoted enough to carry out own assignments in fulfilling the expectations by The Board of Directors and shareholders.</p>
<p>2. The Board of Director's policy has specified the limit of the number of years on the tenure of independent directors not exceeding 9 years.</p>	<p>The Board of Director's policy does not limit the number of years on the tenure of independent directors since the company's independent directors continue to perform their duties with independence and without private interests that may conflict with the interests of the company, as well as make decisions by taking into account the best interests of the company. They are also independent from the management and major shareholders of the company</p>
<p>3. The Board of Directors has no independent director appointed as the company's director for more than 9 years.</p>	<p>The Board of Directors has four independent directors appointed as the company's director for more than 9 years because they are fully qualified per definition of company's independent directors, while duly processing such sound knowledge, professional expertise, and work experiences, beneficial to the company's business operations.</p>
<p>4. The Chairman of The Board of Directors is independent director.</p>	<p>The Board of Directors has appointed non-executive director serving as the Chairman of The Board of Directors due to his ability and expertise in the company's business. Furthermore, despite the Chairman of The Board of Directors not being an independent director, nevertheless, the Chairman of The Board of Directors duly carried out his assignments in an independent manner, and providing opportunities to all directors to act freely in expressing own opinions and suggestions contributing to the best interests of the organization.</p>

Non - practiced aspects	Reasons
	opinions and suggestions contributing to the best interests of the organization.
5. The Chairman of The Nominating Committee and the Chairman of The Remuneration Committee are independent directors and The Nominating Committee and The Remuneration Committee mainly comprise independent directors.	Although the Chairman of The Nominating Committee and the Chairman of The Remuneration Committee are not independent directors, all of them are directors with knowledge and experience who served the positions for a long period of time. They have performed their duties with responsibility and honesty, while never voted when they have conflict of interests.

### 6.3.3. Other information in accordance with good corporate governance principles to support various assessments

The Board of Directors have placed much emphasis on building good corporate governance practice, and upgrading those practice on continuous basis, to enable company operations to be carried out in a transparent and effective manner, leading to further growth and stability for the company. Furthermore, such practice was aimed at contributing to further economic value and long- term wealth for the shareholders, while providing fair treatment to all stakeholders concerned. The company has set the policy to achieve balanced business operations under changing social and economic environments, based on sufficiency economy principles, and in compliance with good governance practice principles for listed companies.

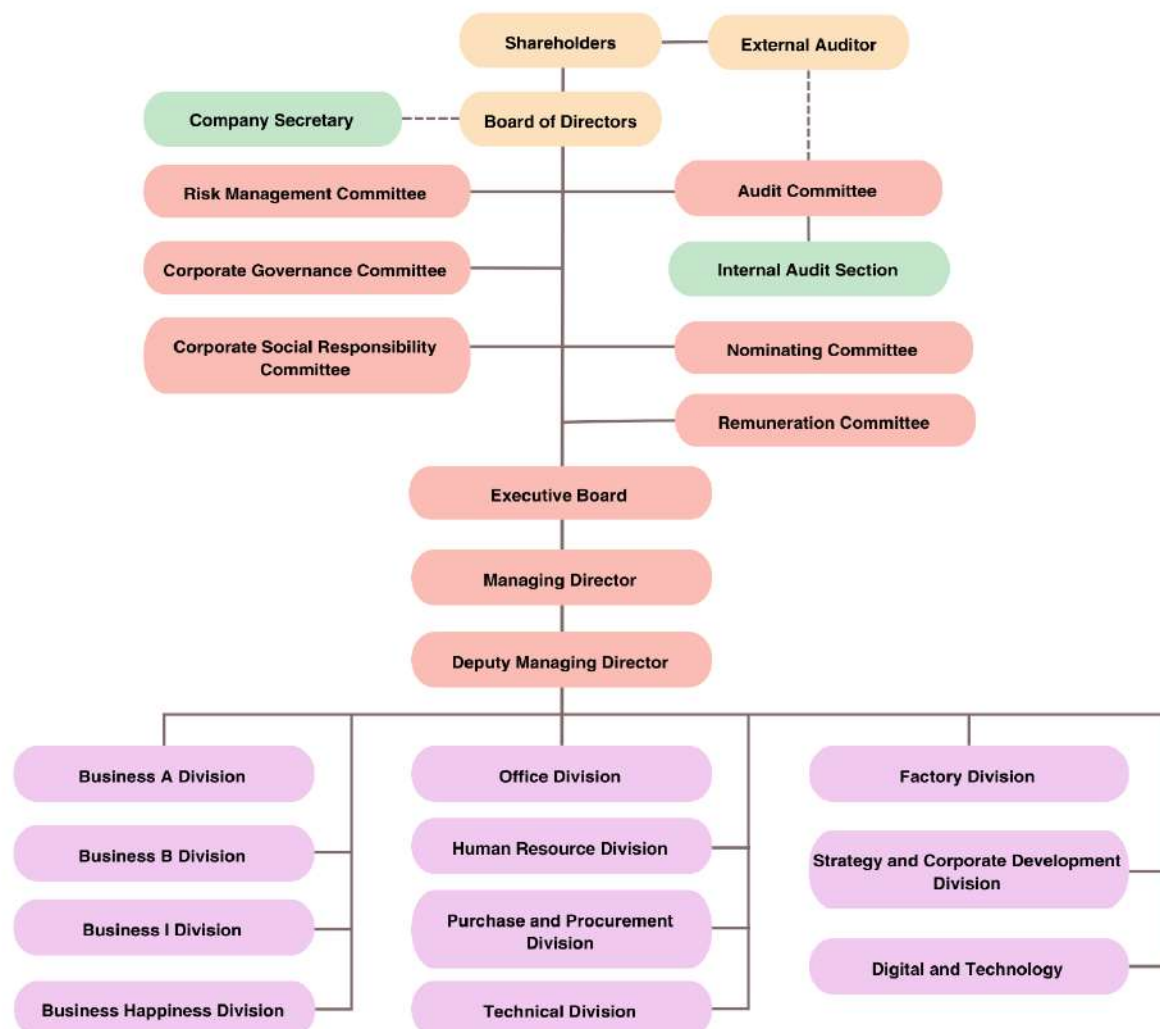
The Thai Institute of Directors (IOD) has developed new assessment criteria (New CGR) which will be used in 2023 with improvements to reflect ESG issues that businesses must manage. To reflect the sustainable operations of the company, the company has, therefore continuously developed principles of good corporate governance in order to be consistent with the new evaluation criteria that have been increased in intensity. In 2023, the company received a corporate governance evaluation result at the level of "Excellent" for the sixth consecutive year.

#### Details of Corporate Governance Evaluation:

Categories	2023 (%)
1. Right of Shareholders and Equitable Treatment of Shareholders	87
2. Consideration of the role of stakeholders and business development for sustainability	105
3. Disclosure and Transparency	96
4. Responsibilities of the Board	78
<b>Average Score</b>	<b>99</b>

## 7. Corporate Governance Structure and Important Information of the Board of Directors, Sub-committees, Executives, Employees and Others

### 7.1 Corporate Governance Structure as of December 31, 2023



### 7.2 Information of the Board of Directors

At present, The Board of Directors consisted of 15 members, classified into :

	Name list		Position	Appointment date	Year in the position
1.	Mr.Boonkiet	Chokwatana	Chairman*	April 22, 1980	42 year 8 months
2.	Mrs.Tipaporn	Chokwatana	Vice Chairman*	April 24, 1995	27 year 8 months
3.	Mr.Thirasak	Vikitset	Managing Director*	April 30, 1985	37 year 8 months
4.	Dr.Atthakorn	Glankwamdee	Deputy Managing Director*	April 22, 1991	31 year 8 months

	Name list		Position	Appointment date	Year in the position
5.	Mrs.Kaewta	Ongsaranakom	Director*	June 22, 1987	35 year 6 months
6.	Prof.Dr.Malyn	Ungsurungsie	Director*	April 26, 2004	18 year 8 months
7.	Mrs.Chitraporn	Vikitset	Director*	April 23, 2007	15 year 8 months
8.	Mrs.Teerada	Ambhanwong	Director*	April 26, 1998	24 year 8 months
9.	Mr.Suthep	Dansiriviroj	Director*	April 22, 2014	8 year 8 months
10.	Admiral Apichart	Pengsritong	Independent Director	November 12, 2009	13 year 1 months
11.	Mrs.Pismai	Chandrubeksa	Independent Director	April 28, 2009	13 year 8 months
12.	Mr.Amorn	Asavanunt	Independent Director	April 24, 2017	5 year 8 months
13.	Mrs.Pradittha	Chongwattana	Independent Director	April 28, 2002	20 year 8 months
14.	Pol.Gen.Somchai	Prabhasabhakdi	Independent Director	April 28, 2015	7 year 8 months
15.	Assist.Prof.Dr.Pongchai	Athikomrattanakul	Independent Director	April 23, 2018	4 year 8 months
	Mr.Sumit	Khopai boon	Company Secretary		

**Remark :** \*Number 1 - 9 are directors who have authority to sign to bind the company, consisting of 2 out of 9 directors are required to sign their names, together with the affixing of company seal

In 2023, all of 15 directors do not have prohibited qualifications and no any other offenses, as follows:

- No history of criminal offenses involving property that were committed dishonestly.
- No severe violation against stipulations of the Securities and Exchange Commission and the Stock Exchange of Thailand
- No corruption action or violation of ethics.
- Never made a transactions that may cause conflicts of interest with the company.
- No resignation of a non-executive director due to the reason of good governance.
- No loss of credibility due to the Board of Director's failure in monitoring the business.

### 7.2.1 Composition of the Board of Directors

The Board of Directors comprised 15 directors, classified into:

- Non-executive directors 10 persons (including 5 independent directors)
- Executive directors 5 persons

The Board of Directors had set a policy for the Board Diversity in education and professional skills, which were beneficial to the business and to be in line with the business strategy of the company through the preparation of Board Skill Matrix without sex, age, race, nationality or place of origin discrimination. This was evident from the current structure of The Board of Directors which was composed of qualified directors with knowledge, competency, and various experiences helps increase potential and consistent with the company's business operations



The Board Diversity Policy for year 2023, details as follow:

Goals	Indicators	Practical results
1. Number of independent directors	At least one-third of the total number of directors, but must not be less than 3 persons	6 Persons
2. Directors with knowledge in the company's business	At least 3 persons	15 Persons
3. Directors with knowledge in accounting or finance	At least 1 persons	2 Persons
4. Number of female directors	At least 1 persons	7 Persons

In addition, there are 10 directors on the Board who are non-executive directors with related business experience or industrial sectors that are consistent with beneficial to the company's goals and strategies.

The company's number of directors, excluding independent directors is a fair proportion of the investments of each group of shareholders. Independent directors accounted for 40% of the total number of the Board members, complying with the requirements by The Capital Market Supervisory Board, whereas non-executive directors accounted for 66.67% of the total number of the Board members. In addition, the company has 7 female directors, representing 46.67% of the total number of the Board members. Whereas female independent directors accounted for 33.33% of all independent directors. None of independent directors take a position as director in more than 5 listed companies.

The Board of Directors resolved to adopt the definition for "independent director" having qualifications in accordance with the notification of The Capital Market Supervisory Board. Nonetheless, practically the independent directors of the company are truly independent from the management and major shareholders of the company. Independent directors and the person being involved have no shareholding in the company, parent company, subsidiaries, associates, major shareholders, or person in authority of the company.



Diversity in skills, experience, knowledge, and specialized expertise that is beneficial to the company. (Board Skill Matrix)

- Personal Products and Pharmaceuticals business 15 persons
- Science / Research and Development 1 persons
- Engineering 5 persons
- Strategic business planning and management 15 persons
- International business management 6 persons
- Procurement management 3 persons
- Law and Rules for business 4 persons
- Accounting 2 persons
- Financial 2 persons
- Internal audit 5 persons
- Corporate Governance 15 persons
- Risk Management 4 persons
- Sustainability development 5 persons

## 7.2.2 Information of the Board of Directors and the Controlling Person

### Name of the Board of Directors

Name	The Board of Directors	The Audit Committee	The Nomination Committee	The Remuneration Committee	The Risk Management Committee	The Corporate Social Responsibility Committee	The Corporate Governance Committee	The Executive Board
1 Mr.Boonkiet Chokwatana	Chairman	-	Chairman	Chairman	-	-	-	-
2 Mrs.Tipaporn Chokwatana	Vice Chairman	-	-	-	-	-	-	-
3 Mr.Thirasak Vikitset	Managing Director	-	Director	Director	-	-	-	Chairman
4 Dr..Atthakorn Glankwamdee	Deputy Managing Director	-	Director	-	-	-	-	-
5 Mrs.Kaewta Ongsaranakom	Director	-	Director	Director	-	-	Director	Director
6 Prof.Dr.Malyn Ungsurungsie	Director	-	-	-	-	Chairman	-	Director
7 Mrs.Chitraporn Vikitset	Director	-	Director	-	-	-	-	Director
8 Mrs.Teerada Ambhanwong	Director	-	-	-	-	-	-	-
9 Mr.Suthep Dansiriviroj	Director	-	-	-	-	-	-	-
10 Admiral Apichart Pengsitong	Independent Director	-	-	-	-	Director	-	-
11 Mrs.Pismai Chandrubeksa	Independent Director	-	-	Director	-	-	-	-
12 Mr.Amorn Asvanunt	Independent Director	Chairman	-	-	-	-	-	-
13 Mrs.Pradittha Chongwattana	Independent Director	Director	-	-	-	-	-	-
14 Pol.Gen.Somchai Prabhasabhakdi	Independent Director	Director	-	-	-	-	Chairman	-
15 Assist.Prof.Dr.Pongchai Athikomrattanukul	Independent Director	Director	-	-	Chairman	-	-	-

**Remark :**Qualification standards for independent directors and The Audit Committee members were in accordance with the provisions set forth in related announcements. Please see the personal information of the directors in attachment 1 Information of Directors, Management

## Controller

The company does not have any controller who has the influence over the company's management policy or its operations.

## The separation of the positions of Chairman from the Chief Executive Officer

Based on the different responsibility and authority scope between Chairman of The Board of Directors and the Chief Executive Officer, the company therefore specified the Chairman of The Board of Directors and the Managing Director to be different persons, so as to clearly separate the supervision and management authority for the company, and contributing to proper authority balance in company management within the company. In relation to this, the company has set up The Board of Directors Charter, setting the authority and duty scope for each committee and clearly separating the authority and duty scope of Chairman from those of The Managing Director.

### 7.2.3 Role and Duties of the Board of Directors

The Board of Directors had important responsibility in setting the direction for the company's business operations, following up on the work results by its management members, and being responsible for their duties to contribute to the best interests of the shareholders and the company.

#### Authority of the Board of Directors

1. To appoint, remove and authorize consultants to the Board of Directors, and/or to other individuals.
2. To approve loans, of the amount greater than the authority of the Executive Board, to companies with a business relation to the company as shareholders or to companies with a trading relation or other companies.
3. To approve guarantee of loan, of the amount greater than the authority of the Executive Board, to companies with a business relation with the company as shareholders or to companies with a trading relation or other companies.
4. To approve engagement in a legal act, this is not a financial transaction, of the amount greater than the authority of the Executive Board.
5. To approve acceptance or cancellation of loans of the amount greater than the authority of the Executive Board.
6. To approve investment, sale of investment capital in ordinary shares and/or any other securities of the amount greater than the authority of the Executive Board.
7. To approve sourcing and investment in fixed assets of the amount greater than the authority of the Executive Board.
8. To approve the payment for, or disposal or transfer of fixed assets that exceeds the authority of the Executive Board.
9. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost, destroyed, deteriorated and out of date, which are of the amount greater than the authority of the Executive Board.

10. To approve modification, change of price and destruction of raw materials and/or remaining inventories which are deteriorated or out of date, which are of the amount greater than the authority of the Executive Board.
11. To approve compromise or settlement of dispute by arbitration, complaint, filling of lawsuits and /or any legal proceeding on behalf of the company on matter which are not/or normal business course with an amount exceeding the authority of the Executive Board.
12. To propose to shareholders an increase or a decrease of capital, a change of share value: modification of memorandum, articles of association and /or objectives of the company.
13. To approve incorporation, merger or dissolution of subsidiaries.
14. To authorize to management, managerial employees of the company, or any other individual to act on their behalf.
15. To invite member of the management, executives, or relevant employees to provide explanations, opinions or documents as necessary.
16. To consult with specialist or company consultants (if any) or hire third-party consultant or outside specialist if necessary at the expense of the company.
17. To appoint and remove a company secretary.

#### **Duty and responsibility scope of the Board of Directors**

1. To establish directions, goals and business policies of the company.
2. To approve plans and annual budgets; including to supervise the performance of the management in order to ensure effectiveness and compliance with the laws and established policies and plans.
3. To encourage the development of the policy of corporate governance, ethics and business code of ethics in written in order for company directors, executives and employees to use as guideline in the conduct of the business and follow up its real practice.
4. To arrange for a sufficient internal control system in order to ensure that transactions are approved by authorized individuals, examined and prepared accurate accounting reports; and, to implement various systems preventing inappropriate use of company assets.
5. Transactions with possible conflict of interests must be carefully reviewed, with a definite guideline to ensure the interests of the company and the shareholders. Individuals with interests may not be involved in the decision-making process. They must observe the requirements on the proper procedure and disclosure of transactions with possible conflict of interests.
6. To approve the reviewed and/or audited financial reports, which have been approved by the Audit Committee.
7. To be equally responsible to all shareholders, and, to correctly, basely and transparently disclose information to shareholders and investors.
8. To acknowledge business management reports from the Executive Board.

9. To convene shareholders meeting by specified date, time, place and agenda as well as dividends (if any) and to provide shareholders with opinions of the Board of Directors on the matters proposed to the shareholders. During the twenty-one days prior to each shareholder meeting, the company may stop share transfer registration by informing the shareholders at the headquarters and the branch offices at least fourteen days prior to the day of share transfer registration suspension. Alternatively, a record date (RD) may be determined no longer than two months prior to the day of any shareholders meeting, to determine the right to attend shareholders meeting and to receive dividends.
10. To prepare the Report on the company Board of Directors' Responsibilities for Financial Statements and disclose it in the annual report of the company (56-2 Form) and the annual disclosure report (56-1 Form).
11. To follow up on documents to be submitted to relevant regulatory agencies, in order to ensure that the statements or the items are correct as per the data appearing in the account books, the registration or any other document of the company.
12. To approve the charter of the Board of Directors and/or other committees.
13. To Review, revise and amend the Charter of the Board of Directors at least once a year.
14. To engage in any other action, which is beyond the authority of the Executive Board, or which the Board of Directors deems appropriate.

#### **Term for company directors**

The term for company directors is in accordance with company articles of association and Charter for The Board of Directors as follows:

1. At each annual shareholders' general meeting, one- third of the sitting directors are required to retire from directors, whereas if the number of directors cannot be divided into 3 equal portions, the closet to such number shall apply. Retiring directors are eligible for re-election. At present, The Board of Directors had 15 members, therefore each director shall have a 3-year term.
2. Apart from retiring upon term completion, the company director shall also relieved of his/ her position upon resignation or death or having disqualifications as prohibited by laws or the resolution adopted by the shareholders' meeting to remove that person from the position, or court ruling remove that person from the position.
3. In the case where the position of Board member is left vacant due to reasons other than term completion, with such remaining term not less than 2 months, The Board of Directors are required to appoint other persons having full qualifications to succeed in that position. In such case, the newly-appointed Board member may only serve out the term remaining for the person he/she succeeds.
4. The company director resigning from the position before term completion is required to submit his/ her resignation letter to the company, with such resignation coming into effect on the date of said submission.
5. The shareholders' meeting may vote for any of director to be out before retiring upon term completion, by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the

right to vote and the total number of shares being not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.

In addition, The Board of Directors has clearly assigned the authority, duty and responsibility of the Chairman of the Board of Director and Managing Director as a guideline to serve as the Chairman and Managing Director. The details are as follows:

**Authority, duty, and responsibility scope of the Chairman**

1. Take responsibilities as the leader of the Board of Directors in monitoring and supervising the operations of the Board of Directors and various committee.
2. Preside at the Board of Directors' meeting. In case of tie, the Chairman adds an additional vote as a casting vote.
3. Summon the Board of Directors' meeting or may assign another person to act on own behalf
4. Preside at the shareholders' meeting and control the meeting to be In accordance with the company's regulations regarding the meeting. Conduct the meeting according to the agenda specified in the invitation to the meeting. Unless the meeting resolves to change the order of the agenda by votes of not less than two-thirds of the shareholders present at the meeting.
5. Promote constructive relations between executive directors and non-executive directors, and between the Board of Directors and the management.
6. Engage in other acts as assigned by the Board of Directors.

**Authority, duty, and responsibility scope of the Managing Director**

1. Manage company operations so as to well comply with the laws, objectives, company regulations, resolutions by the shareholders' meeting, resolutions by The Board of Directors, resolutions by The Executive Board, and other standard practices concerned.
2. Instruct or engage in necessary and appropriate acts, so as to achieve those purposes laid down in above item 1. Should the matter be deemed significant, the Managing Director is required to report said matter to The Board of Directors and/or The Executive Board.
3. Review and approve the recruitment, appointment, transfer, and dismissal of employees, granting approval to the promotion or disciplinary action against employees, as well as deciding on the remuneration and welfare benefits for employees. However, such action must not contradict with the authority and the decision by The Executive Board.
4. Set company regulations regarding work practice, which must not contradict with the policies, regulations, provisions, instructions, or resolutions, set forth by the shareholders' meeting, The Board of Directors' meeting, and/or The Executive Board's meeting.
5. Authorize and/or assign other persons to carry out specific assignment on own behalf.
6. Promote and encourage company operations to be carried out with morality, to well comply with the laws, ethics, and cultures, based on good governance principles.

7. The exercise of authority by the Managing Director shall not be permitted, if he/ she is deemed to have interests at stake, or have conflict of interests with the company.
8. In the exercise of authority by the Managing Director, should there arise any doubt or unclear aspect regarding such action, the matter shall be forwarded to The Board of Directors for consideration and conclusion.
9. Engage in other acts as assigned by The Board of Directors, and/or The Executive Board.

## 7.3 Information of Sub-Committee

### 7.3.1 Composition and Components of Sub-Committee

The Board of Directors appointed the committees comprising of competent and experienced members, to supervise over each particular aspect of company operations, to ensure careful and effective management and operations for the company. Those committees consisted of The Executive Board, The Audit Committee, The Nominating Committee, The Remuneration Committee, The Risk Management Committee, The Corporate Social Responsibility Committee and The Corporate Governance Committee.

The Board of Directors clearly laid down the authority and responsibility scope for each committee per the charter for said committee. The chairman of every other committee was responsible for supervising the operations in accordance with the policies of The Board of Directors and reported the operating results annually to the Board of Directors' meeting.

Furthermore, the directors and top management of the company have never been employees or partners of outside auditing companies that serviced the company in the past 2 years.

#### 1. The Audit Committee

The Board of Directors has approved the appointment of the Audit Committee with the qualifications specified under the conditions of security law and Stock Exchange of Thailand. Such the committee must consist of at least 3 independent directors and at least 1 director must be qualified in accounting and finance, and whose term in 1 year from May 2023 – May 2024. In 2023 the total amount of the Audit Committee was 4 persons.

#### Name list of the Audit Committee

	Name		Position
1	Mr.Amorn*	Asvanunt	Chairman of the Audit Committee / Independent Director
2	Mrs.Pradittha	Chongwattana	Director of the Audit Committee / Independent Director
3	Pol.Gen.Somchai	Prabhasabhakdi	Director of the Audit Committee / Independent Director
4	Assist.Porf.Dr.Pongchai	Athikomrattanakul	Director of the Audit Committee / Independent Director
	Mr.Jittipong	Somyapukdee	Secretary of the Audit Committee

Remark : \* Well knowledge and experienced in accounting & finance.

### **Authority of the Audit Committee**

1. Coordinate to facilitate common understanding to be in the same direction among the certified public accountant, The Board of Directors, and the internal auditors.
2. To invite the management, or company relevant employees to provide clarification and comment, to take part in meetings, and to submit documents deemed necessary. As well as having the authority to access corporate documents of all levels.
3. Authorized to carry out investigation on concerned persons relating to such matters lying within the authority and duty scope of The Audit Committee.
4. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

### **Duty and responsibility scope of the Audit Committee**

1. To review that the company has accurate and adequate financial reporting.
2. To review that the company has suitable and efficient internal control system and internal audit.
3. To review that the company comply with laws concerning securities and stock exchange, the Stock Exchange's regulations, and other laws related to the company's business.
4. To review the compliance of the anti-corruption policy.
5. To encourage the company to have an efficient risk management system and follow up on it.
6. To ensure the company has a management system with the Good Corporate Governance principles.
7. To approval and monitor the progress made in relation to the internal audit plan.
8. To consider independence of the internal audit including agreement of appointment, transfer and dismissal of the chief of the internal audit office or any other unit in change of internal audit.
9. To consider, select, nominate for approval for the persons with independence of performing the duties of external auditors for the Company including the proposed termination of auditor and propose the remuneration of such external auditors to the Board of Director and jointly attend the meeting with the external auditors, at least once a year, without the attendance of the Company's management.
10. Review connected transactions or transactions with possible conflict of interests, to ensure that they follow the laws, the regulations of The Stock Exchange of Thailand, and the Notification of The Capital Market Supervisory Board, and that they are justified and are of maximum benefits to the company.
11. To disclose the Audit Committee's Report in the Company's Annual Report, consist of at least the following information.
  - a. An opinion on the accuracy, completeness and reliability of the Company's Financial Report.
  - b. An opinion on the adequacy of the Company's Internal Control System.
  - c. An opinion on compliance with the laws concerning securities and stock exchange, the Stock Exchange of Thailand's regulations, or other laws relating to the company's business.
  - d. An opinion on the suitability of the Auditor.



- e. An opinion on transactions that may have conflicts of interests.
  - f. The number of the Audit Committee Meetings, and its attendance record of each committee member.
  - g. An opinion or overview comment that the Audit Committee perceived from its performance under the charter.
  - h. Other information that the shareholders and general investors should know under its scope of duties and responsibilities assigned by the Company's Board of Directors.
12. In carrying out the Audit Committee's duties, if it found or has any suspects that there are transactions or the following doings which may have a considerable impact on the company's financial status and performance; it should report them to the Board of Directors in order to correct them within a suitable time frame set by the Audit Committee.
- a. Transactions causing conflicts of interests.
  - b. Fraud or irregularity or have key mistakes in the internal control system.
  - c. Breach of laws concerning securities and stock exchange, regulations of the Stock Exchange of Thailand, and other laws related to the company's business.
- If the Company's Board of Directors or its executives failed to arrange to have them corrected within due course, any member of the Audit Committee may report such transactions or doings to the Securities and Exchange Commission or the Stock Exchange of Thailand.
13. To review, improve and amend the Charter of the Audit Committee and present it to the Company's Board of Directors for approval.
14. To perform any other matters as assigned by the Company's Board of Directors with the Audit Committee's agreement under the Company Regulations and laws.

In carrying out the mentioned above duties, the Audit Committee is directly responsible to the Board of Directors, who in turn is responsible to the shareholders and general investors.

The Audit Committee regularly held its meeting by quarterly basis, whereby the meeting dates had been designated in advance throughout the entire year. The Audit Committee regularly reported its findings to the meeting of The Board of Directors, and also attended joint meetings with the company's auditor and the Chief Financial Officer each quarter, to review the company's quarterly financial statements. In addition, The Audit Committee annually had joint meetings with the auditors and the head of Internal Audit, without the management in attendance.

## 2. The Nominating Committee

The Board of Directors appointed 5 company directors to serve as members of The Nominating Committee, by the Chairman of the Nominating Committee is a non-executive director. The term of the Nominating Committee is 1 year from May 2023 – May 2024.

### Name list of the Nominating Committee

	Name		Position
1	Mr.Boonkiet	Chokwatana	Chairman of the Nominating Committee
2	Mr.Thirasak	Vikitset	Director of the Nominating Committee
3	Dr.Atthakorn	GlanKwamdee	Director of the Nominating Committee
4	Mrs.Kaewta	Ongsaranakom	Director of the Nominating Committee
5	Mrs.Chitraporn	Vikitset	Director of the Nominating Committee

### Authority of the Nominating Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

### Duty and responsibility scope of the Nominating Committee

1. Set the criteria and method in selecting the persons to be nominated as directors.
2. Review the background and relevant information of the persons to be nominated as directors, by considering their knowledge, experiences, and expertise from various professions, so as to secure qualified persons according to the selection criteria, company regulations, and related laws.
3. Select the persons to be nominated as company directors, for The Board of Directors to consider and approve. However, in the case of the directors retiring upon term completion, such nomination needs to be submitted to the shareholders' meeting for approval.
4. Prepare comment and suggestion to serve as references for The Board of Directors' consideration.
5. Review and revise the charter for The Nominating Committee, to be proposed to The Board of Directors for consideration and approval.
6. Engage in other acts as assigned by The Board of Directors.

During 2023, The Nominating Committee held its meeting 2 times, and subsequently reported the results to The Board of Directors, whereby the meeting dates had been decided in advance throughout the entire year.

### 3. The Remuneration Committee

The Board of Directors appointed 4 company directors to serve as members of The Remuneration Committee, by the non-executive director, 2 persons are member, which including the Chairman of the Remuneration Committee. Its term is 1 year from May 2023 – May 2024.

#### Name list of the Remuneration Committee

	Name		Position
1	Mr.Boonkiet	Chokwatana	Chairman of the Remuneration Committee
2	Mr.Thirasak	Vikitset	Director of the Remuneration Committee
3	Mrs.Kaewta	Ongsaranakom	Director of the Remuneration Committee
4	Mrs.Pismai	Chandrubeksa	Director of the Remuneration Committee / Independent Director

#### Authority of the Remuneration Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

#### Duty and responsibility scope of the Remuneration Committee

1. Review the remuneration criteria for The Board of Directors, and if deemed necessary, propose the suggestion or revision to existing criteria, in order to make them more suitable.
2. Review the remuneration budget earmarked for The Board of Directors, by taking into account the company's performances, the remuneration budget approved by the shareholders' meeting, and the actual remuneration amount for the previous year, for further presentation to The Board of Directors for consideration, and for final approval by the shareholders' meeting.
3. Review the remuneration budget for The Board of Directors, by taking into account their duty and responsibility scope and related performances, based on the remuneration budget approved by the shareholders' meeting.
4. Review the remuneration budget for the Remuneration Committee members (who do not serve as company directors), by taking into account their duty and responsibility scope, and related performances.
5. Review and revise the charter for The Remuneration Committee, to be proposed to The Board of Directors for consideration and approval.
6. Engage in other acts as assigned by The Board of Directors.

During 2023, The Remuneration Committee held its meeting 2 times, and subsequently reported the results to the Board of Directors, whereby the meeting dates had been designated in advance throughout the entire year.

#### 4. The Risk Management Committee

The Board of Directors appointed 7 members to serve as members of The Risk Management Committee, by the non-executive officer 4 persons, which including the Chairman of the Risk Management Committee and executive officer, 3 persons. The term of the Risk Management Committee is 1 year from May 2023 – May 2024.

##### Name list of the Risk Management Committee

	Name		Position
1	Assist.Prof.Dr.Pongchai	Athikomrattanakul	Chairman of the Risk Management Committee / Independent Director
2	Mrs.Pornthip	Putipat	Director of the Risk Management Committee
3	Mrs.Thongsuk	Upathambhakul	Director of the Risk Management Committee
4	Mr.Praj	Srichandra	Director of the Risk Management Committee
5	Mrs.Daranee	Ajjaneeyakul	Director of the Risk Management Committee
6	Ms.Waraluck	Punpairoj	Director of the Risk Management Committee
7	Mrs.Jariya	Thamvachiraporn	Director of the Risk Management Committee
	Mrs.Jariya	Thamvachiraporn	Secretary of the Risk Management Committee

##### Authority of the Risk Management Committee

1. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.
2. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
3. To set-up a working committee, to monitor and evaluate risk management activities throughout the overall organization.

##### Duty and responsibility scope of the Risk Management Committee

1. To determine policies, targets and plans of corporate risk management systems clearly and consistently and keeping close communication with the Audit Committee.
2. To encourage and stimulate at all levels cooperation in company risk management.
3. To supervise corporate risk management appropriately and effectively.
4. To develop corporate risk management systems with efficiency and consistency.
5. Supervise the compilation of The Report by The Risk Management Committee, for disclosure in the annual report compilation by the company, whereby the Chairman of The Risk Management Committee is duly required to affix his signature in verification of said report.
6. To review, revise and amend the charter for The Risk Management Committee, and submit to The Board of Directors for approval.
7. Other duties as assigned by the Board of Directors.

During 2023, The Risk Management Committee held total 6 meetings, and subsequently reported the results to the meeting of the Board of Directors, whereby the meeting dates had been designated in advance throughout the entire year.

#### 5. The Corporate Social Responsibility Committee

The Board of Directors appointed 7 members to serve as members of The Corporate Social Responsibility Committee, by company directors and executives with the knowledge and experience. Its term is 1 year from May 2023 – May 2024.

##### Name list of the Corporate Social Responsibility Committee

	Name		Position
1	Prof.Dr.Malyn	Ungsurungsie	Chairman of the Corporate Social Responsibility Committee
2	Admiral Apichart	Pengsritong	Director of the Corporate Social Responsibility Committee / Independent Director
3	Mrs.Rujapa	Srisurang	Director of the Corporate Social Responsibility Committee
4	Mrs.Pranee	Petcharayutphan	Director of the Corporate Social Responsibility Committee
5	Ms.Natpichaya	Kitthamrongworakul	Director of the Corporate Social Responsibility Committee
6	Ms.Pornpanawan	Boonrom	Director of the Corporate Social Responsibility Committee
7	Ms.Usa	Kingsubmanee	Director of the Corporate Social Responsibility Committee
	Mrs.Rujapa	Srisurang	Secretary of the Corporate Social Responsibility Committee

##### Authority of the Corporate Social Responsibility Committee

1. To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
2. To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.

##### Duty and Responsibility scope of the Corporate Social Responsibility Committee

1. Set up policy and framework of activities for the Company's Corporate Social Responsibility.
2. Review and screen the activities and policies on social and environment responsibility in order to propose to the Board of Directors.
3. Review and approve strategies and activities of the company in order to achieve the objectives and policies on social and environment responsibility.
4. Review and screen annual plan and budget for activities on social and environment responsibility to propose to the Board of Directors.
5. Review and monitor the progress of activities on social and environment responsibility and assess their achievement in addition to quality of related projects.
6. Suggested corporate governance policies and business ethics including employee's ethics of the company.

- Other duties as assigned by the Board of Directors.

During 2023, The Corporate Social Responsibility Committee held total 4 meetings, and subsequently reported the results to the meeting of the Board of Directors, whereby the meeting dates had been designated in advance throughout the entire year.

## 6. The Corporate Governance Committee

The Board of Directors appointed 6 members, with independent directors serving as the Chairman and committee member, further joined by members representing The Executive Board, its term is 1 year, from May 2023 - May 2024.

### Name list of the Corporate Governance Committee

	Name		Position
1	Pol.Gen.Somchai	Prabhasabhakdi	Chairman of the Corporate Governance Committee / Independent Director
2	Mrs.Kaewta	Ongsaranakom	Director of the Corporate Governance Committee
3	Mrs.Patchara	Pongwichan	Director of the Corporate Governance Committee
4	Mr.Sumit	Khopaiboon	Director of the Corporate Governance Committee
5	Ms.Thatsruang	Saengwichian	Director of the Corporate Governance Committee
6	Mr.Jittipong	Somyapukdee	Director of the Corporate Governance Committee
	Mr.Sumit	Khopaiboon	Secretary of the Corporate Governance Committee

### Authority of the Corporate Governance Committee

- To invite the management or company relevant employees to provide explanations, opinions or documents as necessary.
- To consult with specialists or company consultants (if any), or hire outside consultants or specialists, if necessary, at the expense of the company.
- To set up the working group to process the corporate governance activities at all levels.

### Duty and responsibility scope of the Corporate Governance Committee

- Set up, review and revise the policy of corporate governance, the principles of Corporate Governance, Business Ethics, Code of Conduct for Company Directors, Executives and Employees and Policy against Corruption, regulations, work practices and announcements, rules and relevant laws consistency.
- Set up work practices according to the principles of Corporate Governance, Policy against Corruption, also monitor and evaluate them consistency.
- Promote and encourage company directors, executives and employees to practice according to the principles of Corporate Governance and Policy against Corruption.

4. Supervision and support of anti-corruption measures by risk management risk assessment of anti-corruption measures, including a review of corruption risk management measures to adequately report the Board of Directors at least 1 time per year.
5. To disclose the Corporate Governance Committee's Report in the Company's Annual Report.
6. To review, revise and amend the charter for The Corporate Governance Committee, to be proposed to The Board of Directors for consideration and approval.
7. Other duties as assigned by the Board of Directors.

During 2023, The Corporate Governance Committee held total 4 meetings, and subsequently reported the results to the meeting of the Board of Directors, whereby the meeting dates had been designated in advance throughout the entire year.

## 7. The Executive Board

The Board of Directors sets up the Executive Board to support its administration as assigned by the Board. The Executive Board comprises 12 persons with 1 year term, from May 2023 - May 2024.

### Name list of the Executive Board

	Name		Position
1	Mr.Thirasak	Vikitset	Chairman of the Executive Board / Managing Director
2	Mrs.Kaewta	Ongsaranakom	Director of the Executive Board
3	Porf.Dr.Malyn	Ungsusungsie	Director of the Executive Board
4	Mrs.Chitraporn	Vikitset	Director of the Executive Board
5	Mrs.Thongsuk	Upathambhakul	Director of the Executive Board
6	Mr.Praj	Srichandra	Director of the Executive Board
7	Mrs.Patchara	Pongwichan	Director of the Executive Board
8	Mrs.Daranee	Ajjaneeyakul	Director of the Executive Board
9	Ms.Kritsanarath	Rassameesuriyan	Director of the Executive Board
10	Mr.Sumit	Khopaiboon	Director of the Executive Board
11	Ms.Yarin	Arayatanitkul	Director of the Executive Board
12	Ms.Waraluck	Punpairoj	Director of the Executive Board
	Mrs.Patchara	Pongwichan	Secretary of the Executive Board

### Authority of the Executive Board

1. To appoint, remove, transfer, evaluate and determine compensation and welfare of employees of different levels.
2. To appoint and remove any other working committee to carry out actions necessary for the management of the company.

3. To issue regulations and announcement on performance of duties: to assign authority to members of the Executive Board and/or employees serving managerial posts: and, to execute authorization on company assets.
4. To approve loans to related companies as shareholders or the company as trading parties or other companies, provided that the amount does not exceed the limited amount 20 million baht per company.
5. To approve guarantee of loan to related companies as shareholders or the company as trading parties or other companies, provided that the amount does not exceed the limited amount 20 million baht per company.
6. To approve engagement in non-financial juristic actions provided that the amount does not exceed the limited amount 20 million baht per case.
7. To approve acceptance or cancellation of loans provided that the amount does not exceed the limited amount 20 million baht per case.
8. To approve investment, sale of investment capital in ordinary shares and/or any other securities, provided that the amount does not exceed the limited amount 20 million baht per case.
9. To approve sourcing and investment in fixed assets, provided that the amount does not exceed the limited amount 20 million baht per case.
10. To approve a payment for, disposal or transfer of fixed assets, provided that each transaction amount does not exceed 20 million baht.
11. To approve modification, destruction and disposal of fixed assets and intangible assets which are no longer in use, damaged, lost destroyed, deterioration and out of date, provided that the book value does not exceed the limited amount 20 million baht per case.
12. To approve modification, change of price and destruction of raw materials and/or remaining inventory which are deteriorated or out of date, provided that the book value does not exceed the limited amount 20 million baht per case.
13. To approve compromise or settlement of disputes by arbitration, complaint, filling of lawsuits and/or any legal proceeding on behalf of the company on matters which are not normal business course of the value not exceeding the specified amount. In such case of a normal business course, the amount must not exceed the limited amount 20 million baht.
14. To authorize executive of the company or other individuals to act on their behalf.
15. To invite members of the management or relevant employee to provide explanations, opinions or documents as necessary.
16. To consult with specialists or company consultant (if any) or hire third-party consultant or outside specialists if necessary at the expense of the company.
17. To stipulate any other regulations as deemed appropriate.



### Duty and responsibility scope of the Executive Board

1. Present the company's objectives, policy, plan, and annual budget to The Board of Directors.
2. Managing company's operations in order to comply with the direction, target, and business policy of the company.
3. Promote the competitiveness of the company, while encouraging consistent innovation development activities.
4. Supervise company operations to comply with the laws, objectives, company regulations, resolutions by the shareholders' meeting, resolutions by The Board of Directors, as well as other standard practices concerned.
5. The Executive Board members may allocate work responsibilities among themselves, whereby they are required to report the progress of own responsible work to The Executive Board.
6. Supervise the compilation of financial statements, for review and/ or verification by the certified public accountant, prior to submitting to The Audit Committee, and The Board of Directors, for endorsement respectively.
7. Review the matters to be submitted to The Board of Directors for further acknowledgment or approval.
8. To disclose the Executive Board's Report in the Company's Annual Report.
9. To review, revise and amend the charter for The Executive Board, to be submitted to The Board of Directors for further approval.
10. Engage in other acts as assigned by The Board of Directors.

In 2023, the Executive Board consists of 4 Executive Directors leading by the Managing Director for the execution of management planning to comply with the policies of the Board of Directors. The Executive Directors also participated in stipulating business goal together with the Board of Directors.

## 7.4 The Executive's Information

### 7.4.1 The Executives

At present, there were 13 company's executive members in accordance with the definition of the executive set by The Securities and Exchange Commission. The executive were authorized by the company to carry out duties in accordance with the company's policies.

#### Name list of the Executives as of December 31, 2023

	Name	Position
1.	Mr.Thirasak Vikitset	Managing Director / Director which is Executive
2.	Dr.Atthakorn Glankwamdee	Deputy Managing Director / Director which is Executive
3.	Mrs.Kaewta Ongsaranakom	Director / Director which is Executive
4.	Prof.Dr.Malyn Ungsurungsie	Director / Director which is Executive
5.	Mrs.Chitraporn Vikitset	Director / Director which is Executive
6.	Mr.Bo Nystrup Nielsen	Strategy and Coporate Development Division Manager

Name	Position
7. Mr.Simon Rhoderick Knight	Overseas Business Division Manager
8. Mrs.Thongsuk Upathambhakul	Domestic Business Division Manager
9. Mr.Praj Srichandra	Factory Division Manager
10. Mr.Varith Tritrapun	Office Division Assistant Manager (Accounting & Finance)
11. Mrs.Patchara Pongwichan	Human Resource Division Assistant Manager
12. Mrs.Daranee Ajaneeyakul	Technical Division Assistant Manager
13. Dr.Arucha Budsakornbhinanda	Digital and Technology Division Assistant Manager

#### Executives' personal information

The details of executives' personal information were display per Attachment 1 "Information of Directors, Executives, Chief Financial Officer, Chief Accountant, and Company Secretary".

#### 7.4.2 Remuneration policy for executive directors and executives

The Board of Directors oversees and determines the payment of appropriate remuneration to executive directors and executives pursuant to the powers, duties and responsibilities and draws comparison to the operation levels in the same business sector.

The Remuneration Committee is responsible for considering reasonable amount of remuneration of directors. Criteria for consideration are based on the experiences, duties, scope of work, roles, participation, and responsibilities of each individual director and executive. The amount shall be proposed to the Board of Directors for approval.

The Managing Director and Chairman of the Executive Board remuneration is in accordance with the criteria and policy set by the Remuneration Committee based on performance and the Managing Director and Chairman of the Executive Board evaluation.

#### 7.4.3 Remuneration for Executive

(a) **Cash remuneration** Referred to the remuneration for the 5 executive directors who were non-executive offices and 8 company's executive offices in accordance with the definition of the executive set by The Securities and Exchange Commission, altogether totaling 13 persons. The remuneration details were classified into salary, bonus, allowance, and meeting allowance accorded their status as company employees.

##### Remuneration details for Executives

Remuneration	2023		2022	
	Number of persons	Amount (baht)	Number of persons	Amount (baht)
Salary and bonus	13	85,638,436	13	79,822,075
Meeting fee	13	664,000	13	578,000
<b>Total</b>		<b>86,302,436</b>		<b>80,400,075</b>

(b) Other remuneration

The Company has established a provident fund to executive by subscribing to be provident fund membership. The company has contributed at rate of 3 percent of salary.

Other remuneration details for Executives

Other remuneration	2023		2022	
	Number of persons	Amount (baht)	Number of persons	Amount (baht)
Provident fund contribution	13	317,574	13	300,600
<b>Total</b>		<b>317,574</b>		<b>300,600</b>

(c) The Employee Stock Option Program (ESOP) -None-

## 7.5 Employees

### Number of employees and remuneration

As of 31 December 2023, the Company has 1,818 employees and made payments of 885,697,342 Baht in annual salary, commission, including short and long term remuneration in the form of retirement bonus and Provident Fund payout.

Employee	Number of employees (persons)		Total (Persons)	Remuneration (Baht)		Total (Baht)
	Male	Female		Male	Female	
Bangkok office	80	407	487	112,423,396	311,313,707	423,737,103
Factory	423	908	1,331	177,653,473	284,306,766	461,960,236
<b>Total</b>	<b>503</b>	<b>1,315</b>	<b>1,818</b>	<b>290,076,869</b>	<b>595,620,470</b>	<b>885,697,342</b>

- Significant change of number of employees in the past 3 years - None-
- Significant labor dispute in the past 3 years - None-

### Provident fund

Company has established a provident fund for employee welfare and promoting saving including motivating employees to work with the Company for long term. Employees who have joined the provident fund receive a monthly contribution to the fund in the amount of 3 percent of wages. Members of the fund have also contribute to the fund at the same rate. Upon the expiration of membership, the member shall receive the contributions as well as a share of net benefits pursuant to the conditions of the fund.

Number of employees participating in the provident fund (PVD)

Company	PVD Yes/No	No. of Employees who joined PVD (Persons)	% of Total Employees
S & J International Enterprises Pcl.	Yes	1,097	60.34%

Remark : Further details can be found in the “2023 Sustainable Development Report” on “Good people”.

## 7.6 Other Important Information

### 7.6.1 Information of the Company Secretary, Head of Internal Audit, and Chief Accountant

#### Company Secretary

Mr.Sumit Khopaiboon, Accounting and Finance Section Manager, who acts as the Company Secretary, has appointed by the Board of Directors since 24 February 2016, having the duties and responsibilities as specified in The Company Directors, Securities and Exchange Act (No.4) B.E.2008, together with other duties assigned by the Board of Director. The detail of the Company Secretary is shown in Attachment 1.

#### Head of Internal Audit

Mr.Jittipong Somyapukdee, Internal Audit Section Manager – Internal acts as the Secretary of the Audit Committee, and Head of Internal Audit. The detail of Head of Internal Audit is shown in Attachment 3.

#### Chief Accountant

Mr.Sumit Khopaiboon, Accounting and Finance Section Manager with the qualifications specified by Department of Business Development, had been appointed as the person supervising accounting of the Company and responsible for bookkeeping according to accounting standards and financial reporting standards; and attends Continuing Professional Development Program in compliance with the criteria, method, and timeline according to the laws. The detail of the Chief Accountant is shown in Attachment 1

### 7.6.2 Investor Relations Contact Information

The Company set up Company Secretary and Investor Relation Department, to serve as the center in communicating and distributing significant information useful to the investors and other parties concerned. Interested person could view the Company’s latest developments via the Company’ website, under the heading “Investor Relations”, and the news system of the Stock Exchange of Thailand. Investors and related persons may contact Company Secretary and Investor Relation Department represented by:

Mr.Varith Tritrapun

Investor Relation

Tel. (662) 676-2727 ext. 2508

E-mail : [sji\\_sec@snjinter.com](mailto:sji_sec@snjinter.com)

### 7.6.3 Auditor's remuneration

In 2023, the shareholders approved the appointment of EY Office Limited, as the external auditor of the company with independent and reliable and did not have any relations and/or interests with the company, its subsidiaries, directors, executives, major shareholders or related parties.

#### 1. Audit fee

The Company and its subsidiaries paid audit fees, according to the details as follows:

Unit : baht		
Audit remuneration	2023	2022
S & J International Enterprises Pcl.	1,870,000	1,810,000
3 Subsidiary companies	1,050,000	995,000
Other service for viewing the work of other auditors	90,000	90,000
<b>Total</b>	<b>3,010,000</b>	<b>2,895,000</b>

**Remark** \* Audit fee was reduced due to Subsidiaries decreased by 1 company from 5 companies

#### 2. Non-audit fee

The Company and subsidiary companies paid for other services as following:

Unit : baht		
Non-audit fee	2023	2022
Observation on destruction of goods	120,000	120,000
<b>Total</b>	<b>120,000</b>	<b>120,000</b>

## 8. Corporate Governance Report

### 8.1 Summary of the Performance of the Committees for Last Year

The Board of Directors has an important role in determining the Company's key policies and, together with the Executive Board and other senior Executives/Managers, in defining the Company's values, corporate culture, vision and mission, corporate objectives, financial policy, risk management policy, strategy, operating business plans, and annual budgets. They also oversee the operations activities so as to ensure that the defined strategies and annual business plans correspond to the established core corporate objectives and goals; whereby in determining the strategies and annual business plans, a full analysis of the operating business environment, the challenges and opportunities that may impact the Company's business operations have been undertaken, increase competitive advantage, supervision of the adequacy of the internal control system, so that the outcome will be a well-defined set of strategic objectives and core operating corporate objectives, the Board of Directors has carried out the important matters as follows:

- **Vision and mission**

The Board of Directors has set the vision and mission of the company, with yearly revision, in which in 2023, The Board of Directors' meeting no. 3/2023 on December 21, 2023 considered and reviewed that vision was still appropriate with current business engagement. Moreover, the Board of Directors also approved strategy, target, and annual plan of the company proposed by the management. In addition, they were required to ensure that there were adequate mechanisms in supervising, monitoring the implementation of the company's strategies. The Board of Directors required the management to report the results of the operation according to the strategy set twice a year in July and December of each year in addition to the report of operation, performance and other issues to the Board of Directors' Meeting acknowledged on a quarterly basis and evaluating performances of the management, so as to meet the targets contributing to further value to the company, with concern to the interests of all stakeholders concerned.

- **Supervision over internal control and audit systems**

The Board of Directors has placed much emphasis on the internal control systems, company operation, and corporate supervision, by assigning "The Internal Audit Section" to supervise over the audit, review, and monitoring of those operations results. Furthermore, The Internal Audit Office has also provided recommendations to ensure independent and effective practices according to those guidelines with independent and balanced manner.

Accordingly, the Board of Directors has instructed the Internal Audit Section to usually direct report to the Audit Committee, which the Audit Committee be able to review and ensure sufficient internal control system and the results of the assessment of the sufficiency of the internal control system for the year 2023 have been reported as being appropriate and adequate to the Board of Directors.

- **Risk management**

The Board of Directors has placed emphasis on risk management affecting the organization's goals by having risk management process in a systematic and in compliance with the company's policies.

The Board of Directors has appointed the Risk Management Committee to supervise the risk management to be effective and meet the standard with risk assessment and monitoring risk management plan, as well as reporting to the Board of Directors on twice a year in August and December . In addition, the Board of Directors' meeting no.1/2023 on February 23, 2023 reviewed and revised the risk management policy to be appropriate with the current situation.

### 8.1.1 Nomination, development, assessment of the performance of the Board of Directors

#### 1. Nomination of Directors and Chief Executive Officer

##### Nomination of Directors

The Board of Directors has conducted the nomination of directors transparently in accordance with the good corporate governance code so that the structure of the Board of Directors consists of directors with diverse qualifications and is in line with the strategic direction of the company's business, including the qualifications as specified in the Charter of the Board of Directors.

At present, The Board of Directors consists of 15 directors. In the 2023 general meeting of shareholders no. 44, there were 5 directors who retired upon term completion, namely:

1. Mr.Thirasak Vikitset
2. Mrs.Teerada Ambhanwong
3. Mr.Suthep Dansiriviroj
4. Mr. Amorn Asvanunt
5. Mrs.Pradittha Chongwattana

The Board of Directors, excluding those directors with possible conflict of interests, considered the composition of The Board of Directors according to the Board Skill Matrix to determine the necessary qualifications for the nomination of directors. After that, The Board of Directors considered and screened the qualifications of those persons being nominated as directors on an individual basis according to the criteria and process for the selection of directors such as board diversity. The nominated candidates for the director position were qualified and aligned with the company's business strategy. They possessed knowledge, skills, and experience that would be beneficial to the organization. Accordingly, The Board of Directors resolved to endorse the proposal by The Nominating Committee, to nominate the 5 retiring directors to the shareholders' general meeting, for re-election to serve another term as directors.

The company disclosed details about the criteria and process for the selection of directors and independent directors, chief executive officer, and the management under the heading 6. 1. 1 " Policy and Guidelines for the Board of Directors".

## Nomination of Chief Executive Officer

The Nominating Committee shall consider and nominate the Chief Executive Director to propose to The Board of Directors' meeting for consideration of appointment. See details about the nomination method for the person to be appointed the Chief Executive Officer under the heading 6.1.1 "Policy and Guidelines for The Board of Directors".

### 2. Development for the Directors and the Management

The Board of Directors has set up a policy to promote and support those training activities seeking to promote further knowledge for the directors, managers, and all parties concerned on a consistent basis. So, as to gain better effective skills and understanding regarding their duty assignments. These activities included the programs organized by Thai Institute of Directors Association (IOD) and other agencies concerned (See the details under the heading "Board of Directors Information"), as well as the meeting to exchange opinions with The Board of Directors and the managers of other organizations, in order to apply the knowledge and experience gained to develop the Company.

The Board of Directors participated in training programs organized by Association of Thai Institute of Directors (IOD)

Name	DAP	DCP	RCC	RMP	RCP	ACP
1. Mr.Boonkiet Chokwatana	3/2003	41/2004	-	-	-	-
2. Mrs.Tipaporn Chokwatana	3/2003	68/2005	-	-	-	-
3. Mr.Thirasak Vikitset	3/2003	68/2005	-	-	-	-
4. Dr.Atthakorn Glankwamdee	3/2003	68/2005	-	-	-	-
5. Mrs.Kaewta Ongsaranakom	-	27/2003	10/2010	-	-	-
6. Prof.Dr.Malyn Ungsurungsie	17/2004	-	-	-	-	-
7. Mrs.Chitraporn Vikitset	66/2007	-	-	-	-	-
8. Mrs.Teerada Ambhanwong	3/2003	51/2004	-	-	-	-
9. Mr.Suthep Dansiriviroj	32/2005	60/2005	-	5/2014	-	-
10. Admiral Apichart Pengsritong	82/2010	-	-	-	-	-
11. Mrs.Pismai Chandrubeksa	82/2010	-	-	-	-	-
12. Mr.Amorn Asvanunt	4/2003	-	-	-	-	-
13. Mrs.Pradittha Chongwattana	-	5/2001	-	-	-	-
14. Pol.Gen.Somchai Prabhasabhakdi	25/2004	51/2004	-	-	12/2005	2/2004
15. Assist.Prof.Dr.Pongchai Athikomrattanakul	162/2019	283/2019	-	-	-	-

The Company directors and managers paid much attention to attend training courses or seminars designed to promote their management abilities.



## Training and seminar attended by the Board of Directors and Management in 2023

Name		Training Course/Seminar
Mr.Boonkiet	Chokwatana	- Understanding Corporate Sustainability
Mrs.Tipaporn	Chokwatana	- Understanding Corporate Sustainability
Mr.Thirasak	Vikitset	- High Impact Collaborative Leadership Continuous Development Program - Management with KPIs Program
Mrs.Kaewta	Ongsaranakom	- High Impact Collaborative Leadership Continuous Development Program - Management with KPIs Program - Understanding Corporate Sustainability
Prof.Dr.Malyn	Ungsurungsie	- Understanding Corporate Sustainability
Mrs.Chitraporn	Vikitset	- High Impact Collaborative Leadership Continuous Development Program - Management with KPIs Program
Mrs.Pismai	Chandrubeksa	- Understanding Corporate Sustainability
Mr.Suthep	Dansiriviroj	- Understanding Corporate Sustainability
Assist.Prof.Dr.Pongchai	Athikomrattanakul	- Understanding Corporate Sustainability
Mrs.Thongsuk	Upathambhakul	- High Impact Collaborative Leadership Continuous Development Program - Management with KPIs Program
Mr.Praj	Srichandra	- High Impact Collaborative Leadership Continuous Development Program - Management with KPIs Program - cGMP :Introduction of Standard 21 CFR part 211 for OTC products - RSPO Rules on Market Communications and Claims 2022 - The Good Corporate Governance, The Business Ethics, and Anti Corruption Course. - Thai Labour Standard (TLS.8001) and The Business Ethics.
Mr.Varith	Tritrapun	- CFO Refresher Course 2023 “Preparing to deal with financial, investment, and accounting issues that affect listed companies.” - CFO & Tax Forum “Leading through Change”
Mrs.Patchara	Pongwichan	- High Impact Collaborative Leadership Continuous Development Program - Management with KPIs Program - Core Value in Action
Mrs.Daranee	Ajjaneeyakul	- High Impact Collaborative Leadership Continuous Development Program - Management with KPIs Program
Mr.Arucha	Budsakombhinanda	- High Impact Collaborative Leadership Continuous Development Program - Management with KPIs Program - Blockchain Expo 2023

### 3. Assessment of the performance of the Board of Directors

The assessment of the Board of Directors performance for the year 2023 has been carry out, in which the assessment was set to conduct yearly. Each of the directors will be given opportunity to assess the performance both individuals and the board as a whole to review performance results, problems, and obstacles faced during the past year, in order to contribute to better effective performances by The Board of Directors.

The percentage score criteria was set as follows

Criteria	Score
Excellent	Over 80 percent
Good	70 – 79 percent
Fair	60 – 69 percent
Improve	Less than 60 percent

- **Yearly Performance Assessment of the Board of Directors**

The Board of Directors carried out the Board's performance assessment, which divided in to 3 aspects as follow:

1. Structure and qualifications of the Board of Directors
2. Board of Directors' Meeting
3. Role, Duty, and Responsibility of the Board of Directors

- **Yearly Performance Assessment of the Individual Director**

The Board of Directors carried out the individuals' performance assessment, which divided in to 3 aspects as follow:

1. Role, Duty, and Responsibility of directors
2. Duties of directors
3. Self-development of directors

#### **Procedure and Assessment Results**

The Company Secretary sent out the Board's performance assessment forms and individual's performance assessment form to all directors, through electronic system. Every director was independent in taking such evaluation. The company secretary summarizes the results and report to the Board of Directors at the Board of Directors' meeting. The Company Secretary once completed to be collected, summarized, and reported to The Board of Directors at The Board of Directors' meeting annually.

Performance Assessment of the Board of Directors	% average score	Criteria
The Board of Directors	92	Excellent
The Individual Director	90	Excellent

The Company will use these assessment results to improve the efficiency of The Board of Directors' performance, for the utmost benefit in corporate governance.

- **Yearly Performance Assessment of the Sub-Committees**

The Board of Directors has set the annual assessment of performance of every sub- committees. The performance assessment was divided into 3 aspects as follows:

1. Structure and qualifications of the Sub-Committees
2. Sub-Committees' Meeting
3. Role, Duty, and Responsibility of the Sub-Committees

**Procedure and Assessment Results**

The Company Secretary and/or Secretary of the sub-committees sent out evaluation forms , through electronic system to each sub-committee to assess their overall performance in the sub-committees where he or she holds a position. Every director was independent in taking such evaluation. The company secretary summarizes the results sent to Secretary of the sub-committees and report to each the sub-committees for acknowledgment in the meetings of the sub-committees in which they hold positions and report to The Board of Directors' meetings annually. The Company will use the evaluation results to enhance the performance of the sub-committees for the utmost benefit of the organization.

In 2023, the assessment results of the Sub-Committees, are as follows:

Performance Assessment of the Sub-Committee	% average score	Criteria
The Corporate Social Responsibility Committee	98	Excellent
The Corporate Governance Committee	96	Excellent
The Executive Board	92	Excellent
The Audit Committee	91	Excellent
The Risk Management Committee	87	Excellent
The Remuneration Committee	86	Excellent
The Nominating Committee	85	Excellent

- **Yearly Performance Assessment of Managing Director**

The Board of Directors and the Executive Board, excluding Managing Director and Chairman of Executive Board are evaluate annually performance of Managing Director in order to determine the remuneration, by using assessment form of Managing Director that divided into 4 aspects as follows:

1. Leadership
2. Strategy determination and strategy implementation
3. Financial planning and performance
4. Relationship with the Board of Directors, company personnel and stakeholders

## Procedure and Assessment Results

The Company Secretary sent out the Managing Director's performance assessment form to the Board of Directors and Executive Board through electronic system excluding interested directors. Then, the Company Secretary shall summarize and report to the Board of Directors and the Remuneration Committee to acknowledge the said evaluation which the result of evaluation was in the "Excellent" criteria.

### 8.1.2 Meeting Attendance and Remuneration of The Board of Directors

#### 1. The Board of Directors' Meeting

The Board of Directors must attend meetings regularly to acknowledge and make decision on the Company's business operations which requires the meeting to be held at least once in a quarter by pre-scheduling the meeting annually and having a clear agenda and notify each director to allocate time to attend the meeting and there may be additional special meetings to consider urgent matters.

All directors considered as their duties to attend the meeting each time, unless unable to do so due to significant obligation or illness. During the meeting, The Chairman allowed the directors to present opinions and comments independently, while those directors having conflict of interests would not be allowed to attend or cast votes at such meetings. The Company Secretary recorded the meeting minutes and then classified those minutes in a systematic manner, to facilitate easy references.

The Board of Directors has supported the joint meeting between the Board of Directors and the Executive Directors at least twice a year, to deliver yearly strategic targets and operation plans of the company, as well as to build good relationships between directors and executives. During 2023, the joint meeting between the Board of Directors and the Executive Directors held 2 meetings. In addition, Chief Financial Officer has joined the Board of Directors' meeting at all times.

The Board of Directors has laid down a policy that non-executive directors arrange their own meeting, without executive directors or the management of the company, at least once a year so that non-executive directors can consider and discuss various issues about management or interested issues. The results of the meeting were informed to the Managing Directors.

During 2023, The Board of Directors convened total 6 meetings, whereby the meeting dates had been earlier decided throughout the entire year. The Board of Directors' meeting schedule of the year 2023 was informed to each director for acknowledgement in advance every year within December. In addition, non executive directors held 1 meeting on December 21, 2023, without the management in attendance, to discuss business-related issues of the company. The result of the meeting was reported to Chairman of Executive Board and Managing Director for acknowledgment.

## Meeting Attendance of The Board of Directors for Year 2023

Name of directors	Position	Attendance of The Board of Directors Meetings			Meeting Attendance Proportion (%)	Attendance of the General Shareholders' Meeting (time)	
		Total (times)	In Person (times)	By electronics means (times)			
1. Mr.Boonkiet	Chokwatana	Chairman	6/6	3/6	3/6	100	1/1
2. Mrs.Tipaporn	Chokwatana	Vice Chairman	6/6	1/6	5/6	100	1/1
3. Mr.Thirasak	Vikitset	Managing Director	6/6	3/6	3/6	100	1/1
4. Dr.Atthakorn	Glankwamdee	Deputy Managing Director	6/6	3/6	3/6	100	1/1
5. Mrs.Kaewta	Ongsaranakom	Director	6/6	3/6	3/6	100	1/1
6. Prof.Dr.Malyn	Ungsurungsie	Director	6/6	2/6	4/6	100	1/1
7. Mrs.Chitraporn	Vikitset	Director	6/6	3/6	3/6	100	1/1
8. Mrs.Teerada	Ambhanwong	Director	6/6	1/6	5/6	100	1/1
9. Mr.Suthep	Dansiriviroj	Director	6/6	3/6	3/6	100	1/1
10. Admiral Apichart	Pengsritong	Independent Director	6/6	3/6	3/6	100	1/1
11. Mrs.Pismai	Chandrubeksa	Independent Director	6/6	3/6	3/6	100	1/1
12. Mr.Amorn	Asvanunt	Independent Director	5/6*	3/6	2/6	83	1/1
13. Mrs.Pradiitha	Chongwattana	Independent Director	4/6**	2/6	2/6	67	1/1
14. Pol.Gen.Somchai	Prabhasabhakdi	Independent Director	5/6*	3/6	2/6	83	1/1
15. Assist.Prof.Dr.Pongchai	Athikomrattanukul	Independent Director	6/6	3/6	3/6	100	1/1

Remark : \* leave of absence

\*\* sick leave

## 2. Remuneration for the Directors

### (A) Remuneration amount

The shareholders' meeting approved annual remuneration budget for company directors for total amount not exceeding 20 million baht per year as the prior year, until further changes. The disbursement of said remuneration budget required the consideration by the Remuneration Committee, and the approval of the Board of Directors, with such disbursement not exceeding the budget amount earlier approved by the shareholders' meeting and compared with other group of companies in the same level. This is not inclusive of remuneration or welfare to which the directors are entitled to in the capacity as a staff member or and employee of the company.

- Annual Remuneration is paid to all directors. The Remuneration Committee will allocate the remuneration on basis of principle, operational results and propose to the Board of Directors.
- Meeting fee, is paid to attending directors only. In case of there is a meeting more than 1 times in each month, it accounts to receive the meeting fee not exceeding 1 time.
- Remuneration of other sub-committees which organized by the Board will be in the consideration of the Remuneration Committee by considering in accordance with appropriateness, and to be in line with duties and responsibilities.

Details of meeting allowance payments were as follows:

	2023 (Baht/time)		2022 (Baht/time)	
	Chairman	Director	Chairman	Director
The Board of Director				
The Audit Committee	12,000	10,000	12,000	10,000
The Nominating Committee				
The Remuneration Committee				
The Risk Management Committee	10,000	9,000	10,000	9,000
The Corporate Social Responsibility Committee				
The Corporate Governance Committee				

For year 2023, the company paid the meeting allowance of Baht 1,493,000 and director remuneration of Baht 16,240,000, totalling Baht 17,733,000.

Details of remuneration received by each company directors in 2023 are as follows:

Unit : Thousand baht

Name of directors	Director fee	Meeting Allowance									Total remuneration for directors
		Company Directors	Audit Committee	Nomination Committee	Remuneration Committee	Risk Management Committee	Corporate Social Responsibility Committee	Corporate Governance Committee	Total meeting allowance		
1. Mr.Boonkiet Chokwatana	1,730	72	-	20	20	-	-	-	-	112	1,842
2. Mrs.Tipaporn Chokwatana	1,320	60	-	-	-	-	-	-	-	60	1,380
3. Mr.Thirasak Vikitset	3,970	60	-	18	18	-	-	-	-	96	4,066
4. Dr.Atthakorn Glankwamdee	330	60	-	18	-	-	-	-	-	78	408
5. Mrs.Kaewta Ongsaranakom	1,450	60	-	18	18	-	-	36	-	132	1,582
6. Prof.Dr.Malyn Ungsurungsie	1,450	60	-	-	-	-	40	-	-	100	1,550
7. Mrs.Chitraporn Vikitset	1,450	60	-	9	-	-	-	-	-	69	1,519
8. Mrs.Teerada Ambhanwong	380	60	-	-	-	-	-	-	-	60	440
9. Mr.Suthep Dansiriviroj	600	60	-	-	-	-	-	-	-	60	660
10. Admiral Apichart Pengsritong	440	60	-	-	-	-	36	-	-	96	536

Name of directors	Director fee	Meeting Allowance									Total remuneration for directors
		Company Directors	Audit Committee	Nomination Committee	Remuneration Committee	Risk Management Committee	Corporate Social Responsibility Committee	Corporate Governance Committee	Total meeting allowance		
11. Mrs.Pismai Chandrubeksa	440	60	-	-	18	-	-	-	-	78	518
12. Mr.Amorn Asvanunt	850	50	72	-	-	-	-	-	-	122	972
13. Mrs.Pradittha Chongwattana	380	40	50	-	-	-	-	-	-	90	470
14. Pol.Gen.Somchai Prabhasabhakdi	600	50	60	-	-	-	-	40	-	150	750
15. Assist.Prof.Dr.Pongchai Athikomrattanakul	850	60	70	-	-	60	-	-	-	190	1,040
<b>รวมทั้งสิ้น</b>	<b>16,240</b>	<b>872</b>	<b>252</b>	<b>83</b>	<b>74</b>	<b>60</b>	<b>76</b>	<b>76</b>	<b>76</b>	<b>1,493</b>	<b>17,733</b>

### (B) Non-Monetary Remuneration

The company does not have the policy to provide any extra benefits to its executives, whether in term of shares, debentures, other than those remuneration normally accorded the directors and company employees.

#### 8.1.3 Supervising the Operations of subsidiaries and associates

The company's directors were assigned to hold a joint meeting to consider selecting the person to be the company's representative. The number of individual that the company nominated and voted to appoint as director in subsidiaries and associates is in accordance with the company's proportion of shareholding. The person who was appointed as a director in subsidiary or associated companies was entitled to perform the operations for the best interests of their subsidiaries or associates, unless it is important policies affecting the company's business operations. The company required the appointed person to be approved by the Executive Board prior to cast a vote.

Furthermore, the company has assigned the person who was appointed by the company to oversee its subsidiaries to operate and disclose significant information according to the rules in the same way as the company performed, such as making connected transactions, the acquisition or disposition of assets, or making other important transactions, including to supervise the information storage and bookkeeping of the subsidiaries for the company, so that it can be audited and collected for consolidated financial statements preparation in due time.

The company had no agreements between the company and other shareholders in the management of subsidiaries due to the company is a major shareholder and no other persons holding shares more than 10% of the shares with voting rights of subsidiaries. In addition, the company had no agreements between the company and other shareholders in sharing returns beyond normal returns according to proportion of their shareholding in subsidiaries.

#### 8.1.4 Compliance with the Corporate Governance Principles

The Board of Directors also follows up the implementation of its corporate governance principles in order to promote good management systems which are transparent and effective in business operations. Those who do not adhere to such policy and principles may face disciplinary action as appropriate and may also face legal action in cases where any laws are violated. In cases where an employee is doubtful or unable to follow an instruction or make a decision, he/she may raise the issue with the supervisor up the chain of command. Should there be any dispute, a directive by Chairman of the Executive Board should prevail as a final judgment.

In addition, the Board of Directors has established the Corporate Governance Committee in order to monitor and promote corporate governance of the Company, to achieve success as set in the objectives and targets.

In 2023, the company has followed up to ensure compliance with good corporate governance with regards to the following areas:

##### 1. Prevention of conflicts of interest

The Board of Directors has placed much importance on ensuring that any transaction with possible conflict of interest was carried out in a cautious, careful, and honest manner. Accordingly, the company incorporated the policy and guidelines regarding possible conflict of interest into its policy pertaining to good corporate governance policy and business ethics for directors, the management and employees to acknowledge and practice. In 2023, the company did not find any violations of such policy from monitoring the transactions with possible conflict of interest as follows:

- 1) The Board of Directors approved principles for business transactions carrying general business terms between the company, subsidiaries, and the directors, the management, or related persons as well as acknowledged such transactions which the management could conduct under the principles set by The Board of Directors on a quarterly basis.
- 2) The company supervised the connected transactions to comply with the notification by The Capital Market Supervisory Board. Additionally, the company carried out the connected transactions on a fair business practice basis, based on market prices and normal business terms (Fair and at arms' length), whereby the directors with possible conflict of interests were not allowed to take part in the meeting. In 2023, the company had connected transactions required approval by the Board of Directors. Before implementing each connected transaction requiring prior approval from the Board of Directors, the connected transactions were proposed to the Audit Committee for endorsement prior to submitting to the Board of Directors for further approval. For the transactions that met the criteria for disclosure of information, the company informed the said meeting resolution to the shareholders via the news channel of The Stock Exchange of Thailand together with the company website. Furthermore, the company had no connected transactions required approval by the shareholders.

In addition, in 2023, the company disseminated knowledge on prevention of conflicts of interest to directors, the management and employees through the company website, and bulletin boards to ensure that everyone was aware of and strictly followed the guidelines. Furthermore, the company provided an orientation for new employees and training



for existing employees in the “Good Corporate Governance Principles, Business Ethics, Code of Conduct for Directors, Executive offices, and Employees, and Anti-Corruption” course. A total of 2,415 people participated in this training. Meanwhile, all directors and the management representing 100% of the directors and the management, signed an acknowledgment of compliance with the policy on dealing with conflicts of interest, which is included in the company’s good corporate governance principles, business ethics, and Code of Conduct.

## **2. Use of Inside Information to Seek Benefits**

### **1) Internal Information Management**

The Company has measures for internal information management as defined in the business ethics for the Company and shareholders, as well as the Code of Conduct for Directors, Executive offices, and Employees at all levels, which require performance of duty with honesty, responsibility, discipline and integrity towards the public and to oneself and not in pursuit of improper and undue gains or benefit to oneself and/or others, protecting the Company’s best interest and assets, not using the Company’s information and assets for self-interests or other’s benefit, and not making any undertaking that will support others in competition with the Company. The Company has provided in the company’s good corporate governance principles, business ethics, and Code of Conduct for Directors, Executive offices, and Employees as a guideline for business operation and work principle. The Company requires all directors, executives and employees to sign their names acknowledging the said documents, which are distributed through the Company’s website.

The above-mentioned topics have been stipulated in the Company’s regulation. The highest disciplinary punishment for violation is dismissal from the Company. This regulation has been followed by all directors, executives and staff at all levels.

The Company has developed its IT control system in electronic documents interchange and determining access level (with password for each user) to suit the duties and responsibilities of particular users at every level.

In 2023, the Company’s directors and executives have strictly adhered to the rules and there was no instance regarding misuse of insider information.

### **2) Trade in Securities of the Company and Report on Related Transactions**

The company has policy and measures to monitor its security trading transactions, which includes the prohibition for directors, management, and employees from accessing inside information, engaging in any acts that exploit such information, especially those that have not been disclosed to the general public within one month prior to the disclosure of financial statements, and 24 hours after the financial statement has been disclosed. Any violation would be deemed as a disciplinary offence of company regulations.

In 2023, the Company Secretary sent out a related circular to the directors, the management, and the employees to sign an acknowledgement of the blackout period in advance, along with notifying them of penalties in the case of violation or non-compliance with said regulation. In addition, the company disseminated knowledge on the prevention of the use of insider information to all directors, the management and employees through various channels

such as public relations boards, online public relations media, etc., to ensure that everyone acknowledged and strictly followed these guidelines.

The company informed the directors and management members to acknowledge of duty to report their shareholding status, as well as those by spouses and children not yet reaching legal maturity, within 3 working days from the date of the change in securities holdings. In the case of director and management who are newly appointed and not yet listed in the list system of directors and executives of issuer company with The Securities and Exchange Commission, they have duty to report the holding of the company's securities within 7 working days from the day of change to The Securities and Exchange Commission according to article 59 of The Securities and Exchange Act (No.5) B.E. 2559.

Furthermore, the company has set a policy for directors, management members including their spouse and underaged children having duty to report their shareholding and the changes in holding of the company's securities to The Board of Directors at the next Board of Directors' meeting. The company has to provide the agenda to report the securities holding status by the directors and the management including their spouse and underaged children to The Board of Directors' meeting to acknowledge on a quarterly basis.

The company has set a policy for directors and the management to inform of the company's securities trading at least 1 working day prior to trading.

In 2023, the directors and executives have so far strictly followed the policy. There was neither trading of shares in the blackout period nor trading by using the Company's inside information. However, there were 10 directors and executives have informed trading of company's shares to the company secretary at least one day in advance who traded shares of the Company in this year and informed the Securities and Exchange Commission of the transactions in due time as well as reporting their assets ownership to the Board of Director accordingly.

The company has put in place a measure to monitor the interests of its directors and management by establishing a policy that requires them to report any possible conflict of interests that arise from themselves or related persons whose interests are connected to the company's business operations within 3 month of such an event causing an appointment or change. They are required to inform the Company Secretary, who will then submit a related report to the Chairman of the Board of Director and The Chairman of The Audit Committee within 7 days after the secretary received the said information.

During 2023, company directors and the management strictly followed the said policy. Directors with possible conflict of interests did not take part in decision-making regarding such meeting agenda. Furthermore, the company facilitated the disclosure of information pertaining to any conflict of interests by company director or the management via the letter informing the meeting's resolution to the news system of The Stock Exchange of Thailand.

Report on the change in shareholding of the Directors and the Executives as of December 31, 2023

	Name		Common share 2022	Increase (Decrease) During the year	Common share 2023	Share-holding ratio (%)	2023	
							Director	Spouse
1.	Mr.Boonkiet	Chokwatana	13,024,060	-	13,024,060	8.69	10,298,408	2,725,652
2.	Mrs.Tipaporn	Chokwatana	13,024,060	-	13,024,060	8.69	2,725,652	10,298,408
3.	Mr.Thirasak	Vikitset	2,680,816	32,571	2,713,387	1.81	1,741,264	972,123
4.	Dr.Atthakorn	Glankwamdee	470,774	-	470,774	0.31	470,774	-
5.	Mrs.Kaewta	Ongsaranakom	1,013,101	3,500	1,016,601	0.68	783,041	233,560
6.	Prof.Dr.Malyn	Ungsurungsie	177,284	20,000	197,284	0.13	197,284	-
7.	Mrs.Chitraporn	Vikitset	2,680,816	32,571	2,713,387	1.81	972,123	1,741,264
8.	Mrs.Teerada	Ambhanwong	867,857	-	867,857	0.58	867,857	-
9.	Mr.Suthep	Dansiriviroj	-	-	-	-	-	-
10.	Admiral Apichart	Pengsritong	85,714	-	85,714	0.06	85,714	-
11.	Mrs.Pismai	Chandrubeksa	84,285	-	84,285	0.06	84,285	-
12.	Mr.Amorn	Asvanunt	-	-	-	-	-	-
13.	Mrs.Pradittha	Chongwattana	168,548	-	168,548	0.11	167,857	691
14.	Pol.Gen.Somchai	Prabhasabhakdi	-	-	-	-	-	-
15.	Assist.Prof.Dr.Pongchai	Athikomrattanakul	-	-	-	-	-	-
16.	Mr.Bo Nystrup Nielsen		-	-	-	-	-	-
17.	Mr.Simon Rhoderick Knight		116,142	-	116,142	0.08	116,142	-
18.	Mrs Thongsuk	Upathambhakul	136,178	3,392	139,570	0.09	139,570	-
19.	Mr.Praj	Srichandra	-	3,750	3,750	-	3,750	-
20.	Mr.Varith	Tritrapun	245,383	-	245,383	0.16	245,383	-
21.	Mrs.Patchara	Pongwichan	120,178	2,000	122,178	0.08	122,178	-
22.	Mrs.Daranee	Ajjaneeyakul	82,141	3,000	85,141	0.06	85,141	-
23.	Dr.Arucha	Budsakombhinanda	7,692	2,142	9,834	0.01	9,834	-

**Remark :** The Company has issued and paid-up share capital 149,930,828 shares. The Board of Directors and the Executives, including shares of spouse and underage children, according for 12.91% number of shares issued and paid-up.

### 3. Anti-Corruption

The company has set anti-corruption policy and prepared a manual for anti-corruption measures for Directors, Executives and employees to use as guidelines. The key focus of such policy and measures is to prevent and corruption in all forms whether directly or indirectly. The company will not participate in any bribery or corruption to government officials, public as well as private sectors in order to gain or maintain competitive advantage. In addition, the company have set the practice guidelines for activities with potential risk of corruption in order to clear guidelines in the doing business and reduce the risk of corruption.

The Anti-Corruption Policy and Practices 6 editions are "Principles and guidelines for Anti-Corruption" and provide to the Board of Director, Executives and other units within the organization to compliance guidelines in case of doubt in regard to corruption. In addition, there has been published on the company's website ([www.snjinter.com](http://www.snjinter.com)) under the heading investor relations: Corporate Governance: Anti-Corruption.

#### **Corruption risk assessment**

The company requires units whose transactions may create corruption risks of all units which contact the government department, such as Engineering section, accounting and finance section, import and Export department, to conduct corruption risk assessment. Cause and chances of the corruption risks in the entire business process, from project development to project financing, project and power plant management and organizational administration, are identified while practice guidelines, regulations and rules used for control such risks are prepared.

Corruption Risk Assessment represented that the Company has effective risk prevention, such as prevention, whistleblowing system, control and monitoring. Chances of such risks are very low. Although the assessment also represented that some anti-corruption guidelines are already in writing, such as gifting, entertainment, internal control, human resource management and procurement, as well as such other practices, including sponsorship, training and communication. The Management and employees however have correctly, properly and transparently performed, which is a strong organizational culture, To support effective implementation and provide clear guidelines, the Company has improved and put in writing those guidelines by preparing the "Anti-corruption Measures Manual". The manual has been disseminated throughout the entire Organization via internal communication channels and to outsiders via the company website under Corporate Governance.

#### **Performance and Implementation of Anti-Corruption Policy for the year 2023**

- Anti-corruption Policy and Practices are regularly communicated within the Organization 2 times per day by voice channel. Set up a poster and QR Code for publication about anti-corruption principles and practices at various point of the company , adding detail of anti-corruption policy in employee manual for new employee and set up Brochure for officer and outsider , which can be see become aware of company commitment.
- "Extending the Coalition (Partners) Against Corruption to Sustainable Organization Development" to its business partners continuously basis by creating a coalition of companies with anti-corruption practices to ensure transparency of business operations throughout the supply chain from upstream to downstream for the purpose of sustainable development.
- Expanding anti-corruption policies and practices to EF Co., Ltd. (a subsidiary) and assessing an anti-corruption risk, the results of the inspection of operating procedures and internal control measures and found that there are anti-corruption policies and practices that meet the evaluation criteria of the Thai Private Sector Coalition Against Corruption (CAC).

- The Company conducted training through the E-learning system for directors, executives, and employees in “The Good Corporate Governance, Business Ethics, and Anti-Corruption” course, along with an evaluation to assess understanding. A total of 2,415 employees attended the training and all of them passed the evaluation. (Assessment criteria > 90%)
- Orientation for new employees, which have content policies and guidelines, operating for anti-corruption, to cultivate the consciousness from the start.
- The Company has notified its policy to its trading partners by sending a notice informing the anti-fraud policy. In cooperation, if found guilty person in the organization. In addition, the company has prepared the memorandum committing to Anti- Corruption for the represent of the company to provide customers and partners to realize in this matter.
- The company has set the notification letter policy stopped accepting gift from business partner every year.

#### 4. Whistleblowing

The Board of Directors has laid down a Whistleblowing Policy by providing employees and stakeholders an opportunity to give information or file a complaint on a matter which could constitute a violation of the law, dishonest or wrongful act of an employee, including irregular behavior which could cause a problem or loss to the company. The company also receives complaints on cases where the rights of an employee or stakeholder has been infringed or where they have been treated unfairly. Suitable channels and procedures have been provided by the company in this regard.

The company will give important to and take action on all complaints impartially, transparently, fairly, and according to the procedures set forth by the company. Systematic and just measures for the protection of complainants are provided. Information provided by the complainant is kept confidential in the company, to ensure that the complainant in good faith will not be affected by such whistleblowing or complaints.

#### Whistleblowing Channel

The company provides a channel for all stakeholder groups to report or complaint that may cause damage to the Company. Wrongful action against related laws, regulations and business ethics or Corruption and bribery or suspected actions that may involve money laundering, wrongful actions related to accounting, finance, control and auditing. Issues to be reported directly by telephone or e-mail as following:

Division	Telephone Number	E-mail Address
Human Resource Division Manager	(02) 676-2727 ext. 2208	patchara@snjinter.com
Company Secretary	(02) 676-2727 ext. 2812	sumit_k@snjinter.com

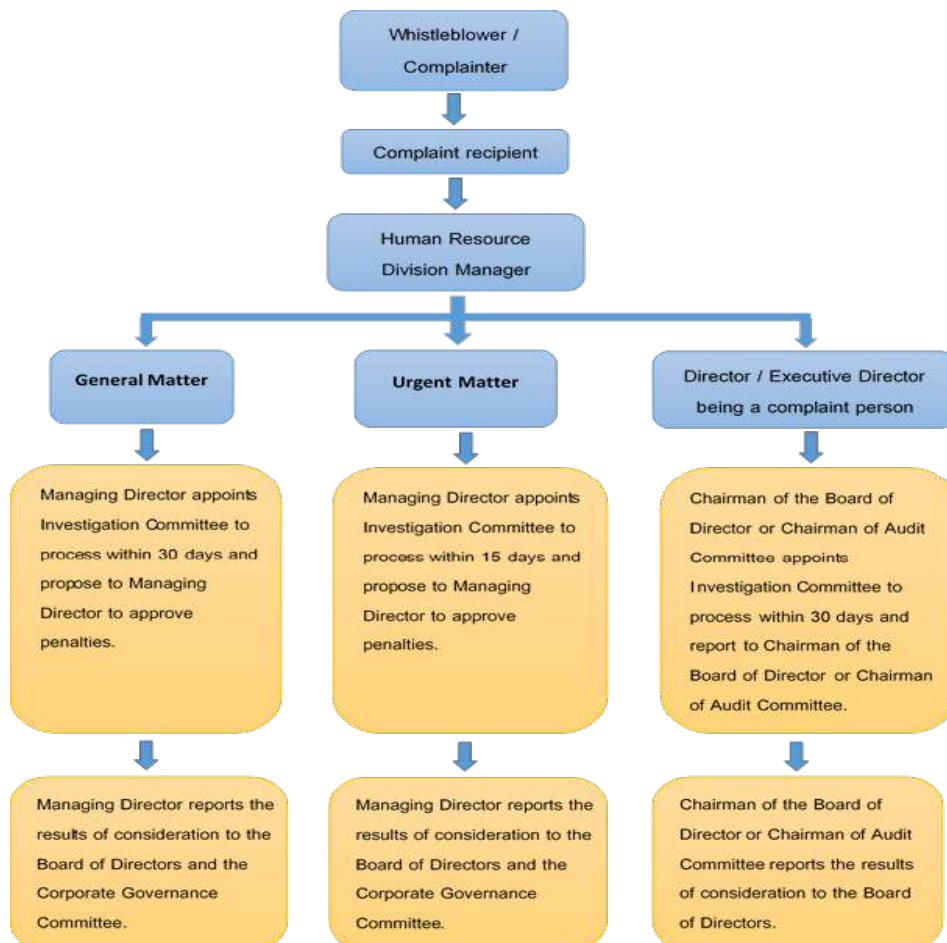
Or send a registered mail to Chairman of the Audit Committee or Chairman of the Corporate Governance Committee or Human and Resource Division Manager or Head of Internal Audit or Company Secretary at the following address :

S & J International Enterprises Public Company Limited  
 2 Naradhiwas Rajanagarindra Road, Tungwatdon, Sathorn, Bangkok, 10120

In 2023, there were no complaints from stakeholders, and were not receive a complaints of corruption via various channels in any way. The company has measures to prevent whistleblowing by communicating to its business partners that it adheres to conducting business with honesty and transparency in accordance with good corporate governance principles based on morality and ethics. Therefore, no compensation will be requested in dealing with the company, nor will any offer be made in exchange for any form of benefit. In addition, the company has encouraged directors, the management and employees at all levels in the organization to conduct business and perform their duties accurately, transparently and verifiably.

### Compliant handling process

The company conducted the investigation with fairness, transparency, prudence and fairness to the complainant, as following :



### The protection of the whistleblower and complainer

The company will protect the whistleblower and complainer made a honest intention by concealing the name or any information that could identify the whistleblower and complainer and maintain the information of whistleblower and complainer to be confidential by limited to those who have a responsibility to investigate complaints only.

### The protection of employees

The company will provide care and protect employees who comply with Anti-corruption policy and regulation by protection complainer set in Code of conduct the Board of Directors, executives and employees and also give justice and protection to employee. by unpunishment, or reduce position, if denied the corruption acts, even though such actions would cause the company to lose business opportunities.

The company has set whistleblowing process and protection of whistleblowers and those being complained as well as penalty and clue reporting; and clearly published such details in the Anti-corruption Manual, which can be viewed on the company's website.

## 5. Compliance with regulations of regulators

The company has realized the importance of compliance with regulations of regulatory agencies such as The Securities and Exchange Commission, The Stock Exchange of Thailand. In 2023, the company did not commit any wrongdoing, or violate the law until receiving criminal, civil, or administrative sanctions.

## 8.2 Report of Audit Committee during the past year

### 8.2.1 Number of Audit Committee Meetings

During 2023, the Audit Committee held total of 9 meetings, with the Members attending every meeting as follow:

	Name	Position	Number of Attendance
1.	Mr.Amorn Asvanunt	Chairman, Audit Committee	8/9
2.	Mrs.Pradittha Chongwattana	Director, Audit Committee	7/9
3.	Pol.Gen Somchai Prabhasabhakdi	Director, Audit Committee	7/9
4.	Assist.Prof.Dr.Pongchai Atikomrattanakul	Director, Audit Committee	9/9

### 8.2.2 Report of Audit Committee

(appear in Attachment 6 Report of the Audit Committee)

## 8.3 Report of the Other Sub-committees

### 8.3.1 Number of Sub-committee Meetings

#### 8.3.1.1 The Nominating Committee

During 2023, the Nominating Committee held total of 2 meetings, with the Members attending every meeting as follow:

	Name	Position	Number of Attendance
1.	Mr.Boonkiet Chokwatana	Chairman of the Nominating Committee	2/2
2.	Mr.Thirasak Vikitset	Director of the Nominating Committee	2/2
3.	Dr.Atthakorn Glankwamdee	Director of the Nominating Committee	2/2
4.	Mrs.Kaewta Ongsaranakom	Director of the Nominating Committee	2/2
5.	Mrs.Chitraporn Vikitset	Director of the Nominating Committee	1/2

#### 8.3.1.2 The Remuneration Committee

During 2023, the Remuneration Committee held total of 2 meetings, with the Members attending every meeting as follow:

	Name	Position	Number of Attendance
1.	Mr.Boonkiet Chokwatana	Chairman of the Remuneration Committee	2/2
2.	Mr.Thirasak Vikitset	Director of the Remuneration Committee	2/2
3.	Mrs.Kaewta Ongsaranakom	Director of the Remuneration Committee	2/2
4.	Mrs.Pismai Chandrubeksa	Director of the Remuneration Committee	2/2

#### 8.3.1.3 The Risk Management Committee

During 2023, the Risk Management Committee held total of 6 meetings, with the Members attending every meeting as follow:

	Name	Position	Number of Attendance
1.	Assist.Prof.Dr.Pongchai Athikomrattanakul	Chairman of the Risk Management Committee	6/6
2.	Mrs.Pornpip Putipat	Director of the Risk Management Committee	6/6
3.	Mrs.Thongsuk Upathambhakul	Director of the Risk Management Committee	6/6



	Name	Position	Number of Attendance
4.	Mr.Praj Srichandra	Director of the Risk Management Committee	5/6
5.	Mrs.Daranee Ajjaneeyakul	Director of the Risk Management Committee	6/6
6.	Ms.Waraluck Punpairoj	Director of the Risk Management Committee	5/6
7.	Mrs.Jariya Thamvachiraporn	Director of the Risk Management Committee	5/6*

\* Appointed on May 3, 2023

#### 8.3.1.4 The Corporate Social Responsibility Committee

During 2023, the Corporate Social Responsibility Committee held total of 4 meetings, with the Members attending every meeting as follow:

	Name	Position	Number of Attendance
1.	Prof.Dr.Malyn Ungsurungsie	Chairman of the Corporate Social Responsibility Committee	4/4
2.	Admiral Apichart Pengsritong	Director of the Corporate Social Responsibility Committee	4/4
3.	Mrs.Rujapa Srisurang	Director of the Corporate Social Responsibility Committee	4/4
4.	Mrs.Pranee Petcharayutpun	Director of the Corporate Social Responsibility Committee	4/4
5.	Ms.Natpitchaya Kitthamrongworakul	Director of the Corporate Social Responsibility Committee	4/4
6.	Ms.Pornpanawan Boonrom	Director of the Corporate Social Responsibility Committee	4/4
7.	Ms.Usa Kingsubmanee	Director of the Corporate Social Responsibility Committee	4/4

#### 8.3.1.5 The Corporate Governance Committee

During 2023, the Corporate Governance Committee held total of 4 meetings, with the Members attending every meeting as follow:

	Name	Position	Number of Attendance
1.	Pol.Gen.Somchai Prabhasabhakdi	Chairman of the Corporate Governance	4/4
2.	Mrs.Kaewta Ongsaranakom	Director of the Corporate Governance	4/4
3.	Mrs.Patchara Pongwichan	Director of the Corporate Governance	4/4
4.	Mr.Sumit Khopai boon	Director of the Corporate Governance	4/4
5.	Ms.Thatsruang Saengwichian	Director of the Corporate Governance	4/4
6.	Mr.Jittipong Somyapukdee	Director of the Corporate Governance	4/4

### 8.3.1.6 The Executive Board

During 2023, the Executive Board held total of 22 meetings, with the Members attending every meeting as follow:

	Name	Position	Number of Attendance
1.	Mr.Thirasak Vikitset	Chairman of the Executive Board	22/22
2.	Mrs.Kaewta Ongsaranakom	Director of the Executive Board	21/22
3.	Prof.Dr.Malyn Ungsurungsie	Director of the Executive Board	19/22
4.	Mrs.Chitraporn Vikitset	Director of the Executive Board	18/22
5.	Mrs.Thongsuk Upathambhakul	Director of the Executive Board	21/22
6.	Mr.Praj Srichandra	Director of the Executive Board	18/22
7.	Mrs.Patchara Pongwichan	Director of the Executive Board	20/22
8.	Mrs.Daranee Ajjaneeyakul	Director of the Executive Board	19/22
9.	Ms.Kritsanarath Rassameesuriyan	Director of the Executive Board	22/22
10.	Mr.Sumit Khopai boon	Director of the Executive Board	21/22
11.	Ms.Yarin Arayatanitkul	Director of the Executive Board	19/22
12.	Ms.Waraluck Punpairoj	Director of the Executive Board	16/22*

\* Appointed on May 3, 2023

### 8.3.2 Report of other Sub-Committee

8.3.2.1 The Nominating Committee's Report

8.3.2.2 The Remuneration Committee's Report

8.3.2.3 The Risk Management Committee's Report

8.3.2.4 The Corporate Social Responsibility Committee's Report

8.3.2.5 The Corporate Governance Committee's Report

8.3.2.6 The Executive Board's Report

(appear in Attachment 5 - No.8.3.2.1 -8.3.2.6 Report of the Sub-Committee)

## 9. Internal Control and Related Transactions

### 9.1 Internal control and risk management

**Opinion of the Board of Directors on the adequacy and appropriateness of the internal control system.**

The company recognizes the importance of the system of internal control which all employees of the company have joint roles and responsibilities together by assigning the duties and responsibilities, operating power on administrative and operation level is written clearly, covers financial control, operations, management, governance, compliance with the relevant laws and relating regulations to ensuring accomplishment of the objectives of the company will be achieved as follows:

1. Strategies and goals are clearly defined, consistent and support mission of the company.
2. Achieve the performance objectives with an efficient and cost effective resource management.
3. Report significant information both financial, administrative and implementation are accurate and reliable.
4. Implementation and practicing are in consistent with policies, rules and regulations set forth with the law and other regulations related to business.
5. Has the safety of personnel, property including data in information systems.
6. Has suitable oversight and management of the effectiveness.
7. Continuing in improving operational quality.

The company's internal audit department is responsible and accountable for ensuring an independent assessment of the internal control system, risk management and Corporate governance together with reviews the company's compliance with regulations especially the connected transaction.

In 2023, the internal audit department has set up an annual audit plan. Present to the audit committee for consideration and approval. The audit committee is of the opinion that The company has appropriate and sufficient internal control to the operations to meet the goals, objectives, laws and various related requirements. Protecting assets from fraud accurate accounting and reporting. There may be some operations that should be considered for improvement. The management considers that there is The need for operating business of the company is present to the Board of Directors meeting every quarter.

The Board of Directors Meeting No.6/2023 held on December 21, 2023 by a committee of 4 members attended the meeting. The Board of Directors reviewed the system of internal control by questioning for assessment of internal controls. The overall conclusion based on the evaluation of internal control systems in different 5 elements are as follows.

1. Internal Organization Control
2. Risk Assessment
3. Operational Control
4. Information and Communication System

## 5. Monitoring System

The management has reasonable confidence in the company's internal control system is adequate enough to carry out such an effective way to protect the property from damage that may occur from use or disposal without permission and monitoring of the operations of the subsidiary enabling to protect assets of the company and its subsidiaries caused by the director or executive deployed without adequate power as follow.

### 1. Control Environment

The Company has its policy and target for doing business. The policy and business goals are clear, regard to fairness to employees, customers, business partners including responsible to the shareholders, society and the environment. Review of the performance to meet defined goals regularly in order to comply with the conditions at that time. Prepare organizational structure and a charter of various committees including the duties and responsibilities of the Managing Director in writing to define authority clearly, in addition, setting policies of governance, ethics in business and conduct of directors management and staff in writing to guide the conduct of directors, management and staff which makes the system of internal control operates more effectively. It also records check, which is overseen by the Audit Committee, the approval of financial transactions, procurement regulations to be made in writing to prevent of using assets with abuse of power. The company provides training both internal and external to develop staff skills, have the knowledge and appropriate ability to operate in each position.

### 2. Risk Assessment

The company assesses type of the risk, cause of the risk factors, opportunities and possible impacts to provide to prevent plan and manage the possible risks that may arise as to the acceptable level as well as informed to the management and employees to minimize and prevent risks that may occurred. The internal audit has its process to monitor each operational unit and aware of the possible risks that may arise with supporting by the Board of Directors and the Audit Committee.

### 3. Control Activities

The company granted the scope of authority and approval level amount to each level of management clearly in writing. Including segregation of the roles and responsibilities of each working unit for check and balance. In the case of transactions with major shareholders, the Directors, management or related to such persons including connected transactions, the company has complied with the process of the Capital Market Commission and will conclude the said transaction as a normal business transaction in order to report to the Board of Directors. If not, it will be proposed to approve the procedure and inform the Stock Exchange of Thailand. The Company shall follow-up, review of the results of operations of the company on monthly basis and monitor the operation of the company in accordance with resolution of the Board of Directors, Shareholders and related laws. In the event of approval of the transaction in a manner that is binding the company long-term period, the company shall monitor to comply with the agreed conditions and reviewing the appropriateness of the contract in accordance with the situation.

Also to highlight the clear duty of the employees to be legitimate, the company has determined that employee must abide by the rules and regulations of the company and laws strictly under the principles of corporate governance.

#### **4. Information and Communication**

The company provides both internal and external communications effectively. Accounting documents are kept in full by category and use accounting policies generally accepted accounting principles in the communications for financial information or other information that is accurate, current to people involved for making decision. There is a storage system that can monitor the accuracy and security of data and information effectively. In a proposal to the Board for consideration, there is sufficient information to make decision, prepare minute of meeting, comments, questions or comments observations of Directors of the company in the consideration (if any) and resolution which can be verified.

#### **5. Monitoring Activities**

The company's operating results is monitored on a monthly basis and is compared with the performance in the prior year to analysis of the causes of differences and adjust their strategies to meet the needs in order to achieve a goal. In addition to having adequate internal control by requiring internal audit to do the audit, analyze and evaluate the internal control of various internal control system and monitor performance continuously by report directly to the audit committee if any significant defects are found, Audit Committee has to report to the Board of Directors for corrective action and to monitor progress in improving deficiencies regularly.

From the assessment of the internal controls of the company in 5 various aspects of the above, the Board of Directors including the 4 members of the Audit Committee concluded that the internal controls are appropriate and sufficient. The Board recognizes that any system of internal control may not be ensured against all damages resulting from significant mistakes, but it can be prevented or acceptable at reasonable level.

#### **Opinion of the Audit Committee in case of having different opinion from Board of Directors.**

- No different opinion –

## 9.2 Related Transactions

In 2023, the Company and its subsidiaries did transactions with related parties which these transactions have prices and returns that are commercial in the same way that a person of ordinary prudence would act with a general counterparty in the same situation. The Company possessed bargaining power without influence as directors, executives or related persons under reasonable conditions that can be examined and do not cause a transfer of benefits. The Company shall normally proceed a related transaction under the principles approved by the Board of Directors, as well as prepare a summary report to be reported to the Board of Directors every quarter. Meantime, details are provided in Note of the Company's financial statements for the year ended December 31, 2023 which as audited by the Company's auditor, the disclosure of aforementioned also provided in 56-1 One Report/ Annual Report. The Audit Committee has reviewed that all transactions in 2023 were reasonable and transparent and complied with the rules and regulations under the Notification of the Stock Exchange of Thailand regarding Related Transactions of a Listed Company.

### Procedures for the Approval of Related Transactions

Related transactions with possible conflicts of interests or related transactions, the Audit Committee will review and ensure that transactions comply with the regulations of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, 2003 and the notification of the Capital Market Supervisory Board No.TorChor. 21/2008 Re: Rules on Connected Transactions. The Audit committee will comply with the Securities and Securities Exchange laws, regulations and announcement from the Stock Exchange of Thailand, as well as the disclosure rule of the connected transaction. The policy on conflicts of interests is clearly stated in the Company's Business Ethics for the directors and employees to correctly follow.

In the case of the purchases and sales of important assets of the Company and its subsidiaries, which are transactions that occur infrequently, the Company has a policy to engage external independent experts such as professional appraisers and independent financial advisors to provide counsel to the Audit Committee for further proposal to the Board of Directors.

In the case of transactions for the purchase and sale of goods and services under the ordinary course of business, were engaged in the normal course of business and complied with Rules on Connected Transactions by virtue of Section 89/12(1) of the Securities and Exchange Act (No.4) B.E. 2551. The Board of Directors has approved in the Board of Directors Meeting No.2/2023 held on 11 May 2023.

In year 2023, the company and its subsidiaries entered into related party transactions with parties with possible conflict of interests, according to the details as follows:

1. Normal business transactions, normal business support transactions, rental or lease transaction for immovable property (not more than 3 years), and transactions related to assets and services.

(Unit : Million baht)

Name	Relation ship	Shareholding by the company (%)	Significant item	Relating transaction amount
1. Saha Pathana Inter-Holding Plc.	A,B,C,D	0.32	- Immovable property rental expenses	1.73
			- Electrical and Utility charges expenses	162.16
2. I.C.C. International Plc.	A,B,C,D	0.35	- Purchase of products / Service	5.15
			- Other expenses	0.23
			- Sale of goods	3.32
			- Other income	0.08
3. Osoth Inter laboratories Co., Ltd.	A,B,D	33.19	- Purchase of products	0.12
			- Sale of goods	20.16
			- Immovable property rental income	3.04
			- Other income	0.40
4. Yamahatsu (Thailand) Co.,Ltd.	A,B	30.00	- Sale of goods	3.82
			- Immovable property rental income	26.84
			- Other income	0.09
5. Atika Beauty Manufacturing Sdn.Bhd.	A,B	35.00	- Sale of Goods	10.00
6. Thai Cubic Technilogy Co.,Ltd	A,B	5.00	- Purchase of products	5.19
			- Other expenses	0.04
7. B.K.C. International Marketing	A,B	19.00	- Purchase of goods	0.02
8. T-way Co.,Ltd.	A,B	12.00	- Sale of goods	0.02
			-Other expenses	0.12
9. Thai Wacoal Plc.	A,D	0.08	- Other expenses	0.02
			- Sale of goods	11.69
10. Better Way (Thailand) Co., Ltd.	B,D	-	- Sale of goods	1,528.17
			- Other income	8.30
			-Purchase of products	0.8

(Unit : Million baht)

Name	Relation ship	Shareholding by the company (%)	Significant item	Relating transaction amount
11. International Laboratories Crop.,Ltd	B,D	-	- Purchase of products	1.01
			- Other expenses	0.83
			- Sale of products	183.09
			- Other income	0.22
12. O.C.C. Plc.	B,D	-	- Sale of goods	8.37
13. People's Garment Plc.	B,D	-	- Purchase of products	0.59
14. Worldbest Corporation Co.,Ltd.	B,D	-	- Other expenses	1.52
15. H&B Intertex Co.,Ltd.	B,D	-	- Purchase of products	7.15
			- Other expenses	0.01
16. Make up Technique International Co.,Ltd.	B	-	- Sale of goods	0.28
17. I.S.B.M. Co.,Ltd.	B	-	- Sale of goods	8.02
18. Shaldan (Thailand) Co.,Ltd.	B	-	- Sale of goods	3.81
			-Other income	0.31
19. Chokwathana Co.,Ltd.	B	-	- Immovable property rental expenses	0.56
			- Utility charges expenses	0.31
20. Vitayasithi Co., Ltd.	B	-	- Other expenses	0.21
21. Daiso Sangyo (Thailand) Co.,Ltd.	D	-	- Sale of goods	1.70
22. Saha Pathanapibul Plc.	D	-	- Other expenses	0.88
			- Sale of goods	7.32
23. Lion Corporation (Thailand) Limited	D	-	- Purchase of products	3.29
			- Sale of goods	35.86
			- Other income	1.50
24. Betterway International Co.,Ltd.	B,D	-	- Sale of goods	339.54
			- Other income	0.32

**Relationship** A = Shareholding by the Company

B = Co-directors

C = Major shareholders

D = Major shareholder with over 10% shareholding

Relating Party Transactions can be looked at the past 3 years at "www.snjinter.com" topic "Investor Relation" "Financial Information".



**Transfer Pricing Policy** The company set selling price, by considering product design, complexity level of production process, sales forecast, sales volume, and production cost. Which is the same price level with the general customers.

**Remuneration Policy** The company carried out relating transactions with other companies, on a fair business practice basis, based on market prices and normal business terms being applied to those transactions conducted with unconnected outside business parties or persons.

Item	Remuneration Policy
- Immovable property rental fees	Fees depending on the location, surrounding, building condition, and utilization purpose for said assets
- Service charges	The remuneration of the service provider, the difficulty of the task, without compensation, as well as other persons or other parties that are not involved.
- Utility charges	According to the rates announced by Saha Group Industrial Park, based on actual units or volume used
- Other expenses	According to the actual rate.

## 2. Transaction in providing or receiving financial assistance

**Loan Providing** The company and the subsidiaries had not provided additional loan to related parties during year, 2023.

### Necessity and rational of transaction with related personnel

The Board of Directors has its opinion on related party transactions that is the normal course of doing business. This is the same as recording transactions with other personnel in the industry relating with the business. Determining buying - selling prices is corresponding to normal practice. It is not for transferring company's benefits to related personnel.

The related transaction is made for the benefit of the company and shareholders as a whole in order to sustain growth and grow the business for long term. Teaming-up with an alliance is for mutual strengthening in doing business in order to maximize benefits to all parties concerned.

### Comments of Audit Committee relating to the transactions incurred.

The Audit Committee had considered the 2023 connected transactions with comment of no deviation from Board of Directors' resolution.

### Policy and trend of making related transactions in future.

The Board of Directors has a policy that clearly states that related transactions may occur under the ordinary course of business in fair prices which be able to comparable to market price for the best interests of the Company. There shall be no transfer of benefits between the Company and related companies or persons. As the Company and its subsidiaries operate a production business, purchase and sell goods, the Company expects related transactions

for the purchase and sale of goods and service will still exist in line with the Company and its subsidiaries' business expansion. Other types of transactions will depend on business necessity. In case of related party transactions, they shall be approved by the Board of Directors' meeting or the shareholders' meeting depend on size of the transaction. However, the related party transaction shall be proposed to the Audit Committee Meeting in order to consider and provide opinions on the necessity of the transaction and the reasonableness of such transaction before proposing to the Board of Directors or shareholders for approval to ensure that entering into the proposed transaction is for the best interest of all stakeholders.



# Part 3

## Financial Statements

## The Board of Directors' Responsibility Report towards Financial Statements

The Board of Directors duly recognized their obligations and responsibilities in their status as the directors of listed company, with regard to the compilation of financial statements for S & J International Enterprises Public Company Limited and its subsidiaries. The said financial statements were prepared in accordance with Thai Financial Reporting Standards, based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimates.

Furthermore, the adequate significant information was disclosed in notes to the financial statements, together with necessary clarification and analysis regarding the financial positions and performances by the company and its subsidiaries, so as to contribute to the interests of the shareholders and general investors. Moreover, the said financial statements were duly audited with unqualified audit opinion by independent certified public accountants.

In Addition, the Board of Directors had exercised efforts to promote good corporate governance principle, and to establish risk management system and internal control system in an efficient and effective manner, 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 and its subsidiaries, while also safeguarding against any significant fraud or abuse.

In the regard, the Company's Audit Committee whose members comprising independent directors had duly carried out audit work on the quality of the 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 Form 56-1 One Report for the year 2023.

Accordingly, the Board of Directors concluded that, the good corporate governance principle, the risk management system, as well as the internal control system of the company, were well adequate and sufficient, reasonably providing sufficient confidence to all the concerned parties that, the financial statements of the company and its subsidiaries ending December 31, 2023, were prepared and fair presented in accordance with Thai financial report standards as well as the related laws and regulations.



Mr.Thirasak Vikitset

Managing Director

# Financial Statements

## Independent Auditor's Report

To the Shareholders of S & J International Enterprises Public Company Limited

### Opinion

I have audited the accompanying consolidated financial statements of S & J International Enterprises Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of S & J International Enterprises Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of S & J International Enterprises Public Company Limited and its subsidiaries and of S & J International Enterprises Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group 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 are 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 Matters**

Key audit matter is that matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This 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 this matter.

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

Key audit matter and how audit procedures respond to each matter are described below.

### **Revenue recognition**

Revenues from sales of the Group are a significant to the financial statements because the amount of revenue is high (representing 98% and 96% of total revenues in the consolidated financial statements and the separate financial statements, respectively) which directly affect the Group's profit or loss. In addition, economic volatility may have a direct impact on competition in the industry overall. The Group has a large number of domestic and overseas customers, and the prices vary according to the competitive situation. As a result, revenues from sales of the Group are recognised under different conditions and amounts for each customer. There are therefore risks with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group by assessing and testing the internal controls of the Group with respect to revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls and with special considerations given to testing related to the accuracy and timing of revenue recognition. On a sampling basis, examining supporting documents for sales transactions occurring during the year, near the end of the accounting period and after the period-end. In addition, I reviewed credit notes issued by the Group after the period-end and performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

## **Other Information**

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

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

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

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

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

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

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

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

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

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

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

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



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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



Sineenart Jirachaikhuan Khan

Certified Public Accountant (Thailand) No. 6287

EY Office Limited

Bangkok: 29 February 2024

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	727,156,942	917,377,349	544,532,974	827,603,293
Trade and other receivables	8	899,336,800	1,079,789,655	773,284,400	913,032,337
Short-term loans to subsidiary	6	-	-	-	-
Inventories	9	920,956,606	841,065,451	802,050,680	692,431,342
Other current financial assets	10	639,936,889	11,128,904	639,936,889	9,628,904
Other current assets		70,110,737	90,279,197	64,776,404	78,668,830
<b>Total current assets</b>		<b>3,257,497,974</b>	<b>2,939,640,556</b>	<b>2,824,581,347</b>	<b>2,521,364,706</b>
<b>Non-current assets</b>					
Other non-current financial assets	11	1,052,177,615	1,234,322,057	1,049,255,689	1,231,283,337
Investments in subsidiaries	12	-	-	139,897,940	143,903,636
Investments in associates	13	443,427,968	340,723,242	269,913,532	216,261,032
Investments in joint venture		-	849,900	-	849,900
Investment properties	14	73,075,773	76,953,693	72,955,773	76,833,693
Property, plant and equipment	15	1,539,290,612	1,591,754,439	812,343,781	805,761,730
Right-of-use assets	19	299,993,197	56,531,354	290,855,071	47,234,398
Intangible assets	16	16,181,896	19,316,290	14,603,956	16,680,234
Deferred tax assets	23	59,269,968	56,248,697	49,864,883	47,434,454
Other non-current assets		79,280,372	61,031,203	6,279,484	50,949,879
<b>Total non-current assets</b>		<b>3,562,697,401</b>	<b>3,437,730,875</b>	<b>2,705,970,109</b>	<b>2,637,192,293</b>
<b>Total assets</b>		<b>6,820,195,375</b>	<b>6,377,371,431</b>	<b>5,530,551,456</b>	<b>5,158,556,999</b>

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

**S & J International Enterprises Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 December 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	17	87,500,000	218,696,215	-	-
Trade and other payables	18	786,167,880	739,621,979	686,579,705	681,285,694
Current portion of lease liabilities	19	32,298,523	27,765,357	28,194,990	24,231,662
Income tax payable		55,826,581	56,358,184	37,099,734	48,170,409
Other current financial liabilities		25,884	174,578	-	-
Other current liabilities		38,532,162	30,961,253	29,532,001	25,075,771
<b>Total current liabilities</b>		<b>1,000,351,030</b>	<b>1,073,577,566</b>	<b>781,406,430</b>	<b>778,763,536</b>
<b>Non-current liabilities</b>					
Lease liabilities, net of current portion	19	226,506,221	27,737,995	223,706,911	24,947,550
Provision for long-term employee benefits	20	176,727,829	180,207,459	122,852,167	126,988,776
Deferred tax liabilities	23	126,803,228	154,931,561	127,911,324	156,039,657
Other non-current liabilities		502,703	630,267	390,703	406,267
<b>Total non-current liabilities</b>		<b>530,539,981</b>	<b>363,507,282</b>	<b>474,861,105</b>	<b>308,382,250</b>
<b>Total liabilities</b>		<b>1,530,891,011</b>	<b>1,437,084,848</b>	<b>1,256,267,535</b>	<b>1,087,145,786</b>
<b>Shareholders' equity</b>					
Share capital					
Registered					
200,000,000 ordinary shares of Baht 1 each		200,000,000	200,000,000	200,000,000	200,000,000
Issued and fully paid-up					
149,930,828 ordinary shares of Baht 1 each		149,930,828	149,930,828	149,930,828	149,930,828
Share premium		724,763,392	724,763,392	724,763,392	724,763,392
Retained earnings					
Appropriated-statutory reserve	21	20,000,000	20,000,000	20,000,000	20,000,000
Unappropriated		3,475,474,013	3,015,449,108	2,884,116,718	2,536,193,332
Other components of shareholders' equity		481,366,618	626,399,067	495,472,983	640,523,661
Equity attributable to owners of the Company		4,851,534,851	4,536,542,395	4,274,283,921	4,071,411,213
Non-controlling interests		437,769,513	403,744,188	-	-
<b>Total shareholders' equity</b>		<b>5,289,304,364</b>	<b>4,940,286,583</b>	<b>4,274,283,921</b>	<b>4,071,411,213</b>
<b>Total liabilities and shareholders' equity</b>		<b>6,820,195,375</b>	<b>6,377,371,431</b>	<b>5,530,551,456</b>	<b>5,158,556,999</b>

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

**S & J International Enterprises Public Company Limited and its subsidiaries**

**Income statement**

**For the year ended 31 December 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Revenues</b>					
Sales		6,804,140,530	5,959,969,053	5,646,556,579	4,780,162,771
Dividend income		19,416,568	19,081,129	82,716,511	73,981,078
Exchange gains		22,908,646	6,617,332	24,247,059	11,112,631
Gain from fair value measurement of derivatives		388,472	445,944	239,779	627,642
Other income		118,113,867	97,274,344	108,631,770	102,705,787
<b>Total revenues</b>		<b>6,964,968,083</b>	<b>6,083,387,802</b>	<b>5,862,391,698</b>	<b>4,968,589,909</b>
<b>Expenses</b>					
Cost of sales		4,801,949,895	4,204,471,466	4,023,255,864	3,344,843,936
Selling and distribution expenses		163,670,680	240,807,408	119,150,057	200,502,606
Administrative expenses		1,186,699,736	1,056,403,378	989,608,809	887,648,231
Loss on impairment of investment in subsidiary		-	-	4,005,696	-
<b>Total expenses</b>		<b>6,152,320,311</b>	<b>5,501,682,252</b>	<b>5,136,020,426</b>	<b>4,432,994,773</b>
<b>Operating profit</b>		<b>812,647,772</b>	<b>581,705,550</b>	<b>726,371,272</b>	<b>535,595,136</b>
Share of profit from investments in associates	13.2	102,871,891	63,634,540	-	-
Share of loss from investments in joint venture		(547,120)	-	-	-
Finance income		9,651,440	932,082	9,293,062	870,321
Finance cost		(10,088,541)	(5,746,914)	(5,158,652)	(1,942,738)
<b>Profit before income tax expenses</b>		<b>914,535,442</b>	<b>640,525,258</b>	<b>730,505,682</b>	<b>534,522,719</b>
Income tax expenses	23	(151,265,692)	(100,555,573)	(127,700,228)	(81,717,947)
<b>Profit for the year</b>		<b>763,269,750</b>	<b>539,969,685</b>	<b>602,805,454</b>	<b>452,804,772</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		717,197,707	504,298,382	602,805,454	452,804,772
Non-controlling interests		46,072,043	35,671,303		
		763,269,750	539,969,685		
<b>Earnings per share</b>					
Basic earnings per share	24				
Profit attributable to equity holders of the Company		4.78	3.36	4.02	3.02

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

**S & J International Enterprises Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the year ended 31 December 2023**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Profit for the year</b>		<u>763,269,750</u>	<u>539,969,685</u>	<u>602,805,454</u>	<u>452,804,772</u>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent years:</i>					
Exchange differences on translation of financial statements in foreign currencies		293,935	(315,984)	-	-
Share of other comprehensive income from investments in associates	13	<u>(228,988)</u>	<u>(209,645)</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent years - net of income tax		<u>64,947</u>	<u>(525,629)</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent years:</i>					
Loss on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax	11,23	(145,144,114)	(51,154,267)	(145,050,678)	(50,881,883)
Share of other comprehensive income from investments in associates	13	<u>(2,290,734)</u>	<u>4,404,157</u>	<u>-</u>	<u>-</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent years - net of income tax		<u>(147,434,848)</u>	<u>(46,750,110)</u>	<u>(145,050,678)</u>	<u>(50,881,883)</u>
<b>Other comprehensive income for the year</b>		<u>(147,369,901)</u>	<u>(47,275,739)</u>	<u>(145,050,678)</u>	<u>(50,881,883)</u>
<b>Total comprehensive income for the year</b>		<u><u>615,899,849</u></u>	<u><u>492,693,946</u></u>	<u><u>457,754,776</u></u>	<u><u>401,922,889</u></u>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		569,874,524	457,022,643	<u>457,754,776</u>	<u>401,922,889</u>
Non-controlling interests		<u>46,025,325</u>	<u>35,671,303</u>		
		<u><u>615,899,849</u></u>	<u><u>492,693,946</u></u>		

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

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements											
	Equity attributable to owners of the Company										Total shareholders' equity	
	Issued and paid-up share capital	Share premium	Retained earnings				Share of other comprehensive income from associates	Fair value reserve	Share of other comprehensive income from associates	Total other components of shareholders' equity		Total equity attributable to shareholders of the Company
			Appropriated - statutory reserve		Unappropriated							
Appropriated - statutory reserve			Unappropriated	Appropriated - statutory reserve	Unappropriated							
Profit for the year	149,930,828	724,763,392	20,000,000	2,687,011,462	504,298,382	2,687,011,462	690,990,722	389,825	677,730,702	4,259,436,384	377,072,885	4,636,509,269
Other comprehensive income for the year	-	-	-	4,404,157	504,298,382	4,404,157	(51,154,267)	(209,645)	(51,679,896)	504,298,382	35,671,303	539,969,685
Total comprehensive income for the year	-	-	20,000,000	2,691,415,619	508,596,764	2,691,415,619	639,825	(209,645)	(51,679,896)	457,022,643	35,671,303	492,693,946
Dividend paid (Note 27)	-	-	-	(179,916,632)	-	(179,916,632)	(51,154,267)	(209,645)	(51,679,896)	(179,916,632)	-	(179,916,632)
Decrease in non-controlling interests from dividend paid by the subsidiary	-	-	-	-	-	-	-	-	-	-	(9,000,000)	(9,000,000)
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earning	-	-	-	(348,261)	-	(348,261)	348,261	-	348,261	-	-	-
<b>Balance as at 31 December 2022</b>	<b>149,930,828</b>	<b>724,763,392</b>	<b>20,000,000</b>	<b>3,015,449,108</b>	<b>640,184,716</b>	<b>3,015,449,108</b>	<b>640,184,716</b>	<b>180,180</b>	<b>626,399,067</b>	<b>4,536,542,395</b>	<b>403,744,188</b>	<b>4,940,286,583</b>
<b>Balance as at 1 January 2023</b>	<b>149,930,828</b>	<b>724,763,392</b>	<b>20,000,000</b>	<b>3,015,449,108</b>	<b>640,184,716</b>	<b>3,015,449,108</b>	<b>640,184,716</b>	<b>180,180</b>	<b>626,399,067</b>	<b>4,536,542,395</b>	<b>403,744,188</b>	<b>4,940,286,583</b>
Profit for the year	-	-	-	717,197,707	-	717,197,707	-	-	-	717,197,707	46,072,043	763,269,750
Other comprehensive income for the year	-	-	-	(2,290,734)	293,935	(2,290,734)	(145,097,396)	(228,988)	(145,032,449)	(147,323,183)	(46,718)	(147,369,901)
Total comprehensive income for the year	-	-	-	714,906,973	293,935	714,906,973	(145,097,396)	(228,988)	(145,032,449)	569,874,524	46,025,325	615,899,849
Dividend paid (Note 27)	-	-	-	(254,882,068)	-	(254,882,068)	-	-	-	(254,882,068)	-	(254,882,068)
Decrease in non-controlling interests from dividend paid by the subsidiary	-	-	-	-	-	-	-	-	-	-	(12,000,000)	(12,000,000)
<b>Balance as at 31 December 2023</b>	<b>149,930,828</b>	<b>724,763,392</b>	<b>20,000,000</b>	<b>3,475,474,013</b>	<b>495,087,320</b>	<b>3,475,474,013</b>	<b>495,087,320</b>	<b>(48,808)</b>	<b>481,366,618</b>	<b>4,851,534,851</b>	<b>437,769,513</b>	<b>5,289,304,364</b>

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

S & J International Enterprises Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2023

	Separate financial statements										(Unit: Baht)
	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity		Fair value reserve	comprehensive income	Total shareholders' equity	Total	
			Appropriated - statutory reserve	Unappropriated	Other	Other comprehensive income					
<b>Balance as at 1 January 2022</b>	149,930,828	724,763,392	20,000,000	2,263,653,453	691,057,283	3,849,404,956					
Profit for the year	-	-	-	452,804,772	-	452,804,772					
Other comprehensive income for the year	-	-	-	-	(50,881,883)	(50,881,883)					
Total comprehensive income for the year	-	-	-	452,804,772	(50,881,883)	401,922,889					
Dividend paid (Note 27)	-	-	-	(179,916,632)	-	(179,916,632)					
Transfer of fair value reserve of equity instruments designated at FVOCI to retained earning	-	-	-	(348,261)	348,261	-					
<b>Balance as at 31 December 2022</b>	149,930,828	724,763,392	20,000,000	2,536,193,332	640,523,661	4,071,411,213					
<b>Balance as at 1 January 2023</b>	149,930,828	724,763,392	20,000,000	2,536,193,332	640,523,661	4,071,411,213					
Profit for the year	-	-	-	602,805,454	-	602,805,454					
Other comprehensive income for the year	-	-	-	-	(145,050,678)	(145,050,678)					
Total comprehensive income for the year	-	-	-	602,805,454	(145,050,678)	457,754,776					
Dividend paid (Note 27)	-	-	-	(254,882,068)	-	(254,882,068)					
<b>Balance as at 31 December 2023</b>	149,930,828	724,763,392	20,000,000	2,884,116,718	495,472,983	4,274,283,921					

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

**S & J International Enterprises Public Company Limited and its subsidiaries**

**Statement of cash flows**

**For the year ended 31 December 2023**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>				
Profit before income tax expenses	914,535,442	640,525,258	730,505,682	534,522,719
Adjustments to reconcile net profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	277,613,546	278,491,401	116,597,114	112,317,290
Reversal impairment loss on financial assets	(4,038,169)	(770,310)	(3,618,275)	(415,340)
Reduction in cost of inventories to net realisable value	28,225,556	14,356,043	22,367,263	20,788,991
Provision for impairment loss on investment in subsidiary	-	-	3,999,909	-
Loss on sales of plant and equipment	2,438,324	4,308,373	33,296	4,475,728
Loss on write-off of intangible assets	-	12,496	-	-
Provision for long-term employee benefits	17,442,785	17,838,491	11,731,666	11,683,499
Adjustment due to lease modification	(80,369)	(474,880)	(80,369)	48,931
Share of profit from investments in associates	(102,871,891)	(63,634,540)	-	-
Share of loss from investments in joint venture	547,120	-	-	-
Loss from dissolution of joint venture	-	-	547,120	-
Unrealised loss on exchange	6,958,496	9,193,776	6,965,546	9,762,623
Gain from fair value measurement of derivatives	(388,472)	(445,944)	(239,779)	(627,642)
Dividend income	(19,416,568)	(19,081,129)	(82,716,511)	(73,981,078)
Finance income	(9,651,440)	(932,082)	(9,293,062)	(870,321)
Finance cost	10,088,541	5,746,914	5,158,652	1,942,738
Profit from operating activities before changes in operating assets and liabilities	1,121,402,901	885,133,867	801,958,252	619,648,138
Operating assets (increase) decrease				
Trade and other receivables	177,077,702	(133,209,257)	136,037,933	(86,157,150)
Inventories	(108,116,711)	8,292,145	(131,986,601)	3,364,803
Other current assets	20,163,739	(25,917,328)	13,892,426	(25,732,881)
Other non-current assets	(65,258,009)	(33,383,222)	(2,338,445)	(45,278,764)
Operating liabilities increase (decrease)				
Trade and other payables	22,666,293	72,109,079	(16,379,444)	74,471,293
Other current liabilities	7,570,909	14,586,986	4,456,230	11,731,982
Provision for long-term employee benefits	(20,922,415)	(10,231,260)	(15,868,275)	(8,353,139)
Other non-current liabilities	(127,564)	(254,936)	(15,564)	(25,186)
Cash flows from operating activities	1,154,456,845	777,126,074	789,756,512	543,669,096
Interest paid	(10,208,121)	(5,842,858)	(5,158,652)	(1,942,738)
Corporate income tax paid	(146,660,867)	(94,681,865)	(133,066,995)	(85,911,011)
<b>Net cash flows from operating activities</b>	<b>997,587,857</b>	<b>676,601,351</b>	<b>651,530,865</b>	<b>455,815,347</b>

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



**S & J International Enterprises Public Company Limited and its subsidiaries**

**Statement of cash flows (continued)**

**For the year ended 31 December 2023**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from investing activities</b>				
Interest received	9,656,158	945,582	9,293,062	870,321
Increase in other current financial assets	(628,568,207)	(2,003,344)	(630,068,207)	(7,003,344)
Cash received from sales of other non-current financial assets	-	500,000	-	-
Cash paid for purchase of other non-current financial assets	-	-	-	(1,000,000)
Cash received from returning funds in subsidiary	-	-	-	4,000,000
Cash received from return of capital of investment in equity instrument	714,300	-	714,300	-
Cash received from dissolution of a subsidiary	-	-	5,787	-
Cash received from dissolution of joint venture	302,780	-	302,780	-
Cash paid for investment in associate	(53,652,500)	-	(53,652,500)	-
Acquisitions of property, plant and equipment	(153,813,935)	(236,639,713)	(58,618,083)	(48,741,053)
Proceeds from sales of property and equipment	355,066	2,674,454	177,899	2,323,987
Increase in intangible assets	(2,672,078)	(1,369,987)	(2,416,295)	(1,149,530)
Dividend received	70,716,511	64,981,078	82,716,511	73,981,078
<b>Net cash flows from (used in) investing activities</b>	<b>(756,961,905)</b>	<b>(170,911,930)</b>	<b>(651,544,746)</b>	<b>23,281,459</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(131,196,215)	14,832,844	-	-
Payment of principal portion of lease liabilities	(33,062,012)	(36,396,197)	(28,174,370)	(29,531,936)
Dividend paid	(254,882,068)	(179,916,632)	(254,882,068)	(179,916,632)
Dividend paid by subsidiary to non-controlling interests	(12,000,000)	(9,000,000)	-	-
<b>Net cash flows used in financing activities</b>	<b>(431,140,295)</b>	<b>(210,479,985)</b>	<b>(283,056,438)</b>	<b>(209,448,568)</b>
Net foreign exchange difference	293,936	(2,010,782)	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(190,220,407)</b>	<b>293,198,654</b>	<b>(283,070,319)</b>	<b>269,648,238</b>
Cash and cash equivalents at beginning of the year	917,377,349	624,178,695	827,603,293	557,955,055
<b>Cash and cash equivalents at end of the year</b>	<b>727,156,942</b>	<b>917,377,349</b>	<b>544,532,974</b>	<b>827,603,293</b>

**Supplementary disclosures of cash flows information**

Non-cash items

Increase in right-of-use from new lease contracts	285,107,330	8,940,525	279,640,985	2,137,051
Accounts payable - purchase of assets	24,454,012	16,551,369	22,036,189	9,172,162
Loss on changes in value of equity investments designated at fair value through other comprehensive income	(181,430,142)	(63,942,835)	(181,313,348)	(63,602,355)
Transfer other non-current assets to right-of-use assets	47,008,841	-	47,008,841	-

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

## **S & J International Enterprises Public Company Limited and its subsidiaries**

### **Notes to consolidated financial statements**

**For the year ended 31 December 2023**

#### **1. General information**

S & J International Enterprises Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of all type of cosmetics and business of investment. The registered office of the Company is at 600/4 Moo 11, Sukapiban 8 Road, Nhongkharm, Sriracha, Chonburi with 4 branches as follows:

Branch No.1 2 Naradhiwas Rajanakarindra Road, Tungwatdon, Sathorn, Bangkok

Branch No.2 19/43 Moo 7, Bangna-Trad Road Km. 17, Bangchlong, Bangplee, Samutprakan

Branch No.3 789/159 Moo 1, Sai Nongkho-Laemchabang Road, Nongkham, Sriracha, Chonburi

Branch No.4 549/2, Sadhupradit Road, Chongnonsi, Yannawa, Bangkok

#### **2. Basis of preparation**

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

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

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

#### **2.2 Basis of consolidation**

a) The consolidated financial statements include the financial statements of S & J International Enterprises Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023 (%)	2022 (%)
<b>Held by the Company</b>				
E F Co., Ltd.	Manufacturer and distributor of consumer products	Thailand	100	100
Top Trend Manufacturing Co., Ltd.	Manufacturer and distributor of packaging	Thailand	50	50
Wildlives (Thailand) Co., Ltd.	Under the process of liquidation	Thailand	100	100
4WD Vision Co., Ltd.	Import, export, purchase and sale of chemicals, packaging products and cosmetic products	Thailand	100	100
SAAS Co., Ltd.	Dissolution and completed liquidation on 13 September 2023	Thailand	-	100
S&J International (UK) Limited	Distributor of cosmetic products, gift set and marketing service	The United Kingdom	100	100
<b>Held by S&amp;J International (UK) Limited</b>				
Guangzhou S&J Cosmetics Company Limited	Distributor of material and packaging	China	100	100
4WD Vision (HK) Limited	Distributor of material and packaging	Hong Kong SAR	100	100
<b>Held by 4WD Vision Co., Ltd.</b>				
4WD Vision Europe B.V.	Distributor of cosmetic products, gift set and marketing service	The Netherlands	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiaries are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currencies" in the statement of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 DKSJ Limited (joint venture) registered its dissolution with the Ministry of Commerce on 28 September 2023.

2.4 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.

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

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

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

#### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

### **4. Significant accounting policies**

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

##### *Sales of goods*

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

### *Interest income*

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

### *Finance cost*

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

### *Dividends*

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

## **4.2 Cash and cash equivalents**

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

## **4.3 Inventories**

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

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

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

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

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

## **4.5 Investment properties**

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

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

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

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

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

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives.

Building and building improvements	20 - 25 years
Machinery and equipment	5 - 10 years
Furniture, fixtures and office equipment	5 - 10 years
Motor vehicles	5 - 8 years

Depreciation is included in determining income.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### **4.7 Intangible assets**

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

A summary of the intangible assets with finite useful lives is computer software with estimated useful lives of 10 years.

#### **4.8 Leases**

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

## **The Group as a lessee**

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

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

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

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

Land	3 - 25 years
Buildings and building improvements	2 - 5 years
Office equipment	2 - 4 years
Motor vehicles	2 - 5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate.

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

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

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

### **The Group as a lessor**

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

## **4.9 Related party transactions**

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

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

## **4.10 Foreign currencies**

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

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

Gains and losses on exchange are included in determining income.

## **4.11 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.



## **4.12 Employee benefits**

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

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

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

#### ***Defined contribution plans***

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

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

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

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

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

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

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

## **4.13 Provisions**

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

## **4.14 Income tax**

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

## **Current tax**

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

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

## **Deferred tax**

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

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

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

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

### **4.15 Financial instruments**

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

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

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

### ***Financial assets at amortised cost***

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

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

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

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

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

## **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **Impairment of financial assets**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### 4.16 Derivatives

The Group uses derivatives, such as forward currency contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

#### 4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## 5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### **Leases**

#### ***Determining the lease term with extension and termination options - The Group as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

#### ***Estimating the incremental borrowing rate - The Group as a lessee***

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

### **Allowance of diminution in value of inventories**

In determining an allowance of diminution in value of inventories, the management makes judgment and estimates net realisable value of inventories based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of reporting period. Also, the management makes judgment and estimates expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

### **Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

## Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

## 6. Related party transactions

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Transaction with subsidiaries</u></b>				
(Eliminated from the consolidated financial statements)				
Sales of goods	-	-	582	349
Other income	-	-	37	33
Purchases of goods and services	-	-	639	656
Other expenses	-	-	-	2
<b><u>Transactions with associates</u></b>				
Sales of goods	34	21	10	-
Rental income	30	33	30	33
<b><u>Transactions with related parties</u></b>				
Sales of goods	2,131	1,525	1,937	1,342
Other income	11	10	9	9
Purchases of goods and services	23	19	15	16
Rental expenses	2	3	2	3
Electricity and utilities expenses	166	157	67	66

Transfer pricing policy for significant business transactions with related parties are summarised below.

Transactions	Transfer pricing policy
Sales of goods	Market price
Other income	Cost plus margin
Rental income	Contract price
Purchases of goods and services	Market price
Rental expenses	Contract price
Electricity and utilities expenses	Contract price
Other expenses	Market price

The balances of the accounts as at 31 December 2023 and 2022 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Trade and other receivables - related parties (Note 8)</u></b>				
<u>Trade receivables</u>				
Subsidiaries	-	-	140,956	98,133
Associates	6,606	4,754	3	-
Related companies	124,092	301,895	83,526	267,609
Trade and other receivables - related parties	<u>130,698</u>	<u>306,649</u>	<u>224,485</u>	<u>365,742</u>
<u>Other receivables</u>				
Subsidiaries	-	-	5,208	1,855
Associates	2,240	131	2,240	131
Related companies	543	195	543	195
Total other receivables - related parties	<u>2,783</u>	<u>326</u>	<u>7,991</u>	<u>2,181</u>
<b>Total trade and other receivables - related parties</b>	<b><u>133,481</u></b>	<b><u>306,975</u></b>	<b><u>232,476</u></b>	<b><u>367,923</u></b>
<b><u>Short-term loans to subsidiary</u></b>				
Subsidiary	-	-	3,000	3,000
Less: Allowance for expected credit losses	-	-	(3,000)	(3,000)
<b>Total short-term loans to subsidiary - net</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>Other non-current assets - related parties</u></b>				
Related companies	334	430	334	334
<b>Total other non-current assets - related parties</b>	<b><u>334</u></b>	<b><u>430</u></b>	<b><u>334</u></b>	<b><u>334</u></b>



	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Trade and other payables - related parties (Note 18)</u></b>				
<u>Trade payables</u>				
Subsidiaries	-	-	47,078	82,896
Associates	8	18	8	18
Related companies	6,535	2,789	1,255	2,721
Total trade payables - related parties	<u>6,543</u>	<u>2,807</u>	<u>48,341</u>	<u>85,635</u>
<u>Other payables</u>				
Subsidiaries	-	-	784	211
Associates	13	69	13	69
Related companies	1,185	720	958	554
Total other payables - related parties	<u>1,198</u>	<u>789</u>	<u>1,755</u>	<u>834</u>
<b>Total trade and other payables - related parties</b>	<b><u>7,741</u></b>	<b><u>3,596</u></b>	<b><u>50,096</u></b>	<b><u>86,469</u></b>
<b><u>Lease liabilities - related parties (Note 19)</u></b>				
Related companies	12,465	12,617	8,882	10,236
<b>Total lease liabilities - related parties</b>	<b><u>12,465</u></b>	<b><u>12,617</u></b>	<b><u>8,882</u></b>	<b><u>10,236</u></b>

#### Short-term loans to subsidiary

As at 31 December 2023 and 2022, the balance of short-term loan between the Company and its subsidiaries and the movement are as follows.

	(Unit: Thousand Baht)			
	Separate financial statements			
	Balance as at	Increase	Decrease	Balance as at
	31 December	During	during	31 December
	<u>2022</u>	<u>the period</u>	<u>the period</u>	<u>2023</u>
<b><u>Short-term loans to subsidiary</u></b>				
Subsidiary	3,000	-	-	3,000
Less: Allowance for expected credit losses	<u>(3,000)</u>	<u>-</u>	<u>-</u>	<u>(3,000)</u>
<b>Total</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

The above short-term loans are promissory notes. The loans are due at call and unsecured.

## Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	108,020	98,901	102,543	94,776
Post-employment benefits	588	564	588	564
Total	<u>108,608</u>	<u>99,465</u>	<u>103,131</u>	<u>95,340</u>

## 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	952	331	595	180
Bank deposits	724,110	916,054	543,938	827,423
Cheque on hand	2,095	992	-	-
Total	<u>727,157</u>	<u>917,377</u>	<u>544,533</u>	<u>827,603</u>

As at 31 December 2023, bank deposits in saving accounts and fixed deposits carried interests between 0.15 and 1.15 percent per annum (2022: between 0.05 and 0.63 percent per annum) (the Company only: between 0.15 and 0.60 percent per annum, 2022: between 0.05 and 0.50 percent per annum).

## 8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	91,018	290,055	200,125	358,201
Past due				
Up to 3 months	39,591	16,095	24,360	6,169
3 - 6 months	7	39	-	-
6 - 12 months	23	1	-	1,372
Over 12 months	59	459	-	-
Total trade accounts receivable - related parties	<u>130,698</u>	<u>306,649</u>	<u>224,485</u>	<u>365,742</u>
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	528,924	554,065	401,162	422,724
Past due				
Up to 3 months	169,750	170,624	83,897	79,914
3 - 6 months	21,167	5,130	7,785	16
6 - 12 months	1,782	5,376	118	4,444
Over 12 months	1,927	4,848	433	1,733
Total	<u>723,550</u>	<u>740,043</u>	<u>493,395</u>	<u>508,831</u>
Less: Allowance for expected credit losses	<u>(6,329)</u>	<u>(10,367)</u>	<u>(1,396)</u>	<u>(5,014)</u>
Trade accounts receivable - unrelated parties, net	<u>717,221</u>	<u>729,676</u>	<u>491,999</u>	<u>503,817</u>
Total trade accounts receivable - net	<u>847,919</u>	<u>1,036,325</u>	<u>716,484</u>	<u>869,559</u>
<u>Other receivables</u>				
Other receivables - related parties	2,783	326	7,991	2,181
Other receivables - unrelated parties	6,099	5,438	5,628	4,480
Advance payment for inventories	38,215	32,116	39,711	30,680
Prepaid expenses	4,321	5,585	3,470	6,132
Total other receivables	<u>51,418</u>	<u>43,465</u>	<u>56,800</u>	<u>43,473</u>
Total trade and other receivables - net	<u>899,337</u>	<u>1,079,790</u>	<u>773,284</u>	<u>913,032</u>

The normal credit term is 30 to 120 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	10,367	11,137	5,014	5,429
Reversal provision for expected credit losses	(4,038)	(770)	(3,618)	(415)
Ending balance	6,329	10,367	1,396	5,014

## 9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net		Inventories-net	
			realisable value			
	2023	2022	2023	2022	2023	2022
Finished goods	281,832	326,359	(21,843)	(12,686)	259,989	313,673
Work in process	74,061	84,327	(16,453)	(10,838)	57,608	73,489
Raw materials	443,972	287,171	(50,642)	(38,606)	393,330	248,565
Packaging	197,261	199,242	(20,100)	(18,682)	177,161	180,560
Supplies	5,598	4,926	-	-	5,598	4,926
Goods in transit	27,271	19,852	-	-	27,271	19,852
Total	1,029,995	921,877	(109,038)	(80,812)	920,957	841,065

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net		Inventories-net	
			realisable value			
	2023	2022	2023	2022	2023	2022
Finished goods	208,201	239,634	(12,857)	(6,612)	195,344	233,022
Work in process	56,423	55,397	(16,453)	(10,838)	39,970	44,559
Raw materials	407,530	246,293	(44,181)	(35,092)	363,349	211,201
Packaging	197,166	204,620	(20,100)	(18,682)	177,066	185,938
Supplies	3,246	3,005	-	-	3,246	3,005
Goods in transit	23,076	14,706	-	-	23,076	14,706
Total	895,642	763,655	(93,591)	(71,224)	802,051	692,431

During the current year, the Group reduced cost of inventories by Baht 85 million (2022: Baht 83 million) (The Company only: Baht 75 million, 2022: Baht 64 million), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 57 million (2022: Baht 69 million) (The Company only: Baht 53 million, 2022: Baht 43 million), and reduced the amount of inventories recognised as expenses during the year.

## 10. Other current financial assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Dedt instruments at amortised cost</u></b>				
Fixed deposits	1,003	9,003	1,003	9,003
Certificates of deposits	-	1,500	-	-
Governments bonds	638,069	-	638,069	-
<b>Total debt instruments at amortised cost</b>	<b>639,072</b>	<b>10,503</b>	<b>639,072</b>	<b>9,003</b>
<b><u>Financial assets at FVTPL</u></b>				
Derivative assets	865	626	865	626
<b>Total financial assets at FVTPL</b>	<b>865</b>	<b>626</b>	<b>865</b>	<b>626</b>
<b>Total other current financial assets</b>	<b>639,937</b>	<b>11,129</b>	<b>639,937</b>	<b>9,629</b>

As at 31 December 2023, fixed deposits, certificates of deposits and governments bonds carried interests between 0.60% and 2.11% per annum (2022: between 0.15% and 1.40% per annum) (the Company only: between 0.60% and 2.11% per annum, 2022: between 0.15% and 0.75% per annum).

## 11. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b><u>Equity instruments designated at FVOCI</u></b>				
<b>Listed equity instruments</b>				
Sahacogen (Chonburi) Plc.	387,520	542,080	387,520	542,080
President Bakery Plc.	207,000	207,750	207,000	207,750
Saha Pathana Inter-Holding Plc.	127,563	128,940	127,563	128,940
Saha Pathanapibul Plc.	74,100	78,000	74,100	78,000
I.C.C. International Plc.	43,411	33,907	43,411	33,907
Bangkok Bank Plc.	9,875	9,368	9,875	9,368
Nation Multimedia Group Plc.	992	2,180	992	2,180
Thai Wacoal Plc.	3,150	3,450	3,150	3,450
Far East Fame Line DDB Plc.	111	102	111	102
Boutique New City Plc.	43	27	43	27
<b>Total listed equity instruments</b>	<b>853,765</b>	<b>1,005,804</b>	<b>853,765</b>	<b>1,005,804</b>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Non-listed equity instruments</b>				
Sahapat Assets Co., Ltd.	55,469	55,418	55,469	55,418
United Utility Co., Ltd.	42,118	34,005	42,118	34,005
Thai Cubic Technology Co., Ltd.	48,411	46,392	48,411	46,392
Tipwarin Watana Co., Ltd.	6,949	32,761	6,949	32,761
T-Way Co., Ltd.	11,688	12,154	8,766	9,115
Saha Sehwa Co., Ltd.	6,619	8,601	6,619	8,601
Pan Land Co., Ltd.	3,693	3,723	3,693	3,723
E.P.F. Co., Ltd.	2,145	2,493	2,145	2,493
Waseda Education (Thailand) Co., Ltd.	1,577	3,234	1,577	3,234
Thai Yukilon Co., Ltd.	5,087	15,169	5,087	15,169
K. Commercial & Construction Co., Ltd.	3,210	3,380	3,210	3,380
Thai Lotte Co., Ltd.	5,613	2,996	5,613	2,996
Others	4,834	7,192	4,834	7,192
<b>Total non-listed equity instruments</b>	<u>197,413</u>	<u>227,518</u>	<u>194,491</u>	<u>224,479</u>
<b>Certificates of deposits</b>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
<b>Total other non-current financial assets</b>	<u>1,052,178</u>	<u>1,234,322</u>	<u>1,049,256</u>	<u>1,231,283</u>

As at 31 December 2023, non-listed equity instruments - others consisted of investment in 8 companies with fair value of Baht 5 million or 2 percent of total non-listed equity instruments in consolidated financial statements (2022: 8 companies with fair value of Baht 7 million or 3 percent) (the Company only: 8 companies with fair value of Baht 5 million or 2 percent, 2022: 8 companies with fair value of Baht 5 million or 3 percent).

During the year 2023, the Group received dividends from equity instruments designated at FVOCI, which still existed at the reporting date, in the amount of Baht 19 million (2022: Baht 19 million) (the Company only: Baht 19 million, 2022: Baht 19 million).

## 12. Investments in subsidiaries

12.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
			%	%				
E F Co., Ltd.	Baht 4.0 million	Baht 4.0 million	100	100	4,005	4,005	-	-
Top Trend Manufacturing Co., Ltd.	Baht 120.0 million	Baht 120.0 million	50	50	124,825	124,825	12,000	9,000
Wildlives (Thailand) Co., Ltd.	Baht 1.0 million	Baht 1.0 million	100	100	1,000	1,000	-	-
4WD Vision Co., Ltd.	Baht 10.0 million	Baht 10.0 million	100	100	10,000	10,000	-	-
SAAS Co., Ltd.	-	Baht 10.0 million	-	100	-	6,000	-	-
S&J International (UK) Limited	GBP 0.1 million	GBP 0.1 million	100	100	5,073	5,073	-	-
Total					144,903	150,903	12,000	9,000
Less: Allowance for impairment of investments					(5,005)	(6,999)		
Total investments in subsidiaries					139,898	143,904		

SAAS Co., Ltd. (Subsidiary company) registered its dissolution with the Ministry of Commerce on 13 September 2023.

12.2 Details of investments in subsidiary that has material non-controlling interests.

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(%)	(%)						
Top Trend Manufacturing Co., Ltd.	50	50	437,769	403,744	46,025	35,671	12,000	9,000

12.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that has material non-controlling.

Top Trend Manufacturing Co., Ltd.

	(Unit: Million Baht)	
	As at 31 December	
	<u>2023</u>	<u>2022</u>
Summarised information about financial position		
Current assets	361	403
Non-current assets	778	771
Current liabilities	205	312
Non-current liabilities	54	54

	(Unit: Million Baht)	
	For the year ended	
	31 December	
	<u>2023</u>	<u>2022</u>
Summarised information about comprehensive income		
Revenue	1,403	1,350
Profit	89	71
Total comprehensive income	89	71

	(Unit: Million Baht)	
	For the year ended	
	31 December	
	<u>2023</u>	<u>2022</u>
Summarised information about cash flow		
Cash flow from operating activities	102	10
Cash flow from (used in) investing activities	56	(41)
Cash flow from (used in) financing activities	(106)	16
Net increase (decrease) in cash and cash equivalents	<u>52</u>	<u>(15)</u>



### 13. Investments in associates

#### 13.1 Details of associates

No.	Company's name	Country of incorporation	Nature of business	Paid-up capital		Percentage of investment	
				2023	2022	2023 (%)	2022 (%)
1.	Yamahatsu (Thailand) Co., Ltd.	Thai	Hair products	Baht 20 million	Baht 20 million	30	30
2.	Operational Energy Group Limited	Thai	Servicing to operate the power plant	Baht 30 million	Baht 30 million	30	30
3.	Atika Beauty Manufacturing Sdn. Bhd.	Malaysia	Manufacturing and distribute cosmetic products	RM 6 million	RM 6 million	35	35
4.	Osoth Interlaboratories Co., Ltd.	Thai	Manufacturing pharmaceutical	Baht 670 million	Baht 600 million	38	33

### 13.2 Carrying amount share of comprehensive income and dividend received

During the years, the Company recognised its share of profit (loss) from investments in the consolidated financial statements and dividend received from associates in the separate financial statements and presented carrying amount based on equity method in the consolidated financial statements and carrying amount based on cost method in the separate financial statements as follows:

(Unit: Thousand Baht)

No.	Company's name	Consolidated financial statements				Separate financial statements					
		2023	2022	2023	2022	2023	2022	2023	2022		
		Carrying amount based on equity method		Share of profit (loss) from investments in associates during the year		Share of other comprehensive income from investments in associates during the year		Carrying amount based on cost method		Dividend received during the year	
1.	Yamahatsu (Thailand) Co., Ltd.	40,519	35,487	5,182	(1,913)	(150)	(38)	6,000	6,000	-	-
2.	Operational Energy Group Limited	112,161	103,449	61,425	59,235	(1,413)	4,104	13,151	13,151	51,300	45,900
3.	Atika Beauty Manufacturing Sdn. Bhd.	6,765	2,803	4,191	106	(229)	129	17,916	17,916	-	-
4.	Osoth Interlaboratories Co., Ltd.	283,983	198,984	32,074	6,206	(728)	-	255,647	201,994	-	-
Total		443,428	340,723	102,872	63,634	(2,520)	4,195	292,714	239,061	51,300	45,900
	Less: Provision for impairment loss							(22,800)	(22,800)		
	Total investment in associates							269,914	216,261		

On 13 July 2023, the Company's Board of Directors Meeting No. 3/2023 resolved to approved an additional investment in 527,593 ordinary shares of Osoth Inter Laboratories Co., Ltd., associated company, for Baht 52.76 million, causing the Company's interest in the equity of such company increased from 33.19% to 37.60%.

On 10 August 2023, the Company's Board of Directors Meeting No. 4/2023 resolved to approved purchase in 8,932 ordinary shares of Osoth Inter Laboratories Co., Ltd., associated company, from a related company, for Baht 0.89 million, causing the Company's interest in the equity of such company increased from 37.60% to 37.73%.

### 13.3 Summarised financial information about material associates

#### Summarised information about financial position

Company	Current assets		Non-current assets		Current liabilities		Non-current liabilities		Net assets		Shareholding percentage (%)		Share of net assets		Elimination entries and other		Carrying amounts of associates based on equity method	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Yamahatsu (Thailand) Co., Ltd.	320	308	123	169	287	339	9	8	147	130	30	30	44	39	(3)	(4)	41	35
Operational Energy Group Limited	426	410	295	388	160	280	185	171	376	347	30	30	113	104	(1)	(1)	112	103
Atika Beauty Manufacturing Sdn. Bhd.	24	10	5	5	11	9	-	-	18	6	35	35	6	2	1	1	7	3
Osoth Interlaboratories Co., Ltd.	525	326	354	348	191	139	12	9	676	526	38	33	255	174	29	25	284	199

#### Summarised information about comprehensive income

Company	Revenue		Profit (loss)		Other comprehensive income		Total comprehensive income	
	2023	2022	2023	2022	2023	2022	2023	2022
Yamahatsu (Thailand) Co., Ltd.	1,022	1,016	18	(6)	-	-	18	(6)
Operational Energy Group Limited	753	781	205	197	(5)	14	200	211
Atika Beauty Manufacturing Sdn. Bhd.	59	34	12	-	-	-	12	-
Osoth Interlaboratories Co., Ltd.	739	595	85	19	(2)	-	83	19

For the year ended 31 December

(Unit: Million Baht)

(Unit: Million Baht)

## 14. Investment properties

The net book value of investment properties as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Non-operating land	Land and building for rent	Total	Non-operating land	Land and building for rent	Total
31 December 2023:						
Cost	120	140,363	140,483	-	140,363	140,363
Less: Accumulated depreciation	-	(67,407)	(67,407)	-	(67,407)	(67,407)
Net book value	<u>120</u>	<u>72,956</u>	<u>73,076</u>	<u>-</u>	<u>72,956</u>	<u>72,956</u>
31 December 2022:						
Cost	120	140,363	140,483	-	140,363	140,363
Less: Accumulated depreciation	-	(63,529)	(63,529)	-	(63,529)	(63,529)
Net book value	<u>120</u>	<u>76,834</u>	<u>76,954</u>	<u>-</u>	<u>76,834</u>	<u>76,834</u>

A reconciliation of the net book value of investment properties for the year 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	76,954	80,832	76,834	80,712
Depreciation for the year	<u>(3,878)</u>	<u>(3,878)</u>	<u>(3,878)</u>	<u>(3,878)</u>
Net book value at end of year	<u>73,076</u>	<u>76,954</u>	<u>72,956</u>	<u>76,834</u>

The additional information of the investment properties as at 31 December 2023 and 2022 stated below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
The fair value	201,855	201,855	201,775	201,775

The fair value of non-operating land has been determined based on market prices assessed by an accredited independent valuer. The fair value of the land and building held for rental has been determined using the market approach by an accredited independent valuer.

The Company has jointly invested with the related companies to purchase land and construction thereon, with a total value of approximately Baht 30 million, with the investment proportion as follow

	Amount (Thousand Baht)	Ownership in land (Square wa)
Wittaya Sitthi Co., Ltd.	14,929	76.57
S&J International Enterprises Plc.	9,953	51.05
K Commercial and Construction Co., Ltd.	5,474	28.08
<b>Total</b>	<b>30,356</b>	<b>155.70</b>

## 15. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							Total
	Land and improvements	Buildings and building improvements	Furniture and fixtures	Office equipment	Machinery and equipment	Motor vehicles	Assets under installation and under construction	
<b>Cost:</b>								
1 January 2022	406,322	1,226,780	372,299	162,603	3,062,478	27,422	124,564	5,382,468
Additions	-	1,642	847	10,847	10,537	-	229,318	253,191
Disposals/write-off	-	(14,394)	(14,347)	(7,763)	(22,102)	(16)	-	(58,622)
Transfers	-	37,800	13,595	628	171,699	-	(223,722)	-
31 December 2022	406,322	1,251,828	372,394	166,315	3,222,612	27,406	130,160	5,577,037
Additions	-	6,720	1,802	9,331	15,605	105	144,705	178,268
Disposals/write-off	-	(2,344)	(3,104)	(7,699)	(40,405)	-	-	(53,552)
Transfers	-	26,987	4,030	7,278	152,288	-	(190,583)	-
31 December 2023	406,322	1,283,191	375,122	175,225	3,350,100	27,511	84,282	5,701,753
<b>Accumulated depreciation:</b>								
1 January 2022	-	597,251	362,565	141,003	2,673,376	26,885	-	3,801,080
Depreciation for the year	-	52,088	4,945	9,438	167,171	-	-	233,642
Depreciation on disposals/write-off	-	(7,739)	(14,333)	(7,639)	(21,912)	(16)	-	(51,639)
31 December 2022	-	641,600	353,177	142,802	2,818,635	26,869	-	3,983,083
Depreciation for the year	-	53,750	6,189	10,129	157,854	16	-	227,938
Depreciation on disposals/write-off	-	(1,489)	(3,093)	(7,690)	(38,487)	-	-	(50,759)
31 December 2023	-	693,861	356,273	145,241	2,938,002	26,885	-	4,160,262
<b>Allowance for impairment loss:</b>								
1 January 2022	-	-	-	-	-	-	2,200	2,200
31 December 2022	-	-	-	-	-	-	2,200	2,200
31 December 2023	-	-	-	-	-	-	2,200	2,200
<b>Net book value:</b>								
31 December 2022	406,322	610,228	19,217	23,513	403,977	537	127,960	1,591,754
31 December 2023	406,322	589,330	18,849	29,984	412,098	626	82,082	1,539,291
<b>Depreciation for the year</b>								
2022 (Baht 182 million included in manufacturing cost, and the balance in administrative expenses)								233,642
2023 (Baht 174 million included in manufacturing cost, and the balance in administrative expenses)								227,938

## Separate financial statements

	Buildings					Assets under		Total
	Land and improvements	and building improvements	Furniture and fixtures	Office equipment	Machinery and equipment	Motor vehicles	installation and under construction	
<b>Cost:</b>								
1 January 2022	200,750	1,024,023	194,910	130,651	1,302,841	12,876	17,885	2,883,906
Additions	-	1,642	727	9,282	8,701	-	37,561	57,913
Disposals/write-off	-	(14,166)	(12,505)	(5,118)	(3,953)	(16)	-	(35,758)
Transfers	-	11,751	9	-	5,730	-	(17,490)	-
31 December 2022	200,750	1,023,250	183,141	134,815	1,313,319	12,860	37,926	2,906,061
Additions	-	6,720	1,748	6,978	14,844	105	50,259	80,654
Disposals/write-off	-	(465)	(1,821)	(7,499)	(9,110)	-	-	(18,895)
Transfers	-	13,500	367	7,149	16,999	-	(38,015)	-
31 December 2023	200,750	1,043,005	183,435	141,443	1,336,052	12,965	50,170	2,967,820
<b>Accumulated depreciation:</b>								
1 January 2022	-	490,453	191,148	112,158	1,246,219	12,818	-	2,052,796
Depreciation for the year	-	42,539	1,534	7,901	22,287	-	-	74,261
Depreciation on disposals/ write-off	-	(7,511)	(12,491)	(5,008)	(3,932)	(16)	-	(28,958)
31 December 2022	-	525,481	180,191	115,051	1,264,574	12,802	-	2,098,099
Depreciation for the year	-	43,243	1,410	8,241	20,951	16	-	73,861
Depreciation on disposals/ write-off	-	(278)	(1,810)	(7,494)	(9,102)	-	-	(18,684)
31 December 2023	-	568,446	179,791	115,798	1,276,423	12,818	-	2,153,276
<b>Allowance for impairment loss:</b>								
1 January 2022	-	-	-	-	-	-	2,200	2,200
31 December 2022	-	-	-	-	-	-	2,200	2,200
31 December 2023	-	-	-	-	-	-	2,200	2,200
<b>Net book value:</b>								
31 December 2022	200,750	497,769	2,950	19,764	48,745	58	35,726	805,762
31 December 2023	200,750	474,559	3,644	25,645	59,629	147	47,970	812,344
<b>Depreciation for the year</b>								
2022 (Baht 30 million included in manufacturing cost, and the balance in administrative expenses)								74,261
2023 (Baht 28 million included in manufacturing cost, and the balance in administrative expenses)								73,861

As at 31 December 2023, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 3,394 million (2022: Baht 3,198 million) (The Company only: Baht 1,834 million, 2022: Baht 1,761 million).

## 16. Intangible assets

The net book value of intangible assets as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Computer software	Computer under installation	Total	Computer software	Computer under installation	Total
31 December 2023						
Cost	106,800	2,410	109,210	76,535	2,410	78,945
Less: Accumulated amortisation	(93,028)	-	(93,028)	(64,341)	-	(64,341)
Net book value	<u>13,772</u>	<u>2,410</u>	<u>16,182</u>	<u>12,194</u>	<u>2,410</u>	<u>14,604</u>
31 December 2022						
Cost	106,432	-	106,432	76,529	-	76,529
Less: Accumulated amortisation	(87,116)	-	(87,116)	(59,849)	-	(59,849)
Net book value	<u>19,316</u>	<u>-</u>	<u>19,316</u>	<u>16,680</u>	<u>-</u>	<u>16,680</u>

A reconciliation of the net book value of intangible assets for the year ended 31 December 2023 and 2022 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	19,316	23,896	16,680	20,186
Acquisition of computer software	2,672	1,370	2,416	1,150
Amortisation (included in administrative expense)	(5,806)	(5,937)	(4,492)	(4,656)
Disposal/write-off during the year - net book value at disposal/write-off date	-	(13)	-	-
Net book value at end of year	<u>16,182</u>	<u>19,316</u>	<u>14,604</u>	<u>16,680</u>

## 17. Bank overdrafts and short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (percent per annum)		Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Promissory notes	2.60 - 4.25	1.43 - 5.89	87,500	192,915	-	-
Bank overdrafts	-	6.35 - 6.65	-	25,781	-	-
Total			<u>87,500</u>	<u>218,696</u>	<u>-</u>	<u>-</u>

Short-term loans from financial institutions of the Group are unsecured.

## 18. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - related parties	6,543	2,807	48,341	85,635
Trade payables - unrelated parties	347,171	361,349	303,788	308,748
Other payables - related parties	1,198	789	1,755	834
Other payables - unrelated parties	72,365	62,347	58,320	45,173
Accrued expenses	334,277	296,074	252,340	231,724
Payable from acquisition of assets	24,454	16,125	22,036	9,172
Accrued interest expenses	160	131	-	-
<b>Total trade and other payables</b>	<b>786,168</b>	<b>739,622</b>	<b>686,580</b>	<b>681,286</b>

## 19. Leases

### 19.1 The Group as a lessee

The Group has lease contracts for used in its operations. Leases generally have lease terms between 2 - 25 years.

#### a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land	Buildings and		Motor vehicles	Total
		improvements	Office equipment		
1 January 2022	1,574	54,010	1,628	21,703	78,915
Additions	-	4,253	-	4,688	8,941
Adjustment due to lease modification	-	2,154	2,304	(748)	3,710
Depreciation for the year	(1,542)	(23,253)	(871)	(9,369)	(35,035)
31 December 2022	32	37,164	3,061	16,274	56,531
Additions	260,718	1,110	-	23,279	285,107
Adjustment due to lease modification	-	(688)	-	(967)	(1,655)
Depreciation for the year	(6,593)	(19,547)	(3,006)	(10,844)	(39,990)
31 December 2023	254,157	18,039	55	27,742	299,993



(Unit: Thousand Baht)

	Separate financial statements				
	Land	Buildings and	Office	Motor vehicles	Total
		building improvements	equipment		
1 January 2022	1,206	50,802	1,478	19,570	73,056
Additions	-	-	-	2,137	2,137
Adjustment due to lease modification	-	-	2,311	(748)	1,563
Depreciation for the year	(1,175)	(19,907)	(827)	(7,613)	(29,522)
31 December 2022	31	30,895	2,962	13,346	47,234
Additions	259,617	852	-	19,172	279,641
Adjustment due to lease modification	-	(688)	-	(967)	(1,655)
Depreciation for the year	(6,226)	(16,263)	(2,962)	(8,914)	(34,365)
31 December 2023	253,422	14,796	-	22,637	290,855

On 9 September 2022, the Company entered into land lease agreements for the land to be used for the location of its Bangkok office. The agreements are for a period of 25 years, from May 2023 to April 2048.

## b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payments	337,928	58,734	330,663	52,035
Less: Deferred interest expenses	(79,123)	(3,231)	(78,761)	(2,856)
Total	258,805	55,503	251,902	49,179
Less: Portion due within one year	(32,299)	(27,765)	(28,195)	(24,232)
Lease liabilities - net of current portion	226,506	27,738	223,707	24,947

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	55,503	79,724	49,179	74,962
Additions	238,099	8,940	232,632	2,137
Adjustment due to lease modification	(1,735)	3,235	(1,735)	1,612
Accretion of interest	5,445	2,196	5,159	1,942
Repayments	(38,507)	(38,592)	(33,333)	(31,474)
Balance at end of year	<u>258,805</u>	<u>55,503</u>	<u>251,902</u>	<u>49,179</u>

A maturity analysis of lease payments is disclosed in Note 30.2 to the financial statement under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	39,990	35,035	34,365	29,522
Interest expense on lease liabilities	5,445	2,196	5,159	1,942
Expense relating to leases of low-value assets	68	59	68	59

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 39 million (2022: Baht 39 million) (the Company only: Baht 33 million, 2022: Baht 32 million), including the cash outflow related to short-term lease and leases of low-value assets.

**19.2 The Company as a lessor**

The Company has entered into operating leases for its investment property portfolio consisting of land and building for rent (see Note 14 to the financial statement) of the lease terms are between 1 and 3 years.

The Company has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2023 in immaterial amount.

## 20. Provision for long-term employee benefits

Provision for long-term employee benefits, was as follows.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Defined benefit plans		Other long-term employee benefits		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Provision for long-term employee benefits at beginning of year</b>	176,184	168,110	4,023	4,490	180,207	172,600
Included in profit or loss:						
Current service cost	14,245	15,087	397	187	14,642	15,274
Interest cost	2,741	2,505	60	59	2,801	2,564
Benefits paid during the year	(19,945)	(9,518)	(977)	(713)	(20,922)	(10,231)
<b>Provision for long-term employee benefits at end of year</b>	<u>173,225</u>	<u>176,184</u>	<u>3,503</u>	<u>4,023</u>	<u>176,728</u>	<u>180,207</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Defined benefit plans		Other long-term employee benefits		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Provision for long-term employee benefits at beginning of year</b>	124,421	120,719	2,568	2,939	126,989	123,658
Included in profit or loss:						
Current service cost	9,526	9,761	233	101	9,759	9,862
Interest cost	1,935	1,785	37	37	1,972	1,822
Benefits paid during the year	(15,138)	(7,844)	(730)	(509)	(15,868)	(8,353)
<b>Provision for long-term employee benefits at end of year</b>	<u>120,744</u>	<u>124,421</u>	<u>2,108</u>	<u>2,568</u>	<u>122,852</u>	<u>126,989</u>

The Group expect to pay Baht 14 million of long-term employee benefits during the next year (2022: Baht 18 million) (the Company only: Baht 11 million, 2022 Baht 13 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 11 - 13 years (2022: 11 - 13 years) (the Company only: 11 years, 2022: 11 years).

Significant actuarial assumptions are summarised below:

(Unit: Percent per annum)

	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	Discount rate	1.63 - 1.69	1.27 - 1.69	1.63 - 1.67
Salary increase rate	2.50 - 5.00	2.50 - 5.00	2.50 - 4.63	2.50 - 4.63

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

(Unit: Million Baht)

	As at 31 December 2023			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(11)	12	(8)	9
Salary increase rate	26	(23)	21	(19)

(Unit: Million Baht)

	As at 31 December 2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(12)	13	(9)	9
Salary increase rate	24	(21)	19	(18)

## 21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

## 22. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Salaries and wages and other employee benefits	1,420,148	1,362,210	919,481	906,315
Depreciation and amortisation	277,614	278,491	116,597	112,317
Raw materials and consumables used	2,440,148	2,096,040	3,283,550	2,752,443
Changes in finished goods and work in progress	54,793	424	30,407	(4,354)
Research and development expenses	23,009	23,520	23,009	23,520

## 23. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Current income tax:</b>				
Current income tax charge	149,518	104,298	122,400	88,066
Adjustment in respect of income tax of previous year	(3,388)	(1,725)	(404)	(1,725)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	5,136	(2,017)	5,704	(4,623)
<b>Income tax expenses reported in profit or loss</b>	<u>151,266</u>	<u>100,556</u>	<u>127,700</u>	<u>81,718</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax on				
Loss from the change in value of financial assets measured at FVOCI	36,286	12,788	36,262	12,720
Share of other comprehensive income from investments in associates	630	(1,101)	-	-
<b>Total</b>	<u>36,916</u>	<u>11,687</u>	<u>36,262</u>	<u>12,720</u>

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit before tax	914,535	640,525	730,506	534,523
Applicable tax rate	0 - 20%	0 - 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	177,779	126,517	146,101	106,905
Adjustment in respect of income tax of previous year	(3,388)	(1,725)	(404)	(1,725)
Effects of:				
Exempt income	(16,543)	(14,796)	(16,543)	(14,796)
Non-deductible expenses	5,896	1,524	5,633	1,191
Additional expense deductions allowed	(13,106)	(15,644)	(7,715)	(13,768)
Others	628	4,680	628	3,911
Total	(23,125)	(24,236)	(17,997)	(23,462)
Income tax expense reported in profit or loss	151,266	100,556	127,700	81,718

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Deferred tax assets</b>				
Allowance for expected credit losses	1,266	2,073	279	1,002
Allowance for diminution in value of inventories	21,747	16,148	18,718	14,245
Provision for long-term employee benefits	35,691	36,387	24,571	25,398
Provision for impairment loss on investment	-	-	5,561	5,960
Lease	296	389	296	389
Unused tax loss	-	612	-	-
Others	270	640	440	440
Total	59,270	56,249	49,865	47,434
<b>Deferred tax liabilities</b>				
Unrealised fair value gain on investments	118,544	154,807	119,652	155,915
Lease	8,086	-	8,086	-
Others	173	125	173	125
Total	126,803	154,932	127,911	156,040

As at 31 December 2023, a subsidiary has unused tax losses totaling Baht 12 million (2022: Baht 20 million), on which deferred tax assets have not been recognised as the subsidiary believes future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

The unused tax losses amounting to Baht 12 million will expire by 2028.

#### **24. Earnings per share**

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

#### **25. Segment information**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have three reportable segments as follows.

- Cosmetics
- Packaging
- Others

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2023 and 2022.

	(Unit: Million Baht)											
	Cosmetics		Packaging		Others		Total reportable segments		Adjustments and eliminations		Consolidated financial statements	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Sales	5,647	4,780	1,403	1,317	1,084	1,054	8,134	7,151	(1,330)	(1,191)	6,804	5,960
Other income	215	189	45	35	7	4	267	228	(106)	(105)	161	123
<b>Total revenue</b>	<b>5,862</b>	<b>4,969</b>	<b>1,448</b>	<b>1,352</b>	<b>1,091</b>	<b>1,058</b>	<b>8,401</b>	<b>7,379</b>	<b>(1,436)</b>	<b>(1,296)</b>	<b>6,965</b>	<b>6,083</b>
Cost of sales	(3,995)	(3,314)	(1,067)	(994)	(895)	(919)	(5,957)	(5,227)	1,331	1,205	(4,626)	(4,022)
Selling and distribution expenses	(119)	(200)	(31)	(30)	(14)	(10)	(164)	(240)	-	-	(164)	(240)
Administrative expenses	(906)	(806)	(91)	(83)	(140)	(115)	(1,137)	(1,004)	53	44	(1,084)	(960)
Depreciation and amortisation	(116)	(113)	(154)	(159)	(8)	(7)	(278)	(279)	-	-	(278)	(279)
<b>Total expenses</b>	<b>(5,136)</b>	<b>(4,433)</b>	<b>(1,343)</b>	<b>(1,266)</b>	<b>(1,057)</b>	<b>(1,051)</b>	<b>(7,536)</b>	<b>(6,750)</b>	<b>1,384</b>	<b>1,249</b>	<b>(6,152)</b>	<b>(5,501)</b>
<b>Operating profit</b>	<b>726</b>	<b>536</b>	<b>105</b>	<b>86</b>	<b>34</b>	<b>7</b>	<b>865</b>	<b>629</b>	<b>(52)</b>	<b>(47)</b>	<b>813</b>	<b>582</b>
Share of profit from investments in joint venture and associates	-	-	-	-	-	-	-	-	102	64	102	64
Finance income	9	1	-	-	-	-	9	1	-	-	9	1
Finance cost	(5)	(2)	(3)	(2)	(2)	(2)	(10)	(6)	-	-	(10)	(6)
Income tax expenses	(127)	(82)	(13)	(16)	(11)	(3)	(151)	(101)	-	-	(151)	(101)
<b>Profit for the year</b>	<b>603</b>	<b>453</b>	<b>89</b>	<b>68</b>	<b>21</b>	<b>2</b>	<b>713</b>	<b>523</b>	<b>50</b>	<b>17</b>	<b>763</b>	<b>540</b>



### Geographic information

Revenue from external customers is based on domestic and export sales in consolidated financial statements for the years ended 31 December 2023 and 2022 presented below.

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Sales		
- Domestic	4,424,533	3,282,653
- Export	2,379,608	2,677,316
Total	<u>6,804,141</u>	<u>5,959,969</u>

### Major customers

In the year 2023, the Group has revenue from 3 major customers in amount of Baht 2,836 million, arising from sales by cosmetics segments (2022: revenue from 3 major customers in amount of Baht 2,658 million, arising from sales by cosmetics segments).

## **26. Provident fund**

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contributes to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by Principal Asset Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to approximately Baht 14 million (2022: Baht 13 million) (the Company only: Baht 11 million, 2022: Baht 11 million) were recognised as expenses.

## **27. Dividend**

<u>Dividend</u>	<u>Approved by</u>	<u>Total dividend</u>	<u>Dividend per share</u>
		(Million Baht)	(Baht)
Final dividends for 2021	Annual General Meeting of the shareholders on 26 April 2022	<u>180</u>	<u>1.2</u>
Final dividends for 2022	Annual General Meeting of the shareholders on 25 April 2023	<u>255</u>	<u>1.7</u>

## 28. Commitments and contingent liabilities

### 28.1 Capital commitments

As at 31 December 2023, the Group has capital commitments of approximately Baht 45 million (2022: Baht 26 million) (the Company only: Baht 32 million, Baht 8 million), relating to factory construction and purchase machine.

### 28.2 Commitments of power purchase and sale

The Group entered into a power purchase and sale agreement with a related company with a contractual term of 20 years from the commercial operation date. The related company invested in the construction and installation of electricity generation systems and retains ownership of all related properties. Electricity charges are calculated based on rates specified in the agreement. When the Group has complied with the agreement for the full 20 years, ownership of all electricity generation systems is to be automatically transferred to the Group.

The Group paid electricity charges as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Electricity charges	8.5	7.5	3.7	3.3

### 28.3 Guarantees

The Group has outstanding bank guarantees as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Bank guarantee for:				
Electricity use guarantees	17.2	16.2	8.5	7.5
Tax refund guarantees	2.1	3.9	2.1	3.9
Other guarantees	2.9	3.2	2.9	3.2

The guarantees in respect of certain performance bonds as required in the normal course of business.

## 29. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured and disclosed at fair value, as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVOCI				
Equity instruments	853,765	-	197,413	1,051,178
Derivatives				
Foreign currency forward contracts	-	865	-	865
<b>Liabilities measured at fair value</b>				
Derivatives				
Foreign currency forward contracts	-	26	-	26
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	135,456	66,399	201,855

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVOCI				
Equity instruments	1,005,804	-	227,518	1,233,322
Derivatives				
Foreign currency forward contracts	-	626	-	626
<b>Liabilities measured at fair value</b>				
Derivatives				
Foreign currency forward contracts	-	175	-	175
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	135,456	66,399	201,855

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVOCI				
Equity instruments	853,765	-	194,491	1,048,256
Derivatives				
Foreign currency forward contracts	-	865	-	865
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	135,376	66,399	201,775

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVOCI				
Equity instruments	1,005,804	-	224,479	1,230,283
Derivatives				
Foreign currency forward contracts	-	626	-	626
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	135,376	66,399	201,775

### 30. Financial instruments

#### 30.1 Derivatives

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Derivative assets</b>				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	865	626	865	626
<b>Total derivative assets</b>	<b>865</b>	<b>626</b>	<b>865</b>	<b>626</b>
<b>Derivative liabilities</b>				
Derivatives liabilities not designated as hedging instruments				
Foreign exchange forward contracts	26	175	-	-
<b>Total derivative liabilities</b>	<b>26</b>	<b>175</b>	<b>-</b>	<b>-</b>

## **Derivatives not designated as hedging instruments**

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 6 to 12 months.

### **30.2 Financial risk management objectives and policies**

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, loans to subsidiary, investments, and short-term loans from banks. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Group is exposed to credit risk primarily with respect to trade accounts receivable, borrowing, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

#### ***Trade receivables***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large and various customer.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by geography and customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

#### ***Financial instruments and cash***

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

#### **Market risk**

There are two types of market risk comprising foreign currency risk and interest rate risk. The Group enters into derivatives to manage its risk exposure for foreign exchange forward contracts to hedge the foreign currency risk arising on the export or import of goods.

## Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2023 (Million)	2022 (Million)	2023 (Million)	2022 (Million)	2023 (Baht per 1 foreign currency unit)	2022
<u>The Company</u>						
USD	6.76	6.30	0.68	0.66	34.22	34.56
GBP	3.44	2.33	0.09	0.07	43.84	41.66
JPY	77.90	63.08	21.81	23.43	0.24	0.26
Euro	0.69	0.15	0.27	0.31	38.03	36.83
<u>The subsidiaries</u>						
USD	0.46	0.25	0.15	0.21	34.22	34.56
Euro	0.45	0.06	0.07	0.20	38.03	36.83
CNY	0.32	0.39	0.65	0.89	4.81	4.97

## Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in USD GBP JPY and Euro exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2023 and 2022. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	2023		2022	
	Change in FX rate	Effect on profit before tax	Change in FX rate	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
USD	+10	30,335	+10	27,201
	- 10	(30,335)	- 10	(27,201)
GBP	+10	15,640	+10	11,471
	- 10	(15,640)	- 10	(11,471)
Euro	+10	5,515	+10	2,851
	- 10	(5,515)	- 10	(2,851)
JPY	+10	2,483	+10	4,342
	- 10	(2,483)	- 10	(4,342)

This information is not a forecast or prediction of future market conditions and should be used with care.

**Interest rate risk**

The Group's exposure to low interest rate risk. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

	Consolidated financial statements															
	Fixed interest rates					Non-interest bearing					Total		Effective interest rate			
	Within 1 year		Over 1 and up to 2 years			2023		2022		2023		2022		2023		2022
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Financial assets</b>																
Cash and cash equivalents	-	-	-	-	-	724,110	916,054	3,047	1,323	727,157	917,377	0.15 - 1.15	0.05 - 0.63			
Trade and other receivables	-	-	-	-	-	-	-	899,337	1,079,790	899,337	1,079,790	-	-			
Other current financial assets	639,072	10,503	-	-	-	-	-	865	626	639,937	11,129	0.60 - 2.11	0.15 - 1.40			
Other non-current financial assets	-	-	1,000	1,000	-	-	-	1,051,178	1,233,322	1,052,178	1,234,322	1.35	1.35			
	639,072	10,503	1,000	1,000	724,110	916,054	1,954,427	2,315,061	3,318,609	3,242,618						
<b>Financial liabilities</b>																
Bank overdrafts and short-term loans																
from financial institution	87,500	192,915	-	-	-	-	25,781	-	-	87,500	218,696	2.60 - 4.25	1.43 - 6.65			
Trade and other payables	-	-	-	-	-	-	-	786,168	739,622	786,168	739,622	-	-			
	87,500	192,915	-	-	-	-	25,781	786,168	739,622	873,668	958,318					

(Unit: Thousand Baht)

## Separate financial statements

	Fixed interest rates						Total		Effective interest rate			
	Within 1 year		Over 1 and up to 2 years		Floating interest rate		Non-interest bearing		(Percent per annum)			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022		
<b>Financial assets</b>												
Cash and cash equivalents	-	-	-	-	543,938	827,423	595	180	544,533	827,603	0.15 - 0.60	0.05 - 0.50
Trade and other receivables	-	-	-	-	-	-	773,284	913,032	773,284	913,032	-	-
Other current financial assets	639,072	9,003	-	-	-	-	865	626	639,937	9,629	0.60 - 2.11	0.15 - 0.75
Other non-current financial assets	-	-	1,000	1,000	-	-	1,048,256	1,230,283	1,049,256	1,231,283	1.35	1.35
	639,072	9,003	1,000	1,000	543,938	827,423	1,823,000	2,144,121	3,007,010	2,981,547		
<b>Financial liabilities</b>												
Trade and other payables	-	-	-	-	-	-	-	681,286	686,580	681,286	-	-
	-	-	-	-	-	-	-	681,286	686,580	681,286		



### Interest rate sensitivity

The change in interest rate is no significant impact on the Group's profit before tax.

### Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts and loans from financial institutions and lease contracts. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding. In addition, the Group's management considered that the Group has sufficient net working capital as compared with the expected cash flow will be paid in near future.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>					
Bank overdraft and short-term loans					
from financial institutions	70,000	17,649	-	-	87,649
Trade and other payables	-	786,168	-	-	786,168
Lease liabilities	-	38,642	59,691	239,595	337,928
<b>Total non-derivatives</b>	<b>70,000</b>	<b>842,459</b>	<b>59,691</b>	<b>239,595</b>	<b>1,211,745</b>
<b>Derivatives</b>					
Derivative liabilities: gross settled					
Cash outflows	-	26	-	-	26
<b>Total derivatives</b>	<b>-</b>	<b>26</b>	<b>-</b>	<b>-</b>	<b>26</b>

(Unit: Thousand Baht)

## Consolidated financial statements

As at 31 December 2022

	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>					
Bank overdraft and short-term loans					
from financial institutions	-	222,937	-	-	222,937
Trade and other payables	-	739,622	-	-	739,622
Lease liabilities	-	29,085	29,649	-	58,734
<b>Total non-derivatives</b>	-	991,644	29,649	-	1,021,293

**Derivatives**

Derivative liabilities: gross settled

Cash inflows	-	-	-	-	-
Cash outflows	-	175	-	-	175
<b>Total derivatives</b>	-	175	-	-	175

(Unit: Thousand Baht)

## Separate financial statements

As at 31 December 2023

	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>					
Trade and other payables	-	686,580	-	-	686,580
Lease liabilities	-	34,333	56,735	239,595	330,663
<b>Total non-derivatives</b>	-	720,913	56,735	239,595	1,017,243

(Unit: Thousand Baht)

## Separate financial statements

As at 31 December 2022

	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>					
Trade and other payables	-	681,286	-	-	681,286
Lease liabilities	-	25,374	26,661	-	52,035
<b>Total non-derivatives</b>	-	706,660	26,661	-	733,321

### 30.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

During the current year, there were no transfers within the fair value hierarchy.

### 30.4 Reconciliation of recurring fair value measurements, of financial assets categorised within Level 3 of the fair value hierarchy

(Unit: Thousand Baht)

	Non-listed equity instruments	
	Consolidated financial statements	Separate financial statements
<b>Balance as of 1 January 2022</b>	165,538	162,159
Disposed during the year	(435)	(435)
Net loss recognised into other comprehensive income	62,415	62,755
<b>Balance as of 31 December 2022</b>	227,518	224,479
Return of capital during the year	(714)	(714)
Net loss recognised into other comprehensive income	(29,391)	(29,274)
<b>Balance as of 31 December 2023</b>	197,413	194,491

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Non-listed equity instruments	Discounted future cash flow, dividend discount and other methods	Discount rate	7.6% - 11.5% (2022: 7.7% - 11.5%)	1% (2022: 1%) increase (decrease) in discount rate would result in Baht 7 million decrease in fair value (increase in Baht 10 million) (2022: Baht 5 million decrease in fair value (increase in Baht 7 million))

### **31. Capital management**

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2023, the Group's debt-to-equity ratio was 0.3:1 (2022: 0.3:1) and the Company only was 0.3:1 (2022: 0.3:1).

### **32. Events after the reporting period**

On 29 February 2024, the Company's Board of Directors passed a resolution to propose to the Annual General Meeting of shareholders to be held in April 2024 to pay a dividend of Baht 2.25 per share, or a total of Baht 337.34 million to shareholders in respect of the year 2023 profit and retained earnings. The dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

### **33. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 29 February 2024.



# Part 4

## Attachment

# Attachment 1

## Information of Directors and Executives

### 1. Mr.Boonkiet Chokwatana

76 years old

**Position :**

- Chairman
- Authorized Director
- Chairman of the Nominating Committee
- Chairman of the Remuneration Committee

**Appointment Date :**

April 22, 1980

**Education :**

- Honorary Doctorate Degree in Business Faculty of Management and Information Sciences, Naresuan University.
- Honorary Doctorate Degree in Business Administration (Management), Sripatum University.
- Honorary Doctorate Degree in Business Administration College of Commerce, Burapha University
- B.S.Engineering, Worcester Polytechnic Institute, Massachusetts, U.S.A.

**Training by the Thai Institute of Directors Association (IOD) :**

- Director Accreditation Program (DAP) 3/2003
- Director Certification Program (DCP) 41/2004

**5-Year Past Experiences :**

**Other Listed Company:**

2016-present	Chairman	I.C.C. International PCL.
2015-2016	Executive Chairman	
1995-2014	President, Executive Chairman	
1991-present	Chairman	People's Garment PCL.
2011-present	Chairman	PAN Asia Footwear PCL.
1986-present	Director	Saha Pathana Inter Holding PCL.
1996-2021	Director, Nominating and Remuneration Director	Sahacogen (Chonburi) PCL.

**Other Non-listed Company** 51 companies

**Competitive Business related to**

**Company's Business** - None -

**% Shareholding** 8.69%

**Family Relationship among Directors and Executives:**

Mrs.Tipaporn Chokwatana's spouse

**Any position in other business or other organizations in the previous year**

**which has an impact the time devoted significant :**

- None -

### 2. Mrs.Tipaporn Chokwatana

77 years old

**Position :**

- Vice Chairman
- Authorized Director

**Appointment Date :**

April 24,1995

**Education :**

- BA.- Ramakhamhaeng University
- Secretary - Pitman London

**Training by the Thai Institute of Directors Association (IOD) :**

- Director Accreditation Program (DAP) 3/2003
- Director Certification Program (DCP) 68/2005

**5-Year Past Experiences :**

**Other Listed Company:**

2010-present Director O.C.C. PCL.

**Other Non-listed Company** 23 companies

**Competitive Business related to**

**Company's Business** 1 From 23 companies

1974-present Chairman International Laboratories Crop., Ltd

**% Shareholding** 8.69%

**Family Relationship among Directors and Executives:**

Mr.Boonkiet Chokwatana's spouse

**Any position in other business or other organizations in the previous year which has an impact the time devoted significant :**

- None -

### 3. Mr.Thirasak Vikitset

72 years old

**Position :**

- Managing Director
- Authorized Director
- Chairman of the Executive Board
- Nominating Director
- Remuneration Director

**Appointment Date :**

April 30, 1985

**Education :**

- MBA, Clark University, Worcester, Massachusetts, U.S.A.
- B.D. Engineering, Worcester Polytechnic Institute, Massachusetts, U.S.A.

**Training by the Thai Institute of Directors Association (IOD) :**

- Director Accreditation Program (DAP) 3/2003
- Director Certification Program (DCP) 68/2005

#### 5-Year Past Experiences :

##### Other Listed Company:

1996-present Director Sahacogen (Chonburi) PCL.

Competitive Business related to 15 companies

Competitive Business related to - None -

##### Company's Business

% Shareholding 1.81%

#### Family Relationship among Directors and Executives:

Mrs.Chitraporn Vikitset's spouse

Any position in other business or other organizations in the previous year which has an impact the time devoted significant :

- None -

#### 4. Dr.Atthakorn Glankwamdee

75 years old

##### Position :

- Deputy Managing Director
- Authorized Director
- Nominating Director

##### Appointment Date :

April 22, 1991

##### Education :

- Ph.D. University of Illinois@Urbaha U.S.A.

##### Training by the Thai Institute of Directors Association (IOD) :

- Director Accreditation Program (DAP) 3/2003
- Director Certification Program (DCP) 68/2005

#### 5-Year Past Experiences :

##### Other Listed Company:

1996-2021 Director Sahacogen(Chonburi) PCL.

Other Non-listed Company 6 companies

Competitive Business related to - None -

##### Company's Business

% Shareholding 0.31%

#### Family Relationship among Directors and Executives:

- None -

Any position in other business or other organizations in the previous year which has an impact the time devoted significant :

- None -

#### 5. Mrs.Kaewta Ongsaranakom

67 years old

##### Position :

- Director
- Authorized Director
- Executive Director
- Nominating Director
- Remuneration Director
- Corporate Governance Director

#### Appointment Date :

June 22, 1987

##### Education :

- Bachelor of Political science, Thammasat University

##### Training by the Thai Institute of Directors Association (IOD) :

- Director Certification Program (DCP) 27/2003
- Role of the Compensation Committee (RCC)10/2010

#### 5-Year Past Experiences :

Other Listed Company: - None -

Other Non-listed Company 9 companies

Competitive Business related to 1 company

##### Company's Business

2008-present Directors International Laboratories  
Crop., Ltd

% Shareholding 0.68%

#### Family Relationship among Directors and Executives:

- None -

Any position in other business or other organizations in the previous year which has an impact the time devoted significant :

- None -

#### 6. Prof.Dr.Malyn Ungsurungsie

73 years old

##### Position :

- Director
- Authorized Director
- Chairman of CSR Committee
- Executive Director

##### Appointment Date :

April 26, 2004

##### Education :

- Doctor of Philosophy (Microbiology)From Mahidol University
- B.Sc. In Pharm From Chulalongkorn University
- Certificate in Management of Higher Education from Galilee College, Israel and Harvard University Extension School, U.S.A.

##### Training by the Thai Institute of Directors Association (IOD) :

- Director Accreditation Program (DAP) 17/2004

#### 5-Year Past Experiences :

Other Listed Company: - None -

Other Non-listed Company 3 companies

Competitive Business related to - None -

##### Company's Business

% Shareholding 0.13%

#### Family Relationship among Directors and Executives:

- None -

Any position in other business or other organizations in the previous year which has an impact the time devoted significant :

- None -

## 7. Mrs.Chitraporn Vikitset

72 years old

### Position :

- Director
- Authorized Director
- Executive Director
- Nominating Director

### Appointment Date :

April 23, 2007

### Education :

- Master of Early Childhood Education From Worcester College, U.S.A.

### Training by the Thai Institute of Directors Association (IOD) :

- Director Accreditation Program (DAP) 66/2007

### 5-Year Past Experiences :

Other Listed Company: - None -

Other Non-listed Company 5 companies

Competitive Business related to - None -

Company's Business

% Shareholding 1.81%

### Family Relationship among Directors and Executives:

Mr.Thirasak Vikitset's spouse

### Any position in other business or other organizations in the previous year

which has an impact the time devoted significant :

- None -

## 8. Mrs.Teerada Ambhanwong

53 years old

### Position :

- Director
- Authorized Director

### Appointment Date :

April 26, 1998

### Education :

- Master of Marketing, Sasin School of Management

### Training by the Thai Institute of Directors Association (IOD) :

- Director Accreditation Program (DAP) 3/2003

- Director Certification Program (DCP) 51/2004

### 5-Year Past Experiences :

#### Other Listed Company:

2008-present Managing Director O.C.C. PCL.

1999-present Director People's Garment PCL.

1999-present Director Sun Vending Technology PCL.

Other Non-listed Company 10 companies

Competitive Business related to 1 from 10 companies

Company's Business

1974-present Director International Laboratories  
Crop., Ltd

% Shareholding 0.58%

### Family Relationship among Directors and Executives:

- None -

### Any position in other business or other organizations in the previous year which has an impact the time devoted significant :

- None -

## 9. Mr.Suthep Dansiriviroj

75 years old

### Position :

- Director
- Authorized Director

### Appointment Date :

April 22, 2014

### Education :

- Bachelor of Accountancy (Honors), Thammasat University

### Training by the Thai Institute of Directors Association (IOD) :

- Risk Management Program (RMP) 5/2014

- Director Accreditation Program (DAP) 32/2005

- Director Certification Program (DCP) 60/2005

### 5-Year Past Experiences :

#### Other Listed Company:

2022-present Independent Director NL Development PCL.  
and Chairman of the  
Audit Committee

2013-2021 Director, Executive Sahacogen(Chonburi) PCL.  
Director and  
Chairman of the Risk  
Management  
Committee

Other Non-listed Company 4 companies

Competitive Business related to - None -

Company's Business

% Shareholding - None -

### Family Relationship among Directors and Executives:

- None -

### Any position in other business or other organizations in the previous year which has an impact the time devoted significant :

- None -

## 10. Admiral Apichart Pengsritong

74 years old

### Position :

- Independent Director
- CSR Director

### Appointment Date :

November 12, 2009

### Education :

- Bachelor of Science, Royal Thai Naval Academy  
(Electrical Engineering)



**Training by the Thai Institute of Directors Association (IOD) :**

- Risk Management Program for Corporate Leaders (RCL) 4/2016
- Director Accreditation Program (DAP) 82/2010

**5-Year Past Experiences :**

**Other Listed Company:**

present	Chairman and Independent Director	T.A.C. Consumer PCL.
present	Chairman, and Independent Director	Muangthai Capital PCL.
2016- NOV 2023	Chairman, Chairman of Audit Committee and Independent Director	JKN Global Media PCL.

**Other Non-listed Company** - None -

**Competitive Business related to** - None -

**Company's Business**

**% Shareholding** 0.06%

**Family Relationship among Directors and Executives:**

- None -

**Any position in other business or other organizations in the previous year**

**which has an impact the time devoted significant :**

- None -

**11. Mrs.Pismai Chandrubeksa**

75 years old

**Position :**

- Independent Director
- Remuneration Director

**Appointment Date :**

April 28, 2009

**Education :**

- Cambridgeshire College of Arts & Technology, Catering Diploma  
England Cambridge, Hotel & Restaurant Management

**Training by the Thai Institute of Directors Association (IOD) :**

- Director Accreditation Program (DAP) 82/2010

**5-Year Past Experiences :**

**Other Listed Company:** - None -

**Other Non-listed Company** - None -

**Competitive Business related to** - None -

**Company's Business**

**% Shareholding** 0.06%

**Family Relationship among Directors and Executives:**

- None -

**Any position in other business or other organizations in the previous year**

**which has an impact the time devoted significant :**

- None -

**12. Mr.Amorn Asvanunt**

75 years old

**Position :**

- Independent Director
- Chairman of Audit Committee

**Appointment Date :**

April 24, 2017

**Education :**

- Master of MBA, Bowling Green State University, Ohio, U.S.A.
- Bachelor of .Accountancy, Chulalongkorn University

**Training by the Thai Institute of Directors Association (IOD) :**

- Director Accreditation Program (DAP) 4/2003

**5-Year Past Experiences :**

**Other Listed Company:**

2005-present	Independent Director, Chairman of Nominating and Remuneration Committee, and Risk Management Director	Krungdhep Sophon PCL.
2002 - APR 2023	Independent Director and Audit Committee	Far East Fame Line DDB PCL.

1999-2022 Independent Director,  
Audit Committee  
Director, and Chairman  
of Risk Management  
Committee

2002-2021 Independent Director,  
and Audit Committee  
Director

**Other Non-listed Company** 1 company

**Competitive Business related to** - None -

**Company's Business**

**% Shareholding** - None -

**Family Relationship among Directors and Executives:**

- None -

**Any position in other business or other organizations in the previous year**

**which has an impact the time devoted significant :**

- None -

**13. Mrs.Pradiitha Chongwattana**

74 years old

**Position :**

- Independent Director
- Audit Committee Director

**Appointment Date :**

April 28, 2002

**Education :**

- Bachelor of Law – LL.B., Thammasat University
- MINI MBA, Thammasat University

**Training by the Thai Institute of Directors Association (IOD) :**

- Director Accreditation Program (DAP) 5/2011
- Management Construction (6months), Chulalongkorn University

**5-Year Past Experiences :**

Other Listed Company:	- None -
Other Non-listed Company	2 companies
Competitive Business related to Company's Business	- None -
% Shareholding	0.11%

**Family Relationship among Directors and Executives:**

- None -

**Any position in other business or other organizations in the previous year which has an impact the time devoted significant :**

- None -

**14. Pol.Gen.Somchai Prabhasabhakdi**

81 years old

**Position :**

- Independent Directors
- Chairman of Corporate Governance committee
- Audit Committee Director

**Appointment Date :**

April 28, 2015

**Education :**

- Master of Public Administration (M.P.A.), National Institution of Development Administration.
- Branches of public administration, Royal Police Cadet Academy.

**Training by the Thai Institute of Directors Association (IOD) :**

- Director Accreditation Program (DAP) 25/2004
- Director Certification Program (DCP) 51/2004
- Role of Chairman Program (RCP) 12/2005
- Audit Committee Program 2/2004

**5-Year Past Experiences :****Other Listed Company:**

2005-2021	Independent Director, Sahacogen (Chonburi) PCL. and Audit Committee Director
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Other Non-listed Company	- None -
Competitive Business related to Company's Business	- None -
% Shareholding	- None -

**Family Relationship among Directors and Executives:**

- None -

**Any position in other business or other organizations in the previous year which has an impact the time devoted significant :**

- None -

**15. Assist.Prof.Dr.Pongchai Athikomrattanakul**

52 years old

**Position :**

- Independent Directors
- Chairman of the Risk Management committee
- Audit Committee Director

**Appointment Date :**

April 23, 2018

**Education :**

- Ph.D. in Industrial Engineering, Iowa State University, USA.
- MS. In Industrial Engineering, Iowa State University, U.S.A.

**Training by the Thai Institute of Directors Association (IOD) :**

- Director Accreditation Program (DAP) 162/2019
- Director Certification Program (DCP) 283/2019

**5-Year Past Experiences :****Other Listed Company:**

2005-present	Independent Director, Krungdhep Sophon PCL. and Chairman of Risk Management Committee
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Other Non-listed Company	1 company
Competitive Business related to Company's Business	- None -

% Shareholding	- None -
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**Family Relationship among Directors and Executives:**

- None -

**Any position in other business or other organizations in the previous year which has an impact the time devoted significant :**

- None -

**16. Mr.Bo Nystrup Nielsen**

53 years old

**Position :**

- Strategy and Corporate Development Division Manager

**Education :**

- Master of Economic Institute University of Aarhus, Institute of Management.
- Bachelor of Senior Executive Program, London Business School.

**5-Year Past Experiences :****Other Listed Company:**

Other Listed Company:	- None -
Other Non-listed Company	5 companies
Competitive Business related to Company's Business	- None -

% Shareholding	- None -
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**Family Relationship among Directors and Executives:****17. Mr.Simon Rhoderick Knight**

69 years old

**Position :**

- Overseas Business Division Manager

**Education :**

- Bachelor of Economics & Mathematics Sheffield University

**5-Year Past Experiences :****Other Listed Company:**

Other Listed Company:	- None -
Competitive Business related to Company's Business	5 companies
Competitive Business related to Company's Business	- None -

% Shareholding	0.08%
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**Family Relationship among Directors and Executives:**

- None -

**18. Mrs.Thongsuk Upathambhakul**

64 years old

**Position :**

- Executive Director
- Risk Management Director
- Domestic Business Division Manager

**Education :**

- Bachelor of Economics, Thammasat University

**5-Year Past Experiences :**

Other Listed Company:	- None -
Other Non-listed Company	2 companies
Competitive Business related to Company's Business	- None -
% Shareholding	0.09%

**Family Relationship among Directors and Executives:** - None -**19. Mr.Praj Srichandra**

45 years old

**Position :**

- Executive Director
- Risk Management Director
- Factory Division Manager

**Education :**

- Master of Environmental and Natural Resources Management Economics, Faculty of Economics, International Program, Chulalongkorn University
- Bachelor of Major Industrial Engineering, Sirindhorn International Institute of Technology

**5-Year Past Experiences :**

Other Listed Company:	- None -
Other Non-listed Company	1 company
Competitive Business related to Company's Business	- None -
% Shareholding	- None -

**Family Relationship among Directors and Executives:** - None -**20. Mr.Varith Tritrapun**

79 years old

**Position :**

- Office Division Assistant Manager (Accounting & Finance)
- Chief Financial Office (CFO)

**Education :**

- Master of Managerial Economic, University of Wisconsin, USA.

**5-Year Past Experiences :**

Other Listed Company:	- None -
Other Non-listed Company	3 companies
Competitive Business related to Company's Business	- None -
% Shareholding	0.16%

**Family Relationship among Directors and Executives:** - None -**21. Mrs.Patchara Pongwichan**

64 years old

**Position :**

- Executive Director
- Corporate Governance Director
- Human Resource Division Assistant Manager

**Education :**

- Bachelor of Liberal Arts, Thammasat University

**5-Year Past Experiences :**

Other Listed Company:	- None -
Other Non-listed Company	1 company
Competitive Business related to Company's Business	- None -
% Shareholding	0.08%

**Family Relationship among Directors and Executives:** - None -**22. Mrs.Daranee Ajaneeyakul**

56 years old

**Position :**

- Executive Director
- Risk Management Director
- Technical Division Assistant Manager

**Education :**

- Master of Science, Mahidol University

**5-Year Past Experiences :**

Other Listed Company:	- None -
Other Non-listed Company	- None -
Competitive Business related to Company's Business	- None -
% Shareholding	0.06%

**Family Relationship among Directors and Executives:** - None -**23. Dr.Arucha Budsakombhinanda**

45 years old

**Position :**

- Automation and Digital Technology Division Assistant Manager

**Education :**

- Doktor der Ingenieurwissenschaften Ph.D.in Engineering (Dr. Ing.) Mechatronics University of Erlangen Nuremberg Erlangen. Germany

**5-Year Past Experiences :**

Other Listed Company:	- None -
Other Non-listed Company	- None -
Competitive Business related to Company's Business	- None -
% Shareholding	0.01%

**Family Relationship among Directors and Executives:** - None -

## Information of Company Secretary

### Mr.Sumit Khopaiboon

56 years old

#### Position :

- Company Secretary
- Accounting and Finance Section Manager
- Executive Director
- Corporate Governance Director

#### Appointment Date :

February 24, 2016

#### Education :

- Bachelor of Administration (Accounting), Ramkhamhaeng University

#### Training by the Thai Institute of Directors Association (IOD) :

- Company Secretary Program 83/2017

#### Training Course :

- Succession Plan Management System
- Personal Data Protection Act. B.E. 019 for Executives (PDPA)
- Business and human rights courses and guidelines for filling out human rights information in Form 56-1 One Report – SEC.
- Road to Certify CAC 4/2021 – IOD

#### 5-Year Past Experiences :

Other Listed Company:	- None -
Other Non-listed Company	- None -
Competitive Business related to Company's Business	- None -
% Shareholding	- None -

#### Family Relationship among Directors and Executives:

- None -

#### Any position in other business or other organizations in the previous year which has an impact the time devoted significant :

- None -

#### The Company Secretary was assigned the following responsibilities:

Company Secretary having the duties and responsibilities as specified in The company directors, Securities and Exchange Act (no. 4) B.E. 2551, together with other duties assigned by The Board of Directors.

1. To provide preliminary advice to the company directors on laws, regulations and articles of the company, and to monitor properly and regular compliance, as well as to report substantive changes to the directors.
2. To coordinate between the company directors and the management, to supervise and coordinate matters pertaining to the relevant laws and regulations, including proceedings to ensure compliance with resolutions of the Board of Directors.
3. To organize the shareholders' meeting and the Board of Directors' meeting in accordance with laws, company articles and code of conduct.
4. To record minutes of the shareholders' meeting and The Board of Directors' meeting as well as to monitor compliance with their resolutions of the shareholders' meeting and the Board of Directors' meeting.
5. To oversee the disclosure of information and file the relevant reports under the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.
6. To prepare and keep the following documents:
  - Company directors' register
  - Notice of the Board of Directors' meeting/minutes of the Board of Directors' meeting
  - Notice of the shareholders' meeting/minutes of shareholders' meeting
  - Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2)
7. To keep hold reports of interests of Directors or Executives, as well as sent copies to the President and Chairman of the Audit Committee within 7 days from the day of receiving the report.
8. To organize orientations with guidelines to newly appointed board members.
9. To communicate with general shareholders to ensure that they have complete and continual knowledge of their rights including the Company's news and information.
10. To undertake other responsibilities as regulated by SEC and others as assigned by the Company.

## Information of Chief Financial Officer (CFO)

Criteria of the Company's Chief Financial Officer according to the regulations of the Securities and Exchange Commission (SEC) defines is Mr.Varith Tritrapun, Office Division Assistant Manager (Accounting & Finance), who is an account and finance administrator of the company with qualifications as follow :

**Mr.Varith Tritrapun**

**Position :**

Office Division Assistant Manager (Accounting & Finance)

**Education :**

Master of Managerial Economic, University of Wisconsin, USA.

**Training Course :**

CFO Refresher Course: The Stock Exchange of Thailand

**5-Year Past Experiences :**

Other Listed Company - None -

Other Non-Listed Company 3 Companies

Competitive Business related to Company's Business - None -

% Shareholding : 0.16%

Family Relationship among Directors and Executives : - None -

Any position in other business or other organizations in the previous year which has an impact the time devoted significant :

- None -

## Information of Chief Accountant

The company's bookkeeper under the accounting Act AD 2000 is Mr. Sumit Khopaiboon, Accounting and Finance Section Manager, who supervised the preparation of the financial statements and the disclosure of information of a company to be complete and accurate with qualifications of the bookkeeper as follow :

**Mr.Sumit Khopaiboon**

**Position :**

Accounting and Finance Section Manager

**Education :**

Bachelor of Faculty of Business Administration (Accounting),  
Ramkhamhaeng University

**Training Course :**

- 2023 TFRS
- Electronic tax for the whole system in 2022
- Financial Statement Analysis for future : NYC Management

**5-Year Past Experiences :**

Other Listed Company - None -

Other Non-Listed Company - None -

Competitive Business related to Company's Business - None -

% Shareholding : - None -

Family Relationship among Directors and Executives :

- None -

Any position in other business or other organizations in the previous year which has an impact the time devoted significant :

- None -

## Attachment 2

### Detail of the Directors of Subsidiaries, Associates, and Related Companies

Name	Company	1	2	3*	4	5	6	7	8	9	10	11	12
1.Mr.Boonkiet Chokwatana	xxx	xxx	xxx	/	xx			xx				/	
2.Mrs.Tipaporn Chokwatana	xx			xx	/								
3.Mr.Thirasak Vikitset	/	/	/	xxx	xxx	xxx	xxx			xx	/	xxx	/
4.Dr.Atthakorn Glankwamdee	/	/											
5.Mrs.Kaewta Ongsaranakom	/		/										
6.Prof.Dr.Malyn Ungsurungsie	/			/								/	
7.Mrs.Chitraporn Vikitset	/	/	/							/			
8.Admiral Apichart Pengsritong	/												
9.Mrs.Pismai Chandrubeksa	/												
10.Mrs.Teerada Ambhanwong	/												
11.Mr.Suthep Dansiriviroj	/												
12.Mr.Amorn Asvanunt	/												
13.Mrs.Pradittha Chongwattana	/												
14.Pol.Gen.Somchai Prabhasabhakdi	/												
15.Assist.Prof.Dr.Pongchai Athikomrattanakul	/												
16.Mr.BO Nystrup Nielsen				xx	xx	xx	xx			/			
17.Mr.Simon Rhoderick Knight				/	/	/	/	/					
18.Mrs.Thongsuk Upathambhakul		/											
19.Mr.Praj Srichandra			/										
20.Mr.Varith Tritrapun													
21.Mrs.Patchara Pongwichan		/											
22.Mrs.Daranee Ajjaneeyakul													
23.Dr.Arucha Budsakornbhinanda													

xxx = Chairman xx = Vice Chairman / = Director

## Detail of the Directors of Subsidiaries, Associates, and Related Companies

Name	13	14	15	16	17	18	19	20	21	22	23	24	25
1.Mr.Boonkiet Chokwatana	xxx	xxx	/		xxx	xxx		/	xxx				xxx
2.Mrs.Tipaporn Chokwatana	/		/	xxx				xxx	/	xxx			
3.Mr.Thirasak Vikitset							/		/				/
4.Dr.Atthakorn Glankwamdee													
5.Mrs.Kaewta Ongsaranakom	/		/	/				/					
6.Prof.Dr.Malyn Ungsurungsie											/		
7.Mrs.Chitraporn Vikitset				/									
8.Admiral Apichart Pengsritong													
9.Mrs.Pismai Chandrubeksa													
10.Mrs.Teerada Ambhanwong			/										
11.Mr.Suthep Dansiriviroj													
12.Mr.Amorn Asvanunt													
13.Mrs.Pradittha Chongwattana				/					/				
14.Pol.Gen.Somchai Prabhasabhakdi													
15.Assist.Prof.Dr.Pongchai Athikomrattanakul													
16.Mr.BO Nystrup Nielsen													
17.Mr.Simon Rhoderick Knight													
18.Mrs.Thongsuk Upathambhakul													
19.Mr.Praj Srichandra													
20.Mr.Varith Tritrapun													
21.Mrs.Patchara Pongwichan													
22.Mrs.Daranee Ajjaneeyakul													
23.Dr.Arucha Budsakornbhinanda													

xxx = Chairman xx = Vice Chairman / = Director

## Detail of the Directors of Subsidiaries, Associates, and Related Companies

Name	26	27	28	29	30	31	32	33	34	35	36	37
1.Mr.Boonkiet Chokwatana	/	xxx		xxx			xxx	xxx			/	/
2.Mrs.Tipaporn Chokwatana			/	/	xxx	xxx	/	xx				
3.Mr.Thirasak Vikitset									/			
4.Dr.Atthakorn Glankwamdee										/		
5.Mrs.Kaewta Ongsaranakom					/		/	/				
6.Prof.Dr.Malyn Ungsurungsie												
7.Mrs.Chitraporn Vikitset												
8.Admiral Apichart Pengsritong												
9.Mrs.Pismai Chandrubeksa												
10.Mrs.Teerada Ambhanwong		/	/		/							
11.Mr.Suthep Dansiriviroj												
12.Mr.Amorn Asvanunt												
13.Mrs.Pradittha Chongwattana												
14.Pol.Gen.Somchai Prabhasabhakdi												
15.Assist.Prof.Dr.Pongchai Athikomrattanakul												
16.Mr.BO Nystrup Nielsen												
17.Mr.Simon Rhoderick Knight												
18.Mrs.Thongsuk Upathambhakul									/			
19.Mr.Praj Srichandra												
20.Mr.Varith Tritrapun								/				/
21.Mrs.Patchara Pongwichan												
22.Mrs.Daranee Ajaneeyakul												
23.Dr.Arucha Budsakornbhinanda												

xxx = Chairman xx = Vice Chairman / = Director



## List of Subsidiaries, Associates, and Related Companies

Subsidiary Companies		Related Companies	
1	Top Trend Manufacturing Co.,Ltd.	13	H&B Kabinburi Co.,Ltd
2	EF Co.,Ltd.	14	Thai Cubic Technology Co.,Ltd.
3	Wildlives (Thailand) Co.,Ltd.*	15	Train Time Test Co.,Ltd.
4	S&J International (UK) Ltd.	16	B.K.C. Internation Marketing Co.Ltd.
5	Guangzhou S&J Cosmetics Ltd.	17	United Utility Co.,Ltd.
6	4WD Vision (HK) Ltd.	18	Advantage Footwear Co.,Ltd.
7	4WD Vision CO.,Ltd.	19	Tipvarin Wattana Co.,Ltd.
8	4WD Vision Europe B.V.	20	T-way Co.,Ltd.
Associate Companies		21	K.Commercial & Construction Co.,Ltd.
9	Yamahatsu (Thailand) Co.,Ltd.	22	E.P.F Co.,Ltd.
10	Operational Energy Group Limited	23	Thai Herbal Products Co.,Ltd.
11	Osoth Inter Laboratories Co.,Ltd.	24	I.C.C. International Plc.
12	Atika Beauty Manufacturing Sdn.Bhd.	25	Sahacogen (Chonburi) Plc.
		26	Saha Pattana Inter-Holding Plc.
Remarks		27	People's Garment Plc.
*	The company have already registered its dissolution with the Department of Business Development on June 4, 2021 and have been in the liquidation process.	28	O.C.C Plc.
		29	Better Way Co.,Ltd.
		30	International Laboratories Crop.Ltd.
		31	Vitayasithi Co.,Ltd.
		32	H&B Intertex Co.,Ltd.
		33	Makeup Technique International Co.,Ltd.
		34	I.S.B.M. Co.,Ltd.
		35	Shaldan (Thailand) Co.,Ltd.
		36	Chokwatana Co.,Ltd.
		37	Worldbest Corporation Co.,Ltd.

## Attachment 3

### Information of Head of Internal Audit

At the meeting of the Audit Committee Meeting No. 1/2022 held on 4 February, 2022 appointed Mr.Jittipong Somyapukdee to be chief internal auditor in addition to Secretary of the Audit Committee of the company since February 4, 2022 due to a highly qualified individuals knowledge experience could be used him experiences for the internal audit work of the company with the great success.

The scope and responsibilities as follows:

1. Plan annual audit according to the standards for the professional practice of internal auditing.
2. Determine process, practice guidelines and audit procedures of the internal audit.
3. Supervision of the internal audit and follow the plan.
4. Evaluate performance of the audit.
5. Present audit results to the Audit Committee.
6. Serve as secretary of the Audit Committee.
7. Coordinate with all staff, including the External Auditor.

As such, to consider and approve the appointment, transfer and dismissal of the head of the internal audit should be considered by the Audit Committee and proposed to the Board of Directors for approval as stated in the Charter of the Audit Committee.

#### Information of Head of Internal Audit

Mr.Jittipong Somyapukdee

45 years old

#### Position :

Head of Internal Audit and  
Secretary of Audit Committee

#### Education :

- Master of Business Administration / Major Accounting, Ramkhamheang University
- Bachelor of Business Administration / Major Accounting, North Eastern University

#### Training Course :

- Sustainability Reporting
- Summary of important information and preparation of financial statements according to TFRS 16 Lease agreements.

- Summarizing important points and preparing financial statements according to TFRS 2, share-based payments.

#### 5-Years Past Experiences :

2018-2021 Senior Manager, Internal Audit Department, Singha Estate Plc.

#### % Shareholding :

- None -

#### Family Relationship among Directors and Executives :

- None -

Any position in other business or other organizations in the previous year which has an impact the time devoted significant :

- None -

## Attachment 4

### Assets used in business undertaking

Property, plant and equipment used for business undertaking and are not for sale

The company and its subsidiaries have land, building, and equipment which are owned by the company and its subsidiaries and are not subjected to mortgage or pledge obligations as of December 31, 2023 as per the following.

(Unit : Million Baht)

Description	The Company	The Company and Subsidiaries
Land and land improvements	200.8	406.3
Buildings and building improvements	1,043.0	1,283.2
Furniture and fixtures	183.4	375.1
Office equipment	141.4	175.2
Machinery and equipment	1,336.1	3,350.1
Vehicles	12.9	27.5
Assets under installation and under construction	50.2	84.3
<b>Total</b>	<b>2,967.8</b>	<b>5,701.7</b>
<u>Deduct</u> Accumulated depreciation	2,153.3	4,160.2
<u>Deduct</u> Allowance for impairment loss	2.2	2.2
<b>Net Book Value</b>	<b>812.3</b>	<b>1,539.3</b>

Detailed information is available in the financial statements for the year 2023, notes to financial statements no.15 “Property Plant and Equipment” or the company’s website [www.snjinter.com](http://www.snjinter.com) “Financial Statements”.

#### Core assets used in the production of goods for sale

Category/Description of Assets	Characteristics of Ownership	Amount (Million Baht)	Obligations
1. Land with total area of 94 rai 3 ngan 34.6 sq.wa Located in Sriracha district, Chonburi province, Samutprakan province	Company owned	200.8	None
2. Plant and office buildings Located in Sriracha district, Chonburi province	Company owned	1,043.0	None
3. Machinery Type Mixing machine, Filling machine, Packing machine, Tube making machine, Blowing machine, Injection machine	Company owned	1,336.1	None

### Investment Policies on the subsidiaries and associates

As of December 31, 2023, the company has investments in 4 subsidiaries in various businesses; packaging, consumer products, distribution of cosmetic products and gift sets, with a total value of Baht 139.9 million; and has investment in 4 associated companies in the business related to hair care products, services related to power plant operation, and the manufacturer and distributor of medical supplies with a total value of Baht 269.9 million. Investments in all subsidiaries and associates constituted 7.4 percent of total assets. In the future, the company's investment policy is subject to market and economic conditions for the best benefit to shareholders.

### Appraisal of Assets

In 2022, the company and its subsidiaries has arranged the appraisal of assets by independent appraisers based on the appraised value which was higher than the book value, the company does not recognize the appraised value in its statement of financial position.

Nonetheless, the company and its subsidiaries will assess the asset's value every 3 years for consideration of asset impairment in accordance with accounting standards. According to the company's accounting policy, assets are stated at cost less accumulated depreciation. The Company and its subsidiaries will reappraise the assets in 2025.

## Attachment 5

### Policy on Corporate Governance, Business Ethics, Charter of Sub-Committee, and Report of Sub-Committee

The details appear on the Company's website : [www.snjinter.com](http://www.snjinter.com) - Investor Relations –

#### Corporate Governance

1. Corporate Governance Policy
2. The Business Ethics
3. The Code of Conduct for Directors, Executive Offices, and Employees
4. Anti-Corruption Policy
5. The Anti-Corruption Measures
6. The Anti-Corruption Guidelines
7. Personal Data Protection Policy
8. Risk Management Policy
9. Environmental Policy
10. Policy and Regulations on the use of computer systems
11. Policy on Treatment of Confidential Information and the use of Insider Information
12. Tax Policy
13. Guidelines for trading of the Company's securities
14. Guidelines for business operations of S&J Group partners
15. Charter of the Board of Directors
16. Charter of the Audit Committee
17. Charter of the Nominating Committee
18. Charter of the Remuneration Committee
19. Charter of the Risk Management
20. Charter of the Corporate Governance
21. Charter of the Social Responsibility Committee
22. Charter of the Executive Board

#### Report of Sub-Committee as follows;

1. Report of the Nominating Committee
2. Report of the Remuneration Committee
3. Report of the Risk Management Committee
4. Report of the Corporate Social Responsibility Committee
5. Report of the Corporate Governance Committee
6. Report of the Executive Board's Report

## Report of the Nominating Committee

S & J International Enterprises Public Company Limited has appointed the Nominating Committee, with 5 members as follows:

1. Mr.Boonkiet	Chokwatana	Chairman of the Nominating Committee
2. Mr.Thirasak	Vikitset	Member of the Nominating Committee
3. Dr.Atthakorn	Glankwamdee	Member of the Nominating Committee
4. Mrs.Kaewta	Ongsaranakom	Member of the Nominating Committee
5. Mrs.Chitraporn	Vikitset	Member of the Nominating Committee

The Nominating Committee has carried out the duties as assigned by the Board of Directors which is specified in the Charter of The Nominating Committee. Its duties are to select suitable candidates with proper qualifications, knowledge and expertise in various professions, to serve as company directors and top management.

In 2023, The Nominating Committee held 2 meetings in order to carry out its assigned duties and responsibilities and report its performance of duties to The Board of Directors, which activities are summarized as follows:

- Nominated suitable persons to serve as company directors replacing the directors retiring upon term completion in the 44th General Meeting of Shareholders by considering the candidates' qualifications in terms of Board Diversity and qualifications that are in accordance with the strategy of the company's business operation by using the analysis of skills, experience, knowledge and expertise of the board, or Board Skill Matrix, accompanied by good leadership, sound vision, good ethics and morality, and supported by good past performances record, either as company director or member of various sub-committees for the company so far, as well as no characteristics as forbidden by laws and the Articles of Association of the company. Furthermore, the company has provided opportunity for minor shareholders to participate in nominating candidates to be appointed as company directors prior to the Annual General Meeting of Shareholders. In 2023, none of the shareholders nominated any candidates to be considered as company directors. Accordingly, The Nominating Committee nominated Mr.Thirasak Vikitset, Mrs.Teerada Ambhanwong, Mr.Suthep Dansiriviroj, Mr.Amorn Asavanunt, and Mrs.Pradittha Chongwattana to become company directors for another term because they were qualified to engage with the company's business. Their experiences and abilities benefited to the company.
- Reviewed the Charter of The Nominating Committee annually to comply with the related regulation and practice guidelines.
- Evaluated The Nominating Committee's performance for 2023 in order to use the evaluation results to improve and develop the work of The Nominating Committee more efficiently.

The Nominating Committee has performed its duties as assigned discreetly and reasonably in order to proceed with transparency which is the greatest benefit resulted in driving the organization to grow sustainably.



(Mr.Boonkiet Chokwatana)

Chairman of the Nominating Committee

## Report of the Remuneration Committee

S & J International Enterprises Public Company Limited has appointed the Remuneration Committee with 4 members as follows:

1. Mr.Boonkiet	Chokwatana	Chairman of the Remuneration Committee
2. Mr.Thirasak	Vikitset	Member of the Remuneration Committee
3. Mrs.Kaewta	Ongsaranakom	Member of the Remuneration Committee
4. Mrs.Pismai	Chandrubeksa	Member of the Remuneration Committee

The Remuneration Committee has performed its duties as assigned by The Board of Directors, which is specified in The Charter of The Remuneration Committee. Its duties are to determine remuneration to company directors, sub-committees and top management at the appropriate level.

In 2023, The Remuneration Committee held 2 meetings in order to carry out its assigned duties and responsibilities and report its performance of duties to The Board of Directors, which activities are summarized as follows:

- Determined the remuneration policy and criteria for The Board of Directors and sub-committees as well as allocated annual remuneration for The Board of Directors. The remuneration is considered based on The Board of Directors' performances, authority, assigned responsibility, the performance of individual directors, as well as the company's growth and performance, business liquidity and factors which may affect the company or overall economic situation. Consideration is also given to the budget amount approved by the shareholders' meeting, the remuneration amount for the previous year and the comparison with other companies in similar businesses. The company ensured that the remuneration policy and criteria including allocation of annual remuneration is suitable for the duty and responsibility of The Board of Directors and sub-committees as well as to create incentive to obtain work efficiency in accordance with the strategic direction.
- Reviewed the Charter of The Remuneration Committee annually for the most effective performance and clear scope of responsibilities.
- Evaluated the performance of The Remuneration Committee and Managing Director as well as acknowledged the evaluation report on the performances of The Board of Directors, the sub-committees and Managing Director for year 2023.



The Remuneration Committee has independently performed its duties with transparency and fairness in accordance with the principles of good corporate governance and it is appropriate for their responsibilities and in accordance with the company policy.



(Mr.Boonkiet Chokwatana)

Chairman of the Remuneration Committee

## Report of the Risk Management Committee

S&J International Enterprises Public Company Limited has appointed the Risk Management Committee, which consists of 7 directors, namely

1. Assist.Prof.Dr.Pongchai	Athikomrattanakul	Chairman of the Risk Management Committee
2. Mrs.Pornpip	Putipat	Member of the Risk Management Committee
3. Mrs.Thongsuk	Upathambhakul	Member of the Risk Management Committee
4. Mr.Praj	Srichandra	Member of the Risk Management Committee
5. Mrs.Daranee	Ajjaneeyakul	Member of the Risk Management Committee
6. Ms.Waraluck	Punpairoj	Member of the Risk Management Committee
7. Mrs.Jariya	Thamvachiraporn	Member of the Risk Management Committee

Business risk management is an important mechanism in driving the organization to be prepared for changes and challenges from various factors around the world while also determining the direction of business operations to achieve the company's goals. S&J International Enterprises Public Company Limited places importance on risk management in all aspects and has a systematic risk management framework for the entire organization. The Company regularly reviews measures to reduce or control risks to an acceptable level, ensuring the business's growth and development towards sustainability.

In 2023, the Risk Management Committee held 6 meetings to carry out its assigned duties. During these meetings, the Committee reviewed and added important risk management plans criteria that impact the Company and its subsidiaries. This year, the Company had assessed significant risks, namely emerging risks, which were impacted by the macroeconomic situation, customer risks, IT and technology risks, which included protection against cyber-attacks, personal data risks (PDPA), supply chain risks, and social, environmental, and governance (ESG) risks. The Company analyzed risks in each aspect that may have been affected by different factors that are expected to occur now and in the near future. It also reviewed the appropriateness of risk level indicators in each issue to ensure effective risk management.

Based on the continuous monitoring of existing and emerging risks, both in the short and long term, under the assessment of current circumstances and looking forward, the Risk Management Committee considered and agreed that risk management had been carried out efficiently and was ready to handle various risks and changes, hence building confidence among stakeholders in operating the organization's business sustainably.



(Assist.Prof.Dr.Pongchai Athikomrattanakun)  
Chairman of the Risk Management Committee

## Report of the Corporate Social Responsibility Committee

The Social Enterprise Activities Committee of S&J International Enterprises Public Company Limited consists of 7 directors, namely

1.	Prof.Dr.Malyn	Ungsurungsie	Chairman of the Corporate Social Responsibility
2.	Admiral Apichart	Pengsritong	Member of the Corporate Social Responsibility
3.	Mrs.Rujapa	Srisurang	Member/Secretary of the Corporate Social Responsibility
4.	Ms.Pornpanawan	Boonrom	Member of the Corporate Social Responsibility
5.	Ms.Usa	Kingsubmanee	Member of the Corporate Social Responsibility
6.	Mrs.Pranee	Petcharayutphan	Member of the Corporate Social Responsibility
7.	Ms.Natpichaya	Kitthamrongworakul	Member of the Corporate Social Responsibility

S&J is committed to conducting business under the sustainable development (ESG) concept to create economic growth while being socially and environmentally responsible and giving importance to all groups of stakeholders. In 2023, the Social Enterprise Activities Committee performed their social responsibility tasks as per the scope, duties, and responsibilities outlined in the Charter of the Social Enterprise Activities Committee and in accordance with the regulations of the Stock Exchange of Thailand. The committee held 4 meetings during the year to consider goals and plans, each with a summary report of performance for each quarter and presented to the Board of Directors every 6 months. Significant issues can be summarized as follows:

1. Establish policies and approve goals and operational plans for social responsibility

The Corporate Social Responsibility Committee has carried out its social responsibility activities in alignment with 15 out of the 17 United Nations Sustainable Development Goals (SDGs), except for topics 12 and 16. The Committee's responsibilities include considering and approving projects, proposing operational guidelines, and assessing the budget's appropriateness, as well as providing additional advice to ensure the project is implemented efficiently.

2. Supervise and monitor social responsibilities operations

The Corporate Social Responsibility Committee not only supervise and monitors the operations of various projects, ensuring that they are progressing as planned, both in terms of the quarterly progress and budget utilization. During quarterly meetings, the committee propose and discuss sustainability management practices based on recommendations from the Stock Exchange of Thailand. The goal is to develop and promote the company to be enlisted for the sustainability assessment of listed companies (THSI) and participate in interviews for consideration of the SET Awards, Sustainability Excellence Group, organized by the Stock Exchange of Thailand. This will enable the company to continually improve its sustainability operations and receive various awards.

3. Strengthen knowledge and understanding about sustainability

In 2023, the Corporate Social Responsibility Committee recognized the significance of sustainability knowledge development within the organization. Therefore, they have declared their intention to participate in the "Primary Sustainability Knowledge Development for Employees Project (ESG DNA for Employees)" initiated by the Stock Exchange of Thailand to educate and evaluate the sustainability knowledge of employees. Out of the 1,500 employees necessary to enroll in the training, the Committee has planned for over 800 employees to attend the training and pass the basic knowledge assessments. The Committee anticipates that this project will help employees better understand sustainability concepts and sustainable business development, benefiting themselves, society, and the environment.



(Prof.Dr.Malyn Ungsurungsie)

Chairman of the Corporate Social Responsibility Committee

## Report of the Corporate Governance Committee

The Corporate Governance Committee consists of Pol.Gen.Somchai Prabhasabhakdi as Chairman, Mrs.Kaewta Ongsaranakom, Mrs.Patchara Pongwichan, Ms.Thatsruang Saengwichian, Mr.Jittipong Somyapukdee, and Mr.Sumit Khopaiboon as members of the committee.

The Corporate Governance Committee has performed its duties as assigned by the Board of Directors, which are specified in the charter of the Corporate Governance Committee. Its main responsibility is to oversee the company's operations and ensure that they adhere to the principles of good corporate governance. This includes being transparent, open, verifiable, fair to all stakeholders and promoting sustainable growth.

In 2023, the Corporate Governance Committee held 4 meetings. All directors attended each meeting and reported the results to the Board of Directors. The important points can be summarized as follows.

1. **The Charter of the Corporate Governance Committee** has been reviewed to align with current circumstances.
2. **Good Corporate Governance** A review of good corporate governance principles has been conducted, including supervising and promoting compliance with the Securities and Exchange Commission's principles of good corporate governance for listed companies outlined in 2017. The Company has adapted these principles to suit its business context and has followed up on the Board of Directors and sub-committees' compliance with these principles. As a result, the Company received the corporate governance assessment results **at the "excellent" level for the 6<sup>th</sup> consecutive year** in the Thai Listed Companies Corporate Governance Survey Project for the year 2023. Furthermore, the Company was evaluated by the Thai Investors Association for the quality of the Annual General Shareholders' Meeting for the year 2023 and received **a full score of 100**.
3. **Anti-Corruption** The Company has implemented effective measures to prevent corruption, including reviewing anti-corruption policies and relevant regulations and assessing the risk of corruption in its organization and subsidiaries annually to be appropriate with current circumstances. This year, anti-corruption policies and guidelines have been extended to the subsidiary company, EF Company Limited (EF), and the risk of corruption has been evaluated. Upon inspection of operating procedures and internal control measures, and found that EF has its policies and practices that meet the assessment criteria of the Thai Private Sector Coalition Against Corruption (CAC).
4. **Continue to cultivate "consciousness"** in good corporate governance and anti-corruption to those involved to achieve concrete and sustainable practical results. This year, the Company organized training sessions on "Good Corporate Governance, Business Ethics, and Anti-Corruption in Organizations" through the e-learning system for directors, executives, and employees, totaling 2,415 employees. Test results after the training reported that 100% of the participants had fully passed the Company's criteria.

5. Arranged an evaluation of the Corporate Governance Committee's performance for 2023 and used the results to enhance the efficacy of the committee's duties. The evaluation results were the "very good" criteria.
6. In 2023, the Company found **no complaints** of wrongdoing within the organization regarding **corporate governance, business ethics, and anti-corruption**.

The Corporate Governance Committee is confident that the Company operates its business in accordance with good corporate governance principles and is dedicated to continual improvement. This will help earn the trust of all stakeholders, which will lay the foundation for the company to grow sustainably in the long term.



(Pol.Gen. Somchai Prabhasabhakdi)

Chairman of the Corporate Governance Committee

## Report of the Executive Board

S&J International Enterprises Public Company Limited has appointed the Executive Board, in the capacity of Management, to perform the duties of managing and operating the Company's business and to perform the duties as assigned by the Board of Directors and in accordance with the Charter of the Executive Board.

In 2023, the Executive Board comprised of 12 members, namely;

1.	Mr.Thirasak	Vikitset	Chairman of the Executive Board
2.	Mrs.Kaewta	Ongsaranakom	Member of the Executive Board
3.	Prof.Dr.Malyn	Ungsurungsie	Member of the Executive Board
4.	Mrs.Chitraporn	Vikitset	Member of the Executive Board
5.	Mrs.Thongsuk	Upathambhakul	Member of the Executive Board
6.	Mr.Praj	Srichandra	Member of the Executive Board
7.	Mrs.Patchara	Pongwichan	Member of the Executive Board / Secretary of the Executive Board
8.	Mrs.Daranee	Ajjaneeyakul	Member of the Executive Board
9.	Mr.Sumit	Khopaiboon	Member of the Executive Board
10.	Ms.Kritsanarath	Rassameesuriyan	Member of the Executive Board
11.	Ms.Yarin	Arayatanitkul	Member of the Executive Board
12.	Ms.Waraluck	Punpairoj	Member of the Executive Board

The Executive Board convened a total of 22 meetings in order to fulfill its designated duties, which can be summarized as follows:

1. Presented the business strategy, sales and profit targets, and set the annual business plan to the Board of Directors, as well as responsible for managing the Company's business in accordance with the policies and strategies adopted.
2. Approved the Company's annual investment budget in various areas, including production efficiency optimization, product development, and information technology development, as well as enhancing and developing the capability and potential of personnel in various aspects to support the strategic growth and competitiveness of the business both short-term and long-term.
3. Analyzed financial statements and ensured that financial statements were prepared for external auditors to audit or review and express their opinions thereon prior to proposing such reports to the Audit Committee and the Board of Directors respectively.
4. Monitored the performance of the overall company and each department on a monthly basis, and provided recommendations to improve the efficiency of the Company.

5. Considered the connected transactions with related parties and the acquisition or disposal of assets with prudence, caution, and reasonableness in terms of prices and other relevant conditions, and upheld the interests of the company and all groups of stakeholders. Executive directors with vested interests in such matters shall not participate in decision-making prior to proposing them to the Audit Committee and subsequently to the Board of Directors for consideration and approval transaction as significance.
6. Encouraged and supported employees to continually innovate new products and methods, and impelled the organization and the Company's products to attain quality standard accreditation from reputable institutions both domestically and internationally. The Company had been awarded an excellent level of sustainability development by the Stock Exchange of Thailand for 7 consecutive years.
7. Reviewed the Charter of the Executive Board to ensure that their duties and responsibilities are appropriate and suitable for the current situation, and agreed to comply with the anti-corruption policy to provide guidance for executives and employees to perform their duties in a transparent and fair manner, as well as reviewing regulations and procedures related to internal operations in response to any changes that had occurred.

The Executive Board is committed to managing the business towards the accomplishment of the Company's vision, mission, targets, and business strategies in compliance with the good corporate governance principles in a transparent and verifiable manner, while conducting business with social and environmental responsibility in order to facilitate sustainable growth for the organization.



(Mr.Thirasak Vikitset)

Chairman of the Executive Board and Managing Director



## Attachment 6

### Report of the Audit Committee

The Audit Committee of S&J International Enterprises Public Company Limited consists of 4 independent directors, with Mr. Amorn Asvanunt serving as the Chairman of the Audit Committee, Pol.Gen.Somchai Prabhasabhakdi, Mrs. Pradittha Chongwattana and Assist.Prof.Dr. Pongchai Athikomrattanakul are members of the Audit Committee.

In 2023, the Audit Committee performed its duties as assigned by the Board of Directors of S&J International Enterprises Public Company Limited and in compliance with the Charter of the Audit Committee, which aligns with the best practices of the Securities and Exchange Commission. By reviewing the principles of corporate governance, maintain an adequate risk management system and internal controls, and supervise compliance with rules. The Committee emphasized being a transparent organization with good governance and social responsibility and having efficient and effective internal audits. A summary of the major duties of the Audit Committee is as follows.

1. **Review of Financial Reports** : To reviewed the quarterly and annual financial reports of S&J International Enterprises Public Company Limited and its subsidiaries in collaboration with auditors and the management, about the accuracy and completeness of financial reports and adjustment of material accounting entries, including the financial position and operating results of the company, preparing financial reports in accordance with legal requirements and accounting standards and that adequate information is disclosed and beneficial to users of the Company's financial reports.
2. **Review of Risk Management Process** : To reviewed the efficiency and effectiveness of the risk management process, plans to cover more efficient operational control and ensure that there is a systematic risk management system in the company's operations.
3. **Review and Assess the Efficiency of Internal Control Processes** : To reviewed internal controls with the Internal Audit Department regarding operations, and resource consumption prevention for damage leakage and anti-corruption. The Committee advised the Company to establish a robust internal control system, and appropriate internal audits.
4. **Supervision of Internal Audit** : To reviewed the strategic plan, annual audit plan and long-term audit plan, implementation of the plan, the results of the Company's internal audits and provided recommendations and followed up corrective actions on significant issues to ensure good governance and internal controls that are adequate and appropriate to the situation on a regular basis.

5. **Appointment of External Auditor for the year 2023** : The Audit Committee considered and resolved to approve the auditor from EY Office Limited to be the auditor of S&J International Enterprises Public Company Limited for the year 2023 and proposed that the Board of Directors propose at the annual shareholders' meeting to approve the appointment of auditors and the audit fee for the year 2023. In addition, the Audit Committee had a quarterly exclusive meeting with external auditors without the management attending to discuss the scope, guidelines, and plan for the audit, the independence of auditors in performing their duties, and the auditors' opinion. It gave importance to presenting the information correctly, completely, and adequately.
6. **Appointment of External Auditor and Audit fee for the year 2024** : The Audit Committee has considered to select and having resolution to approve and propose to the Board of Director to be presented at the annual shareholders' meeting to approve the appointment of auditors from EY Office Company Limited as auditors for the year 2024 of S & J International Enterprise Public Company Limited.

In summary, the Audit Committee performed its duties and responsibilities as outlined in the Charter of the Audit Committee and had the opinion that the financial statements of S&J International Enterprises Public Company Limited were correct in accordance with generally accepted accounting principles. Additionally, the company had internal control system, appropriate risk management and internal audit systems, supervision, the review of anti-corruption measures, and the operation that conformed with the law and good corporate governance.



Mr. Amorn Asvanunt  
Chairman of Audit Committee

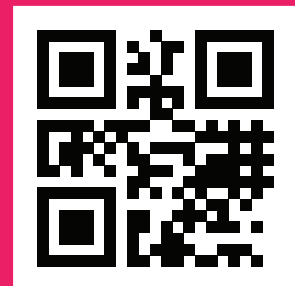


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