

# TPAC

PACKAGING

THAI PLASPAC PUBLIC COMPANY LIMITED

# ANNUAL REPORT 2023

(56-1 ONE REPORT)

[www.tpacpackaging.com](http://www.tpacpackaging.com)



A SPECIALTY **PACKAGING**  
SOLUTION PROVIDER



**Asia's Fastest Growing**  
packaging company \*



**TPAC design lab**  
At the heart of our  
company



**Market Leader**  
Leadership position\*\*



**Focused on 100%**  
recyclable mono-material  
formats. (PET / rPET ,PP /  
rPP , HDPE / rHDPE)



**>90% portfolio in F&B &  
Pharma**  
which requires strict hygiene



**Diversified customers base**  
**>1500** relationships from  
MNCs to startups

\*Company estimation based on 5 years revenue growth trend

\*\* Across all our niche segments



To be the company whose innovations  
positively impact our world, and a  
place attractive to the most passionate  
packaging minds





# TPnC

PACKAGING

A SPECIALTY  
**PACKAGING**  
SOLUTION PROVIDER

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ANNUAL REPORT 2023  
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## MESSAGE FROM THE CHAIRMAN OF THE BOARD



### Dear Stakeholders,

It is with great pleasure that I present to you the Annual Report of Thai Plaspac Public Company Limited (“TPAC”) for the fiscal year 2023.

This year has been marked by significant achievements and milestones for TPAC, as we navigated through an environment filled with both challenges and opportunities. I am proud to report that our continued dedication to excellence, innovation, and sustainability has enabled us to thrive in a rapidly evolving market landscape which resulted in a record-breaking financial performance, exceeding all previous years. This remarkable feat wouldn't have been possible without our most valuable asset — our dedicated team of nearly 3,000 employees. To each and every one of you, I offer my deepest gratitude. Your determination, agility and sheer perseverance have propelled us to new heights together.

### A Year of Success

As we reflect on the past year, I also extend my sincere gratitude to our shareholders, customers, and partners for their unwavering support and commitment to our company's success. Your trust and collaboration have been integral to our journey of sustainable growth. Last but not the least, my sincere appreciation also goes out to our management team for their decisive actions and leadership. Their relentless focus on quality and excellence have been instrumental in driving our achievements as a team.

The year that went by had couple of record quarters for TPAC, which helped us deliver a robust financial performance in 2023, despite the economic uncertainties and market volatility underpinned by turbulent geopolitical climate. Our customer centric approach coupled with strong focus on extracting operational efficiencies, have resulted in increased Core EPS by almost 50% over the year 2022.





Our historically sustained growth momentum over the last 5 years has given us the title of the fastest-growing packaging companies in Asia, a distinction we cherish immensely and aspire to retain in coming decade. As we expand our global reach, we remain grounded in our heritage, taking pride in our strong legacy and guided by our mission to establish ourselves as one of the most respected global packaging company.

### Advancing Sustainability Initiatives

We recognize that true success goes beyond financial results. We are deeply committed to environmental responsibility and recognize the crucial role we play in the future of sustainable packaging. TPAC actively initiates sustainability-focused projects, including production utilizing recycled polymers, conversion from non-recyclable materials to recyclable alternatives, and weight optimization initiatives. Additionally, our green energy initiatives, such as rooftop solar projects, where we leave no stone unturned in extracting the most out of roof top space to deploy solar panels, reflect our unwavering commitment towards promoting renewable energy for carbon footprint reduction.

At TPAC, we recognize and take our responsibility towards society and the environment seriously. Throughout 2023, we have continued to prioritize our corporate social responsibility initiatives, making meaningful contributions to the communities in which we operate and advancing sustainable business practices. Our commitment to CSR remains steadfast as we strive to create long-term value for all stakeholders.

### Investing in Our People – The Engine of Our Success

Our employees are the driving force behind TPAC’s success. We firmly believe that a happy, engaged, and well-equipped workforce is fundamental to achieving long-term goals. Therefore, we remain dedicated to: Fostering a culture of continuous learning and development, providing our employees with the necessary skills to thrive in an ever-changing environment.

Prioritizing employee well-being initiatives, promoting a healthy work-life balance, and building a positive and inclusive work environment. We recognize that investing in our people is not just the right thing to do, it’s a strategic imperative for our continued success.

### A Vision for the Future

Looking ahead, we remain optimistic about the future despite the challenges that may lie ahead in this VUCA world. Our strategic focus on emerging markets presence with manufacturing operations, intimacy with customers and non-cyclical and diversified product portfolio positions us for continued growth and resilience.

We have strategically invested in recent years to establish state-of-the-art infrastructure and a robust management team in key consumption geographies to support and accelerate growth in these promising markets. Further I am also excited about our entry into the Philippines market, which is the first time we have entered a new territory through a greenfield project and commissioning the plant in record time.

With a strong foundation in place, we are committed to further innovation, strategic expansion, and industry leadership. We remain dedicated to delivering exceptional value to our shareholders, while being mindful of our environmental and social responsibility.

### Our Appreciation

In closing, I would like to express my gratitude once again to our shareholders for their continued trust and confidence in TPAC. Together, we have achieved remarkable progress, and I am excited about the journey ahead. As we embark on the next phase of our growth trajectory, I am confident that our collective efforts will lead to even greater success.

Warm Regards

**Yashovardhan Lohia**  
Chairman of the Board of Director





# MESSAGE FROM THE GROUP CHIEF EXECUTIVE OFFICER

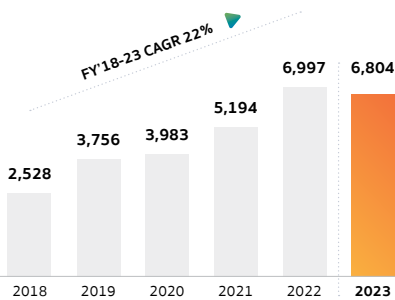


Dear Shareholders and all Stakeholders,



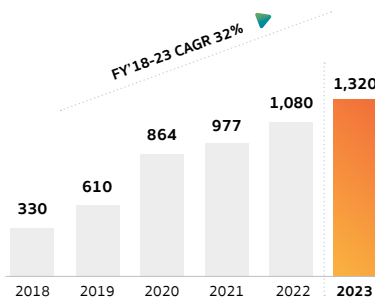
### SALES

Unit: THB Million



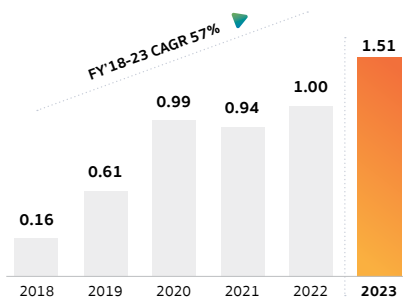
### CORE EBITDA

Unit: THB Million



### CORE EPS

Unit: THB



TPAC finished off 2023 with core EBITDA at THB 1,320 million, representing an increase of 22% compared to the previous year, while the core EPS showing an increase of 50% from THB 1.00 in 2022 to THB 1.51 in 2023. This marks an end of another great year with solid

performance and earnings growth as compared to the previous year. We spent the past year executing well and I thank my management team for their disciplined performance.





In our home of Thailand, we turned around Bang Na, made it profitable with a high teens EBITDA profile, and now operating with a young team that is eager for the challenge to make it a star within TPAC. There are ample learnings for us to absorb from our first ever acquisition, which has involved turning around a business with a long history of underperformance.

In India, we continue to grow, with our core EBITDA increasing steadily by 11% compared to the previous year. We also incorporated a new venture with 'TPAC Customs'. Today, as I write this, we have now commercialised production at TPAC Customs. Our first project has involved ophthalmic droppers developed for blue chip pharmaceutical customer. This is a first for TPAC, where we have developed a class 10,000 medical clean room infrastructure, readying us for our foray deeper into the exciting world of medical packaging. This is a new segment for us but well suited for our R&D foundation and systems given our 40-year history in serving the food and pharmaceutical segments.

India is doing well as a country. I am pleased we moved aggressively into India back in 2018. It was difficult for us to execute our first ever cross border acquisition back then. My A-team was not established, but we had to make this bold difficult move and we are glad we did. I said then in 2018, this move changes the equation for us in multiple ways, and as I look back, that certainly was a transformative turning point for our company. And it continues to be transformative every year. In 2018 our core EPS was THB 0.16 and today stands at THB 1.51. We got into India at a good time and have today established ourselves with a pan India presence and able management. India's best days are ahead and we are excited on what TPAC India will deliver in next few years. We will continue to evaluate exciting value enhancing strategies like potential listing of our India business, at the opportune time. TPACs India franchise is well positioned to deliver, as India soars this next decade.

The middle east, specifically the United Arab Emirates, is another geography that is progressing so well. What Dubai has achieved is inspirational and provides lessons in leadership for the entire world. The United Arab Emirates has performed well, coming out even stronger post Covid to a new level. We are lucky to have a presence on the ground there with a team that exemplifies customer obsession. That has resulted in 1 plant now becoming 2 doubling of our operations in Dubai, ever since our entry in 2019. As I pen this letter, plans for plant 3 are being finalised.

Malaysia, we entered in 2021 during the height of the covid pandemic. This decision was made complex with Malaysia borders shut and a bad pandemic year for the world. Nevertheless, we had our convictions and we moved forward. With this acquisition we brought into TPAC, Southeast Asia's leading In-mould labelling food packaging company. We are a market leader within the ASEAN region in this technology and are confident to continue our solid growth trajectory for this business. Note that since our acquisition in 2021, the core EBITDA for this business grown by more than 50% as of 2023.

Shortly after our Malaysian expansion in 2021, we made another acquisition in 2022 of Skypet Polymers. With this acquisition fully integrated, TPACs successful M&A journey continues with 5 acquisitions in the last 6 years executed and all performing well.

Our acquisitions are all growing at a faster pace under TPACs umbrella than they were prior. This has created a healthy double digit return on the capital employed for TPAC. Our strong organic growth built on these acquisitions is what has given us the title of Asia's fastest growing packaging company.

Looking ahead we have the conviction we will retain the title. TPAC is positioned where we want to be in terms of 1) segment focus 2) geographic focus and 3) packaging format.

By packaging format, I am referring to TPACs focus on a) primary packaging and b) rigid polymers. Primary packaging being packaging that is in direct contact with the product. TPAC works with rigid polymers, primarily monolayer, all with established mechanical recyclability (PET, PP, and PE).

PET as a raw material continues to make tremendous progress around its recycling ecosystem and is far ahead in terms of collection and recycling infrastructure allowing for recycled PET (rPET) usage in packaging to significantly increase in these past few years. Furthermore, availability and use of rPET for food grade applications, at competitive prices are now being made possible in more places around the world with every passing year. Thailand and India are 2 such examples where the regulators have recently given the green light for food grade rPET. Our business in Malaysia does not use PET, but instead uses PP. Here again the





technology what we have, namely thin walled In-mould labelling, is fantastic when it comes to its sustainability credentials. The injection process creates thin-walled packaging which as the name suggests, uses very little polymer. With fast cycle times, the energy used in the process is also minimized. This translates into low carbon footprint per unit packaging which is also 100% recyclable. The magic in this technology is a premium label that forms into the container and being the same material as the container itself. With this technology the label does not get separated from the packaging which would have polluted the environment, as no separation of the label is necessary at the recycling stream.

In our space there is ample creativity possible to further reduce the carbon footprint of our packaging and improve the overall sustainability characteristics. Rigid packaging, unlike a wrapper for example, is sturdy enough such that it is unlikely to disappear into the environment. With a reasonable level of collection infrastructure established within the geographies, in due course all rigids can and should be collected. Thankfully collection and recycling infrastructure is progressing nicely in many areas of our world, but yes, we need to accelerate this even more. With technology, the performance of rigids also continues to improve and today we are able to make the packaging a lot lighter (using less polymer) whilst still maintaining the same or even better functional properties. The work TPACs R&D teams have done here over the past few years continue to be appreciated by our customers and reflects in our long-standing relationships with them.

Therefore, I truly believe that the space we are in (rigid monolayer polymer packaging with a focus on polymers with proven mechanical recyclability), will continue to take share from other packaging formats and materials and grow healthily in the years ahead. And we look forward to the days when the polymers we work with are bio waste based. I think and hope we will see this bio revolution in plastics in the next decades.

Geographically, our focus is on geographies which we believe, will be the world's stand out economic regions this next decade. These 3 separate geographic clusters for us are ASEAN, India and the Middle East.

Cluster 1) ASEAN: Thailand our home base. Malaysia got added in 2021 with our Combi-pack acquisition and Philippines is a recent greenfield entry.

Cluster 2) India: We only had presence in North and West with 5 plants in 2018. Today presence extends to South of India also with 5 plants increasing to 9 plants in these 3 regions.

Cluster 3) Middle East: We started with 1 plant in 2019 with Sun Packaging acquisition, which are 2 plants today. As we speak, building plans are now being finalized for plant 3.

Our aspiration is to create a strong customer centric, and innovation led franchises in all of these markets, giving customers the sustainable design led solutions they need with speed, reliability, and cost efficiency.

At the core of TPAC, the common thread that links us all together is our Research and Development function. Here lies decades of experience in providing solutions to the food and pharmaceutical markets. In 2023 we did over 100 new product developments. We worked with a diverse range of polymer grades using a diverse range of molding technologies. We today have every rigid moulding technology in house, 5 diverse technologies to be precise, not to forget our paper packaging technology that we also recently introduced to cater to our food segment. Deep understanding and partnering with food and pharmaceutical customers are at our core. These are segments that demand the best-in-class quality systems. Innovation needs within these segments are immense and this suits us well.

So, in summary TPAC is today positioned to win In terms of geography, technology, packaging format, materials, segments served, we believe TPAC has all the right ingredients to thrive and succeed with a winning proposition.

On the financial front, we converted 83% of our core EBITDA into operating cash flow last year. As your CEO, I will be responsible custodian of the cash we are generating, and we will deploy this into transforming our company.

We have come some way in terms of transforming the size of our company from a THB 200 million + core EBITDA company to a company with a core EBITDA exceeding THB 1,300 million in 2023, translating into a 6x increase in core EBITDA over the past 8 years.





Size wise and growth wise, we will work very hard to continue this trajectory. We certainly don't want to lose the title of Asia's fastest growing packaging company and personally I am confident we will maintain this title for this upcoming decade as well.

But the distinction now as we embrace a new era will be a growth that is increasingly innovation led with more complex new product development at the forefront of this growth. The era is now beginning for us to embrace our deep precision moulding know how and deep

segment understanding when it comes to the food and pharmaceutical space.

Our stock price performance has not been as exciting as our profitability growth. The market cap of our company has increased 2.5x since my tenure in 2016. Not quite satisfactory when measured against the EPS growth we have delivered. With the easing of our share liquidity and continued delivery of results, we will unlock immense value here.

Thank you again to all our dear customers and shareholders for your support and trust. Thank you to my wonderful partners and our bankers who have always believed in TPAC's story.

Sincerely,

Kevin Kumar Sharma  
Group Chief Executive Officer



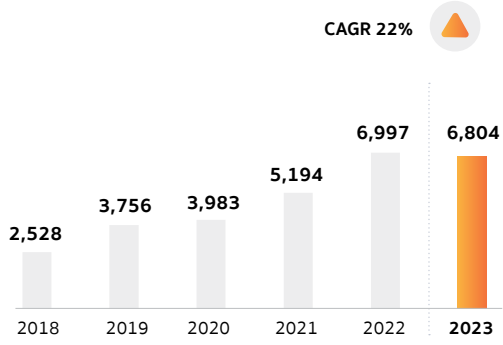


# PROFITABILITY MATRIX



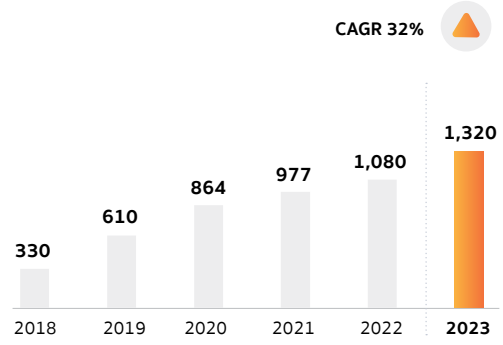
## Revenue

Unit: THB Million



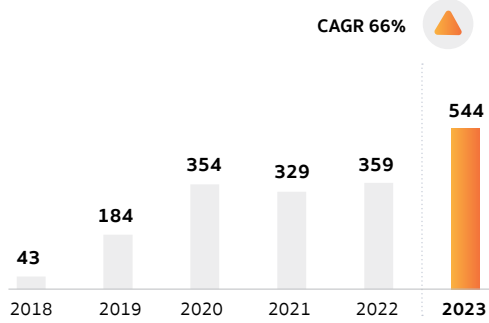
## CORE EBITDA

Unit: THB Million



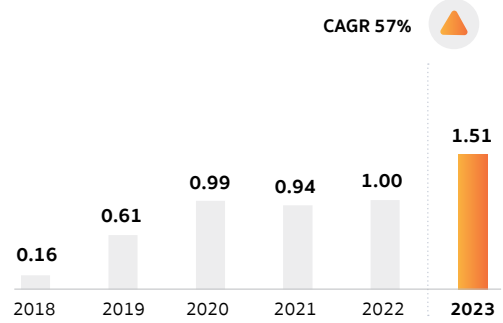
## CORE NET PROFIT

Unit: THB Million



## CORE EPS

Unit: THB

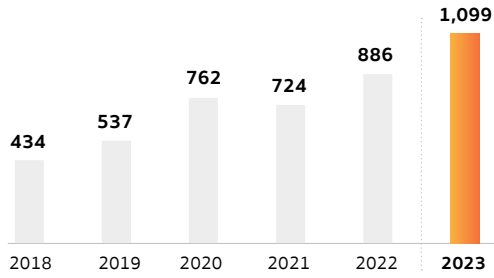




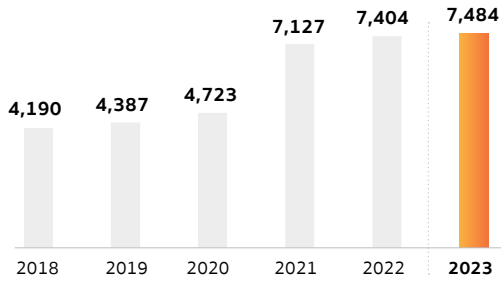


## BALANCE SHEET AND CASH FLOW MATRIX

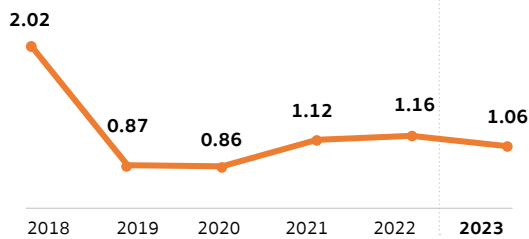
**Operating Free Cash Flow**  
Unit: THB Million



**Total Assets**  
Unit: THB Million

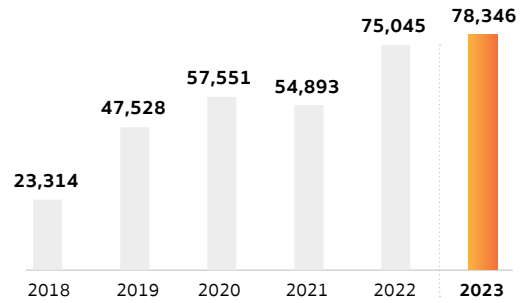


**Net Debt to Equity**  
Unit: Times (X)

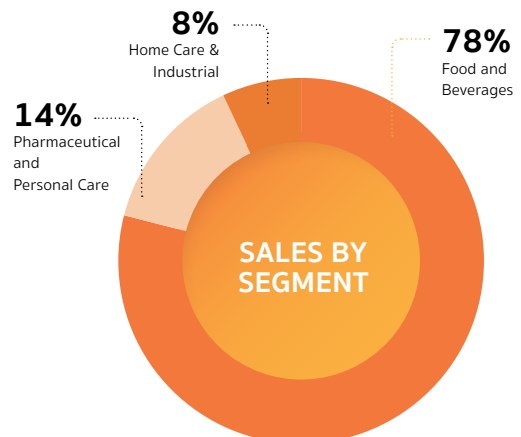
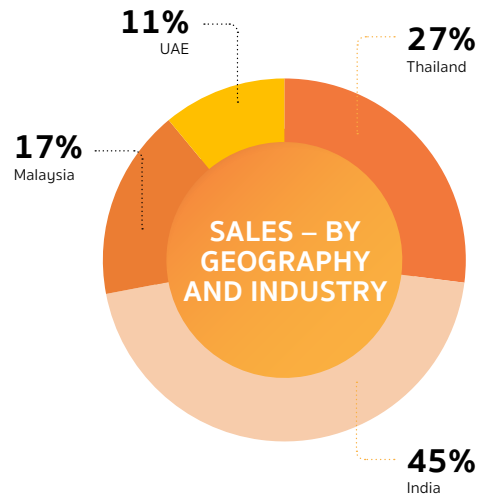


## OPERATING MATRIX

**Resin Purchased**  
Metric Tons



**Sales by Geography and Industry**







# 01

PART

## BUSINESS OPERATION AND OPERATING RESULTS

ANNUAL REPORT 2023  
THAI PLASPAC PUBLIC COMPANY LIMITED





# 1. Organizational structure and operation of the group of companies |

## 1.1 Nature of Business

### Nature of Business

Thai Plaspac Public Company (TPAC Packaging) is a top tier rigid plastic packaging solutions company. Presently, there are 17 factories site in 5 counties as following:

- 4 factories in Thailand, located in Bangkok metropolis area.
- 9 factories in India, located in the North, South and the West of India.
- 2 Factories in United Arab Emirates
- 1 Factory in Malaysia
- 1 Factory in Philippines (On the set-up process)

We mainly operate across hygienic consumer segments - everyday consumables within the Food & Beverage, Pharmaceutical, Personal care, and Homecare sectors. A smaller part of our business is in the Precision Tools sector. Our packaging solutions are bespoke, uniquely designed and manufactured. We also have an extensive common mold product portfolio branded under the 'SUNPET' brand.

Utilizing proprietary know-how as developed by our in-house industry recognized R&D platform, our team of specialist formulate optimum material composition as deemed suitable to form and function. 2D technical CAD drawings and 3D printed prototypes are developed. Utilizing our extensive relationships with mold makers around the globe, we work closely with mold makers judged to possess the appropriate level of technical craftsmanship best suited for our individual projects. Our commercial manufacturing classified in to 5 processes as following:

- Injection Moulding
- Extrusion Blow Moulding
- PET Moulding
- In-Mould Labelling
- Combi Cup

There are also complementary processes such as labeling, printing or assembly. under the control system Production and quality assurance ISO 9001:2015 and

GMP that not only sets the standard for the machine but also covers the environment throughout the factory and covers until the final delivery to the customer.

Thai Plaspac Public Company Limited was established on August 1, 1983. The Company is principally engaged in the manufacture and distribution of plastic packaging. On 15 June 2004, the Company was listed as public limited company. Our commercial manufacturing classified into 3 processes as following: Injection Moulding, Extrusion Blow Moulding and PET Moulding. The Company's production plant received certifications of the quality management standard (ISO 9001:2015) and GMP (Good Manufacturing Practice) from AJA (Anglo Japanese American Registrars).

On 7 December 2017, the Company registered and established TPAC Packaging India Private Limited in India and invested at 100%. The purpose of the company is to invest at 80% of shares in Sunrise Containers Limited, an Indian non-listed public limited company engaging in the PET (Polyethylene Terephthalate) and PP (Polypropylene) preforms and containers, manufacturing business in India.

On 24 April 2018, the Annual General Meeting of the Company's shareholders approved to invest in Custom Pack Company Limited, who is principally engaged in the manufacture and distribution of plastic packaging. On 2 May 2018, the Company registered the change of its name from "Custom Pack Company Limited" to "TPAC Packaging (Bangna) Company Limited" with the Ministry of Commerce.

On 4 July 2019, the Extraordinary General Meeting of Shareholders No. 1/2019 approved to acquire of 89% shares in Sun Packaging Systems (FZC), a limited company registered in Sharjah Airport International Free Zone in United Arab Emirates and incorporated in plastic containers manufacturing business. On 30 July 2019, The Company paid the consideration to acquire of 89% shares in Sun Packaging Systems (FZC)





On 22 September 2020, the Company entered into share purchase agreement between the Company, and former shareholders to purchase 20% of shares in TPAC Packaging India Private Limited. On 5 October 2020, the Company paid cash consideration to former shareholders to purchase 20% of shares in TPAC Packaging India Private Limited. The purchase transaction was completed on 22 October 2020.

On 10 April 2021, the Company's Board of Directors' Meeting No. 3/2021 approved the investment by the Company for the acquisition of 80% shares in Combi-Pack Sdn Bhd, a limited company registered in Malaysia, and incorporated in plastic food containers manufacturing business with the total considerations and expenses, and approved this investment by the Extraordinary General Meeting of shareholders No. 1/2021 on 28 May 2021. Following this investment, TPAC has two more production processes, In-Mould Labelling, and Combi Cup, which are successful technologies in Malaysia.

On 10 December 2021, the Company's Board of Directors' Meeting No. 7/2021 approved TPAC Packaging India Private Limited, which is a subsidiary of the Company, to establish a new subsidiary, which is a limited company in India under the name of TPAC Packaging India II Private Limited (which changed its name to TPAC Skypet India Private Limited), and invest at 100% of its shares with an initial registered share capital of INR 50 million (5 million shares with par value of INR 10 each). The subsidiary was completely established on 30 December 2021. On 30 December 2021, the Company's Board of Directors' Meeting No. 8/2021 approved TPAC Skypet India Private Limited to acquire 80% of M/s Skypet Polymers, a partnership firm registered in India, and incorporated in plastic containers manufacturing and distribution. The acquisition transaction was completed on April 1, 2022.

On 11 August 2022, the Board of Directors' Meeting of the Company No. 4/2022 and the Board of Directors' Meeting of TPAC Packaging India Private Limited approved TPAC Packaging India Private Limited, which is a subsidiary of the Company, to establish a new subsidiary in India and invest at 100% of its shares. The purpose of such company is to incorporate in plastic

containers manufacturing and venture into high value add caps and closures business and other special verticals. TPAC Custom Solutions Private Limited was completely established on 23 August 2022 with an initial registered share capital of INR 200 million (20 million shares with par value of INR 10 each). On 8 September 2022, TPAC Packaging India Private Limited paid initial share capital of TPAC Custom Solutions Private Limited amounted to INR 40 million (4 million shares with par value of INR 10 each).

On 12 May 2023, the Board of Directors' Meeting of the Company No.2/2023 approved the Company to establish the new subsidiary in the Philippines and invest at 100% of its shares. The purpose of the Company's establishment is to produce and distribute plastic packaging.

Later, on 4 September 2023, the Company registered TPAC Packaging Philippines Inc. with related entities in the Philippines with an initial registered capital of PHP 162 million, divided into 1.62 million ordinary shares. At a par value of PHP 100 per share, the Company partially paid for its shares in the amount of THB 6.9 million (PHP 11 million) and expenses related to the establishment of a subsidiary in the amount of THB 0.4 million)

Under the operation of Thai Plaspac Public Company Limited, there are 7 subsidiaries as following:

Direct Subsidiaries which are held by Thai Plaspac Public Company Limited, consisting of 5 companies as following:

#### 1. TPAC Packaging India Private Limited

Office located A Wing - 1101 & 1102, Lotus Corporate Park, Graham Firth Compound, Western Express Highway, Goregaon (East) Mumbai - 400 063, INDIA  
The Company agreed to pay the consideration to acquire of 100% shares in TPAC Packaging India Private Limited Rs 2,497,695,750 divided into 249,769,575 ordinary shares of par value at Rs 10 per share.



**2. TPAC PACKAGING (BANGNA) COMPANY LIMITED**

Office located 75/2 Moo 9 Soi Ruamjai Bangna-Trad Road Km.18.8, Bangphli Samutprakarn. The Company agreed to pay the consideration to acquire of 100% shares in TPAC Packaging (Bangna) Company Limited THB 101,431,370 divided into 10,143,137 ordinary shares of par value at THB 10 per share.

**3. Sun Packaging Systems (FZC)**

Office located No. 600 M2 Warehouse B3-01, 02, 03 Plot of Land T3-02, 03, 04 and 05 P.O. BOX 7784 SHARJAH, UNITED ARAB EMIRATES. The Company agreed to pay the consideration to acquire of 89% shares in Sun Packaging Systems (FZC) AED 450,000 divided to 300 ordinary shares of a par value at AED 1,500 per share.

**4. Combi-Pack Sdn Bhd**

Office located No. 277, Jalan Haruan 1, Oakland Industrial Park, 70300 Seremban, Negeri Sembilan, Malaysia. The Company agreed to pay the consideration to acquire of 80% shares in Combi-Pack MYR 2,000,000 divided to 2,000,000 ordinary shares of par value at MYR 1 per share.

**5. TPAC Packaging Philippines Inc.**

Office located Block 30, Lot 21B, Quezon Road Global Asena Business Park2, San Pablo Libutad, San Simon, Pampanga, Region III (Central Luzon), 2015 Philippines. The Company agreed to pay the consideration to acquire of 100% shares in registered and ordinary shares of TPAC Packaging Philippines Inc. which currently has a paid-up capital of PHP162,343,200, consisting of 1,623,432 ordinary shares of PHP 100 each.

Indirect subsidiaries held by TPAC Packaging India Private Limited, consisting of 2 companies as following:

**6. TPAC Skypet India Private Limited**

A Wing - 1101 & 1102, Lotus Corporate Park, Graham Firth Compound, Western Express Highway, Goregaon (East) Mumbai - 400 063, INDIA TPAC packaging India TPAC has acquired 80% of Skypet India Private Limited with Rs 25,00,000 divided to 2,500,000 ordinary shares of par value at Rs 10 per share.

**7. TPAC Custom Solutions Private Limited**

A Wing - 1101 & 1102, Lotus Corporate Park, Graham Firth Compound, Western Express Highway, Goregaon (East) Mumbai - 400 063, INDIA TPAC packaging India has invested 100% of TPAC Custom Solutions Private Limited with Rs 40,00,000 divided to 4,000,000 ordinary shares of par value at Rs 10 per share.





## 1.1.1 Vision Mission Values Strategy



### Vision

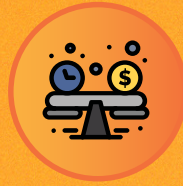
To be the company whose innovations positively impact our world, and a place attractive to the most passionate packaging minds.



### Mission

To collaborate passionately, always showing our customers what's new.





## Our Value

### Dream:

TPAC dreams to be a global company, and a leader in packaging innovation. It can only start with a dream.

### In Data we trust:

If you can't measure it, you can't improve it.

### Lifelong learner:

Our mind set is one of continuous learning, always a student, always curious.

### Listen:

Customer talk, we listen

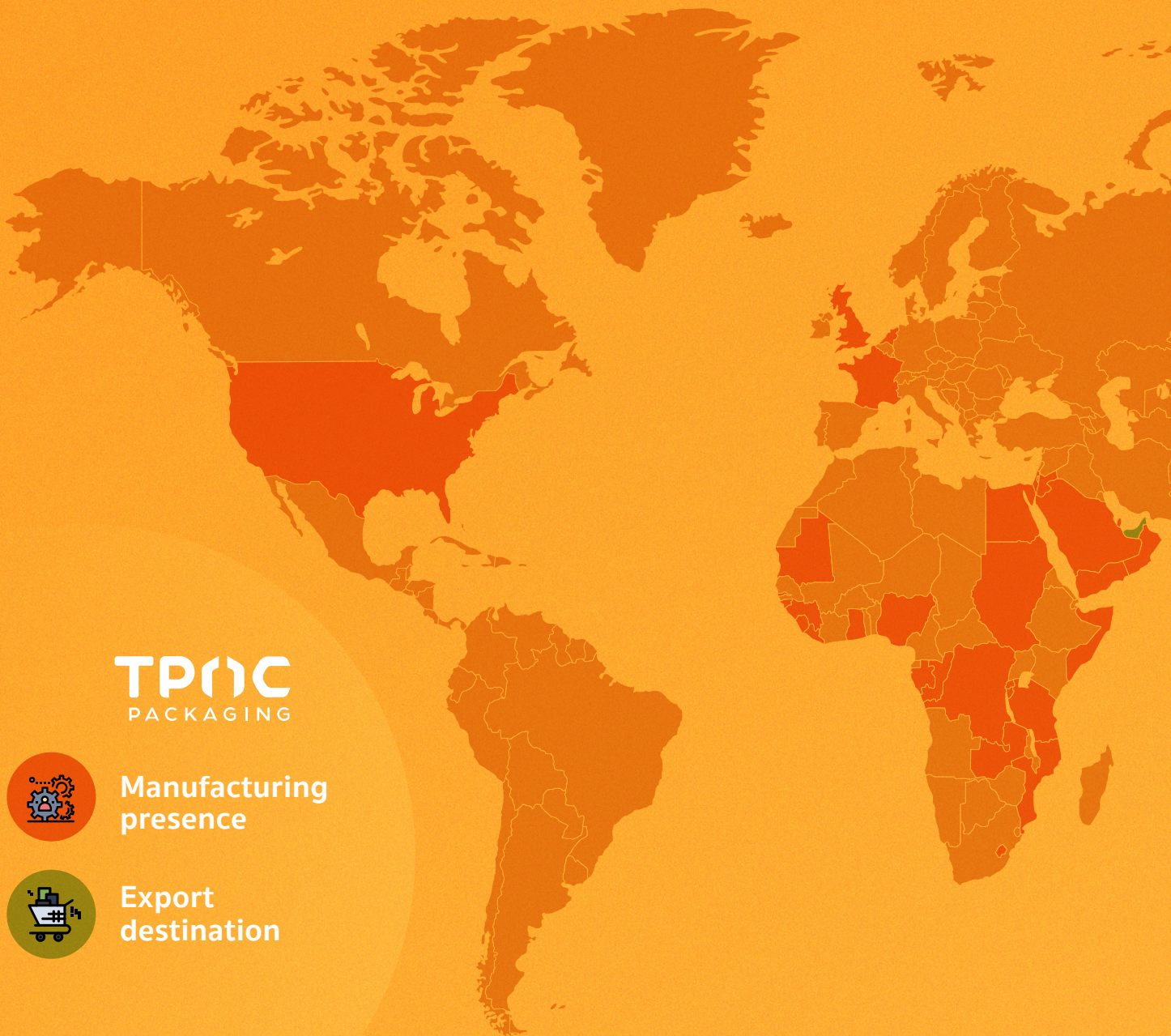






# In the last five years,

we have quintupled our manufacturing location to 17 plants & grew our footprint rapidly with a strong emerging market focus



**TPIC**  
PACKAGING



**Manufacturing presence**



**Export destination**





## Revenue Contribution\*

Business wise performance for the year



India  
**45%**



Thailand  
**27%**



Malaysia  
**17%**



UAE  
**11%**



## Manufacturing presence in the emerging markets:



**9**  
plants



**4**  
plants



**1**  
plants



**2**  
plants



**1**  
plants  
*(under construction)*



**~3000**  
Employees



## 1.1.2 Major changes and developments

### Events Calendar

Year	Events
1983	The Company was founded with one factory located in Sathupradit, and continuity expanded.
2004	Increased the paid-up capital from THB 40 million to THB 80 million and converted into the public company limited with the registered capital THB 100 million which divided in to 100 million shares with the par value at THB 1 per share.
2005	Thailand Security and Exchange Commission and Stock Exchange of Thailand allowed the Company to do the initial public offering and listed in MAI market since December 7th, 2005.
2013	The Company had increased its registered capital to be THB 255 million divided into 255 million shares with the par value at THB 1 per share (paid-up capital at THB 200 million) and issued the 3 years warrants 55 million units and 3 years Employee Stock Ownership Plan (ESOP) 5 million units.
2014	There were the shaerholders excersied both warrants and ESOP during the year 2014, totalling 1,141,500 units which effected the paid-up capital as of December 31st, 2014 increased to THB 201,327,025.
2015	There were the shaerholders excersied both warrants and ESOP during the year 2014, totalling 2,734,500 units which effected the paid-up capital as of December 31st, 2015 increased to THB 208,766,400  Lohia family became the majorshareholder instead of the former group for 60.55% and restructured of the management team.
2016	There were the shaerholders excersied both warrants and ESOP during the year which the maturity date of the warrants was on May 19th, 2019, totalling 45,051,276 units which effected the paid-up capital as of December 31st, 2019 increased to THB 253,817,676. These warrants were excersied totalling 98% of the issued warrants.





Year

Events

2017

The Board of Directors' Meeting No.6/2017 held on November 14<sup>th</sup>, 2017 had approved the acquisition of Sunrise Containers Company Limited, the preform and plastic packaging manufacturer by the merger and acquisition or share purchasing with the consideration price not exceeding INR 4,692 million (or equivalent to THB 2,383 million) and appointed the discover management to be the Independent financial advisor to express their opinion to the transaction. This transaction must pass the resolution of the Extraordinary General Meeting of shareholders no.1/2018 held on January 15<sup>th</sup>, 2018. (Majorshareholder and the directors don't have any conflict of interest in Sunrise Containers Company Limited.)

The Board of Directors' Meeting No.6/2017 held on November 14<sup>th</sup>, 2017 had approved to set up the subsidiary in India which was founded on December 7<sup>th</sup>, 2017 namely TPAC Packaging Private Limited with the registered and paid-up capital for INR 100,000. The purpose of the subsidiary is to acquire Sunrise Containers Company Limited.

After December 31<sup>st</sup>, 2017, the registered and paid-up capital of the subsidiary was increased to INR 300,000,000

The Board of Directors' Meeting No.3/2018 held on March 6<sup>th</sup>, 2018 had approved the acquisition of 100% of ordinary shares in Custom Pack Company Limited. This transaction was completed on May 2<sup>nd</sup>, 2018 and changed the company name to be TPAC Packaging (Bangna) Company Limited.

On August 28<sup>th</sup>, 2018, TPAC Packaging India Private Limited completely merged with the Sunrise Containers Company Limited.

2018

2019

On July 30<sup>th</sup>, 2019, Thai Plaspac Public Company Limited acquired the 89% of the paid-up capital in Sun Packaging Systems (FZC)

On November 27<sup>th</sup>, 2019, the Company increased the paid-up capital by issuing the new ordinary shares of 72,732,323 shares with the par value of THB 1 per share. The Company has the paid-up capital at 326,549,999 shares with the par value at THB 1 per share.



**Year****Events****2020**

On October 22<sup>rd</sup>, 2020, the Company has acquired the remaining 20% shares in TPAC Packaging India Private Limited.

**2021**

On June 1<sup>st</sup>, 2021, the Company has acquired 80% of the paid-up capital in Combi-Pack Sdn Bhd

On August 11<sup>th</sup>, 2021, the Board of Directors Meeting No.5/2021 resolved to approve to move TPAC from mai to Stock Exchange of Thailand (“SET”)

**2022**

On April 1<sup>st</sup>, 2022, TPAC Packaging India Private Limited, which is a subsidiary of the Company, has acquired the 80% of business, located in india.

On August 11<sup>st</sup>, 2022, TPAC Packaging India Private Limited, which is a subsidiary of the Company, has established a new subsidiary, a limited company in India under the name of TPAC Custom Solutions Private Limited and invested at 100% of its shares.

On October 5<sup>th</sup>, 2022, the Company has opened new Corporate Office located 39<sup>th</sup> floor Ocean Tower 2 Building, Sukhumvit 19 Alley, Khlong Toei Nuea, Watthana, Bangkok 10110

**2023**

On September 4<sup>th</sup>, 2023, The Company registered the subsidiary in the Philippines under the name of TPAC Packaging Philippines Inc. and invested at 100% of its shares.





### 1.1.3 Details of spending fundraising money

In 2023, the Company did not conduct fundraising from the offering of equities or debt securities.

### 1.1.4 General Information

#### Headquarters

Name	Thai Plaspac Public Company Limited
Symbol	TPAC
Type of Business	Design and Manufacture rigid plastic packaging
Website	www.tpacpackaging.com
Registration Number.	0107547000575
Date of Incorporation	August 1, 1983
Registered Share Capital	THB 326,550,000 divided into 326,550,000 ordinary shares of par value at THB 1 per share
Paid-up Share Capital	THB 326,449,999 divided into 326,449,999 ordinary shares of par value at THB 1 per share
Fiscal year end	31 December
Head Office	77 Soi Thian Thaley 30 Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand Tel. 02-897-2250-1 Fax. 02-897-4694
Corporate Office	39th Floor Ocean Tower 2 Building, Sukhumvit 19 Alley, Khlong Toei Nuea, Watthana, Bangkok 10110, Thailand Tel. 02-897-2250-1
Branch 001	3/1, 3/2 Soi Thian Thaley 15, Bang Khun Thian-Chay Thaley Road, Sameadum, Bang Khun Thian, Bangkok 10150, Thailand Tel. 02-892-0261-4
Branch 002	75/2 Moo 9 Soi Ruamjai Bangna-Trad Road Km.18.8, Bangphli Samutprakarn
Share Registrar	Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel. 02-009-9000 Fax. 02-009-9991
Auditor	Mr. Chayapol Supasetanon (CPA No. 3972) and/or Miss Orawan Techawatanasirikul (CPA No. 4807) and/or Mrs. Gingkarn Atsawarangsalit (CPA No. 4496) and/or Miss Pimjai Manitkajohnkit (CPA No. 4521) and/or Miss Rosaporn Decharkom (CPA No. 5659) and/or Miss Sumana Punpongsanon (CPA No. 5872) and/or Miss Kirdsiri Kanjanaprakasit (CPA No. 6014) the auditors who have been approved by the Securities and Exchange Commission of Thailand Firm: EY Office Limited 33rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand





Legal Advisor	Tel. 02-2640-777 Capital Law Officer Limited 44 Smooth Life Tower 16th Fl., North Sathorn Rd., Silom, Bangrak, Bangkok 10500 Thailand. Tel.02-633-9088, Fax 02-633-9089
Investor Relations Secretary	IR@tpacpackaging.com Secretary@tpacpackaging.com
<b>TPAC's Subsidiary</b>	
Company Name	TPAC PACKAGING INDIA PRIVATE LIMITED
Type of Business	Manufacture rigid plastic packaging
CIN	U74999MH2017PTC301190
ROC Code	RoC-Mumbai
Registration Number	301190
Date of Incorporation	December 7, 2017
Registered Share Capital	Rs 2,540,000,000 divided into 254,000,000 ordinary shares of par value at Rs 10 per share
Paid-up Share Capital	Rs 2,497,695,750 divided into 249,769,575 ordinary shares of par value at Rs 10 per share
Fiscal year end	31 March
Registered Address	A Wing - 1101 & 1102, Lotus Corporate Park, Graham Firth Compound, Western Express Highway, Goregaon (East) Mumbai - 400 063, INDIA
Legal Advisor	Chandhiok & Associates Advocates and Solicitors C-524 Defence Colony New Delhi-110024 India
Auditor	SRBC & Co LLP (Statutory Auditor) 12 <sup>th</sup> Floor, The Ruby, Ruby Mill, Senapati Bapat Marg, Dadar (West), Mumbai, Maharashtra 400028, India
<b>TPAC's Subsidiary</b>	
Name	TPAC PACKAGING (BANGNA) COMPANY LIMITED
Type of Business	Manufacture rigid plastic packaging
Registration Number	0105512000275
Date of Incorporation	May 2, 2018
Fiscal year end	31 December
Registered Share Capital	THB 101,431,370 divided into 10,143,137 ordinary shares of par value at THB 10 per share
Paid-up Share Capital	THB 101,431,370 divided into 10,143,137 ordinary shares of par value at THB 10 per share
Registered Address	75/2 Moo 9 Soi Ruamjai Bangna-Trad Road Km.18.8, Bangphli Samutprakarn 10540
Auditor	Firm: EY Office Limited 33 <sup>rd</sup> Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. 02-2640-777





**TPAC's Subsidiary**

Company Name	SUN PACKAGING SYSTEMS (FZC)
Type of Business	Manufacture rigid plastic packaging
Registration Number	002538
Date of Incorporation	July 30, 2019
Fiscal year end	December 31
Registered Share Capital	AED 450,000 divided to 300 ordinary shares of par value at AED 1,500 per share
Paid-up Share Capital	AED 450,000 divided to 300 ordinary shares of a par value at AED 1,500 per share
Registered Address	600 M2 WAREHOUSE B3-01,02&03 PLOT OF LAND T3-02,03,04&05 P.O.BOX 7784, SHARJAH, UNITED ARAB EMIRATES
Auditor	EY Dubai P.O. Box 9267AI Saqr Business Tower, 28th floor, Sheikh Zayed Road, Dubai, United Arab Emirates, Office Line: +971 (4) 3324000 Fax Line: +971 (4) 332400 Dubai@ae.ey.com

**TPAC's Subsidiary**

Company Name	Combi Pack Sdn Bhd
Type of Business	Manufacture rigid plastic packaging
Registration Number	200701002726 (760724-T)
Date of Incorporation	May 28, 2021
Fiscal year end	December 31
Registered Share Capital	MYR 2,000,000 divided to 2,000,000 ordinary shares of par value at MYR 1 per share
Paid-up Share Capital	MYR 2,000,000 divided to 2,000,000 ordinary shares of par value at MYR 1 per share
Registered Address	277, Jalan Haruan 1, Oakland Industrial Park, 70300 Seremban, Negeri Sembilan, Malaysia
Auditor	Ernst & Young PLT (Malaysia) Level 16-1, Jaya 99, Tower B, 99 Jalan Tun Sri Lanang 75100 Bandaraya Melaka, Malaysia Tel: +6068525300





<b>TPAC's Subsidiary</b>	
Company Name	TPAC Skypet India Private Limited
Type of Business	Manufacture rigid plastic packaging
CIN	U36990MH2021PTC374145
ROC Code	RoC-Mumbai
Registration Number	374145
Date of Incorporation	December 30, 2021
Fiscal year end	March 31
Registered Share Capital	Rs 50,000,000 divided into 5,000,000 ordinary shares of par value at Rs 10 per share
Paid-up Share Capital	Rs 25,000,000 divided into 2,500,000 ordinary shares of par value at Rs 10 per share
Registered Address	A Wing - 1101 & 1102, Lotus Corporate Park, Graham Firth Compound, Western Express Highway, Goregaon (East) Mumbai - 400 063, INDIA
Auditor	SRBC & Co LLP (Statutory Auditor) 12 <sup>th</sup> Floor, The Ruby, Ruby Mill, Senapati Bapat Marg, Dadar (West), Mumbai, Maharashtra400028, India
<b>TPAC's Subsidiary</b>	
Company Name	TPAC Custom Solutions Private Limited
Type of Business	Manufacture rigid plastic packaging
CIN	U25209MH2022PTC389102
ROC Code	RoC-Mumbai
Registration Number	389102
Date of Incorporation	August 23, 2022
Fiscal year end	March 31
Registered Share Capital	Rs 200,000,000 divided into 20,000,000 ordinary shares of par value at Rs 10 per share.
Paid-up Share Capital	Rs 40,000,000 divided into 4,000,000 ordinary shares of par value at Rs 10 per share
Registered Address	A Wing - 1101 & 1102, Lotus Corporate Park, Graham Firth Compound, Western Express Highway, Goregaon (East) Mumbai - 400 063, INDIA
Auditor	SRBC & Co LLP (Statutory Auditor) 12 <sup>th</sup> Floor, The Ruby, Ruby Mill, Senapati Bapat Marg, Dadar (West), Mumbai, Maharashtra400028, India
<b>TPAC's Subsidiary</b>	
Company Name	TPAC Packaging Philippines Inc.
Type of Business	2023090114807-09
Date of Incorporation	September 4, 2023
Fiscal year end	March 31
Registered Share Capital	PHP 162,343,200 divided into 1,623,432 ordinary shares of par value at PHP 100 per share.
Paid-up Share Capital	PHP 162,343,200 divided into 1,623,432 ordinary shares of par value at PHP 100 per share
Registered Address	Block 30 Lot 21B Quezon Road Global Asena Business Park 2 San Pablo Libutad, San Simon, Pampanga, Region III (Central Luzon), 2015 Philippines.
Auditor	SyCip Gorres Velayo & Co. (SGV) 6760 Ayala Avenue, Makati City, Metro Manila, 1226 Philippines





## 1.2 Nature of Business

### 1.2.1 Revenue structure

#### Thailand Operation

By Segments	2022		2023	
	Million Baht	%	Million Baht	%
Domestic sales	1,930	89%	1,815	78%
Export sales	241	11%	223	10%
Other income	187	8%	458	20%
Elimination of inter-segment revenues	(167)	-8%	(183)	-8%
<b>Total sales</b>	<b>2,190</b>	<b>100%</b>	<b>2,313</b>	<b>100%</b>

By Segments	2022		2023	
	Million Baht	%	Million Baht	%
Food and beverage	1,519	70%	1,480	73%
Pharmaceutical and personal care	369	17%	336	16%
Home care and industrial	282	13%	222	11%
Other income	187	8%	458	20%
Elimination of inter-segment revenues	(167)	-8%	(183)	-8%
<b>Total sales</b>	<b>2,190</b>	<b>100%</b>	<b>2,313</b>	<b>100%</b>

#### Overseas Operation

By Segments	2022		2023	
	Million Baht	%	Million Baht	%
Food and beverage	4,013	80%	4,003	81%
Pharmaceutical and personal care	693	14%	593	12%
Home care and industrial	296	6%	346	7%
Other income	58	1%	72	1%
Elimination of inter-segment revenues	(13)	-0%	(17)	-0%
<b>Total sales</b>	<b>5,047</b>	<b>100%</b>	<b>5,014</b>	<b>100%</b>





## 1.2.2 Characteristics of products or services

We divided our packaging product into 3 categories:

1. Food & Beverage: Our Food & Beverage business can be divided into 5 sub-sectors.

### i Dairy & Coffee

The dairy business packaging solutions are mainly for milk and yogurt products. Milk packaging includes small individual sized bottles up to large multi gallon bottles as well as specialty closure. Yogurt packaging includes thin-walled cups and bottles. We are also active in the coffee market with products including screw top caps and bottles for coffee powder and beans.

### ii Edibles

Our edibles business caters to solution for candy & gums, nuts, and edible oils.

### iii Condiments

Comprise packaging solution for jam, margarine, ketchup, (oyster, chili, soya) sauces, and other food condiments. Products include squeeze bottles and closure systems for sauce dispensing. Closure systems can range from internal tamper evident flip top caps, external tamper evident flip top caps and closures with a broad range of orifice sizes. Specialized barrier properties to the bottles may be required into mitigate any effects of oxidation to the filled product.

### iv Tableware products

Disposable cutlery, salt and pepper bottles and dispensers' systems are amongst the core products offered for this category.

### v Niche Beverage

Here we cater to the non-water and carbonated soft drink beverage market. For example, we recently worked with premium brands in the coconut water, green tea and vitamin water markets. Our customized designed beverage bottles and closures are likely to differ in size and shape from the more commonly seen commoditized water bottles and closures in the market.

2. Pharmaceutical & Personal care:

Packaging solutions here comprise of bottles and closure systems for mouthwash and antiseptic solutions, nutraceutical supplements, soaps and shampoos, body and spa oils, and deodorants.

3. Industrial & Homecare:

Consists of bottles and caps for floor cleansing and sanitary ware products, perfume deodorant cartridge, air freshener cap, insect repellent spray cap, disinfectant bottle as well as household cleaning appliances such as floor brushes, etc. These products require a high degree of chemical resistance. The characteristic of the plastics applied here include a high level of heat and impact resistance.

### Benefit from tax Privilege

As of December 31, 2023, the Company's corporate income tax rate is 20% from the activities of manufacturing and selling plastic packaging materials and 8% from the international business center and exemption from corporate income tax on dividends received from affiliated enterprises in Thailand or overseas. Therefore, the effective corporate income tax rate is at 9.54% of the net profit from operations before tax.





### 1.2.3 Assets for business operation

#### Fixed assets for business operation

As of December 31, 2022 and 2023 fixed assets used in the Group business operations have net book value after deducting accumulated depreciation and provision for impairment as shown in the Company's consolidated financial statements, with details are as follows:

Items	Net book value (Million Baht)	
	31 December 2022	31 December 2023
Land and land improvement	352.06	343.73
Building and building improvement	421.49	464.74
Machinery and equipment	1,370.30	1,609.29
Furniture and office equipment	20.57	23.48
Motor vehicles	6.15	8.60
Assets under construction	171.45	134.05
<b>Total</b>	<b>2,342.03</b>	<b>2,583.88</b>

#### Intangible assets

As of December 31, 2022 and 2023 intangible assets used in the Group business operations have net book value after deducting accumulated depreciation and provision for impairment as shown in the Company's consolidated financial statements, with details are as follows:

Items	Net book value (Million Baht)	
	31 December 2022	31 December 2023
Tradenname	204.83	192.94
Customer relationship	395.58	317.19
Non-compete agreement	8.20	6.20
Computer software	5.57	3.90
<b>Total</b>	<b>614.18</b>	<b>520.23</b>

#### Investments

As of December 31, 2022 and 2023, Investments in subsidiaries which accounted for in the separate financial statements, with details are as follows:

Subsidiaries held by the Company	Shareholding percentage	Net book value (Million Baht)	
		31 December 2022	31 December 2023
TPAC Packaging India Private Limited	100%	2,203.90	2,242.38
TPAC Packaging (Bangna) Company Limited	100%	29.40	29.40
Sun Packaging Systems (FZC)	89%	384.59	384.59
Combi-Pack Sdn Bhd	80%	1,013.26	1,013.26
TPAC Packaging Philippines Inc.	100%	-	54,458
<b>Total</b>		<b>3,631.15</b>	<b>3,724.08</b>

### 1.2.4 Work not yet delivered.

- None -



## 1.3 Shareholding Structure of the Company Group

### 1.3.1 Shareholding Structure of the Company Group



### 1.3.2 Persons who may have conflicts hold shares in subsidiaries or associated companies.

-None-





### 1.3.3 Relationship with the major shareholder's business group

Details of relationships of the Company to related parties are as follows.

Name of persons or entities	Nature of relationships
TPAC Packaging India Private Limited	Direct Subsidiary
TPAC Packaging (Bangna) Company Limited	Direct Subsidiary
Sun Packaging Systems (FZC)	Direct Subsidiary
Combi-Pack Sdn Bhd	Direct Subsidiary
TPAC Packaging Philippines Inc.	Direct Subsidiary
TPAC Skypet India Private Limited	Indirect Subsidiary
TPAC Custom Solutions Private Limited	Indirect Subsidiary
Mr. Anuj Lohia	Major shareholder
Indorama Petrochem Limited	Shareholder and director are related to the Company's shareholder and management
Indorama Polymers Public Company Limited	Shareholder and director are related to the Company's shareholder and management
IVL Dhunseri Petrochem Industries Private Limited	Shareholder and director are related to the Company's shareholder and management
Guangdong IVL PET Polymer Company Limited	Shareholder and director are related to the Company's shareholder and management
Indorama Yarns Private Limited	Shareholder and director are related to the Company's shareholder and management
Related persons	Director, executive officer and related persons with director and executive officer

### 1.3.4 Shareholder

Top 10 Major Shareholders (as of December 31st, 2023)

No.	Name	Num. of Shares	
		Num. of Shares	Proportion
1	Mr. Anuj Lohia	227,479,192	69.66%
2	Mr. Eakawut Nuengchamnong	22,800,000	6.98%
3	Thai NVDR Company Limited	9,028,225	2.77%
4	Ms. Anootree Nuengchamnong	8,000,000	2.45%
5	Mr. Theerawit Busayapoka	7,560,000	2.32%
6	Mr. Sumet Janeprasutkul	2,826,000	0.86%
7	Ms. Thitima Wangteeraprasert	2,600,000	0.80%
8	B Senior Citizen Mixed Fund	1,791,000	0.69%
9	Mr. Niti Nuengchamnong	1,599,900	0.49%
10	Bangkok Insurance Public Company Limited	1,537,400	0.47%

Remark:

The total share numbers held by other minor shareholders are 40,882,882 equivalents to 12.52%



## 1.4 Paid up capital of the Company

As of December 31, 2023 the Company had registered capital in the amount of 326,550,000 Baht consisting of common stock 326,550,000 shares at the par value of 1.0 Baht per share and had paid up capital in the amount of 326,499,999 Baht consisting of common stock 326,499,999 shares at the par value of 1.0 Baht

### Listed stock exchange

Thailand Securities Depository Company Limited  
93 Ratchadaphisek Road, Dindaenge, Bangkok 10400, Thailand

## 1.5 Other issued security

-None -

## 1.6 Dividend Policy

### Dividend Policy

Not less than 30 percent of net profit after corporate income tax and appropriation to legal reserve. However, the board of directors may consider adjusting the dividend payment depending on liquidity requirement, cash flow requirement for expansion and investment and other requirement in the future.

### Dividend Payment

In 2024, TPAC had announced the dividend payment from the operating profit of 2023 at THB 0.450 per share which will be proposed to the shareholders' meeting.

	2021	2022	2023**
THB Dividend per share (THB)	0.141	0.293	0.450
Dividend Yield (%)*	0.90%	2.25%	2.71%
Dividend Payout (%)	30.1%	30.0%	30.0%

### Remark

\* Dividend Yield calculated from the closing price at the end of the operating period.

\*\* TPAC had announced the dividend payment for 2023 at THB 0.450 per share which subject to the shareholders' approval to be obtained from 2024 Annual General Meeting of shareholders.




## 2. Risk management I

### 2.1 Risk management policy and plan

Thai Plaspac Public Company Limited have identified the risks which are perceived to have the highest probability and corresponding impact. Therefore, the Company has established a Risk Review Committee to review and consider risk factor prevention guidelines as a tool to supervise the management’s operations to be under proper control. The Audit Committee shall provide an internal auditor and consider the report of the audit results affecting risk factors.

### 2.2 Risk factors to the Company’s business operation

Risk Factor	Cause and Effect	Risk Mitigation
<b>Emerging Risk</b>		
<p>Climate Change Risk</p> 	<p>The current severe global climate change problem results in severe and frequent natural disasters. For this reason, countries around the world have set the common goal to find preventive solutions to reduce greenhouse gas emissions. So that the Thai governance has set the target of carbon neutrality by 2050 and a net zero emission target by 2065 and set the related policies, regulations, laws, and other practices to address environmental issues. In addition, environmental impact is the reason for significant changes in customer behavior. Therefore, the Company’s business direction must pay more attention to environmentally responsible business operations. Improve production and develop environmentally friendly products that affect the Company’s production costs. Invest in machines that reduce energy consumption and may affect the Company’s competitiveness.</p>	<p>The Company has established environmental policies and environmental targets to reduce greenhouse gases, reduce water consumption, and reduce energy consumption through various projects and measures of the Company, including improving production machinery to reduce energy consumption and increase production efficiency. Installation of solar power generation systems to establish energy conservation management projects and develop environmentally friendly products.</p>



Risk Factor	Cause and Effect	Risk Mitigation
<b>Strategic Risk</b>		
<p>Raw material price risk</p> 	<p>The Company is a manufacturer and designer of rigid plastic packaging. The main raw materials used in our production are polyolefins, Fluctuations in the supply and demand of plastic resins in each period, such as maintenance of plastic pellet manufacturers, oil prices fluctuate, economic crisis and war that may affect plastic resin prices or risk rising. It directly affects the Company's production costs.</p>	<p>The strategy to mitigate the risk from the change of the raw material price, supplier management, and the fluctuation of the raw material price.</p> <ol style="list-style-type: none"> <li>1. The Company has negotiated with the customers to allow the Company to adjust the price to be in line with the price movement of Polyolefins in each period to mitigate the risk of the material price which allow the Company to manage the cost with the fair pricing which is the one of the sustainability.</li> <li>2. The Company mitigates the risk by purchasing the Polyolefins following the customer requirement from multiple domestic suppliers which can diversify the risk of supply disruptions.</li> </ol>
<b>Operation Risk</b>		
<p>Business Operation Risk</p> 	<p>Operational risk is the prospect of loss resulting from inadequate or failed procedures, systems, or policies. This includes employee errors and system failures.</p>	<p>TPAC has been in operation for 40 years and is also ISO 9000 Certified. It has put adequate procedures and systems in place and continuously improving procedures and systems through regular customer audits and internal audits to minimize employee errors and system failures.</p> <p>In addition, the Company is committed to developing and improving its operational systems, as well as requesting certification for various standards related to business and industry in order to achieve business growth, acceptance, and competitiveness in the industry.</p>





Risk Factor	Cause and Effect	Risk Mitigation
<p>Overstocking of inventory risk</p> 	<p>TPAC has many customers and product SKUs numbering in the thousands and increasing. Inventory control, warehousing, and logistics (supply chain management) are important processes to facilitate on-time delivery to customers.</p>	<p>The Company has developed an inventory system and developed a comprehensive information control system of the supply chain system, to deliver to customers to the destination under the facility structure, complete data network linkage system, as well as warehouse space expansion to support the needs of customers for efficiency.</p>
<p>Corruption risk</p> 	<p>organizations are exposed to corruption risks. These risks can exist at all levels of an organization, in relation to all functions and activities, and can involve internal or external stakeholders.</p> <p>If corruption does occur, the short and long-term consequences for the organization include loss of reputation, loss of public confidence, direct financial loss, and adverse effects on other staff and the morale of the organization in general.</p>	<p>The Company has announced its intention to become a member of the Thai Private Sector Collective Action against Corruption (CAC) in 2023, and the Company has established a policy against all forms of corruption and has established measures to monitor operational processes to curb corruption within the Company. The Company has established an Anti-Corruption Policy. The Company also provides stakeholders with whistleblowing through the established channels. The Company sets up a mechanism for protection and mitigation of damages to those who report or provide information of violations. The Company provides training program to primary employees and management employees and established the manuals.</p>
<b>Financial Risk</b>		
<p>Security of property risk</p> 	<p>Property risk refers to risky events that specifically impact an organization's facilities and other physical infrastructure. Risk events such as fires, adverse weather conditions, fall into the category of property risk. In addition to damaging and destroying physical property, property risk events also have the potential to create stoppages in business operations and material financial losses.</p>	<p>The Company has taken appropriate insurance under all risk insurance cover to protect the property and business interruption (for 12 Months) resulting from damage to property. In addition to this we have taken appropriate coverage for goods in transit &amp; vehicle policy.</p>

Risk Factor	Cause and Effect	Risk Mitigation
<p>Foreign Exchange Risk</p> 	<p>As a result of the global nature of our business, changes in foreign currency rates could have an adverse impact on our business, financial condition, prospects, and operational results. Currency fluctuations affect us because of mismatches between the currencies in which operating costs are incurred and those in which revenues are received. We sell products that are typically priced by reference to prices in US dollars, while a portion of operating costs are incurred in local currencies.</p>	<p>The Company primarily utilizes forward exchange contracts with maturities of around 90 days to hedge the Company's financial performance.</p>
<p>Interest rate risk</p> 	<p>The Company enters the Credit Facilities with the financial Institution which refers to the floating interest rates are impacted by macro-economic conditions and the monetary policy of each region. Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operation and its cash flow.</p>	<p>The Company forecasts the market interest rate trend and manages the loan from the financial institution in the interest rate fluctuation period to maximize the Company's performance and its cash flow.</p>
<p>Merger &amp; Acquisition (Inorganic growth) risk</p> 	<p>Our growth strategy involves pursuing mergers &amp; acquisitions (M&amp;A). The process of M&amp;A has inherent risks as the acquirer may not be fully aware or misjudge the risks attached to a targets business. Furthermore, as such acquisitions are likely to involve debt to fund the purchase, an unexpected decrease in the operational cash flows may result in financing covenants being breached.</p>	<p>In order to mitigate the risks attached to M&amp;A, management spends significant time and resources (both internal and via the engagement of professional third parties such as environmental, legal &amp; financial consultants) to carry out comprehensive due diligence on potential acquisition targets typically for a period of many months prior to finalizing transaction terms.</p> <p>Furthermore, acquisition targets are typically businesses that are similar in nature to our currently existing business i.e. plastic packaging solutions. Essentially, we look to acquire businesses where we already have decades of experience in understanding the supporting technology and industry dynamics of the business.</p>





Risk Factor	Cause and Effect	Risk Mitigation
<b>Compliance Risk</b>		
<p>Compliance risks, laws and regulations</p> 	<p>Compliance with rules, regulations, and laws related to the Company's business operations. If not fully complied with it may affect the reputation and image of the company, as certain laws and regulations, It entails responding to market demands, such as laws related to the Company's products, which may affect the competitiveness of the Company.</p>	<p>The Company monitor and study the regulations, laws relating to business operations that are up-to-date through the Company's entities include occupational safety and health law, human rights and labor practices law, anti-corruption law, product law environmental law, etc.</p>
<b>ESG Risk</b>		
<p>Customer perception in plastic risk</p> 	<p>Due to global warming and environmental and natural impacts. Given the current climate change, Consumers are paying attention to the trend of circular economy and environmental conservation trends. Campaigns to reduce the use of plastic and focus on the use of alternative plastic packaging have begun to increase, as well as stricter environmental regulations have been introduced. While it's a good idea to conserve the environment, it can be a misconception to use recyclable plastic packaging. Because the company is a manufacturer of rigid plastic packaging. The resulting consumer outlook and behavior may ultimately affect the nature of the company's business and operating results.</p>	<p>The Company has established environmental policies and practices, including the development of environmentally friendly products. In cooperation with customers In the research and development of renewable products, reusable or biodegradable. Decrease the use of virgin plastic resins and use to alternative raw materials to meet environmental conservation trends, comply with social and environmental regulations, and meet the needs of today's consumers.</p>

## 3. Business sustainability development

### 3.1 Policy and objectives of sustainable management

The Company operates in accordance with sustainable development principles and realizes the responsibilities of environmental, social, and stakeholder expectations. According to the domestic and international core sustainability standards, on the basis of business ethics and good corporate governance. The Company realizes the importance of the Company’s employees, by respecting human rights, determining to create stability and advancement in the professional field for everyone on an equal basis, taking responsibility for society in terms of quality, safety, and occupational health, in addition, taking responsibility for the environment, and maximizing the effective from natural resources. By being aware of the significance and expectations of stakeholders aligned with adhering to Corporate Governance policy, Vision, Mission, Strategies, and business operation guidelines, establish a sustainable framework that reflects continuous business development, emphasizing value creation throughout the value chain.

### 3.2 Management of impacts on stakeholders in the business value chain

#### 3.2.1 Business Value Chain

The Company manages the value chain of the Company’s business activities from upstream to downstream with a focus on creating value for products and services to meet the expectations of stakeholders. And to create a balance of values and benefits from business operations for all stakeholders, while fostering confidence and positive relationships in the Company’s operations. The main business activities are as follows:

Business Value Chain				
Production Factor Management	Operational Management	Distribution of Products and Services	Marketing and Sales	After-sales service
<ol style="list-style-type: none"> <li>1. Sourcing raw materials from suppliers with quality, safe, socially, and environmentally responsible products</li> <li>2. Designing a fair procurement procedure</li> <li>3. Raw materials Management</li> </ol>	<ol style="list-style-type: none"> <li>1. Production plan, allocate resources efficiently to reduce waste</li> <li>2. Controlling product high-quality to maintain quality and safety standards</li> <li>3. Develop production processes by using technology and innovation.</li> </ol>	<ol style="list-style-type: none"> <li>1. Providing fast and efficient transportation services</li> <li>2. Inventory efficient management</li> <li>3. Establishing convenient and accessible distribution centers</li> </ol>	<ol style="list-style-type: none"> <li>1. Fair and competitive pricing of products and services</li> <li>2. Providing accurate and complete information on the product usage</li> <li>3. Develop alternative eco-friendly products</li> </ol>	<ol style="list-style-type: none"> <li>1. Guaranteeing product satisfaction and feedback collection</li> <li>2. Listening to opinions or suggestions about products</li> <li>3. Support research and development, innovation in sustainable products and processes</li> </ol>










In addition, there are supportive activities to achieve the main objectives, such as procurement, product and service development, accounting and finance systems, risk management and business supervision, personnel development, innovation and new technologies, safety management, occupational health, and environment.

### 3.2.2 Stakeholder analysis in the business value chain

In sustainability management, the Company analyzes and identifies stakeholders and determines engagement with stakeholders to define material issues for sustainable development of the business, policies, goals, and course of action. In terms of environmental and social development, the Company regularly conducts business in accordance with the principles of good governance activities following the changing business environment. The company has also identified stakeholders divided into 10 groups, which analyzed and summarized the important issues as follows:

Stakeholder	Stakeholder expectations	Company Response	Approach Channel
Investor 	<ul style="list-style-type: none"> <li>• Continuous business growth</li> <li>• Provide tangible investment return</li> <li>• Sustainable business development</li> </ul>	<ul style="list-style-type: none"> <li>• Preparation of annual reports and regular updates when significant changes occur</li> <li>• Report preparation with accurate and transparent information</li> </ul>	<ul style="list-style-type: none"> <li>• Annual report</li> <li>• Opportunity day</li> <li>• Media/News</li> </ul>
Supplier 	<ul style="list-style-type: none"> <li>• Fair procurement process</li> <li>• Procurement consistency</li> </ul>	<ul style="list-style-type: none"> <li>• Procurement policy and procedure</li> <li>• Fair pricing standards</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier Code of Conduct</li> </ul>
Customer 	<ul style="list-style-type: none"> <li>• Obtain safe, high-quality, and standard products that meet the requirements</li> <li>• The development of innovation and up-to-date technology</li> <li>• Eco-friendly product development</li> </ul>	<ul style="list-style-type: none"> <li>• Respond to needs promptly</li> <li>• Develop and maintain product quality standard</li> <li>• Develop products with sustainable growth</li> </ul>	<ul style="list-style-type: none"> <li>• Code of Conduct</li> <li>• Company visit</li> </ul>
Employee 	<ul style="list-style-type: none"> <li>• Stability from compensation and benefits</li> <li>• Opportunity to practice and develop new knowledge</li> <li>• Good and safe working environment</li> </ul>	<ul style="list-style-type: none"> <li>• Provide appropriate wages and benefits to employees</li> <li>• Arrange appropriate training and seminar</li> <li>• Monitor and improve working environment</li> </ul>	<ul style="list-style-type: none"> <li>• Employee satisfaction surveys</li> <li>• Complaint channels</li> </ul>
Regulator 	<ul style="list-style-type: none"> <li>• Accurate and complete information</li> <li>• Fraud prevention and anti-corruption</li> <li>• Conducting business compliance with the governance laws</li> </ul>	<ul style="list-style-type: none"> <li>• Preparation of annual reports and regular updates when significant changes occur</li> <li>• Conduct business with integrity under the Company's rules and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Media/News</li> <li>• Tax policy</li> </ul>

Stakeholder	Stakeholder expectations	Company Response	Approach Channel
Community and Society 	<ul style="list-style-type: none"> <li>Environmental management of air pollution, wastewater, and waste</li> <li>Road safety</li> </ul>	<ul style="list-style-type: none"> <li>Environmental protection is required by law</li> <li>Non-exceed pollution emission to standard</li> <li>Community and social engagement activities</li> </ul>	<ul style="list-style-type: none"> <li>Community satisfaction surveys</li> <li>Complaint channels</li> </ul>
Media 	<ul style="list-style-type: none"> <li>Transparency information</li> <li>Providing timely disclosure of information</li> </ul>	<ul style="list-style-type: none"> <li>Preparation of annual reports and regular up</li> <li>Report preparation with accurate and transparent information</li> </ul>	<ul style="list-style-type: none"> <li>Annual report</li> <li>Opportunity day</li> </ul>
Consumer 	<ul style="list-style-type: none"> <li>Obtain safe, high-quality, and standard products that meet the requirements</li> <li>Receive complete product information</li> <li>Eco-friendly products</li> </ul>	<ul style="list-style-type: none"> <li>Production standard control</li> <li>Research and develop Eco-friendly products</li> </ul>	<ul style="list-style-type: none"> <li>Media/News</li> </ul>
Creditor 	<ul style="list-style-type: none"> <li>Sustainability growth</li> <li>Regularly maintain contact</li> </ul>	<ul style="list-style-type: none"> <li>Financial management plan</li> </ul>	<ul style="list-style-type: none"> <li>Annual report</li> <li>Financial statement</li> </ul>
Competitive 	<ul style="list-style-type: none"> <li>Fair and transparent competition</li> </ul>	<ul style="list-style-type: none"> <li>Provide procurement policy</li> <li>Provide anti-corruption policy</li> <li>Conduct business transparently</li> </ul>	<ul style="list-style-type: none"> <li>Annual report</li> <li>Complaint channels</li> </ul>

### 3.3 Management of environmental sustainability

The Company is committed to sustainable business development in environmental and social aspects, encouraging collaboration with stakeholders throughout the value chain. This includes adhering to the guidelines of the UN Global Compact and the Sustainable Development Goals (SDGs), as well as other international standards. The Company has incorporated these principles into the Company environment policies and practices, raising awareness and guiding the actions of the employees. In managing environmental impacts associated with the operations, including energy, water, pollution, and GHG emissions. It strives for efficiency in these areas while employing modern technology and innovation to develop processes that minimize and alleviate the environmental footprints of the Company's operations.

#### 3.3.1 Environmental policies and practices

##### Environmental Policy

The Company places great importance on reducing the impact on the environment and community resulting from its production and service activities. The Company has clearly defined guidelines for reducing environmental impact and communicates them to its management, employees, partners, and nearby communities. The key points of the policy are as follows:

1. The Company is committed to managing the environment to prevent pollution and continuously improve the work environment. The Company focuses on 4 main areas:





- First Reducing electricity consumption
- Second Reducing waste production and recycling waste
- Third Properly disposing of hazardous waste
- Fourth Reduce activities that cause air pollution

2. The Company complies with all laws and regulations related to the environment.
3. The Company sets objectives and goals by analyzing the causes of environmental problems that have an impact, in order to consider system-wide corrective measures that comply with environmental laws and regulations.
4. Training is provided to employees and personnel in charge of environmental affairs within the organization.
5. The Company disseminates its environmental policy to the public and related organizations.

The Company is committed to conducting its business in accordance with government policies and supporting sustainable development towards environmental-friendly organizations.

### Energy Management Policy

Therefore, the company sets an energy conservation policy to demonstrate its commitment to energy management, which all employees can follow, as follows:

1. The company conducts energy conservation and develops a suitable energy management system as part of its operations.
2. The company complies with energy conservation and management regulations.
3. The company sets energy conservation plans and objectives each year, communicates them to all employees, and executes them correctly.
4. The company believes that energy conservation is the responsibility of owners, executives, and employees of all levels. They are expected to cooperate in following the guidelines, monitoring, and reporting to the energy management team.
5. The company will continuously improve energy efficiency in line with business operations, technology used, and good work practices.
6. The company will support human resources in terms of budget, work hours, training, public relations, energy conservation activities, and participation in presenting ideas to develop energy work.

## 3.3.2 Environmental performance

### Energy Management

#### Performance

- Reduce Total Electricity Consumption of Thai Plaspac Public Company Limited by 5.64% of the previous year

#### Key activities

- The Company aim to power 100% of its plants with renewable energy by 2025, unless there are any regulatory or structural restrictions, following the successful implementation of TPAC Malaysia’s solar power generation system, the Company has initiated the second phase of the project, which is expected to be completed by the year 2024 for TPAC India. Currently, three factories have adopted solar power generation systems and are in the process of expansion to be implemented in an additional five factories. For the business operations in Thailand, installation has commenced, with successful implementation expected by the year 2024.
- The Company has also invested in public utilities and energy-saving equipment to enhance energy efficiency, along with exploring and sourcing energy from alternative sources, contributing to carbon emissions reduction. These projects reflect our commitment to a sustainable future.
- A dedicated energy management task force has been appointed to align activities with energy conservation policies and factory energy management practices in accordance with legal requirements. This is aimed at systematically and continuously reducing energy consumption.



- From a favorable perspective on the governments and the Energy Regulatory Commission's (ERC) approach to establishing rates for the Green Utility Tariff, aimed at defining the structure of green electricity rates that align with the goal of reducing energy consumption from the grid by transitioning to alternative energy sources. This is in response to the Company's investment in clean energy and support for the national target to reduce greenhouse gas emissions, moving towards Thailand's Carbon Neutrality by 2030. The Company is committed to continuing to work towards these goals, following the guidelines set by the Energy Regulatory Commission (ERC) and relevant government agencies in the future.

## Water Management

### Performance

- Reduce Total Water Consumption (TPAC Bangkhuntien) by 11.98% of the previous year
- Water Quality Inspection before discharge into natural water sources is conducted at a 100%

### Key activities

- The Company has implemented measures for the management of wastewater discharged into public water sources, analyzed by the announcements of the Ministry of Natural Resources and Environment and the Ministry of Industry regarding standards for controlling wastewater discharge from factories. The analysis, performed by certified external agencies, consistently shows that the levels of contaminants in the wastewater, such as organic and inorganic substances, heavy metals, and pollutants, are within the standard limits as mandated by the law for all components. This ensures confidence that there is no adverse impact on public water sources.
- The Company manages internal water resources by controlling water usage activities within the Company.
- Water flow sensors have been installed in restroom facilities to reduce water consumption.

## Waste Management

### Performance

- Reduce Hazardous Waste by 7.72% of the previous year
- Reduce Non-Hazardous Waste by 31.22% of the previous year
- Zero waste disposal through landfilling and incineration processes

### Key activities

- The Company manages waste and discarded items systematically in line with the principles of the 3Rs (Reduce, Reuse, Recycle). There is an efficient waste separation system based on types, coupled with efforts to raise awareness and engage the relevant personnel to reduce waste disposal through landfilling.
- The Company handles waste and discarded items by recycling, such as plastic packaging and paper, and properly disposes of hazardous waste to minimize the environmental impact resulting from the Company's operations.

## Air Pollution Management

### Performance

- The air quality is within the standard range, as verified by external organizations
- Zero leakage of chemicals from the operations

### Key activities

- The Company conducts environmental quality measurements in offices and around its operational premises at least once a year. Regular measurements include monitoring the concentrations of particulate matter and chemicals. The results of these measurements consistently meet the standard criteria set by regulatory authorities and comply with the standards established by the American Conference of Governmental Industrial Hygienists (ACGIH). In the year 2023, it was found that the air quality standards for odor, sound, and light were within the normal range as stipulated by the law. Additionally, there were no instances of chemical leaks from business operations.





## Greenhouse Gas Emission Management

### Performance

In 2023, Greenhouse Gas Emissions Data of TPAC (Bang Khun Thian)

- Scope 1: 387.00 Ton of carbon dioxide equivalent
- Scope 2: 13,160.00 Ton of carbon dioxide equivalent
- Scope 3: 41,749.00 Ton of carbon dioxide equivalent

### Key activities

- In 2023, the Company conducted a Carbon Footprint Organization assessment within each operational scope, which received verification from organizations registered with Thailand Greenhouse Gas Management Organization (TGO). This initiative aimed to support the Thai government’s objective of achieving Carbon Neutrality by 2030 and Net Zero Greenhouse Gas Emission by 2050. The disclosure of greenhouse gas emission data was carried out to demonstrate transparency in sharing information about climate change, highlighting the organization’s potential in adapting to future impacts.

## Environmental Problem Management

### Performance

- The operational results for the year 2023 indicate that there were no environmental complaints received from the surrounding community.

## 3.4 Social Sustainability Management

The Company is dedicated to adhering to legal requirements and regulations related to social management, including international standards for social sustainability. This commitment is reflected in the formulation of policies covering a comprehensive range of social responsibilities towards various stakeholders. These policies include human rights and labor practices, anti-corruption measures, safety, occupational health, and environmental policies. The Company also emphasizes good corporate governance and caring for employees, customers, and communities. This involves regularly assessing the satisfaction and expectations of stakeholders to guide activities and responses to meet their expectations.

### 3.4.1 Social Responsibility Policy

The Company has established guidelines for social responsibility practices, aiming to ensure that the board of directors, executives, employees, and stakeholders associated with the Company adhere to policies, laws, ethical standards, and business integrity in their conduct. These guidelines serve as a framework for conducting work appropriately and can be downloaded at:



Code of Conduct

[www.tpacpackaging.com/wp-content/uploads/2024/03/Code-of-Conduct-EN.pdf](http://www.tpacpackaging.com/wp-content/uploads/2024/03/Code-of-Conduct-EN.pdf)



Human Rights and Labor Practices Policy

[www.tpacpackaging.com/wp-content/uploads/2024/03/Human-Right-and-Labor-Practices-Policy-EN.pdf](http://www.tpacpackaging.com/wp-content/uploads/2024/03/Human-Right-and-Labor-Practices-Policy-EN.pdf)



Safety, Occupational Health and Work Environment Policy

[www.tpacpackaging.com/wp-content/uploads/2024/03/Safety-Occupational-Health-and-Work-Environment-Policy-EN.pdf](http://www.tpacpackaging.com/wp-content/uploads/2024/03/Safety-Occupational-Health-and-Work-Environment-Policy-EN.pdf)



### 3.4.2 Performance in Social Aspect

#### Human Rights and Equality Management

##### Performance

- The Company has no complaints or incidents of human rights violations within the Company

##### Key activities

- In accordance with the human rights policy, the Company is committed to non-discrimination and compliance with labor laws. In 2023, the Company actively hired persons with disabilities to promote and enhance the quality of life for disabled individuals, ensuring full compliance with legal requirements.

## Employees and Workers Management

### Performance

- Employment in Thai Plaspac Public Company Limited in 2023

Classified by race/nationality and disability

Nationality	Number of Employee		Number of disabled Employee	
	Female	Male	Female	Male
Thai	376	299	7	3
Burmese	45	19	0	0
Indian	0	3	0	0
French	0	1	0	0
<b>Total</b>	<b>421</b>	<b>322</b>	<b>7</b>	<b>3</b>

Classified by age and position

Age	Staff		Manager		Executive	
	Female	Male	Female	Male	Female	Male
<b>Under 30 year</b>	160	120	0	0	0	0
<b>30-50 year</b>	230	163	9	7	1	6
<b>Over 50 year</b>	31	17	2	2	1	4
<b>Total</b>	<b>421</b>	<b>300</b>	<b>11</b>	<b>9</b>	<b>2</b>	<b>10</b>
<b>Grand Total</b>	<b>721</b>		<b>20</b>		<b>12</b>	

- Staff training

In 2023, the Company organizes training courses for employees to increase their skills and work potential for 43 courses, total 540 hours, average training hours per person per year is 0.72 details are as follows:

Course Types	Hours
New Staffs' Orientation	138
Quality Control System	24
Safety System	120
Working Efficiency Skill	120
Management Skill	72
Problem-Solving and Decision-Making Skills	66
<b>Total</b>	<b>540</b>

- Employee Engagement

Employee Satisfaction (Percent)	68.53
Voluntary Turnover rate (Percent)	15.1





**Key activities**

- The Company places great importance on the comprehensive care of its employees and labor force, focusing on working conditions, welfare, and the social environment. In 2023, the Company organized activities to support and improve the well-being of its employees, including:

o Employee’s Child Education Fund Project: The company initiated a project to provide financial support for the education of employees’ children. This program serves as a means of supporting educational endeavors and alleviating the financial burden on employees, showcasing the Company’s commitment to the holistic well-being of its workforce.



o Massage Therapy for Office Syndrome by Visually Impaired Individuals: The Company introduced a project addressing office syndrome through massage therapy provided by visually impaired individuals. This initiative not only focuses on employee health but also promotes inclusivity by involving individuals with visual impairments in meaningful roles.



o Rice Giving: In the year 2023, the Company implemented a rice-giving program, distributing rice supplies to employees. This effort aimed to reduce the daily living costs for employees, contributing to their financial well-being.



o Physical Fitness Promotion Activities (December 26, 2023): The Company organized activities to promote physical fitness, including distance running and a mini marathon. These initiatives underscore the Company’s commitment to fostering a healthy and active lifestyle among employees. Participating in such events not only contributes to the well-being of individuals but also promotes a sense of camaraderie and teamwork within the Company



### Workplace Safety and Occupational Health Management Performance

Statistics of injuries from work for employees	2023
Injury Frequency Rate (I.F.R)	1.35
Injury Severity Rate (I.S.R)	10.13
Average Severity Index (A.S.I)	7.50
Disabling Injury Index (D.I.I)	0.01
Lost Factor (LF)	2.50
Number of Accidents (Case)	4
Fatal Accident (Case)	0

Statistics of injuries from work for subcontractors	2023
Injury Frequency Rate (I.F.R)	2.02
Injury Severity Rate (I.S.R)	15.22
Average Severity Index (A.S.I)	0.00
Disabling Injury Index (D.I.I)	0.00
Lost Factor (LF)	0.00
Number of Accidents (Case)	0
Fatal Accident (Case)	0



**Key Activities**

- The Company consistently conducts occupational health and safety inspections through online forms and documents, facilitated by safety officers at the supervisory level. In addition to regular Safety Surveys, professional-level safety inspections are carried out through monthly Safety Patrol activities. These efforts are complemented by the organization of safety committee meetings, addressing occupational health, safety, and environmental conditions in the workplace. As part of the safety initiatives, various projects and activities have been implemented to promote safety, including:

- o Safety Program for Department Heads to Reduce Accidents



- o Safety Week Event



- o Safe Area Competition Project



- o Safety Improvement Project



- o Hearing Conservation Measures
- o Annual Training and Review Program



## Customer Relationship Management

### Performance

- The overall customer satisfaction rate 92.53%

### Key activities

- The company operates responsibly towards its customers and values customer satisfaction and trust as important. Measures are in place regarding policies and practices for the protection of the personal data of business partners and stakeholders, which are enforced internally. Customer satisfaction is assessed annually, with evaluations of product quality, services, and delivery for each customer. If the assessment results fall below the target which is under 70%, a plan is developed with the relevant team to identify the cause and solution. In 2023, the overall customer satisfaction rate was 92.53%, which is higher than the target.
- There were no major complaints from customers, including no cases of personal data leaks.

## Community and Social Relationship Management

### Performance

- Community Satisfaction Survey rate 78.33% and no complaint regarding significant issues

### Key activities

- The Company conducts business with a commitment to responsibility towards the community and society, emphasizing the reduction of environmental impact and avoiding operations that may have negative effects on the quality of life in the surrounding communities.
- Additionally, the Company has surveyed to assess satisfaction/dissatisfaction regarding community environmental protection. The evaluation covers five aspects: waste prevention, traffic congestion prevention, wastewater prevention, noise pollution prevention, and dust prevention. The assessment results revealed no significant complaints in any of these areas. However, the company has proactively sought feedback from the community to further develop its initiatives and find ways to promote ongoing community development.
- The Company actively engages in community and social development activities to raise awareness about responsibility to the community and society, create awareness of social responsibility and contribute to community development from the following activities:

- o Blood donation project by employees at the National Blood Center of the Thai Red Cross Society every 3 months







o Rice giving to the Khlong Pittayalongkorn School



o Community-involved fire extinguishing drills



o Project collaboration to provide fire extinguishers to the community

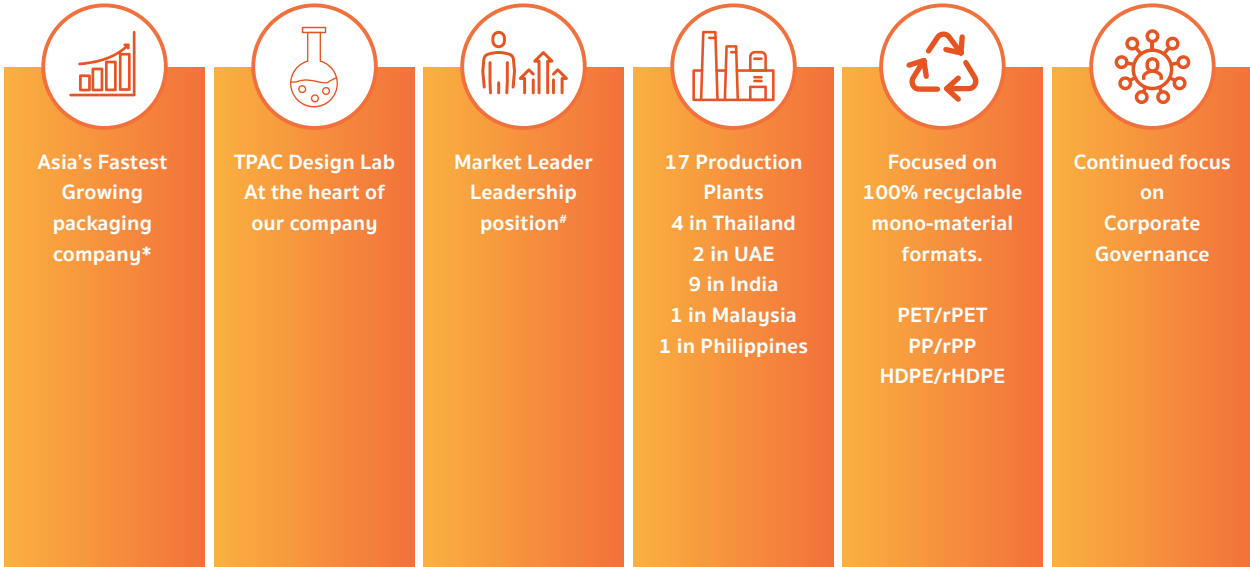




## 4. Management Discussion and Analysis: MD&A

### TPAC Overview

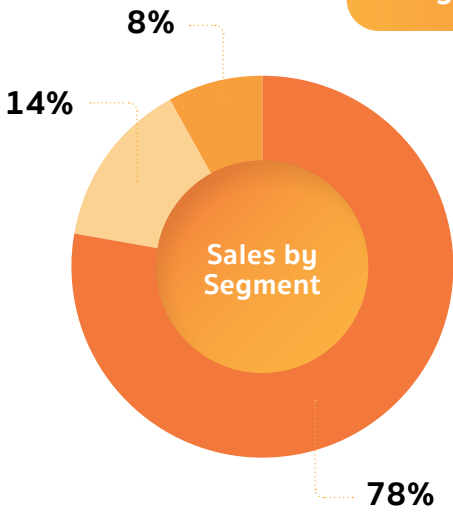
Thai Plaspac Public Company Limited (“TPAC”) is a packaging solutions specialist, focused on the design and manufacture of 100% recyclable mono-material packaging formats for polymers and paper packaging mainly for the food and pharmaceutical segments.



\* Company estimation based on last 5 years revenue growth trend

# Across all our niche segments

### Geographic and Industry Segmentation



#### Food and Beverages



#### Pharmaceutical and Personal Care

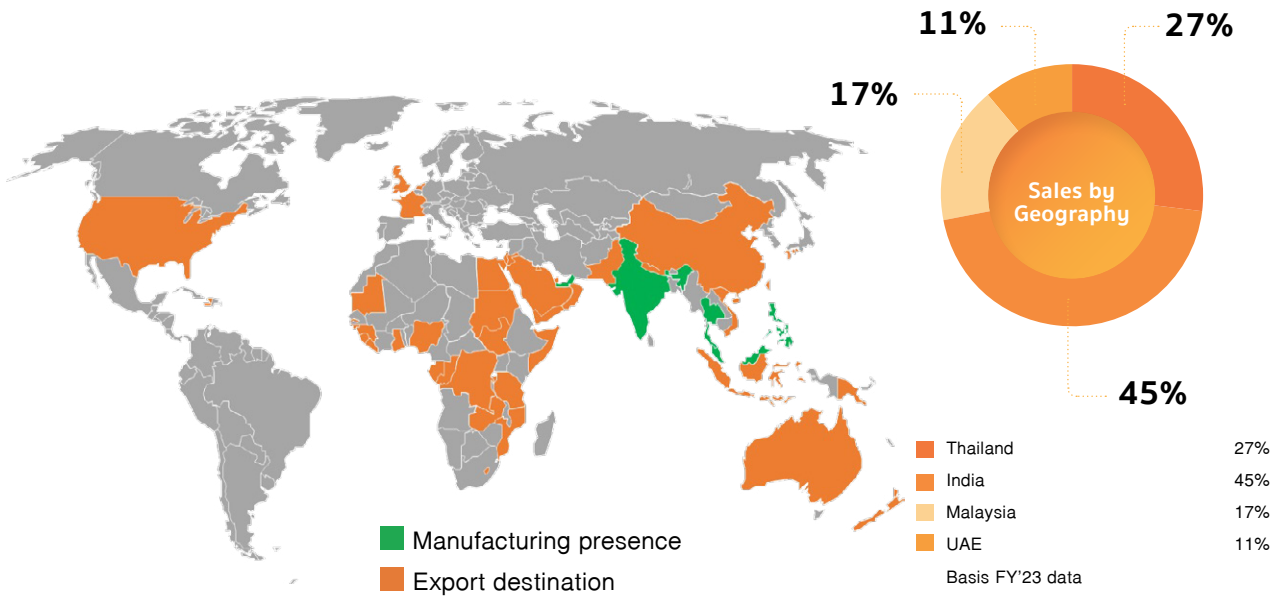


#### Home Care & industrial



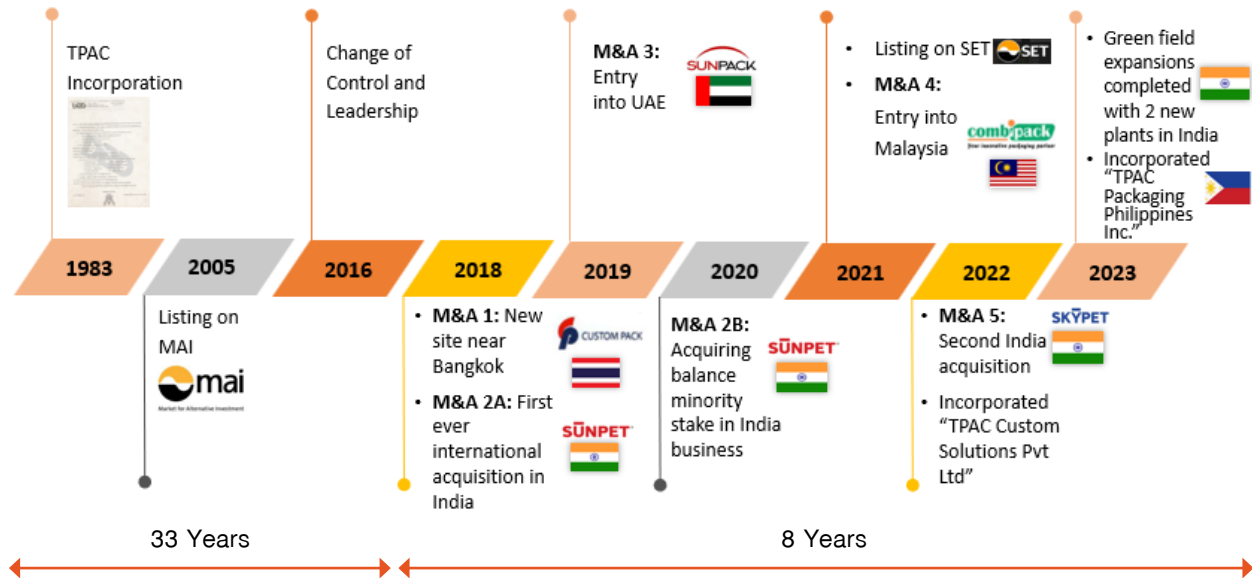
- Food and Beverages
- Pharmaceutical and Personal Care
- Home Care & industrial





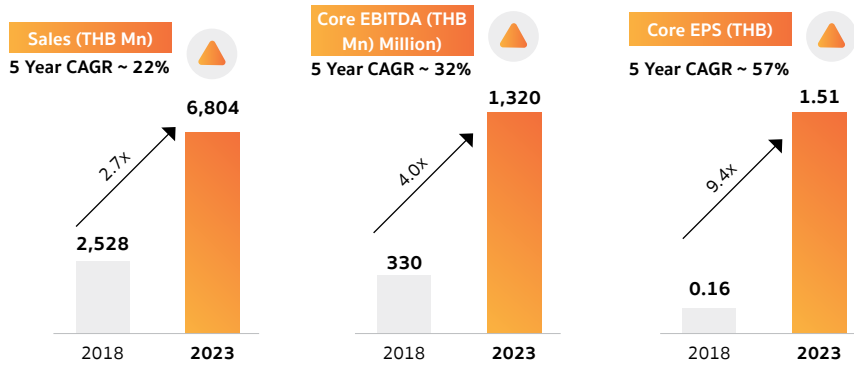
TPAC's production facilities are certified with world class hygiene controls with more than 90% of TPACs portfolio catering to segments where stringent hygiene standards are a prerequisite (Food & Beverage, Pharmaceuticals & Personal Care). The remainder of our portfolio comprises of the home care & industrial segment. On a geographic spread basis, overseas business in FY'23 accounted for ~ 73% of the group with India contributing a significant share ~ 62% of the overseas business.

In 2016, a 33-year legacy provided a foundation to the new sponsors and management team to say 'Let us now transform this company into a world class global business'.



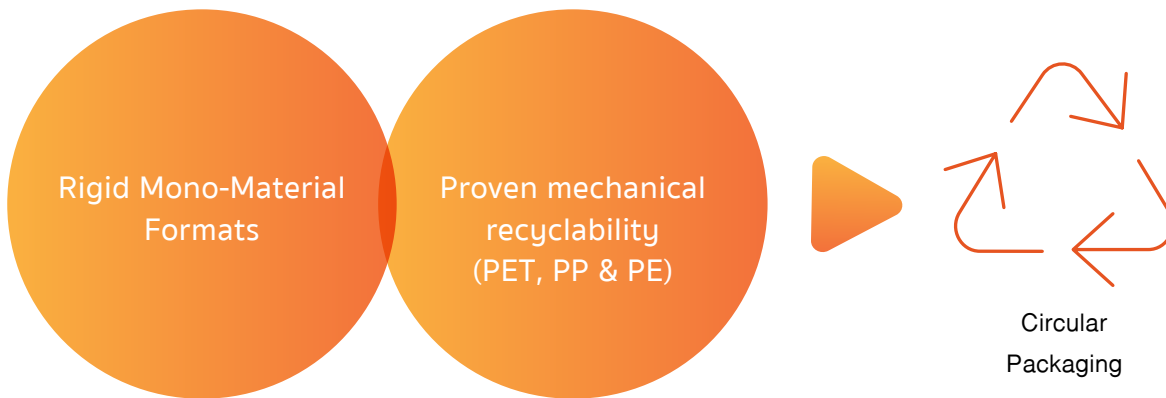
- TPAC began operations in 1983 from its headquarters based out of Bangkok, Thailand.
- For 4 decades, TPAC has been a packaging partner to some of the world's leading brands and entrepreneurs.
- In FY'16, under new leadership (post a change of control at the shareholder level), a bolder vision was outlined for TPAC to become a world class company.
- The company has since transformed itself with 17 manufacturing sites across 5 countries. Acquisitions have been an integral part of TPACs growth journey since 2018, having consummated 5 transactions in the last 6 years.
- TPAC is committed towards attaining the highest standards of Corporate Governance and building a truly global, sustainable and world class business.

## TPAC performance over the last 5 years is driven by a focussed strategy and execution discipline



- Over the last 5 years, TPAC's sales have grown 2.7x times, powered by strong organic growth and complimented with transformational acquisitions. 5 Year Sales CAGR has been ~ 22%, between FY'18 to FY'23.
- In line with sales, Core EBITDA has also increased 4.0x times with a 5 Year CAGR of ~ 32%, between FY'18 to FY'23.
- Core EPS increased 9.4x times with a 5 Year CAGR of ~ 57%, between FY'18 to FY'23.

### Rigid Mono-Material Formats (PET, PP and PE) = Sustainable Packaging



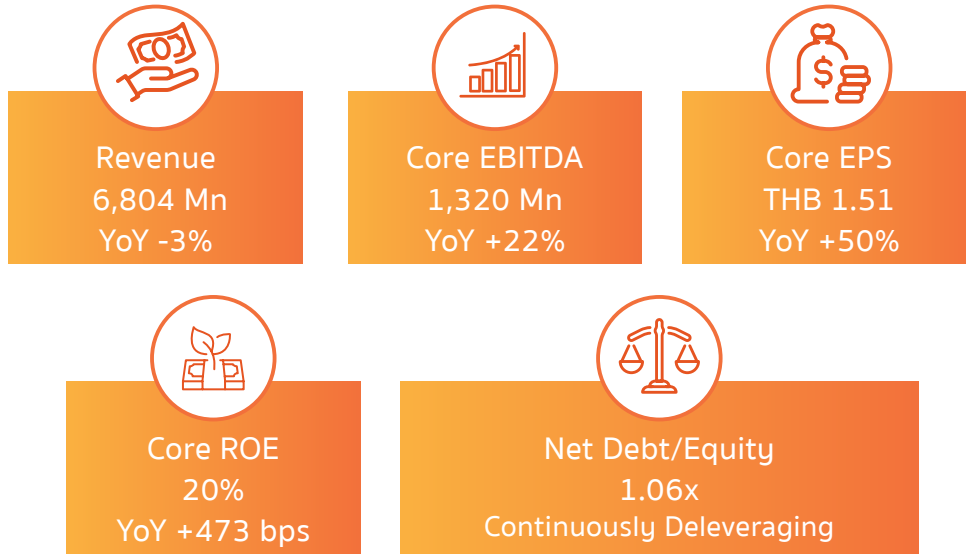
TPAC has taken a conscious choice to operate only in rigid mono-material formats with substrate having proven mechanical recyclability.

1. Sustainability continues to be a big opportunity for TPAC.
2. Multiple enhancement opportunities available with rigid mono material formats such as light weighting, driving conversion from non-recyclable polymers or packaging formats (multi-layer) to recyclable polymers or formats, etc.
3. TPAC is on a continuous journey of driving circularity in packaging through various ongoing initiatives such as increasing the proportion of recycled polymers over virgin polymers in its products.
4. Ongoing R&D and material science initiatives at TPAC towards exploring commercial viability of alternate source of polymers such as bio-based resins.





FY'23 performance: TPAC Soars with Record-Breaking EPS Jump of ~50% during FY'23 compared to FY'22

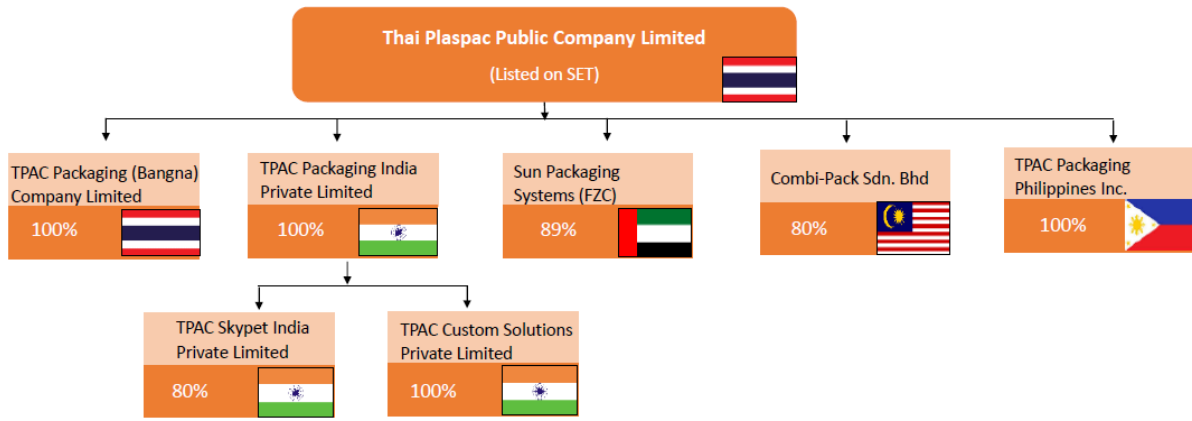


1. This year marks an all-time high profitability in the history of TPAC, with a remarkable surge in the full year Core EPS jumping from THB 1.00 in FY'22 to THB 1.51 in FY'23.
2. With intensified capital investment and strategic expansion into new segments and markets in this year, TPAC has built a strong platform to deliver scalar growth in the coming years.
3. Strong deleveraging despite aggressive growth:
  - Net Debt/Equity: Down from 1.16x at Dec'22 to 1.06x at Dec'23.
  - Solid cash flow generation: Sustained strong cash flow generation supported the increased capex intensity in 2023.





## TPAC Existing Corporate Structure



- Thai Plaspac Public Company Limited, is the parent holding company of the Group and is publicly listed on the Stock Exchange of Thailand.
- TPAC currently has 5 direct subsidiaries (as presented in the above table). While the subsidiaries located in Thailand, India and Philippines are 100% owned, the subsidiaries located in UAE and in Malaysia are minority held by partners, who were erstwhile founders of these companies.
- TPAC Packaging India Private Limited has two subsidiaries namely:
  - TPAC Skypet India Private Limited, used as an acquisition vehicle for acquiring business of Skypet Polymers w.e.f. 01 April 2022. Currently TPAC holds 80% and erstwhile founder holds balance 20%.
  - TPAC Custom Solutions Private Limited, incorporated last year, to be engaged in the business of Caps and Closure and explore entry into new lucrative segments.
- TPAC Consolidated numbers consist of earnings from all the above subsidiaries which are consolidated into Thai Plaspac Public Company Limited.







# Executive summary

Financial & Business performance for the 4th quarter and year ended December 31<sup>st</sup>, 2023

	Quarterly					Financial Years		
	Q4'23	Q3'23	%▲	Q4/65	%▲ <sup>1</sup>	FY'23	FY'22	%▲
Consolidated Sales <sup>2</sup>	1,714	1,697	1%	1,753	-2%	6,804	6,997	-3%
EBIDA	303	360	-16%	310	-2%	1,317	1,069	23%
<b>Core EBIDA<sup>3</sup></b>	<b>306</b>	<b>360</b>	<b>-15%</b>	<b>310</b>	<b>-1%</b>	<b>1,320</b>	<b>1,080</b>	<b>22%</b>
Core EBIT <sup>3</sup>	176	236	-25%	186	-6%	825	598	38%
Core Net Profit <sup>3</sup>	108	158	-32%	116	-7%	544	359	52%
Core Net Profit after NCI <sup>3</sup>	96	143	-33%	106	-10%	493	328	50%
EPS	0.29	0.44	-35%	0.33	-12%	1.50	0.98	54%
<b>Core EPS<sup>3</sup></b>	<b>0.29</b>	<b>0.44</b>	<b>-33%</b>	<b>0.33</b>	<b>-10%</b>	<b>1.51</b>	<b>1.00</b>	<b>50%</b>
Core ROE <sup>4</sup>	15%	23%	-7%	20%	-4%	20%	15%	5%
Dept to Equity (times) <sup>5</sup>	1.13	1.10	0.02	1.27	-0.15	1.13	1.27	-0.15
Net Dept to Equity (times) <sup>6</sup>	1.06	1.00	0.06	1.16	-0.10	1.06	1.16	-0.10

YoY: Q4'23 vs Q4'22, 2. Revenue growth may not present a clear picture of actual sales growth, as our sales prices are a function of underlying feedstock (polymer) prices due to pass through pricing mechanism. Therefore, if polymer prices come down, our absolute sales value will also follow a similar trend, 3. Core excludes non-recurring income and one-time expenses primarily related to M&A costs. Details of which are given in the segment analysis, 4. ROE = Profit attributable to equity / Avg. Equity excluded NCI, ROE (Qn) = Qn Profit attributable to equity (annualized) / Qn Avg. Equity excluded NCI, 5. Debt to Equity = IBD / Equity, 6. Net Debt to Equity = (IBD - Cash) / Equity.

## Dear Stakeholders,

- TPAC continues to break records in terms of profitability with an all-time high Core EPS of Baht 1.51 for full year 2023, which reflects a strong increase of ~50% with respect to previous year.
- Core ROE for the year stands at ~20%, showing a significant improvement (+473 bps) as compared to previous year.
- Strong growth momentum witnessed during FY23 compared to FY22 with Core EBITDA increasing by 22% on Y-o-Y basis. This has been driven by overall profitability enhancement through a host of factors including procurement led savings and stringent cost optimisation measures undertaken by the businesses. Core EBITDA % to revenue has risen from ~ 15.4% in FY22 to ~ 19.4% in FY23 (increase by 400 bps).
- TPAC's Q4'23 Core EBITDA of Baht 306m held steady year-over-year but softened by 15% compared to the previous quarter, which was a record quarter in the history of TPAC.
- TPAC's financial health strengthened in Q4'23, with the net debt-to-equity ratio dropping from 1.16x to 1.06x. This positive shift reflects both strong profitability and efficient cash management, leading to increased equity and reduced debt.
- Annual dividend payment: In consideration of the FY'23 financial performance and in line with the company's dividend policy, the Board of Directors has proposed for shareholder approval at the Annual General Meeting (AGM), a FY'23 annual dividend payment of 0.45 Baht per share. The annual dividend payment of 0.45 Baht per share will be on 24 May 2024, record date of 10 May 2024

## TPAC Group: Key Strategic Initiatives and Business Highlights for 2023

### 1. Infrastructure & Capex

TPAC has been consistently ramping up its capacity to grow organically. Notable expansion include:

- **Capacity Expansion — Greenfield Projects in India**

Two greenfield projects initiated by TPAC during FY'21 commenced operations last year in Q1'23. These projects, located in North and West India adjacent to existing facilities, were established to meet growing demand in the business. The Haridwar plant in North India was fully commissioned and capitalized by the end of FY'22, while the Silvassa plant in West India was capitalized during Q1'23. Both the plants contributed to the operations of the India business during the year. As part of operational excellence initiatives, TPAC India also consolidated production from Dadra into Silvassa in the west region, thereby optimizing efficiency and capacity at a single location.

- **Capitalizing on Skypet's strong southern India presence, we expanded production capacity and optimised operations through shop floor initiatives:**

Skypet, our acquisition in southern India, underwent a significant operational and infrastructure enhancement in the last year as part of our integration initiatives. Renovations of an existing warehouse into a production floor, including the introduction of GMP compliant infrastructure, new high-speed machines increasing capacity by approximately 50%. Automation initiatives such as auto packing aimed to streamline operations, reduce errors, and optimize costs were implemented, aligned to our growth strategy. These initiatives also helped optimize our manpower costs across operations and further enhanced our business competitiveness.

Silvassa Plant



Haridwar Plant







## 2. Branding & Exhibition

### Awards and Recognition: Highlighting TPAC's Commitment to Excellence

The year saw awards and recognition received by our businesses as a testimony to the work performed and our commitments towards customer service excellence together with responsible manufacturing. TPAC's India business was recognized by the Economic Times for Excellence in Contribution towards Sustainability in 2023, competing against other pharma giants. In Malaysia, TPAC received recognition from INVEST NS for the largest local investment in Negeri Sembilan in January 2023. TPAC Thailand was awarded "Best Performance of the Year 2022" by achieving a grade A in the Supplier Performance Excellence Award. These accolades reflect TPAC's commitment to sustainability, growth, and employment opportunities across different regions.



Best Performance of the Year 2022 - Thailand



Excellence in Contribution towards Sustainability for year 2023 (Economic Times) - India



Awarded from INVEST NS the largest local investment in Negeri Sembilan - Malaysia



FSC (Forest Stewardship Council) certificate - Malaysia

- **Showcasing our portfolio through participation in global exhibitions:**

TPAC remains steadfast in its commitment to broaden its global presence and bolster brand recognition by actively engaging in domestic and international trade shows and exhibitions. Last year witnessed a sharp increase in our marketing activity, with TPAC taking part in five esteemed exhibitions spanning China, Thailand, the Middle East, India, and Africa. These exhibitions served as platforms to showcase the latest advancements in rigid and paper packaging, featuring state-of-the-art technologies, machinery, accessories, automation, and materials.

TPAC showcased its expanding portfolio at Thaifex Anuga Asia, Southeast Asia's largest food and beverage trade show. Participation in the Saudi FoodExpo during the same period boosted TPAC's sales pipeline for the Middle East, generating fresh inquiries. TPAC also exhibited at the Plast Vision exhibition in India to showcase its preform range to the Blower community. Additionally, TPAC participated in the Food Africa Exhibition at the Egypt International Exhibition Cairo, offering access to key opportunities in Egypt and across Africa.



Thaifex Anuga Asia - Thailand



China Plas Exhibition - China



Saudi FoodExpo - Middle East



Plast Vision - India



Food Africa Exhibition - Africa



### 3. Digitalization

- **Elevating Customer experience through CRM Implementation:**

This development marks a shift in TPAC's approach towards customer relationship management, by embracing automation and digitalization at its core. The Company has taken a decision for global CRM roll out with a leading global CRM Software provider. The overall project implementation would take around ~ 12-16 month for phased roll-out across all the geographies of TPAC. We will begin such implementation with India and UAE, then expand to Thailand and Malaysia. This strategic step should go a long way towards enhancing our customer intimacy and managing our sales cycle most effectively.

- **TPAC's Global ERP Transformation:**

TPAC is in parallel also at an advanced stage of evaluating a best-in-class ERP software, which would be homogenized across all geographies. Currently the Group entities operate in a heterogeneous ERP environment, coming from some legacy implementations. This transformation would be led first with our India operations, which comes with the biggest scale and complexity, followed by migration of legacy ERP in times to come. This strategic initiative will set the foundation for building much stronger systems and processes within the organization and drive intelligent decision making through automation and advanced analytical support. We have shortlisted a partner who would be supporting us with discovery phase and requirement gathering starting Q1'FY24, as a precursor to site implementation.

- **Enhancement opportunities in Malaysia ERP system:**

The Malaysia business is set to introduce an additional Production Module alongside a barcoding system, aiming for implementation in 2024. This move is aimed at bringing data transparency and hygiene in the production flow process, to drive operational efficiency.

### 4. Expansion into new geography and new segments

- **TPAC Custom Solutions**

With the introduction of TPAC Customs Solution in India, TPAC India broadens its portfolio with specialized caps and closures, tapping into a new lucrative market segment with a huge potential for our India business. Strong project pipelines in Pharma and Food sectors are in progress, expected to boost momentum as they move towards execution and commercialization in the coming year. An independent management team is in place, with a secured strategic manufacturing site in the western region of India, marking a significant milestone in the growth journey of TPAC India. The project is now in commercialization phase, and some revenue generation has already started during this first quarter of 2024. Further ramp up will happen during the year as some of the key projects will start production by mid of 2024.

- **Greenfield Entry into Philippines**

This year, TPAC reached a significant milestone in its global expansion by entering the Philippines market, incorporating "TPAC Packaging Philippines Inc.", a wholly owned subsidiary, focused on manufacturing of dairy product packaging. The company has already secured a long-term lease in San Simon, Pampanga, next door to our anchor customer to build a world class manufacturing facility. With local management in place, key hires joined, and construction completed, commercial production is set to start in coming months, aligning with customer production line. The company has also secured key licenses, registrations, and necessary approvals to facilitate smooth operations and revenue generation in the current year.







**5. Sustainability**

**• Commitment towards renewable energy and reduction of carbon footprint**

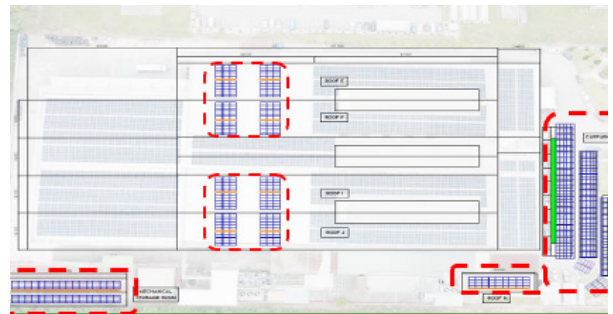
TPAC has been at the forefront of driving carbon reduction initiatives across all its group plants. With a clear commitment to sustainability, we are aiming for 100% of TPAC owned plants and plants where there are no regulatory restrictions to be powered by solar energy by 2025. This goal is being achieved through a phased approach, with exciting progress already underway.

Building on the success of implementing solar power at our TPAC Malaysia plant, we have recently commissioned Phase II of this project, where we have been able to further secure 385 kWp additional capacity by the construction of a solar carport in addition to maximising the roof coverage. In TPAC India, three of our plants already utilize solar power, and we are in advanced discussions to extend this initiative to three more plants in India. Meanwhile, in TPAC Thailand, we are currently in the process of implementing solar power (approximately 0.96MW) at our BKT plants no. 2 & 3. Contract preparations are underway, with execution set to begin in March 2024.

Beyond Solar, we are also actively investing in upgrading our utilities and energy-saving devices to enhance energy efficiency and reduce per unit energy consumption. These efforts are complemented by our ongoing initiatives to procure power from alternative green energy sources, contributing significantly to our carbon emissions reduction goals. These endeavors underscore our unwavering commitment to a sustainable future and are warmly embraced and acknowledged by our global clientele.



Malaysia Plant Phase I (Completed)



Phase II (Completed)



Silvassa II Plant, India (Proposed)



Malaysia Carport



- **Digital business cards:** TPAC also undertook a groupwide initiative to go paperless by replacing printed business cards with digital business cards. This project, while supporting our sustainability agenda, is an important step in taking TPAC one step forward on the digitization curve. We firmly believe that when it comes to sustainability no initiative at TPAC is too small or trivial. We also believe that this will also go a long way in building a strong brand of TPAC as a new age company.

- **Sustainability Committee Structure**

TPAC is firmly dedicated to sustainability, evident in our recent establishment of a sustainability committee, duly approved by our Board. This commitment runs deep within our organization, reflecting our core values.

## 6. Transparency and Accountability: TPAC's Compliance Approach

- **Collective Action Coalition Against Corruption (CAC) Declaration**

On October 16, 2023, TPAC submitted its Declaration of Intent to the CAC, a platform tackling corruption in the business sector. CAC introduced new badges, including those for signatories, certified companies, and Change Agents who invite SME partners to join. Companies joining CAC must register, submit a signed Declaration of Intent, outlining their commitment to combat corruption.







## Financial performance

### A) Consolidated Income Statement

	Q4'23	Q3'23	% Δ	Q4'23	Q4'22	%Δ	FY'23	FY'22	%Δ
Sales	1,714	1,697	1%	1,714	1,753	-2%	6,804	6,997	-3%
Cost of sales	1,346	1,315	2%	1,346	1,426	-6%	5,344	5,841	-9%
<b>Gross Profit</b>	<b>368</b>	<b>382</b>	<b>-4%</b>	<b>368</b>	<b>327</b>	<b>13%</b>	<b>1,461</b>	<b>1,156</b>	<b>26%</b>
<b>Gross Profit Margin %</b>	<b>21.4%</b>	<b>22.5%</b>	<b>-1%</b>	<b>21.4%</b>	<b>18.6%</b>	<b>3%</b>	<b>21.5%</b>	<b>16.5%</b>	<b>5%</b>
SG&A	212	177	19%	212	160	32%	732	669	9%
Other income	17	31	-46%	17	20	-15%	94	99	-5%
<b>EBITDA</b>	<b>303</b>	<b>360</b>	<b>-16%</b>	<b>303</b>	<b>310</b>	<b>-2%</b>	<b>1,317</b>	<b>1,069</b>	<b>23%</b>
<b>EBITDA Margin %</b>	<b>17.7%</b>	<b>21.2%</b>	<b>-4%</b>	<b>17.7%</b>	<b>17.7%</b>	<b>0%</b>	<b>19.1%</b>	<b>15.3%</b>	<b>4%</b>
<b>Core EBITDA</b>	<b>306</b>	<b>360</b>	<b>-15%</b>	<b>306</b>	<b>310</b>	<b>-1%</b>	<b>1,320</b>	<b>1,080</b>	<b>22%</b>
<b>Core EBITDA Margin %</b>	<b>17.9%</b>	<b>21.2%</b>	<b>-3%</b>	<b>17.9%</b>	<b>17.7%</b>	<b>0%</b>	<b>19.1%</b>	<b>15.4%</b>	<b>4%</b>
Depreciation and amortization	131	125	5%	131	124	5%	495	482	3%
<b>EBIT</b>	<b>173</b>	<b>236</b>	<b>-27%</b>	<b>173</b>	<b>186</b>	<b>-7%</b>	<b>823</b>	<b>586</b>	<b>40%</b>
<b>Core EBIT</b>	<b>176</b>	<b>236</b>	<b>-25%</b>	<b>176</b>	<b>186</b>	<b>-6%</b>	<b>825</b>	<b>598</b>	<b>38%</b>
<b>Core EBIT Margin %</b>	<b>10.2%</b>	<b>13.9%</b>	<b>-4%</b>	<b>10.2%</b>	<b>10.6%</b>	<b>0%</b>	<b>12.0%</b>	<b>8.5%</b>	<b>3%</b>
Finance costs	48	43	11%	48	42	14%	172	161	7%
<b>Profit Before Tax</b>	<b>125</b>	<b>192</b>	<b>-35%</b>	<b>125</b>	<b>144</b>	<b>-14%</b>	<b>651</b>	<b>426</b>	<b>53%</b>
<b>Core Profit Before Tax</b>	<b>128</b>	<b>192</b>	<b>-34%</b>	<b>128</b>	<b>144</b>	<b>-12%</b>	<b>653</b>	<b>437</b>	<b>50%</b>
<b>Core Profit Before Tax Margin %</b>	<b>7.5%</b>	<b>11.3%</b>	<b>-4%</b>	<b>7.5%</b>	<b>8.2%</b>	<b>-1%</b>	<b>9.5%</b>	<b>6.2%</b>	<b>3%</b>
Income tax expense	19	34	-44%	19	28	-32%	109	75	45%
<b>Net Profit</b>	<b>106</b>	<b>158</b>	<b>-33%</b>	<b>106</b>	<b>116</b>	<b>-9%</b>	<b>542</b>	<b>350</b>	<b>55%</b>
<b>Net Profit Margin %</b>	<b>6.2%</b>	<b>9.3%</b>	<b>-3%</b>	<b>6.2%</b>	<b>6.6%</b>	<b>0%</b>	<b>7.9%</b>	<b>5.0%</b>	<b>3%</b>



	Q4'23	Q3'23	% Δ	Q4'23	Q4'22	%Δ	FY'23	FY'22	%Δ
Core Net Profit	108	158	-32%	108	116	-7%	544	359	52%
Core Net Profit Margin %	6.3%	9.3%	-3%	6.3%	6.6%	0%	7.9%	5.1%	3%
Net Profit after NCI	94	143	-35%	94	106	-12%	490	319	54%
Net Profit after NCI Margin %	5.5%	8.4%	-3%	5.5%	6.1%	-1%	7.1%	4.6%	3%
Core Net Profit after NCI	96	143	-33%	96	106	-10%	493	328	50%
Core Net Profit after NCI Margin %	5.6%	8.4%	-3%	5.6%	6.1%	0%	7.1%	4.7%	-34%

Non-Recurring income/(expenses) (THB Million)	Q4'23	Q3'23	Q4'23	Q4'22	FY'23	FY'22
Overseas M&A Related Expenses	-	-	-	-	-	(11)
Thailand M&A Related Expenses	-	-	-	-	-	(1)
Overseas Greenfield project Related Expenses	(3)	-	(3)	-	(3)	-
Total	(3)	-	(3)	-	(3)	(12)

## Thailand Business

On a Y-o-Y basis, Thailand's business has demonstrated a good growth in profitability compared to FY22 despite dip in volumes on account of weak demand environment. This stems from deepened customer engagement, alongside persistent efforts in cost optimization and operational efficiency by management. This was supplemented with a richer product mix and successful revitalization of the Bangna business, which saw a positive reversal in Bangna's profitability in FY'23.

The last quarter witnessed a slight decline in sales volumes by around 3% and margin compression compared to the previous quarter, which was an exceptional quarter for our Thailand business. This was partly driven by product mix and resin movement. With the successful turnaround of our Bangna operations and strong pipeline of new projects with existing and new clients, we maintain optimism regarding the overall outlook of our Thailand operations for the coming years. As part of our continued operational excellence endeavours, we are excited with the new solar roofing initiative, which will help mitigate to some extent the rising cost in inflationary environment.

## India Business

Throughout FY23, TPAC's India business at a consolidated level has demonstrated resilience and growth, despite facing demand led challenges on account of erratic rainfall and an early onset of monsoons in key regions, which significantly impacted FMCG volumes. Despite these hurdles, our core EBITDA improved by ~10% year-over-year basis mainly driven by more diverse and richer product mix and continued operational excellence measures.





While the recent quarter exhibited subdued performance compared to the previous one, primarily due to reduced sale in the FMCG & Dairy segment, we remain optimistic in coming quarters with start of the season in India, where sales have started to see a good pick up. We have built strong foundations with world class infrastructure and capacities in place with increased capex intensity last year, allowing us to capitalize on new opportunities in world's fastest growing consumption market. With TPAC Customs commercialized, we are excited with the new prospects it opens for our India business in the high value add caps & closure business segment which will accelerate the profitability for our overall India business.

Additionally, the recent commissioning of our 2 high-capacity European machine platforms from December last year, promises to further enhance our overall volumes and margins through the better management of fixed cost absorption. The Skypet acquisition has delivered well for our India business in terms of financial return and strengthening our presence in south of India. To leverage our presence in south Indian growing beverage market and other segments in the southern India we have significantly intensified our capex to capture the potential upcoming opportunities.

Overall, the India business is well-positioned for future growth, with a strong manufacturing platform across northern, western and southern parts of the country with a diversified product profile supported by a structurally growing food & beverage market.

### UAE Business

TPAC's business in the UAE experienced a remarkable surge in year 2023, witnessing a double digit increase in volumes compared to FY22 on account of past capital investments complemented with new customer wins. The fixed cost absorption at higher volumes led to a strong and healthy growth in core EBITDA for this year.

After a relatively muted Q3'23 in terms of volumes because of summer season Q4'23 witnessed a good reversal in the business leading to a double digit increase in our profits for this quarter.

The UAE business has come a long way since 2019 when we acquired this business and has seen a near doubling of volumes since then.

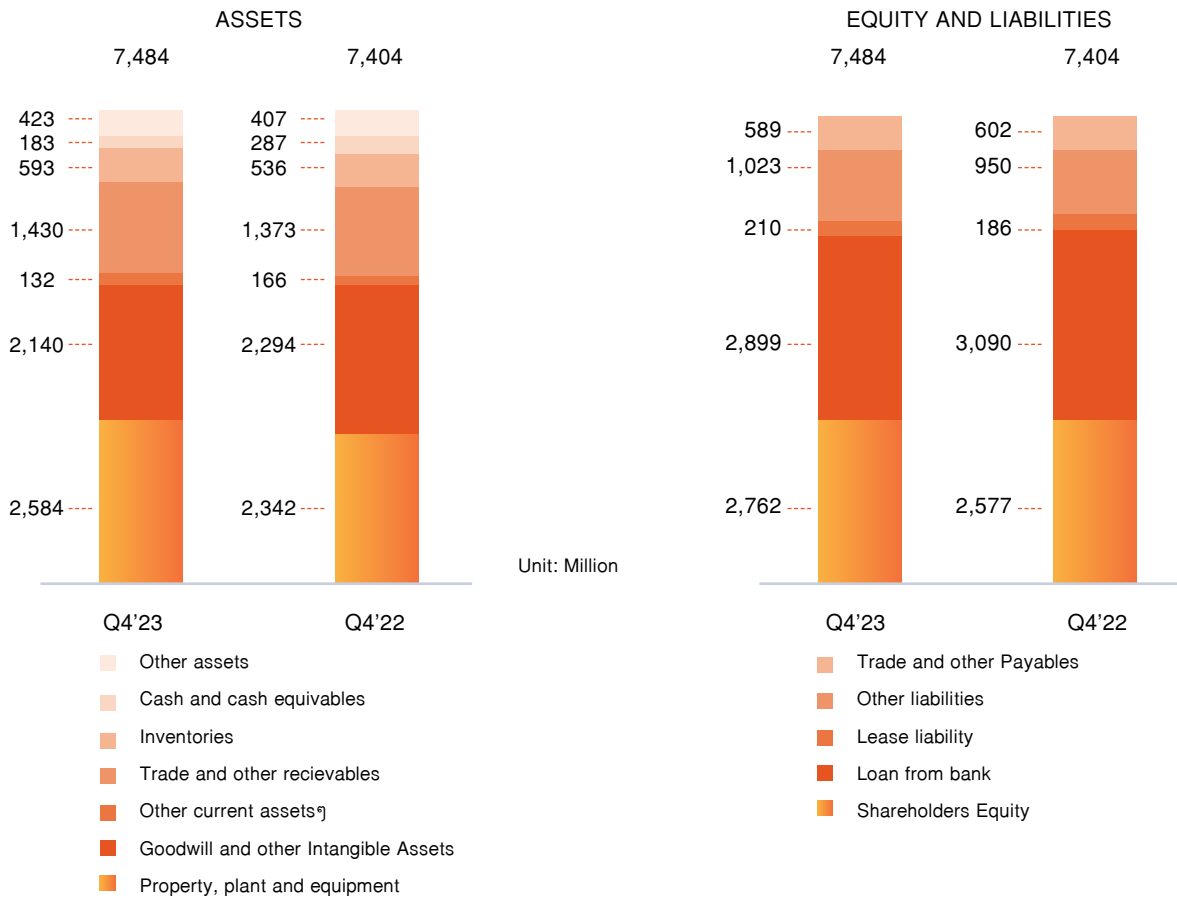
### Malaysia Business

TPAC's Malaysia operations witnessed a notable upsurge in profitability throughout FY23, with a double digit increase in Core EBITDA compared to the previous year. This increase in profitability was primarily led by a mix of volume growth with higher proportion of high value-added products coupled with a series of cost excellence projects taken by the team. Management's strategic implementation of cost control measures, combined with prior investments in solar initiatives, has been the main driver contributing to the enhanced profitability observed during the year.

Following a robust performance in Q3'23, the subsequent quarter experienced a modest decline in volumes compared to the previous quarter mainly on account of low demand for few MNC customers and high inventory build-up done by few local customers in Q3'23 ahead of festive season.



## B) Consolidated Balance Sheet



- Overall assets of the company stand at ~THB 7.5 bn as at Q4'23 representing an increase of ~THB 80 Mn in FY'23 from last year.
- Tangible and intangible fixed assets (~ THB 4.7 bn) comprise ~63% of the total assets.
- Net Working Capital amounting to ~ THB 1.4 bn as % to LTM Revenue is ~21% for the quarter which has largely remained stable in last few quarters.



- Increase in shareholders equity by ~ THB 207 Mn during Q4'23 vs Q4'22 is on account of profit for the period adjusted to the dividend payment of previous year and loss on foreign exchange.
- Increase in lease liability is on account of new office lease commenced in TPAC India ~THB 24 mn during Q2'23.
- Significant improvement in leverage ratios over the past one year:
  - Net Debt to Equity — Improved from 1.16x in Q4'22 to 1.06x at the end of Q4'23
  - Net Debt to LTM Core EBITDA — Improved from 3.0x in Q4'22 to 2.2x at the end of Q4'23

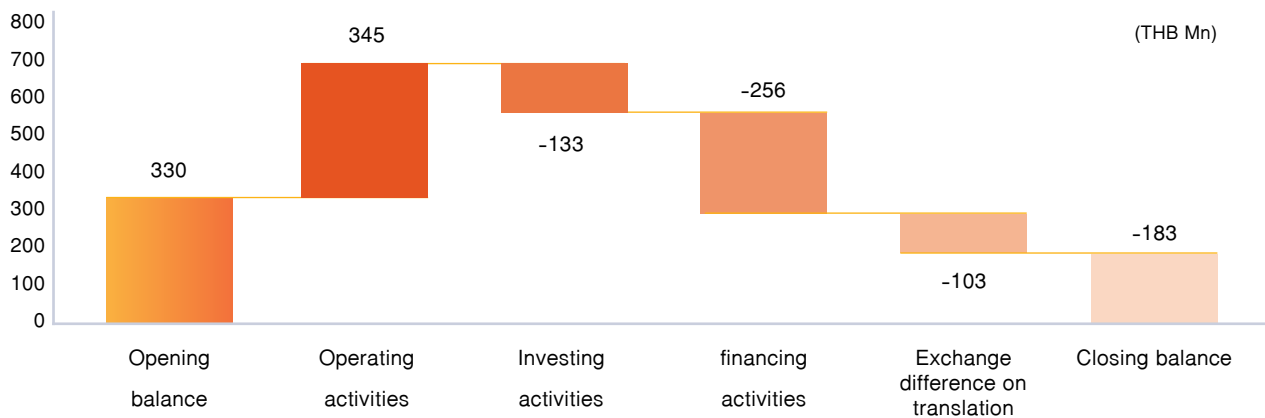




### C) Consolidated Cash Flow

Cash Flows (THB Million)	Q4'23	FY2023	FY2022	FY2021	FY2020
Net cash received from operating activities	345	1,099	886	724	762
Net cash used in investing activities	(133)	(632)	(876)	-1,157	-242
Net cash used/received in financing activities	(256)	(532)	(39)	502	-346
"Exchange differences on translation of financial statements in foreign currency"	(103)	(39)	(78)	129	-13
Net increase/decrease in cash and cash equivalents	(147)	(104)	(107)	198	161
Cash and Cash Equivalents - Opening Balance	330	287	394	196	35
Cash and Cash Equivalents - Closing Balance	183	183	287	394	196

Cash flow bridge for the year ended December'23:



- TPAC generated positive operating cash flow aggregating Baht 1,099 Mn for the period FY'23.



- Investing activities during FY'23 primarily pertains to capex on new machine, mould and ancillary parts for capacity expansion. ~80% of such cost is attributed towards TPAC India business.

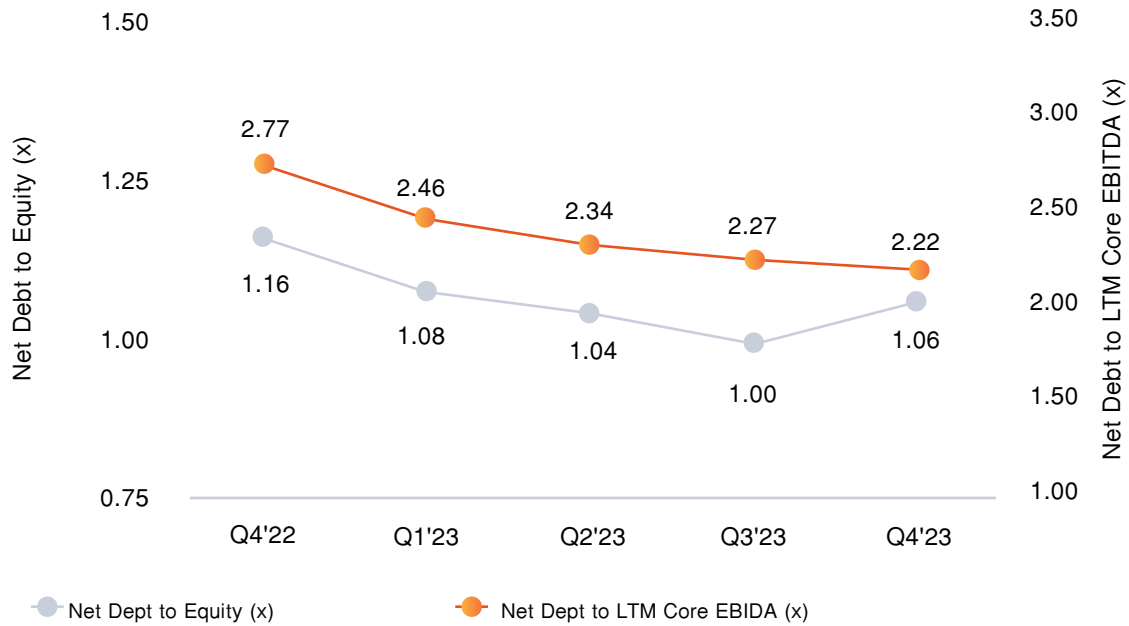


- Net cash flow from financing activities is mainly driven by net repayment (Baht 185 Mn), Finance Cost (Baht 143 Mn) and Dividend payment of (Baht 176 Mn).



Continuously deleveraging over the past one year, backed by a strong cash flow generation

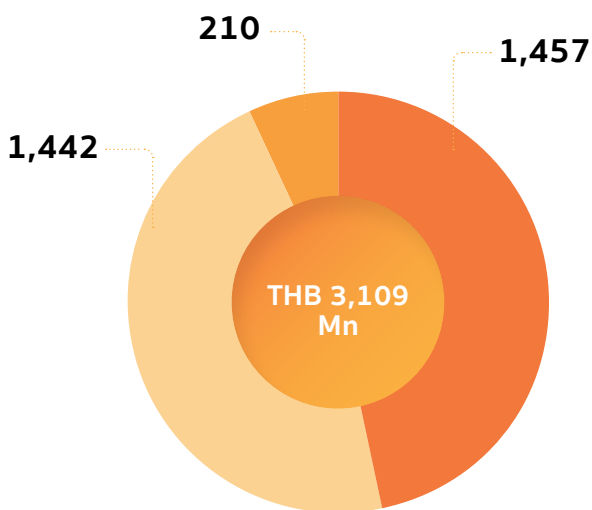
Sharp improvement in Net Debt to Equity and Net Debt to LTM Core EBITDA



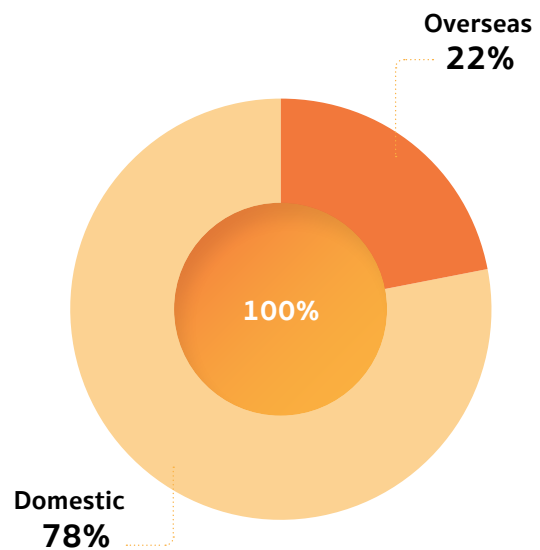
During Q4'23 v. Q3'23, Net Debt to Equity ratio increased despite borrowings remaining stable. This is led by decline in equity value on account of loss due to forex exchange fluctuation and movement in NCI even though the Net Profit after NCI attribution for the quarter was THB 94 Mn.

Debt Composition as at 31st December 23

Consolidated Debt Breakdown



Geographical Split of Consolidated Debt



- Long Term Debt
- Short term Loan
- Lease Liability

### Safe harbour:

Certain words and statements in this communication concerning THAI PLASPAC PUBLIC COMPANY LIMITED (“the Company”) and its prospects, and other statements relating to the Company’s expected financial position, business strategy, the future development of the Company’s operations and the general economy in Thailand & global markets, are forward looking statements.

Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the Company, or industry results, to differ materially from those expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future.

The important factors that could cause actual results, performance or achievements to differ materially from such forward-looking statements include, among others, changes in government policies or regulations and, in particular, changes relating to the administration of the Company’s industry, and changes in general economic, business and credit conditions.

The information contained in the MD&A is only current as of its date and has not been independently verified. No express or implied representation or warranty is made as to, and no reliance should be placed on, the accuracy, fairness or completeness of the information presented or contained in this MD&A. None of the Company or any of its subsidiaries, affiliates, advisers or representatives accepts any liability whatsoever for any loss howsoever arising from any information presented or contained in this MD&A. Please note that the past performance of the Company is not, and should not be considered as, indicative of future results. Furthermore, no person is authorized to give any information or make any representation which is not contained in, or is inconsistent with, this MD&A. Any such extraneous or inconsistent information or representation, if given or made, should not be relied upon as having been authorized by or on behalf of the Company.

The Company may alter, modify, or otherwise change in any manner the contents of this MD&A, without obligation to notify any person of such revision or changes.







# Annexures

## Consolidated Balance Sheet

Particulars	Q4'23	Q4'22	%Δ
<b>Property, plant and equipment</b>	<b>2,584</b>	<b>2,342</b>	<b>10%</b>
Goodwill	1,619	1,680	-4%
Intangible asset	520	614	-15%
<b>Goodwill &amp; Intangible asset</b>	<b>2,140</b>	<b>2,294</b>	<b>-7%</b>
Right-of-use assets	194	174	12%
Restricted bank deposits	18	17	7%
Other long-term Investment	3	3	-1%
Deferred tax assets	10	9	8%
Withholding tax deducted at source	70	70	0%
Advance for purchase of molds	45	42	7%
Call option	2	4	-50%
Other non-current assets	80	87	-8%
<b>Other non-current assets</b>	<b>423</b>	<b>407</b>	<b>4%</b>
<b>Total non-current assets</b>	<b>5,147</b>	<b>5,043</b>	<b>2%</b>
<b>Trade and other receivables</b>	<b>1430</b>	<b>1373</b>	<b>4%</b>
<b>Inventories</b>	<b>593</b>	<b>536</b>	<b>11%</b>
<b>Cash and cash equivalents</b>	<b>183</b>	<b>287</b>	<b>-36%</b>
Advance purchase for raw material	23	52	-55%
Other current financial assets	0	13	-98%
Other current assets	108	100	8%
Other current assets	132	166	-21%
<b>Total current assets</b>	<b>2,338</b>	<b>2,362</b>	<b>-1%</b>
<b>Total assets</b>	<b>7,484</b>	<b>7,404</b>	<b>1%</b>
Registered share capital	327	327	0%
Issued and paid-up capital	327	327	0%
Premium on ordinary shares	1,027	1,027	0%
Appropriated - statutory reserve	33	33	0%
Retained earnings	1,238	915	35%
Other components of shareholders' equity	(205)	(111)	84%



Particulars	Q4'23	Q4'22	%Δ
Excess of book value of acquired subsidiary over cost	20	20	0%
Equity attributable to owners of the Company	2,439	2,210	10%
Non-controlling interests of the subsidiaries	323	367	-12%
<b>Total shareholders' equity</b>	<b>2,762</b>	<b>2,577</b>	<b>7%</b>
Long-term loans from banks - net of current portion	1,457	1,725	-16%
Current portion of long-term loans from banks	381	373	2%
Bank overdraft and short-term loans from banks	1,061	992	7%
<b>Loan from Bank / Others</b>	<b>2,899</b>	<b>3,090</b>	<b>-6%</b>
Long-term lease liabilities, net of current portion	192	174	10%
Current portion of finance lease payable	19	12	60%
<b>Lease Liability</b>	<b>210</b>	<b>186</b>	<b>13%</b>
Income tax payable	34	27	25%
Other current financial liabilities	54	0	100%
Other current liabilities	69	56	23%
Non-controlling interest put options	413	341	21%
Deferred tax liabilities	332	363	-9%
Provision for long-term employee benefits	80	74	9%
Other non-current liabilities	43	90	-52%
<b>Other liabilities</b>	<b>1,023</b>	<b>950</b>	<b>8%</b>
<b>Trade and other payables</b>	<b>589</b>	<b>602</b>	<b>-2%</b>
<b>Total liabilities</b>	<b>4,722</b>	<b>4,828</b>	<b>-2%</b>
<b>Total liabilities and shareholders' equity</b>	<b>7,484</b>	<b>7,404</b>	<b>1%</b>
<b>Net Debt to Equity (times)</b>	<b>1.06</b>	<b>1.16</b>	
<b>Debt to Equity (times)</b>	<b>1.13</b>	<b>1.27</b>	



## Cash Flow (Consolidated)

Particulars	Q4'23	12 mths 23	FY2022
<b>Cash flow from Operating Activities</b>			
Profit Before Tax	125	651	426
Adjustment : Depreciation and Amortisation	131	495	482
Adjustment : Other adjustments	65	195	186
Profit from operating activities before changes to working capital	321	1,340	1,094
Net changes to working capital	68	(119)	(129)
Cash flows from Operating Activities	372	1,205	965
Cash paid for corporate income tax	(27)	(106)	(79)
<b>Net Cash Flows from Operating Activities</b>	<b>345</b>	<b>1,099</b>	<b>886</b>
<b>Cash flow from Investing Activities</b>			
Acquisition of Fixed Assets	(143)	(637)	(471)
Acquisition of Intangible Assets	(0)	(0)	(2)
Proceeds from equipments sales	2	2	17
Proceeds from Asset held for sale	-	2	-
Cash paid for investment in subsidiary	-	(16)	(408)
Other	9	17	(12)
<b>Net Cash Flow used in Investing Activities</b>	<b>(133)</b>	<b>(632)</b>	<b>(876)</b>





Particulars	Q4'23	12 mths 23	FY2022
<b>Cash flow from Financing Activities</b>			
Increase (decrease) in short-term loans from bank	(52)	70	241
Cash flow from Financing Activities	(1)	(1)	-
Increase (decrease) in short-term loans from bank	37	210	463
Decrease from restricted bank deposit	(157)	(465)	(558)
Increase (decrease) in long-term loans from bank	(7)	(28)	(26)
Repayment of long-term loan	-	-	40
Cash paid for finance lease payable	(37)	(143)	(139)
" Cash receipt from long-term loan from non-controlling interests of the subsidiary"	(39)	(176)	(59)
<b>Finance costs</b>	<b>(256)</b>	<b>(532)</b>	<b>(39)</b>
Dividend Paid Out	(103)	(39)	(78)
<b>Net Cash Flow from Financing Activities</b>	<b>(147)</b>	<b>(104)</b>	<b>(107)</b>
<b>Decrease in exchange differences on translation of financial statements</b>	<b>330</b>	<b>287</b>	<b>394</b>
<b>in foreign currency</b>	<b>183</b>	<b>183</b>	<b>287</b>
<b>Change in Cash and Cash Equivalents</b>			
<b>Cash and cash equivalents at beginning of period</b>			
<b>Cash and Cash equivalents - Closing Period Balance</b>			

Exchange rate used to translate the financial statements.	INR/THB	MYR/THB	AED/THB	PHP/THB
12 months average rate Y2022	0.4465	7.9670	9.5470	-
13 months average rate Y2022	0.4231	7.6345	9.4775	0.6343*
Month-ended rate as at 31 Dec 2022	0.4199	7.8304	9.4109	-
Month-ended rate as at 31 Dec 2023	0.4151	7.4168	9.3183	0.6138
*PHP Average rate from 4 September to 31 December 2023				



## 5. General Information and other significant information

### 5.1 General Information

Name	Thai Plaspac Public Company Limited
Symbol	TPAC
Type of Business	Design and Manufacture rigid plastic packaging
Website	www.tpacpackaging.com
Registration Number.	0107547000575
Date of Incorporation	August 1, 1983
Registered Share Capital	THB 326,550,000 divided into 326,550,000 ordinary shares of par value at THB 1 per share
Paid-up Share Capital	THB 326,449,999 divided into 326,449,999 ordinary shares of par value at THB 1 per share
Fiscal year end	31 December
Head Office	77 Soi Thian Thaley 30 Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand Tel. 02-897-2250-1 Fax. 02-897-4694
Branch 001	3/1, 3/2 Soi Thian Thaley 15, Bang Khun Thian-Chay Thaley Road, Sameadum, Bang Khun Thian, Bangkok 10150, Thailand Tel. 02-892-0261-4
Branch 002	75/2 Moo 9 Soi Ruamjai Bangna-Trad Road Km.18.8, Bangphli Samutprakarn 10540
Investor Relations	IR@tpacpackaging.com
Secretary	Secretary@tpacpackaging.com

Details of subsidiaries and associated companies in which the Company holds 10 percent or more of the total issued shares, please see details in the topic of “Shareholding Structure of the Company Group”

#### Other Party’s Reference Information

Share Registrar	Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel. 02-009-9000 Fax. 02-009-9991
Auditor	Mr. Chayapol Suppasetanon (CPA No. 3972) and/or Ms. Orawan Techawatanasirikul (CPA No. 4807) and/or Mrs. Ginkarn Atsawarangsalit (CPA No. 4496) and/or Ms. Pimjai Manitkajohnkit (CPA No. 4521) and/or Ms. Rosaporn Decharkom (CPA No. 5659) and/or Ms. Sumana Punpongsanon (CPA No. 5872) and/or Ms. Kirdsiri Kanjanaprakasit (CPA No. 6014) the auditors who have been approved by the Securities and Exchange Commission of Thailand Firm: EY Office Limited 33 <sup>rd</sup> Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110, Thailand Tel. 02-2640-777



Legal Advisor

Capital Law Officer Limited  
44 Smooth Life Tower 16th Fl., North Sathorn Rd.,  
Silom, Bangrak, Bangkok 10500 Thailand.  
Tel.02-633-9088, Fax 02-633-9089

## 5.2 Other significant information

Other information that has a significant impact on Investors' Decision are available on the Company's website at [www.tpacpackaging.com](http://www.tpacpackaging.com)

## 5.3 Legal Dispute

As of December 31, 2023, the Company and the subsidiaries are not prosecuted as a defendant in any litigation or disputes, including any arbitration proceedings that may have a negative impact on the assets of the Company or the subsidiaries that have higher than 5.0% of shareholders' equity and that affects the Company's business operations.

## 5.4 Secondary market

No secondary market and no debt instrument





# PART 02

## CORPORATE GOVERNANCE

ANNUAL REPORT 2023  
THAI PLASPAC PUBLIC COMPANY LIMITED





## 6. Corporate Governance Policy |

### 6.1 Overview of the Policy and Guidelines

The Board of Directors and the management of Thai Plaspac Public Company Limited are firmly committed to implementing and practicing good corporate governance across all its global operations in pursuit of its long-term sustainable business success. The Company will continue to cover the Corporate Governance Code for listed Companies 2017 and recommendations of the Securities Exchange Commission (“SEC”), Stock Exchange of Thailand (“SET”), Institute of Directors, Thailand (IOD), and others. The Company will ensure that all employees are aware of the Governance principles and practices that TPAC promotes.

In pursuit of its commitment and for a better understanding and more effective implementation, all corporate governance-related policies and codes of conduct were reviewed, combined, and restructured into one document, the Corporate Governance Manual which was approved by the Board of Directors. To provide all directors, employees, and stakeholders of the Company with a clearer focus on how the Company values are being implemented and how corporate governance is being realized in the Company.

#### Section 1 Rights of Shareholders

The Company emphasizes the rights of shareholders as the owners of the Company. All shareholders, whether retail investors or institutional investors, are encouraged to exercise their fundamental rights, e.g., trading or transferring of shares, sharing of profits, and receiving adequate information, whether via the Company’s website, the SET’s website or through other channels, attending shareholders’ meetings to acknowledge the Company’s annual performance, and casting votes at the shareholders’ meetings to approve significant matters as specified by laws, such as the appointment or removal of directors, the determination of directors’ remuneration, the appointment of auditor and the determination of audit fee, the dividend payment or suspension of dividend payment, and the capital increase and the issuance of new securities, including making inquiries or comments on matters that the Board of Directors presents to or requests for approval at the shareholders’ meetings.

#### Shareholders’ Meeting

The Company must hold an annual general meeting of shareholders within 120 days from the end of the Company’s fiscal year. Other shareholders’ meetings, i.e., extraordinary general meetings of shareholders, are to be called when it is deemed necessary and appropriate. The Company has set up a Company Secretary Office to ensure that the shareholders’ meetings are held as required by law and following the principles of good corporate governance. In the shareholders’ meetings, the Company will arrange for a legal advisor to attend the meeting to provide legal advice and witness the vote count throughout the meeting and allow the minority shareholders to nominate a representative to witness the vote count. In the case where an agenda item of the meeting concerns a transaction that is complicated and significant to the decision-making of the shareholders’ meetings, the Company will also arrange for a financial advisor as well as a legal advisor to provide answers and explanations at the meeting. As for the annual general meeting of shareholders where financial statements will be considered for approval, the Company will arrange for its auditor to be present at such meetings every time. In addition, the Company encourages all directors, members of the sub-committees, senior executives, and the company secretary to attend every shareholder’s meeting, except in case of necessity or emergency.

#### Invitation and Facilities for Shareholders

To protect the rights of all shareholders equally and not restrict rights to access to shareholders’ information and, either Thai shareholders or foreign shareholders, the Company prepares and provides the invitation to shareholders’ meetings and supporting documents, both Thai and English versions, and engages Thailand Securities Depository Co., Ltd., its securities registrar, to undertake the delivery of the invitation thereof to all shareholders. The invitation will provide adequate information regarding the place, date, and time of the meeting, meeting agenda, objectives, and rationale of each agenda item together with the opinion of the Board of Directors, the number of votes required for each agenda item, and other supporting documents. This is to allow the shareholders to have sufficient time



to study the documents beforehand. There will be no hidden agenda items or addition of other agenda items that are not stated in the invitation, except for urgent matters. Besides, the Company will also public the invitation together with the supporting documents on the Company's website and allow the shareholders to submit their inquiries at least 30 days in advance and make an announcement of the same in the newspaper for 3 consecutive days, at least 7 days before the meeting date.

The Company will organize meetings with the convenience of shareholders as a priority, including providing opportunities for shareholders to participate in electronic media. The Company may conduct meetings in physical, e-AGM, or hybrid formats, depending on the circumstances and appropriateness. In the case of physical meetings, they will be held in venues with sufficient capacity, good security systems, and convenient travel for shareholders. A Barcode system will be used for registration and vote counting to enhance transparency and convenience for shareholders.

Shareholders will be allowed to pre-register at least 1 hour before the meeting. Additionally, the Company will have dedicated staff to welcome and assist shareholders, as well as Investor Relations desks with knowledgeable personnel to provide information and answer questions about the company's operations. The company will also prepare stamp duty for shareholders who attend the meeting in person, facilitating institutional investors and shareholders holding shares through custodians. The Company will offer opportunities for pre-checking of shareholder names, information, and accompanying documents before the meeting day to streamline the verification process. This is intended to reduce the time and steps involved in checking information and documents on the day of the shareholder meeting.

The electronic shareholder meeting shall be conducted following the criteria and procedures specified by relevant laws or regulations. The electronic shareholder meeting must comply with the standards for maintaining the security of electronic meetings as stipulated by the law. The Company will organize electronic shareholder meetings considering the usability and stability of the meeting system, ensuring compatibility with various devices such as smartphones, computers, tablets, etc. The system for vote counting must be transparent, accurate, and verifiable. The Company has arranged for advance registration and provided electronic credentials. In case shareholders encounter any issues during usage, there are communication channels available for assistance. This is to facilitate the participation of all shareholders in the meeting. Registration for the meeting shall be open to shareholders at least one hour before the meeting.

### **Procedure of the Shareholders' Meeting**

The Company has adopted the following procedures as the practices of good corporate governance. Before the commencement of the shareholders' meeting, the meeting facilitator will introduce to the shareholders' meeting the members of the Board of Directors, the executives, and the Company's auditor and legal advisor, who are present. The meeting facilitator will also inform the shareholders' meeting about the voting criteria and practices for voting and the vote-counting process, including the Question-Answer section for the electronic meeting. After providing information on each agenda item, the chairman of the meeting will grant equal opportunities to all attendees to make their comments or inquiries relevant to the agenda item. The inquiries will be answered, and adequate time will be given for discussion as appropriate. As for the agenda item on the appointment of directors, the shareholders will cast their votes to appoint each director individually. In addition, to promote compliance with the principles of good corporate governance, a director who is due to retire by rotation and is nominated for election as a director of the Company for another term will leave the meeting room temporarily during the consideration of such agenda item. The Company arranges for minutes of meetings to be recorded correctly and completely so that the shareholders can inspect the same. Resolutions of the meeting are to be recorded with details of the quorum; the list of present directors, executives, and advisors; the vote count method; the witness(es) to the vote count; the voting results, i.e., approvals, disapprovals, and abstentions. Furthermore, comments, suggestions, questions, and answers which are significant and relevant to each agenda item will be recorded in the minutes. The Company will report a summary of significant meeting resolutions through the SET's website within the meeting date or no later than 9:00 a.m. of the following business day. The minutes of the shareholders' meeting will be submitted to the SET within 14 days from the meeting date and publicized on the Company's website.





## 2023 Annual General Meeting of Shareholders

Date	April 28th , 2023
Venue	E-Meeting live broadcast from Seminar Room, Thai Plaspac Public Company Limited.
Commencement Registration	12.00 p.m.
Meeting Time	2.00 p.m. — 3.45 p.m.
Directors attending the Meeting	8 persons (100 % of directors attended)
Number of shareholders attending the meeting in person and by proxy	38 shareholders collectively holding 81.08% of the total issued shares

## Section 2 Equitable Treatment of Shareholders

### Proposing Agenda Items and Nominating Director Candidates:

The Company provides the shareholders an opportunity to exercise their rights to propose agenda items and/or nominate candidates to be elected as directors in advance to promote equitable treatment of shareholders. The shareholders are entitled to propose agenda items and/or nominate candidates to be elected as directors at the annual general meeting of shareholders in accordance with the criteria publicized on the Company’s website. The Company will announce the same through the SET’s website.

### Appointment of Proxies

To protect the rights of the shareholders who cannot attend the shareholders’ meeting in person, the Company encloses a proxy form (Form B) to the invitation together with the list of documents and evidence required for the appointment of a proxy. The shareholders may appoint his/her representative or the independent director of the Company as his/her proxy to attend the meeting and cast votes on his/her behalf. The Company will provide in the invitation at least the name of one independent director whom a shareholder can appoint as his/her proxy. In addition, the Company will also publish the invitation and the proxy forms (Form A, Form B and Form C) together with the details and procedures for the appointment of proxy on the Company’s website.

### Control on the use of the inside information

The Company prohibits the directors, executives and employees, as well as other relevant persons who are in charge of or have access to inside information, from using inside information for the benefit of trading the securities of the Company, subsidiaries, and associated companies, and also forbid the disclosure of inside information to outsiders or non-relevant persons before disclosing the same through the SET according to the criteria and procedures specified in the policy on the protection of inside information.

-None -

## Section 3 Role of the Stakeholders

The Company is aware of and recognizes the rights of all groups of stakeholders, internal and external. Mainly Internal stakeholders are shareholders and employees while external stakeholders include customers, suppliers, creditors, competitors, public sectors, public offices, and communities. The Company has received support from various stakeholders to strengthen its competitive advantages and profitability, generating long-term value for the Company. Therefore, in addition to the below policy, the Company has also announced the Whistleblowing Policy to provide channels for all stakeholders to file complaints or report any suspicious incidents of misconduct or corruption. Provided that there is a policy includes complaint procedure and protection of the whistleblower as follows:

### Shareholders

The Company realizes that shareholders are the Company’s owners while the Company has a duty to build long-term economic value added for the shareholders. So, its directors, management, and employees are obliged to follow the below guidelines.

1. Perform his/her duties with integrity and make every decision in according to the professional principles with careful, realized, and fair consideration of all groups of shareholders, major and minor, and for the best interests of the Shareholders as a whole.



2. Present reports of the Company's operating result, financial status, financial and accounting statements, and others consistently, completely, and accurately.
3. Notify all shareholders equally of the information about future trends of the Company, both negative and positive, based on possibilities, sufficient data, and adequate rationale.
4. It is prohibited for all employees to use or disclose any non-public information for the benefit of their own or other related persons, or for any course of action which may pose a conflict of interest with the Company.
5. The Company shall not take any actions which violate or deprive the shareholder rights, i.e. failure to submit material information or documents to the shareholders before the shareholders' meeting, adding important agenda, or changing material information without advanced notifications to shareholders before the shareholders' meeting.
6. The Company shall encourage shareholders to use their rights in matters such as the right to nominate candidates for director positions, and the right to express their opinions and ask crucial questions relating to the meeting agenda.

### Employees

The Company believes that to achieve our business goals, employees are one of the most valuable resources and they deserve favorable treatment. Therefore, the Company shall treat its employees fairly and equally in all aspects, including career opportunities, compensation, promotion, and transfer as well as a versatile training and development plan. To be able to grow and expand its business in the future, the Company has set a policy to promote and support the development of all employees. All employees shall be treated equally with respect for human rights, a good and safe working environment, proper and fair compensation, and benefits following their responsibilities, duties, and positions.

### Customers

The Company is aware of the importance to its customers and has set up the following policy regarding customer treatment.

1. Customer shall be treated with courtesy and enthusiasm. Employees should be ready to welcome customers and to provide sincere, attentive service with care. Like serving close relatives, customer service must be prompt, accurate, and trustworthy.
2. Maintain customer confidentiality and never misuse it for personal or other related person's interests.
3. Provide accurate, adequate, and timely information relating to the Company's services to all customers, without exaggerated advertisements which may mislead customers about the quality or any service conditions.
4. Advise about the Company's services and related processes efficiently to maximize customer benefit.

### Business Partners and Creditors

The Company is committed to treating its business partners and/or creditors fairly and honestly without taking any advantage of the relationship. The Company and its subsidiaries believe in conducting business with integrity, transparency, and fairness to achieve maximum pay-off for both sides. The business partners must not bring discredit to the Company's reputation and must comply with the law, morality and ethics, customs, and traditions. Purchasing goods and related processes must be transparent and auditable. Any situations that pose a conflict of interest should be avoided and any trade negotiations should be based on business relationships. The following are related guidelines.

1. Do not demand, receive, or offer any payment or benefit of any dishonest dealing with business partners and/or creditors.
2. If there is any information of bribery, demanding or receiving, or offering the benefit of dishonest dealing, such information must be disclosed to the related business partners and/or creditors for investigation and resolution in a fair and timely manner.
3. All terms and conditions of the agreement shall be strictly followed. If any conditions cannot be complied with, a responsible person must inform the creditors in advance in order to jointly find solutions.

The process of selecting suppliers: The Company's policy requires at least 3 companies to join the bidding process. The Company will select suppliers who offer reasonable prices and meet the specifications of the product or service that the Company requires.

### Banks, Financial Institutions, Creditors

The Company is committed to treating the bank, financial institution, its creditor, and guarantor with honesty; and to the repayment of loans and interest on time. The Company set strategies of working capital management



to ensure that the Company shall not be in any difficulties in repayment to the bank, financial institution, its creditors, and guarantor. The Company shall also strictly comply with all terms & conditions specified in the loan agreements and the other agreements.

### Competitors

The Company has a policy to treat all competitors with integrity, not breaching confidentiality or revealing trade secrets of competitors obtained illegally or deceptively. Following are the guidelines of the policy.

1. Abide by the rules of ethical competition.
2. Do not seek confidential information or trade secrets of competitors by using illegal or inappropriate methods.
3. Do not discredit competitors with any negative accusations.
4. The Company supports and promotes free and fair competition.

### Community and Societies

The Company's policy is to conduct business that benefits the economy and society by adhering to the practices of a good citizen who fully complies with laws and regulations. The Company commits to developing, promoting, and leveraging the quality of life in the society and the communities in which the company is located, along with the growth of the company.

## Section 4 Disclosure and Transparency

The Company always discloses to all shareholders and stakeholders the information that is accurate, complete, and prompt, both in Thai and English languages, and corresponds to relevant laws and regulations, as well as the international good corporate governance standard, through various information disclosure channels to demonstrate the Company's transparency in doing business.

### Information Disclosure

The Company has to disclose financial and non-financial information to all shareholders and stakeholders accurately, completely, accountably, and timely to ensure that the shareholders and stakeholders receive the information equally, including developing the Company's website and regularly and promptly updating information on the website to ensure that it is complete. The information disclosure will be prepared with due care, accuracy, and transparency and conveyed in simple and concise language.

### Investor Relation

The duty of the investor relation department is to communicate with the related department and the disclosure of the Company's information and performance.

## Section 5 Board Responsibilities

The duties of the Board of Directors are included the determination of the Company's policy, vision, mission, values, strategy, and goals. In addition, the Board of Directors also supervises and assesses the management and operation with the objective to increase shareholder value in the long run. In this regard, the Board of Directors must ensure that its duties are carried out in compliance with the laws, objectives, and the Company's Articles of Association. Moreover, the Board of Directors must be mindful of corporate governance, conflicts of interest, code of conduct, and business ethics.

The Board of Directors is determined and committed to building the Company and its subsidiaries as a leading organization that is perceived at the international level as one of the most successful companies in Thailand with business variety, resilient management, and competent personnel. The Board of Directors has the necessary leadership, vision, and independence to make decisions and has the duties and responsibilities to oversee the business in the best interest of the shareholders.

The duties of the Board of Directors and the Management are separated.

The Board of Directors emphasized the importance of corporate governance, encompassing the review of the vision, mission, values, and long-term goals of the company. This includes reviewing regulations and business ethics to always align with current standards. The board underscored the significance of monitoring and ensuring the implementation of the company's strategies and business plans, with a focus on maximizing the company's and shareholders' benefits.





### **Composition of the Board of Directors and the Sub-committees**

The Board of Directors consists of 3 independent directors, 1 non-executive directors, 3 executive directors, and the Chairman of the Board of Directors who is the non-executive.

In addition, the sub-committees have been appointed by the Board of Directors i.e. the Audit Committees, the Nomination and Remuneration Committees, Risk Management Committees, and the Corporate Governance Committees.

The Audit Committee shall entirely consist of independent directors and shall not be less than 3 members whereas at least one member must be knowledgeable and experienced in reviewing the accountability of the financial statements.

The Nomination and Remuneration Committee shall consist of at least 3 members but shall not exceed 5 members where most of the members shall be independent directors.

### **Meeting of the Board of Directors and the sub-committees**

The Board of Directors will hold more than 6 meetings in each fiscal year according to the annual meeting schedule set in advance. The Company promotes and encourages each director to attend the Board of Directors' meeting at least 75% of the total number of meetings in each fiscal year, except in case of necessity and emergency. The Company will provide the meeting materials to the directors in advance at least 5 business days before the meeting to allow the directors to have sufficient time to study the information beforehand.

As regards the sub-committees, the Audit Committees will hold a meeting quarterly and the other sub-committees will hold at least two meetings in each fiscal year.

### **Development of Directors**

The Company encourages the directors to develop their skills and knowledge regularly and adequately. The Nomination and Remuneration Committee has developed the director development plan to enhance the knowledge of the existing directors and new directors to understand the business of the Company, the roles and duties of directors, and other significant developments, including encouraging the directors to enroll in various training programs or seminars organized by the Thai Institute of Directors Association (IOD).

### **Orientation of the new directors**

The Company organizes new director orientations according to the director development plan developed by the Nomination and the Remuneration Committee so that the new directors have knowledge and understanding of the Company's historical background, business organization, policies, related law and regulations, and the role and responsibilities of the directors.

## **6.2 Business code of conduct (if any)**

**The details appear in APPENDIX 5**

### **Employees' cooperation in ethics and corporate governance**

TPAC has a policy and encourages all employees to fully acknowledge, understand, and adhere to the Company's Code of Conduct for all individuals, both inside and outside the organization, including the corporate governance policy of the Company. The Group includes the Code of Conduct as part of the orientation course for new employees. In addition, the Group continuously communicates to employees about the Company's corporate governance policy and the Code of Conduct in all internal communication channels of the Company, such as public relations boards and electronic communication channels, to promote and encourage all employees to strictly comply with the Code of Conduct and corporate governance policy. In addition, all employees are encouraged to adhere to the principles and policies continually. In the past year, there were no instances of employees failing to comply with or violating the Company's Code of Conduct and corporate governance policy.



### 6.3 Material changes and developments regarding policy, guidelines, and corporate governance system in the preceding year

#### 6.3.1 Significant changes and developments in policy review, practice, and corporate governance or the Board of Directors Charter in the past year:

From the new Corporate Governance Regulation (CGR) Checklist introduced in 2023, the company’s board has become aware of the outlined criteria for assessing corporate governance practices. Alongside this awareness, there is a strong commitment to anti-corruption within the corporation, aimed at enhancing efficiency and demonstrating an elevated standard of corporate governance. Emphasis is placed on reviewing policies, practices, operational systems, and governance standards to ensure alignment with the principles of good corporate governance and suitability for the company’s business operations. In 2023, the company undertook significant initiatives, including the following:

THE IMPROVEMENT IN 2023	KEY OPERATIONS
CODE OF CONDUCT	Review and adjustment to align with current practices.
ANTI-CORRUPTION POLICY	Review and adjustment to align with current practices.
WHISTLEBLOWING POLICY	Review and enhancement to align with current practices, including the expansion of channels for reporting and complaints, along with the improvement of the verification process.
COMPANY BOARD CHARTER	Further development guidelines for sustainable development.
GOVERNANCE COMMITTEE CHARTER	Appointment of subcommittees to work on corporate responsibility and sustainable development.
AUDIT COMMITTEE CHARTER	Review and adjustment to align with current practices.
NOMINATION AND COMPENSATION COMMITTEE CHARTER	Review and adjustment to align with current practices.
PERFORMANCE EVALUATION FORMS FOR THE BOARD, SUBCOMMITTEES, AND MANAGEMENT	Clarification and alignment with current development guidelines.
DECLARATION OF INTENT	Participation in the Thai Private Sector Collective Action Against Corruption (CAC) to collectively combat corruption.

In response to the declaration of intent to participate in the “Thai Private Sector Collective Action Against Corruption (CAC),” aimed at providing guidelines for practices aligned with current business operations, the Companies has reviewed the “Anti-Corruption and Corporate Governance Policy.” This review ensures that the company has policies defining responsibilities, practices, and operational criteria to prevent corporate corruption that may occur in business operations. It also ensures that decisions regarding potentially corruption-prone business operations are thoroughly considered and appropriately implemented. The following are the Anti-Corruption Policy, as well as the Whistleblowing Policy as below QR — Code and Link:



Anti-Corruption Policy  
[www.tpacpackaging.com/wp-content/uploads/2024/03/Anti-Corruption-Policy-EN.pdf](http://www.tpacpackaging.com/wp-content/uploads/2024/03/Anti-Corruption-Policy-EN.pdf)



Whistleblowing Policy  
[www.tpacpackaging.com/wp-content/uploads/2024/03/Whistleblowing-Policy-EN.pdf](http://www.tpacpackaging.com/wp-content/uploads/2024/03/Whistleblowing-Policy-EN.pdf)



#### 6.3.2 Other matters in accordance with good corporate governance principles

The Company continuity received the Corporate Governance assessment in 2023 as follows.

1. Annual General Meeting Checklist (AGM Checklist) 2023 from the Thai Investors Association with an assessment result of 100%
2. A “Satisfactory” CG Score in the practice of Corporate Governance of Thai Listed Companies which was carried out by the Thai Institute of Directors (IOD) in conjunction with the Stock Exchange and Security Exchange Commission of Thailand.



## BOARD OF DIRECTORS |



### Mr. Yashovardhan Lohia

Chairman  
of the Board of Directors

### Mr. Anil Kumar Kohli

Director /  
Risk Management Committee /  
Chief Technical Officer

### Mr. Kevin Qumar Sharma

Director  
Nomination and Remuneration Committee /  
Chairman of Risk Management Committee /  
Chairman of Corporate Governance  
Committee / Group Chief Executive Officer

### Mr. Theerawit Busayapoka

Director /  
Nomination and Remuneration Committee /  
Risk Management Committee /  
Corporate Governance Committee /  
Chief Executive Officer of Thailand Business /  
Managing Director





**Mr. Virasak Sutanthavibul**

Independent Director / Chairman of the Audit Committee / Nomination and Remuneration Committee

**Mr. Gran Chayavichitsilp**

Independent Director / Audit Committee / Chairman of Nomination and Remuneration Committee

**Mr. Kittiphat Suthisamphat**

Independent Director / Audit Committee / Nomination and Remuneration Committee

**Mrs. Aradhana Lohia Sharma**

Director

**| Mr. Yashovardhan Lohia |**

Chairman of the Board of Directors

**Age: 36 years****First Appointment Date****12 October 2015****Last Appointment Date****25 February 2022****Educations:**

- Bachelor of Engineering Business Management, Warwick Business School, Warwickshire, UK

**Training/Seminar**

- Director Certification Program Class No. 214/2015, Thai Institute of Directors Association, Thailand

**Working Experience (during the past 5 years)**

- 2015 – 2022 Director, Thai Plaspac Public Company Limited

**Relevant Position in Listed Company – The Stock Exchange of Thailand**

- 2019 – present Director, Indorama Ventures Public Company Limited
- 2022 – present Chairman of the Board of Directors, Thai Plaspac Public Company Limited

**Relevant Position in Non-Listed Company**

- 2018 – present Director, Indorama Ventures Services S.r.l.
- 2018 – present Director, Medco Plast Co. for Packing & Packaging systems (S.A.E.)
- 2018 – present Director, Indorama Polymers Public Company Limited
- 2018 – present Director, Indorama Holdings Limited
- 2018 – present Director, Indorama Polyesters Industries Public Company Limited
- 2018 – Present Director, Indorama Petrochem Limited
- 2018 – Present Director, TPT Petrochemicals PCL
- 2009 – Present Director, Indorama Resources Limited
- 2009 – Present Director, Beacon Chemicals Limited
- 2007 – Present Director, Aurus Speciality Company Limited

**(%) Shares Possession as of December 31<sup>st</sup>, 2023**

- None

**Relation among Family with other Directors and Executives**

- Brother of Mrs. Aradhana Lohia Sharma (Non-Executive Director) and;
- Brother-in-law of Mr. Kevin Kumar Sharma (Director and Group Chief Executive Officer)

**| Mr. Kevin Qumar Sharma |**

Director / Nomination and Remuneration  
Committee / Chairman of Risk Management  
Committee / Chairman of Corporate Governance  
Committee / Group Chief Executive Officer

**Age 40 years****First Appointment Date****09 October 2015****Last Appointment Date****29 April 2022****Education:**

- Master's in Science - Mathematical Trading and Finance, Cass Business School, City University, London, UK
- Bachelor of Engineering (Honors) - Civil Engineering, University College London, UK

**Training/Seminar**

- Director Certification Program Class No. 214/2015, Thai Institute of Directors Association, Thailand

**Working Experience (during the past 5 years)**

- 2015 – Present: Group Chief Executive Officer, Thai Plaspac Public Company Limited, Thailand
- 2018 – 2022 Director, TPAC Packaging India Private Limited, India
- 2015 – 2022 Chairman of the Board of Director, Thai Plaspac Public Company Limited, Thailand
- 2013 – 2014 Associate Director, European Special Situations, La Salle Investment Management, London, UK
- 2010 – 2013 Associate, European Distressed Debt Acquisitions, Colony Capital, London, UK
- 2007 – 2010 Analyst, Investment Banking Division, Credit Suisse Securities, London, UK

**Relevant Position in Listed Company – The Stock Exchange of Thailand**

- 2016 – Present: Director, Thai Plaspac Public Company Limited, Thailand

**Relevant Position in Non-Listed Company**

- 2018 – Present: Director, TPAC Packaging (Bangna) Company Limited, Thailand
- 2019 – Present: Director, Sun Packaging Systems (FZC), U.A.E.
- 2021 – Present: Director, Combi-Pack Sdn. Bhd, Malaysia

**(%) Shares Possession as of December 31<sup>st</sup>, 2023**

- None

**Relation among Family with other Directors and Executives**

- Husband of Mrs. Aradhana Lohia Sharma (Director) and;
- Brother-in-law of Mr. Yashovardhan Lohia (Chairman of the Board of Directors)





## | Mr. Theerawit Busayapoka |

Director / Nomination and Remuneration Committee /  
Risk Management Committee /  
Corporate Governance Committee /  
Chief Executive Officer of Thailand Business



**Age: 64 Years**  
**First Appointment Date**  
**12 October 2015**  
**Last Appointment Date**  
**29 April 2022**

### Educations:

- Bachelor of Engineering (First Class Honors) – Mechanical Engineering, King Mongkut Institute of Technology, Bangkok, Thailand

### Training/Seminar

- Director Accreditation Program Class No.51/2006, Thailand Institute of Directors Association, Thailand

### Working Experience (during the past 5 years)

- 1985 – Present Chief Executive Officer of Thailand Business, Thai Plaspac Public Company Limited, Thailand

### Relevant Position in Listed Company – The Stock Exchange of Thailand

- 2016 – Present Director, Thai Plaspac Public Company Limited, Thailand

### Relevant Position in Non-Listed Company

- 2018 – Present Director, TPAC Packaging (Bangna) Company Limited, Thailand

### (%) Shares Possession as of December 31<sup>st</sup>, 2023

- 7,560,000 shares or 2.32%

### Relations among Family with other Directors and Executives

- None



## Mr. Anil Kumar Kohli

Director /  
Risk Management Committee /  
Chief Technical Officer

**Age: 62 years**

**First Appointment Date**  
**12 October 2015**

**Last Appointment Date**  
**28 April 2023**

### Educations:

- Post Graduate Diploma, Marketing Management, Pune University, India
- Bachelor's in technology (Chemicals), Harcourt Butler Technological University, Kanpur, India

### Training/Seminar:

- Director Accreditation Program Class No. 135/2017, Thai Institute of Directors Association, Thailand

### Working Experience (during the past 5 years)

- 2016 – Present Director, Thai Plaspac Public Company Limited, Bangkok, Thailand
- 2013 - 2015 Vice President Marketing Specialty PET Resins, Indorama Polymers Public Co. Ltd., Thailand
- 1998 - 2013 Vice President, Petform Thailand Limited, Lopburi, Thailand

### Relevant Position in Listed Company – The Stock Exchange of Thailand

- 2016 – Present Director, Thai Plaspac Public Company Limited, Bangkok, Thailand

### Relevant Position in Non-Listed Company

- 2018 – Present Director, TPAC Packaging India Private Limited, India
- 2018 – Present Director, TPAC Packaging (Bangna) Company Limited, Thailand
- 2019 – Present Director, Sun Packaging Systems (FZC), U.A.E.
- 2021 – Present Director, Combi-Pack Sdn. Bhd, Malaysia

### (%) Shares Possession as of December 31<sup>st</sup>, 2023

- None

### Relations among Family with other Directors and Executives

- None

**| Mrs. Aradhana Lohia Sharma |**

Director

**Age 38 years****First Appointment Date****9 October 2015****Last Appointment Date****28 April 2023****Education**

- Bachelor of Science in Business Administration, Babson College, Massachusetts, USA

**Training/Seminar**

- Director Certification Program Class No.214/2015, Thai Institute of Directors Association, Thailand

**Working Experience (during the past 5 years)**

- 2018 – 2022: Director, TPAC Packaging (Bangna) Company Limited
- 2018 – 2022: Director, TPAC Packaging India Private Limited

**Relevant Position in Listed Company – The Stock Exchange of Thailand**

- 2015 – Present: Non-Executive Director, Thai Plaspac Public Company Limited

**Relevant Position in Non-Listed Company**

- 2022 – Present: Director, Filatura Tollegno 1900 S.r.l.
- 2018 – Present: Executive Director, Indorama Austria GmbH
- 2018 – Present: Executive Director, Schoeller Kresice s.r.o.
- 2018 – Present: Executive Director, AE BG AlphaOmega Holding GmbH
- 2018 – Present: Vice Chairwoman, IVL Foundation
- 2008 – Present: Vice President, Indorama Holdings Limited.

**(%) Shares Possession as of December 31<sup>st</sup>, 2023**

- None

**Relation among Family with other Directors and Executives**

- Wife of Mr. Kevin Kumar Sharma (Director and Group Chief Executive Officer) and;
- Sister of Mr. Yashovardhan Lohia (Chairman of the Board of Director)





## Mr. Virasak Sutanthavibul

Independent Director /  
Chairman of the Audit Committee /  
Nomination and Remuneration Committee



**Age 66 years**

**First Appointment Date**

**9 October 2015**

**Last Appointment Date**

**23 April 2021**

### Education

- Bachelor of Engineering, Chulalongkorn University
- M.E., Texas A&M University, Texas, U.S.A.

### Training/Seminar

- Class 21/2003, Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD)
- Class 18/2005, The Joint State - Private Sectors, The National Defence College
- Class 10/2010, Top Management Program, Capital Market Academy, The Stock Exchange of Thailand
- Class 1/2012, Top Executive Program in Energy Literacy, Thailand Energy Academy
- Class 17/2012-2013, Top Executive Program in Justice Administration, Judicial Training Institute
- Class 2/2015, Completion and Graduation Pin, Institute of Business and Industrial Development (IBID)
- Class 2/2018, Business Revolution, and Innovation Network (BRAIN), The Federation of Thai Industries
- Advanced Management Program, Harvard University, U.S.A.
- Financial Institution for Private Enterprise Development, Harvard University, U.S.A.
- Year 2023, Cyber Security Awareness Program, Krungthai Bank PCL. by guest speaker

### Working Experience

- 2019 – 2020 Independent Director and Chairman of Audit Committee, NFC Public Co., Ltd
- 2015 – 2020 Director of the Remuneration and Nomination Committee, Bangkok Insurance Public Co., Ltd.

### Working Experience (continue)

- 2012 – 2020 Senior Executive Vice President, Head of Metropolitan Commercial Banking, Bangkok Bank Public Co., Ltd.
- 2011 – 2020 Chairman of the Corporate Governance Committee, Bangkok Insurance Public Co., Ltd.
- 2005 – 2020 Independent Director, Bangkok Insurance Public Co., Ltd.

### Positions in Listed Companies

- 2023 – Present Independent Director and Chairman of Audit Committee, Super Energy Corporation Public Co., Ltd.
- 2023 – Present Independent Director and Executive Director, Krungthai Bank Public Co., Ltd.
- 2021 – Present Independent Director, Nirvana Development Public Co., Ltd
- 2016 – Present Nomination and Remuneration Committee, Thai Plaspac Public Co., Ltd.
- 2015 – Present Independent Director and Chairman of Audit Committee, Thai Plaspac Public Co., Ltd.
- 2004 – Present Independent Director and Chairman of Audit Committee, T.Krungthai Industries Public Co., Ltd.

### Positions in Non-listed Companies

- 2023 – Present Independent Director, Food Moments Public Co., Ltd.
- 2016 – 2021 Director, Bualuang Ventures Co., Ltd.

### (%) Shares Possession as of December 31<sup>st</sup>, 2023

- None

### Relation among Family with other Directors and Executives

- None

**| Mr. Kittiphat Suthisamphat |**

Independent Director / Audit Committee /  
Nomination and Remuneration Committee



**Age 52 years**  
**First Appointment Date**  
**9 October 2015**  
**Last Appointment Date**  
**29 April 2022**

**Education**

- MBA, Sloan School of Management, Massachusetts Institute of Technology (MIT), USA
- Bachelor of Industrial Engineering, Chulalongkorn University, Bangkok, Thailand

**Training Program**

- Director Certification Program, Class 72/2006, Thai Institute of Directors Association, Thailand
- The Program of Senior Executives on Justice Administration, Batch 25
- Thailand Energy Academy (TEA), Class 13
- Business Revolution and Innovation Network (BRAIN), Class 1/2017, The Federation of Thai Industries
- Capital Market Academy (CMA), Class 9

**Work Experience**

- 2021 – Present Chairman of Member Council, A.J. Plast (Vietnam) Company Limited
- 2020 – Present Executive Board, The Federation of Thai Industries
- 2017 – 2022 Associate Judge, Central Intellectual Property, and International Trade Court
- 2016 – Present Director, National Power Supply Company Limited Independent

**Working Experience (continue)**

- 2015 – Present Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member, Thai Plaspac Public Company Limited
- 2000 – Present Vice President and Managing Director, A.J. Plast Public Company Limited

**Listed Company: Director Position**

- 2016 – Present Independent Director, National Power Supply Company Limited
- 2016 – Present Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member, Thai Plaspac Public Company Limited
- 2000 – Present Vice President and Managing Director, A.J. Plast Public Company Limited

**Non-listed Company: Director Position**

- None

**(%) Shares Possession as of December 31<sup>st</sup>, 2023**

- None

**Relations among Family with other Directors and Executives**

- None



## | Mr. Gran Chayavichitsilp |

Independent Director / Audit Committee / Chairman  
of Nomination and Remuneration Committee



**Age 50 years**

**First Appointment Date**

**12 October 2015**

**Last Appointment Date**

**28 April 2023**

### Education

- Public Administration and Law for Executives, The College of Politics and Governance, King Prajadhipok's Institute
- The Executive Management Academy, University of California, Los Angeles
- Master's degree, Public Administration, Faculty of Political Science, Chulalongkorn University
- Bachelor's in business administration, Rangsit University

### Training/Seminar

- Director Certificate Program (DCP) Class 225/2016, Thai Institute of Directors Association

### Work Experience

- 2016 – Present Independent Director and Audit Committee Member, Chairman of Nomination and Remuneration Committee, Thai Plaspac Public Company Limited, Bangkok, Thailand
- 2018 – Present Assistant Managing Director Marketing and Business Development, Dhanarak Asset Development Company Limited
- 2015 – 2018 Senior Director of Corporate Communication, Dhanarak Asset Development Company Limited

### Working Experience (continue)

- 2012 – 2015 Director of Corporate Communication, Dhanarak Asset Development Company Limited
- 2011 – 2012 Senior Specialist, Dhanarak Asset Development Company Limited
- 2009 – 2011 Director of Marketing, Dhanarak Asset Development Company Limited
- 2008 – 2009 Director of Marketing Management, Dhanarak Asset Development Company Limited
- 2007 – 2008 Director of Marketing and Business Development, Dhanarak Asset Development Company Limited

### Listed Company: Director Position

- 2016 – Present Independent Director and Audit Committee Member, Thai Plaspac Public Company Limited, Bangkok, Thailand

### Non-listed Company: Director Position

- None

### (%) Shares Possession as of December 31<sup>st</sup>, 2023

- None

### Relations among Family with other Directors and Executives

- None

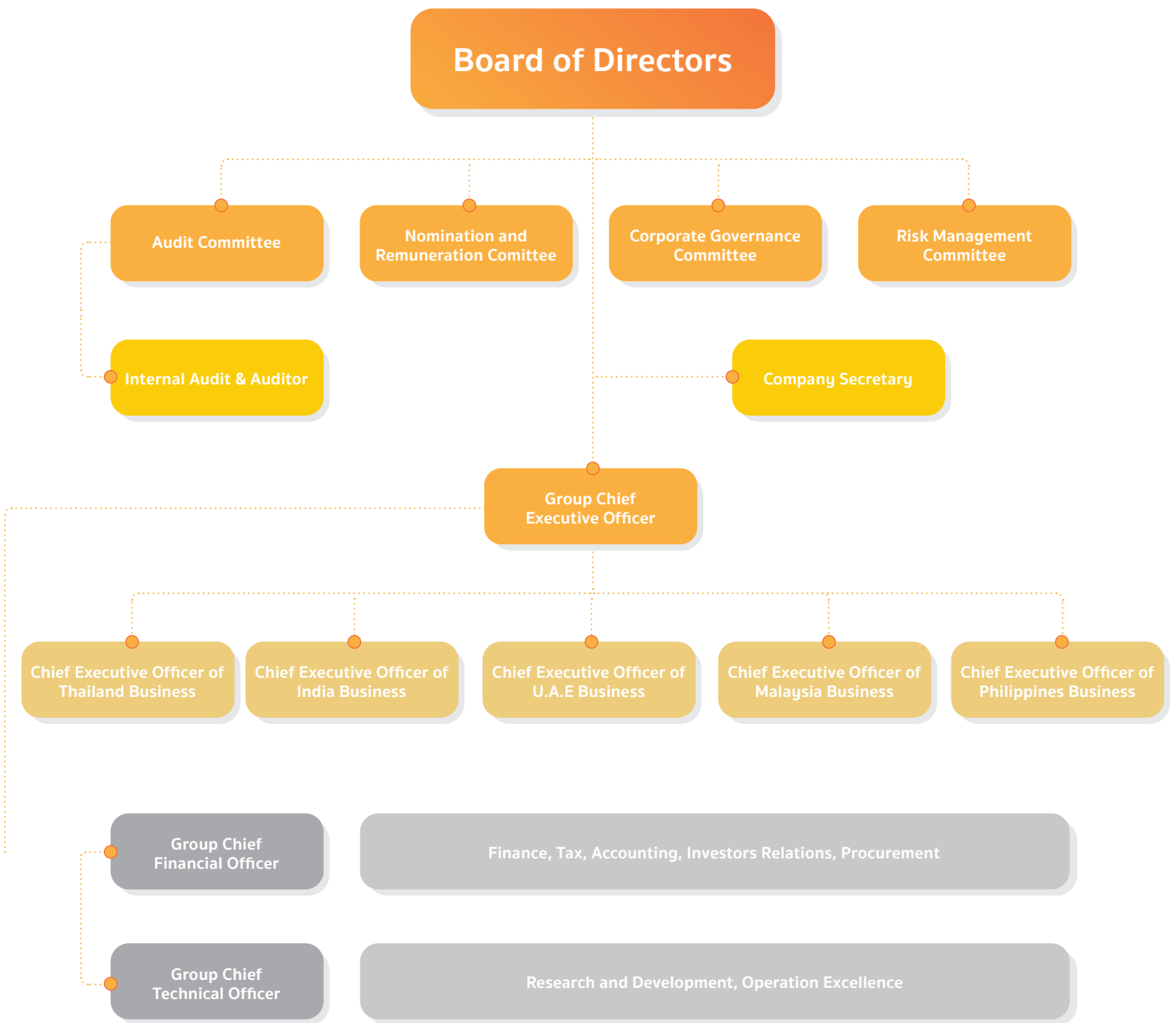




# 7. Corporate governance structure and important information concerning the Board of Directors, Sub-committees, management, employees, and others |

## 7.1 Corporate governance structure

As of 31 December 2023





## 7.2 Information about the Board of Directors

The composition of the Company’s Board of Directors

The Company’s Board of Directors currently consists of 8 members. The Board includes a non-executive chairman, 3 independent directors, 1 non-executive director, and 3 executive directors.

### Board of Directors

The list of Directors as of December 31, 2023 follows:

No.	Name of Directors	Position	Date of Registration as Directors	Number of Years in office
1	Mr. Yashovardhan Lohia	Chairman of the Board of Directors	February 25, 2022	8 Years
2	Mr. Kevin Kumar Sharma	Chairman of the Risk Management Committee Chairman of the Corporate Governance Committee Nomination and Remuneration Committee Director	April 29, 2022	8 Years
3	Mr. Theerawit Busayapoka	Director Nomination and Remuneration Committee Risk Management Committee Corporate Governance Committee	April 28, 2023	8 Years
4	Mr. Anil Kumar Kohli	Director Risk Management Committee	April 28, 2023	8 Years
5	Mrs. Aradhana Lohia Sharma	Director	April 28, 2023	8 Years
6	Mr. Virasak Sutanthavibul	Independent Director Chairman of the Audit Committee Nomination and Remuneration Committee	April 23, 2021	8 Years
7	Mr. Kittiphat Suthisamphat	Independent Director Audit Committee Nomination and Remuneration Committee	April 29, 2022	8 Years
8	Mr. Gran Chayavichitsilp	Independent Director Audit Committee Chairman of the Nomination and Remuneration Committee	April 28, 2023	8 Years



### Authorized directors on behalf of the Company

Authorized directors of the Company are Mr. Kevin Kumar Sharma, Mrs. Aradhana Lohia Sharma, or Mr. Anil Kumar Kohli jointly signed with Mr. Theerawit Busayapoka or Mr. Yashovardhan Lohia and stamped with the Company's seal.

### Role and Responsibilities of the Board

The Board of Directors has the authorized, duties, and responsibilities to manage the Company and the subsidiaries following the relevant law, the objectives, and the Company's Articles of Association as well as all legitimate resolutions of the shareholders' meetings as follows:

1. Perform their duties following the laws, Securities and Exchange Act, the Company's objectives, and the Company Articles of Association as well as the resolutions of the Board of Directors and the shareholders' meeting with the responsibilities, duty of care, duty of loyalty, and the utmost benefit of the Company and the shareholders.
2. Determine the Company's policies, business directions, vision, mission, values, and strategies.
3. Determine the Company's annual plan and budget, as well as consider and review it following the plan.
4. Determine short-term and long-term remuneration structure and welfare for the employees at all levels.
5. Appoint the management to ensure that the accounting systems, financial reports, and accounting audit are accountable, as well as ensuring that the Company has an appropriate internal audit control system.
6. Consider and approve the acquisition and disposal of an asset and investment.
7. Consider, approve, and provide an opinion on the connected transactions of the Company and its subsidiaries and ensure compliance with the relevant laws.
8. Prevent a conflict of interests among the stakeholders of the Company.
9. Establish the risk management policy and framework, to continually review and evaluate the policy and framework.
10. Evaluate the performance of the Board of Directors annually, both group evaluation and individual evaluation to use as a guideline to review their duties and responsibilities.
11. Delegate one or more directors or other persons to perform any task on behalf of the Board of Directors, However, such delegation shall not be the authorization or sub-authorization that allows the director or any designated person, who has a conflict of interests or a conflict of any kinds with the Company or its subsidiaries to approve the transactions.
12. Appoint a sub-committee to assist and monitor the management systems and the internal control to ensure compliance with the policies such as the Audit Committees, Nomination and Remuneration Committees, Risk Management Committees, and Corporate Governance Committees, and assign to the annual performance evaluation and review the duties and responsibilities in the charter of all committees.
13. Arrange a good corporate governance policy in the form of a code and adapt it efficiently to ensure the Company takes responsibility to all stakeholders on a fair basis.
14. Directors should attend the training course to improve their skills relevant to the Company business by the Company's human resource development policy.
15. Newly appointed directors should attend the orientation to guide the Company overview such as the Company's structure, Articles of Association, Objectives, Director code of ethics, directors' handbook, and the Company policies as well as the corporate governance policy.
16. Consider and alter the authorized director's signing on behalf of the Company.
17. Consider and appoint Executive and Company Secretary with the qualification as defined by the Securities and Exchange Commission or the Capital Market Supervisory Board, as well as decide the compensation of those.





**Role and Responsibilities of the Chairman of the Board**

1. To be the Leader of the Board of Directors and to be the Chairman of the Board of Directors’ Meeting.
  - 1.1 Conduct the Board Meeting in compliance with the law, the Company’s Articles of Association, and the Meeting agenda.
  - 1.2 Promote and allocate sufficient time for each Board member to discuss and share their ideas deliberately and to exercise their proper discretion for the best interest of all stakeholders.
  - 1.3 Conclude the meeting resolution and action plan to be taken after the meeting clearly and decisively.
2. Preside over the Shareholder’s meeting and conduct the meeting in compliance with the law, and the Company’s Articles of Association and follow the sequence of the agenda with proper allocation of time while providing an opportunity for shareholders to share their opinions equally and for directors and executives to respond to shareholder’s questions properly and transparently.
3. Promote the Board of Directors to be a role model in practicing good corporate governance, Anti-fraud and Anti-corruption policy, and the Company’s Code of Conduct.
4. Strengthen good relationships between Board members and the management team and support the president and his management team to carry out their duties under the Company’s policies.
5. Supervise the disclosure of information and transparent management especially when there is a conflict of interest.
6. Ensuring membership of the Board has proper structure and composition.
7. Ensuring the efficient and effective performance of the Board of Directors, each committee, and individual directors.
8. Supervise the annual performance evaluation of the Board of Directors, individual directors, the Chairman himself, and all committees to improve the effectiveness of the Board and committees and enhance the knowledge and competencies of individual Board and committee members.

**7.3 Committee**

The Board of Directors has established committees i.e. Audit Committees, Nomination and Remuneration Committees, Risk Management Committees, and Corporate Governance Committees to perform the duties of their specific affairs and propose related issues for the Board to consider or endorse. The Board has approved the charter of each committee which sets the duties and responsibilities of the committee and shall be published on the Company’s website. The details of each committee are followed.

**7.3.1 Audit Committees**

The Audit Committee is established with the objectives of providing assistant to the Board of Directors in fulfilling its oversight responsibility relating to the accuracy of the Company’s financial statement, the efficiency of internal control, and the compliance with law, regulations, and the code of conduct to promote its Good Corporate Governance. The Committee also must review the Company’s risk management and prepare the audit committee report in the annual report.

The Audit Committee comprises at least three (3) independent directors and at least one (1) member shall be financially literate or shall have a background in accounting or finance sufficiently enough to perform the duty of reviewing the accuracy of the Company’s financial statements. Chairman of the Audit Committee shall be appointed by the Board of Directors or by the voting of all members of the Audit Committee.

As of December 2023, there are three (3) members of the Audit Committee as follows.

No.	Name	Position
1.	Mr. Virasak Sutanthavibul	Chairman of the Audit Committee
2.	Mr. Kittiphat Suthisamphat	Audit Committee
3.	Mr. Gran Chayavichitsilp	Audit Committee



## Role and Responsibilities of the Audit Committees

1. To review and ensure that the Company's financial report is proper and with adequate disclosure by the generally accepted accounting standards, including the assurance that quarterly and annual financial reports are accurate, complete, and justifiable before the submission to the Board of Directors for approval.
2. To review and ensure that the Company has an appropriate and efficient internal control system and to annually assess the results of the internal control.
3. To ensure that the Company has complied with the securities laws and regulations of the SEC and the SET or other laws relating to the business of the Company.
4. To select and recommend to the Board of Directors the appointment of the external auditor and suggest remuneration for approval in the annual general meeting of the shareholders' meeting and to meet with the external auditor without participation of the management at least once a year.
5. To terminate the external auditor if there is a conflict of interest or effect on the Company.
6. To ensure a common understanding between the Board of Directors, the external auditor, and the internal auditor
7. To review and disclose related party transactions or any conflict of interests as stipulated by the corresponding regulations, the Company's Articles of Association, the Securities and Exchange Commission Act, or the notification of the SET and disclose in the annual report.
8. To prepare a report of the Audit Committee's activities as may be required in line with SET regulation.
9. To review and revise the Audit Committee charter to properly align with the Securities and Exchange Act and the SET's regulations and guidelines.
10. To consider, review, and approve the internal audit plan.
11. To ensure that the internal audit department addresses all essential business control functions, proposes solutions and opinions to the management, and monitors the execution of the proposed solutions within the provided period.
12. To report the Audit Committees' operation results to the Board of Directors.
13. To be empowered to call for opinions or attendance at the meeting or provision of any related documents, as the Audit Committee may deem relevant or necessary, from the management or any related staff.
14. To seek counsel from independent professionals from varying fields when deemed necessary at the expense of the Company.
15. To do any other functions as may be designated by the Board of Directors.
16. To evaluate the annual performance for possible improvement.



### 7.3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee was established with the objective of complying with Good Corporate Governance, the duties are mainly the consideration and determination of the remuneration package of the directors, committees, and executive management and propose for the Board of Directors before asking for the approval from the shareholders.

The Nomination and Remuneration Committee comprises at least three (3) directors and at least three (1/3) of the Nomination and Remuneration Committee must be independent directors and the Chairman must also be the independent director.

As of December 31, 2023, there are five (5) members of the Nomination and Remuneration Committee as follows.

No.	Name	Position
1.	Mr. Gran Chayavichitsilp	Chairman of the Nomination and Remuneration Committee
2.	Mr. Kittiphath Suthisamphat	Nomination and Remuneration Committee
3.	Mr. Virasak Sutanthavibul	Nomination and Remuneration Committee
4.	Mr. Kevin Kumar Sharma	Nomination and Remuneration Committee
5.	Mr. Theerawit Busayapoka	Nomination and Remuneration Committee

#### Role and Responsibilities of the Nomination and Remuneration Committee

1. To consider the succession plan for Executive and Senior executives.
2. To recruit a person who is suitable to be nominated for Chief Executive Officer, Managing Director, and top executive by following the relevant law.
  - 2.1 To define the criteria for recruitment of a person who is suitable to be nominated as Chief Executive Officer, Managing Director, or top executive.
  - 2.2 The criteria need to accord with the relevant law and requirements and the person needs to have a qualification that is relevant to the law and the requirements of the Stock Exchange of Thailand
3. The Nomination and Remuneration Committee must consider the remuneration as follows:
  - 3.1 To present the remuneration of the committee and sub-committee to the Board of Directors for approval and present to the shareholder meeting for approval.
  - 3.2 To present the remuneration of top executives to the Board of Directors for acknowledgment.
4. To consider the remuneration of the executive, apart from no.3 to the Board of Directors for approval and pass to the managing director for operation.
5. All sub-committees must make a self-assessment in both individual and group evaluation and report to the Board of Directors in order to disclose in an annual report.
6. The chairman and the sub-committee must make a self-assessment report to present it to the Board of Directors and disclose it in an annual report.
7. Making a sub-committee performance report, following the regulation of the Stock Exchange of Thailand, for disclosure in an annual report.
8. Regularly review the charter of the sub-committee in order to appropriate and relate with the Securities and Exchange and the regulation of the Stock Exchange of Thailand.
9. Reporting the performance report of the sub-committee to the Board of Directors at least 2 times per year.
10. Annually evaluate the performance report of the sub-committee for improvement process.





### 7.3.3. Risk Management Committee

Risk Management Committee is established to provide assistance to the Board of Directors in managing the risk e.g., financial risk, trading risk, and exchange rate risk by determining the risk management framework and policies as well as following the result and proposing to the Board of Director to consider and mitigate the risks.

Risk Management Committee comprises of three (3) directors and shall be appointed by the Board of Directors

As of December 31, 2023, there are three (3) members of the Risk Management Committee

No.	Name	Position
1.	Mr. Kevin Qumar Sharma	Chairman of the Risk Management Committee
2.	Mr. Theerawit Busayapoka	Risk Management Committee
3.	Mr. Anil Kumar Kohli	Risk Management Committee

#### Role and Responsibilities of the Risk Management Committee

1. To set up the risk management policy and framework to relate with the company's sustainability target and strategy between the senior executive and director.
2. To follow up on the significant risk of the organization and improve the risk management framework including the risk identification and evaluation process.
3. To evaluate and approve the appropriate risk management plan for practice throughout the organization.
4. To follow up the strategy and major practicing risk management. According to the analysis and estimation, the situation is expected to be a cause of risk and affect the company's operation and report to the director.
5. To provide the risk management advisory for the operation.
6. To create risk awareness throughout the organization by encouraging and motivating risk management to be a culture of an organization.
7. To manipulate the risk management handbook consisting of up-to-date evaluation and management standards of risk management
8. To communicate with the audit committee about the significant risk of connecting with internal control.
9. To report the company's risk and risk management to the Board of Directors at least twice a year.
10. All sub-committees have to make a self-assessment in both individual and group for evaluation and report to the Board of Directors to disclose in an annual report.
11. The chairman of the sub-committee has a duty to make a self-assessment report to present to the Board of Directors and disclose it in an annual report.
12. Making a sub-committee's performance report, followed by the regulation of the Stock Exchange of Thailand, for disclosure in an annual report.
13. To review the charter of the sub-committee in order to appropriate and relate with the Securities and Exchange and also the regulation of the Stock Exchange of Thailand
14. To report the performance report of the sub-committee to the Board of Directors at least twice a year.
15. To evaluate the performance report of the sub-committee for improvement process.



### 7.3.4. Corporate Governance Committee

The Corporate Governance Committee was established to comply with the Good Corporate Governance of the public company standard which was evaluated by the external institution and report the result and suggestion to the Board of Directors to determine the relevant policies.

The Corporate Governance Committee is comprised of the directors and the corporate secretary, a total of three (3) members, and shall be appointed by the Board of Directors.

As of December 31, 2023, there are three (3) members of the Corporate Governance Committee as follows:

No.	Name	Position
1.	Mr. Kevin Kumar Sharma	Chairman of the Corporate Governance Committee
2.	Mr. Theerawit Busayapoka	Corporate Governance Committee
3.	Mr. Khanit Soonponrai	Corporate Governance Committee

#### Role and Responsibilities of the Corporate Governance Committee

1. To set up the Corporate Governance Committee policy for the Board of Directors to approve and put into practice. Including following the policy behavior and continuously and appropriately reviewing the policy.
2. To assign an annual performance evaluation for the Chairman of the Board of Directors, committee both individually and sub-committee.
3. To build the reliability of the Corporate Governance process by having a rightful financial statement, following the law and ethics as well as having a good relationship with customers, suppliers, and stakeholders.
4. To build the reliability of the Corporate Governance process by having suitable protection and reducing conflicts of interest process to get the most beneficial for the company and shareholder.
5. All sub-committees have to make a self-assessment in both individual and groups for evaluation and report to the Board of Directors in order to disclose in an annual report.
6. The chairman of the sub-committees has to make a self-assessment report to present to the Board of Directors and disclose in an annual report.
7. To make a sub-committee performance report, following the regulation of the Stock Exchange of Thailand, for disclosure in an annual report.
8. To review the charter of the sub-committees in order to appropriate and relate with the Securities and Exchange and also the regulation of the Stock Exchange of Thailand.
9. To report the performance report of the sub-committee to the Board of Directors at least twice a year
10. To evaluate the performance report of the sub-committee annually for improvement process.

Remark: In the year 2024, the Board of Directors approved the appointment of the Governance Committee as the Sustainability and Governance Committee, expanding their role to align with the organization’s sustainable development goals in the future.



## 7.4 Executives

### 7.4.1 Executives

No.	Name	Position
1	Mr. Kevin Kumar Sharma	Group Chief Executive Officer
2	Mr. Theerawit Busayapoka	Chief Executive Officer of Thailand Business / Managing Director
3	Mr. Vishal Aggarwal	Group Chief Financial Officer
4	Mr. Peralath Jayachandran Nair	Chief Executive Officer of India Business (Subsidiary)
5	Mr. Nimit Kishore Bhatia	Chief Executive Officer of United Arab Emirates Business and Malaysia (Subsidiary)
6	Mr. Anil Kumar Kohli	Chief Technical Officer
7	Mr. Suyog Chitlange	Chief Financial Officer of India and United Arab Emirates Business
8	Mr. Khanit Thanawuthikrai*	Acting Chief Financial Officer / Assistant Vice President Accounting

#### Role and Responsibility of the Executive Committee

1. To manage the business in accordance with the objectives, goals, guidelines, policy, plan, and budget of the Company as determined and assigned by the Board of Directors.
2. To provide direction, strategy, and plan to achieve the Company's objectives.
3. To organize and provide internal structure and operational procedures of the Company for the highest efficiency.
4. Periodically review operational results to achieve company goals.
5. To look for new opportunities in business for submission to the Board of Directors for approval.
6. To review the procurement or disposal of the Company's material property and to bind upon the Company matters within the powers authorized by the Board of Directors.
7. To approve any transaction before submitting same to the Board of Directors
8. To appoint, remove, and terminate senior executives.
9. To approve the distribution of bonuses and the amount of money for annual salary increase of the staff within the annual budget of the Company.
10. To see to it that the policy on corporate governance is appropriately implemented and followed.
11. To perform any other duties as may be assigned by the Board of Directors.

The authority for all the above Executive Committee operations does not include any approvals for a person who has a conflict of interest with the Company or any associations.

#### Role and Responsibility of the Managing Director

The Managing Director is appointed by the Board of Directors who will hold office as Managing Director of the Company only so that he will have sufficient time to manage the affairs and activities of the Company in accordance with the objective of the Company and for the best benefit of the shareholders. The Managing Director is under direct command of and reports to the Chief of the Executive Committee and his performance will be evaluated by the Executive Committee annually, including fixing his remuneration. The duties and responsibilities of the Managing Director are as follows:

1. To administer, manage, and control operations concerning the general management of the Company.
2. To follow directors' policies, plans, and budgets approved by the Board of Directors and/or the Executive Committee and/or the Chief Executive Officer.
3. To hire, appoint, transfer, discharge, and lay off; determine wages, bestow awards, and adjust monthly salaries, remunerations, and bonuses of all employees except executives those requiring approval from the Executive Committee.





4. To approve or transfer the power to approve the purchasing of assets and services that are beneficial to the Company, and financial transactions involved in business operations; all within the budget provided by the Board of Directors and/or the Executive Committee.
5. To issue orders, regulations announcements, and memorandum to ensure operations align with the Company's policies and follow the code of conduct for employees and others.
6. To represent the Company in business activities and transactions that are beneficial to the Company.
7. To appoint advisors in different fields as deemed necessary for effective operations.
8. To do any other functions as may be designated by the Board of Directors and/or the Executive Committee and/or the Chief Executive Officer.
9. The authority for all of the above operations does not include any approvals of the Managing Director for a person who has a conflict of interest with the Company or any associations.

### Company Secretary

The Company Secretary is responsible as specified in Sections 89/15 and 89/16 of the Securities and Exchange Act. (No.4) B.E. 2551 which was effective on August 31, 2008, with responsibilities, care, and honesty as well as compliance with the law, the Company's objectives, Articles of Association, Board resolution, and shareholders' meeting resolution. The duties of the company secretary are as follows:

1. Prepare and maintain the following documents.
  - a. Directors' registrars.
  - b. Invitation letter and minutes of the Board of Directors' Meeting, annual report.
  - c. Shareholders' Meeting minutes and invitation letter.
2. Maintain reports of interest reported by directors or executives and submit a copy of the report of interest under Sections 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 working days from the date the company received the report.
3. Perform other tasks as announced by the Capital Market Supervisory Board.
4. Provide basic advice to directors in matters relating to securities laws and regulations as well as the regulations of the company and follow up to ensure the correct and consistent practice Including reporting significant changes to the Board of Directors.
5. Arrange shareholders' meetings and board meetings according to the law, Company regulations, and good practices.
6. Prepare the minutes of the shareholders' meeting and the minutes of the Board of Directors' meeting and follow up to ensure compliance with the resolution of the meeting.
7. Prepare and maintain the registration of directors, annual report, invitation letter to the shareholders' meeting, and notice of the Board of Directors Meeting.
8. Maintain reports of interest prepared by directors and executives and reports as required by law.
9. Ensure that the subsidiaries comply with laws and regulations.
10. Ensure the disclosure of information and information reports to regulatory agencies in compliance with laws and regulations.
11. Provide timely disclosure of information necessary to the Securities and Exchange Commission and the Stock Exchange of Thailand (Both Thai and English).
12. Assist the Board of Directors Including the initial consultation and suggestions Related to the law, regulation, corporate governance, and good practices related to the Board of Directors and sub-committees.
13. Supporting directors to ensure that directors have sufficient information and knowledge to perform their duties efficiently and report in the annual report.
14. Develop the knowledge related to performing company secretary duties

**Company Secretary information as of December 31, 2023**

Mr. Khanit Thanawuthikrai

Age 40 years

- Educations

Bachelors' Degree: Business Administration (Finance &amp; Banking), Thammasat University

- Working Experience

Thai Plaspac Public Company Limited

2018 — Present Assistance Vice President Accounting

2020 — 2022 Acting Chief Financial Accounting

Fortune Parts Industry Public Company Limited

2018 — 2018: Deputy Managing Director

EY Office Limited

2011 — 2018: Manager

**7.4.2 Compensation Policy Executive Directors and Executives**

Executive Directors The company does not have a policy to pay Directors who take Executive positions or employees of the Company.

**7.4.3 Remuneration of Directors and Executives****Monetary remuneration**

Directors Remuneration Criteria for 2022 - 2023

**Meeting Allowance**

Board of Directors	2022	2023
Chairman of the Board of Directors	THB 90,000 / quarter <sup>(1)</sup>	THB 90,000 / quarter <sup>(1)</sup>
Directors	THB 75,000 / person/quarter <sup>(1),(2)</sup>	THB 75,000 / person/quarter <sup>(1),(2)</sup>
Chairman of the Audit Committee	THB 50,000 / person /attendance	THB 50,000 / person /attendance
Audit Committee	THB 40,000 / person /attendance	THB 40,000 / person /attendance
Chairman of the Nomination and Remuneration Committee	THB 50,000 / person / attendance	THB 50,000 / person / attendance
Nomination and Remuneration Committee	THB 40,000 / person / attendance	THB 40,000 / person / attendance
Other Sub-Committees	None	None

Remark: <sup>(1)</sup> Mr. Yashovadhan Lohia, Mr. Kevin Kumar Sharma, and Mrs. Aradhana Lohia Sharma are not entitled to any meeting allowance.

<sup>(2)</sup> In 2022 and 2023, If the Board of Directors' Meeting is exceeded 6 times, the Company will pay the independent directors for THB 43,333.33 / person/attendance for the Board of Directors' Meeting no. 7<sup>th</sup> — 11<sup>th</sup>.



### Individual Directors Remuneration

Name	Number of attendance / Total number of meetings Meeting Allowance (THB)			
	BOD	AC	NR	2023
Mr. Yashovardhan Lohia	-	-	-	-
Mr. Kevin Qumar Sharma	-	-	-	-
Mr. Theerawit Busayapoka	300,000	-	-	300,000
Mr. Anil Kumar Kohli	300,000	-	-	300,000
Mrs. Aradhana Lohia Sharma	-	-	-	-
Mr. Virasak Sutanthavibul	300,000	200,000	80,000	580,000
Mr. Kittiphath Suthisamphat	300,000	160,000	80,000	540,000
Mr. Gran Chayavichitsilp	300,000	160,000	100,000	560,000
<b>Total</b>	<b>1,500,000</b>	<b>520,000</b>	<b>260,000</b>	<b>2,280,000</b>

### Directors' Remuneration in 2022 - 2023

	2022	2023
Number of Directors (Person)	8	8
Remuneration (THB Thousand)	2,260.00	2,280.00

### Non-Monetary Remuneration

- None -



## Executives Remuneration

The Nomination and Remuneration Committee considers and determines the amount and form of the remuneration of the Chairman of the Executive Committee and the Chief Executive Officer on both short-term and long-term bases and proposes the same to the Board of Directors for consideration and approval, considering key performance indicators (KPI).

Position	Key Performance	
Chairman / Chief Executive Officer	<ul style="list-style-type: none"> <li>- CEO Evaluation result</li> <li>- Shareholders' wealth</li> <li>- Corporate Governance and Sustainability</li> <li>- Financial Performance e.g. EBITDA, EPS, Earning Growth</li> <li>- Project Development</li> </ul>	
Executive Management	<ul style="list-style-type: none"> <li>- Duties, Responsibilities, and Result of the Annual Performance</li> <li>- Financial Performance e.g. EBITDA, EPS, Earning Growth</li> <li>- Stakeholders Satisfaction e.g. employees, customers, community</li> <li>- Project and performance of Environmental and Social responsibility</li> </ul>	
	2022	2023
Number of Executives (Person)	12	12
Remuneration (THB Million)	60.60	66.9

## 7.5 Information about employees

### 7.5.1 Number of Employees

As of December 31, 2022 and 2023

Department	Employees (Person) December 31, 2022	Employees (Person) December 31, 2023
1. Production	624	594
2. Logistics	104	95
3. Purchasing	4	4
4. Marketing	9	10
5. Human Resource	14	15
6. Finance, Accounting and Administrative	21	23
<b>Total</b>	<b>776</b>	<b>741</b>

### 7.5.2 Significant change of employee amount during the past 3 years

- None -



### 7.5.3 Employee Compensation

Employee compensation (excluding executives) of 2023

Unit: Million Baht

	The fiscal year ended on 31 December 2021	The fiscal year ended on 31 December 2022	The fiscal year ended on 31 December 2023
Employee compensation consists of salary, allowances, bonuses, provident fund contributions, social security fund contribution, contributions to the worker's compensation fund, and so on.	293.7	302.2	293.7

### 7.5.4 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 contributed to the fund monthly at the rate of 5% of basic salary.

Unit : Million Baht

	The fiscal year ended on 31 December 2021	The fiscal year ended on 31 December 2022	The fiscal year ended on 31 December 2023
The contributions for the year	6.3	5.7	6.2

### 7.5.5 Significant Labor Disputes Over the Past 3 Years

- None -

## 7.6 Other significant information

### 7.6.1 Report of securities holding and changes in securities holding of directors and executives

The Company has a policy to require the directors and executives of the Company, including their spouse and minor children (if any), to report their holding of the Company's securities by preparing a copy of their Report of Changes in Securities and Derivatives Holding (Form 59) to the Company Secretary to report to the Board of Directors' Meeting.

No.	Name	Number of Shares		Number of Shares Increased/ (Decreased)
		31 December 2022	31 December 2023	
<b>Directors</b>				
1.	Mr. Kevin Kumar Sharma	0	0	-
	Spouse / Minor Children	0	0	-
2.	Mr. Theerawit Busayapoka	7,560,000	7,560,000	-
	Spouse / Minor Children	0	0	-
3.	Mr. Anil Kumar Kohli	0	0	-
	Spouse / Minor Children	0	0	-
4.	Mrs. Aradhana Lohia Sharma	0	0	-
	Spouse / Minor Children	0	0	-
5.	Mr. Yashovardhan Lohia	0	0	-
	Spouse / Minor Children	0	0	-
6.	Mr. Virasak Sutanthavibul	0	0	-
	Spouse / Minor Children	0	0	-
7.	Mr. Kittiphath Suthisamphat	0	0	-
	Spouse / Minor Children	0	0	-
8.	Mr. Gran Chayavichitsilp	0	0	-
	Spouse / Minor Children	0	0	-
<b>Executives</b>				
9.	Mr. Khanit Thanawuthikrai	10,000	0	-
	Spouse / Minor Children	0	0	-





### 7.6.2 Auditors' fee

Audit fee

Audit Firm	Audit Fee (Baht)		
	2021	2022	2023
EY Officer Limited	2,790,000	3,190,000	3,290,000

\*The company does not have any person or business related to the auditor or the audit office. Both directly and indirectly

Non — Audit fee

-None -





## 8. Report on Key Performance of Corporate Governance

### 8.1 Summary of performance of the Board of Directors for the past year

#### 8.1.1 Development and Assessment of the Board of Directors' Performance

##### Nomination, Appointment of Directors and Executives

The selection of company directors, the company establishes criteria for selection and appointment, considering individuals who meet the qualifications as specified in the criteria for selection of company directors and as stipulated by the SEC and the Stock Exchange.

##### Criteria for Selection of Company Directors

In the process of selecting directors, the company has appointed a Nomination and Remuneration Committee to establish criteria for selection and evaluation, ensuring alignment with the company's operations. This is done by considering skills and expertise (Board Skill Matrix) that are lacking, aiming for a diverse board structure and senior management team. High-level executives must possess diverse skills, professions, knowledge, abilities, and experiences, including gender, age, religion, or any other constraints.

The company's board consists of 8 directors, which is an appropriate number for business operations, comprising individuals with the necessary knowledge, abilities, and experiences essential for the company's board structure. Evaluation based on the Board Skill Matrix ensures that the current composition of the board includes qualified individuals with diverse and comprehensive qualifications, without limitations based on gender, race, nationality, religion, culture, or any other constraints.

##### Appointment and Removal of Directors

The appointment and removal of directors of the Company are in accordance with the criteria and procedures as stipulated in the law and the Company's Articles of Association, which can be summarized as follows:

1. In every Annual General Meeting of Shareholders, at least one-third (1/3) of the directors shall retire by rotation. If the number of directors who must retire by rotation is not divisible by three, the number of directors closest to one-third (1/3) of all directors shall retire. The directors who retire by rotation are eligible for re-election;
2. The election of the directors at the shareholders' meeting shall be in accordance with the following rules and procedures:
  - Each shareholder shall have one vote for one share;
  - Each shareholder shall use all of his or her votes to elect one or several persons as the director(s). However, he or she may not divide his or her votes among the candidates;
  - The candidates who receive the most votes in descending order will be elected as the director(s) up to the number of the directors required to be elected at such meeting. If the candidates have equal votes and their election exceeds the number of directors required to be elected at such a meeting, the Chairman of the meeting shall have a casting vote.
3. Apart from retirement by rotation, the directors shall cease to hold office upon death, resignation, lack of qualifications, or possession of prohibited characteristics according to the Public Limited Companies Act B.E. 2535 (1992) (as amended), removal by a resolution of the shareholders' meeting, or removal by a court's order.
4. In case of a vacancy in the membership of the Board of Directors for reasons other than retirement by rotation, the Board of Directors shall pass a resolution by affirmative votes of not less than three-quarters (3/4) of the number of the directors remaining in office to elect a person who has the qualifications and possesses no prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) (as amended) as a substitute director at the next meeting of the Board of Directors, unless the remaining term of office of the said director is less than two months; and



5. The shareholders' meeting may pass a resolution to remove any director from his/her office before the expiration of his/her term by affirmative votes of not less than three-quarters (3/4) of the number of the shareholders attending the meeting, having the right to vote, and holding shares not less than one-half (1/2) of the total number of shares held by the shareholders attending the meeting and having the right to vote.

#### Qualifications of Directors

1. Must possess qualifications and must not have any prohibited characteristics under the public limited companies' law, securities, and exchange law, rules and regulations of the Company and the relevant supervisory agencies, and the Company's good corporate governance. In case of nomination of an independent director, such nominated person shall possess the qualifications as specified in the Company's Definition of Independent Director. In case of nomination of a member of the Audit Committee, such nominated person shall possess additional qualifications in accordance with the laws;
2. Must have knowledge, capability, skills, experience, and diversified expertise beneficial to the Company's businesses;
3. Must be independent, perform the director's duty with due care, be honest, be mentally and physically healthy, and be able to fully commit to work for the Company; and
4. Must have a good work profile and must not engage in a business or be a partner in a general partnership or be a partner having unlimited liability in a limited partnership or a director in other private or public company which carries on businesses of the same nature as and in competition with the Company's businesses, except the shareholders' meeting is advised before a resolution is passed to elect such person and other relevant laws are complied with.

#### Qualifications of Independent Directors

1. Holding no more than 0.9% of total voting shares including the shareholding of persons related to the independent directors.
2. Not currently be or never been the Company's executive director, worker, employee, salaried consultant, or controlling parties. Exception: It has been at least two years after the person has held the position.
3. Not by blood or legally registered with other directors, executives, major shareholders, controlling parties, or persons who will be nominated as directors, executives, or controlling parties of the company or subsidiary.
4. Not currently having or never had any relations with the company in the way that such relation may impede the person from having independent views. Also, the person should not currently be or never be a significant shareholder or controlling person for persons having business relations with the company. Exception: It has been at least two years after the person has held the position.
5. Not currently being or never been the company's auditor. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current auditor's auditing firm. Exception: It has been at least two years after the person has held the position.
6. Not currently be providing or never provided professional services, legal consulting, nor financial consulting services to the company with a fee more than THB 2 million per year. Also, the person should not currently be or never be a significant shareholder, controlling person, or partners of current service providers. Exception: It has been at least two years after the person has held the position.
7. Not currently a director appointed to represent the company's directors, major shareholders, or the shareholder related to major shareholder.
8. Not currently be operating under similar business nature and significant competition to the company or subsidiary; or not a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the company and subsidiary.
9. Not under any conditions that may impede the person from having independent views towards the company's operations.



**Position holding of the Independent Directors.**

The tenure of an independent director of the Company should not exceed a cumulative term of 9 years from the first day of service.

**Qualification of Audit Committee**

1. Having been appointed by the board of directors or shareholders' meeting to act as Audit
2. Qualified for an independent director.
3. Not currently the director authorized by the board to make administrative decisions of the company, parent company, subsidiary, same-level subsidiary, major shareholders, or controlling persons.
4. Not currently the director of the parent company, subsidiary, or same-level subsidiary of listed companies only.
5. Having sufficient knowledge and experience to perform the duty of an audit committee. There must be at least one audit committee member, who is sufficiently knowledgeable and experienced to review the reliability of financial statements.

**Knowledge and Expertise of the Company's Board of Directors (Board Skill Matrix)**

The company's board of directors comprises members with knowledge and expertise in various areas, encompassing and aligning with the organization's goals and strategies. In summary, as follows:

Director (person)	Skills, experience, and expertise
2	Account
2	Finance
5	Budgeting
6	Economics
4	Auditing
4	Marketing
8	Data Analysis
5	Packaging
6	Engineering
1	Law
3	Petroleum and Chemical
3	Industrial Material and Machinery
8	Leadership
7	Negotiation
7	Social Responsibility
8	Corporate Management
8	Strategy Management
7	Risk Management
8	Sustainability
3	Energy and Utility



## The Performance Evaluation of the Board of Directors of the Company

In the year 2023, the Company was established to assess the Board of Director's job performance.

### The evaluation process

The company secretary distributes performance assessment forms to each director for both collective and individual assessments. Following the receipt of the evaluation results from the directors, the company secretary compiled the scores and presented a summary report at the Board meeting. Subsequently, the Board of Directors reviewed the results and determined measures for enhancing the overall effectiveness of the Board in the upcoming period.

### The criteria for performance evaluation

Performance evaluations of the Board of Directors at the Company are developed in accordance with the guidelines of the Stock Exchange of Thailand. These criteria are adapted to suit the organization's characteristics and structure.

### The evaluation form consists of the following categories:

Self-assessment of the Board of Directors as a whole consists of 6 categories as follows:

1. Board structure and qualifications
2. Roles, duties, and responsibilities of the board
3. The board meeting
4. Duties of directors
5. Relationship with management
6. Director's self-improvement and management training Self-assessment of the Board of Directors members on an individual basis
  1. Board structure and qualifications.
  2. Board meetings.
  3. Roles, duties, and responsibilities of the director.

The scoring system uses a scale from 0 to 4, with 0 indicating disagreement or no action taken in that area, and 4 indicating strong agreement or excellent performance. The scores are then aggregated for overall assessment, with the following criteria:

- Equal to or greater than 90% = Outstanding
- Equal to or greater than 80% = Excellent
- Equal to or greater than 70% = Good
- Equal to or greater than 60% = Satisfactory
- Less than 60% = Needs Improvement

## The results of the Board's performance evaluation

Evaluation categories	Average Score (Percent)	Criteria
<b>Self-assessment of the Board of Directors as a whole</b>	<b>94.24</b>	<b>Outstanding</b>
• Board structure and qualifications	97.99	Outstanding
• Roles, duties, and responsibilities of the board	96.14	Outstanding
• The board meeting	96.02	Outstanding
• Duties of directors	99.11	Outstanding
• Relationship with management	99.38	Outstanding
• Director's self-improvement and management training	94.79	Outstanding
<b>Individual Self-assessment of the Board of Directors member</b>	<b>99.22</b>	<b>Outstanding</b>

The evaluation results of the Board of Directors of the Company's performance, particularly in areas where scores are below 90%, have been carefully examined to identify causes, establish guidelines, and devise improvement plans for ongoing development.

### 8.1.2 Meeting Attendance and Remuneration for Individual Directors

#### Board of Directors meeting

No.	Name	Board of Directors meeting (6 TIMES)
1	Mr. Yashovardhan Lohia	5/6
2	Mr. Kevin Qumar Sharma	6/6
3	Mr. Theerawit Busayapoka	6/6
4	Mr. Anil Kumar Kohli	6/6
5	Mrs. Aradhana Lohia Sharma	6/6
6	Mr. Virasak Sutanthavibul	6/6
7	Mr. Kittiphat Suthisamphat	6/6
8	Mr. Gran Chayavichitsilp	6/6
<b>Average of the Meeting attendance</b>		<b>97.92</b>

In 2023, The Company convened a total of 6 Board of Directors' Meetings. There was 97.92% of the directors attended the Meetings. The Corporate Governance Policy of the Company encourages each director to attend at least 75% of the total number of meetings.





## 8.2 Summary of the performance of duties of the sub-committee

### 8.2.1 Sub-committee meeting

No.	Name	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Risk Management Committee
		(4 TIMES)	(2 TIMES)		
1	Mr. Yashovardhan Lohia	-	-	-	-
2	Mr. Kevin Qumar Sharma	-	2/2	-	-
3	Mr. Theerawit Busayapoka	-	2/2	-	-
4	Mr. Anil Kumar Kohli	-	-	-	-
5	Mrs. Aradhana Lohia Sharma	-	-	-	-
6	Mr. Virasak Sutanthavibul	4/4	2/2	-	-
7	Mr. Kittiphat Suthisamphat	4/4	2/2	-	-
8	Mr. Gran Chayavichitsilp	4/4	2/2	-	-
9	Mr. Khanit Thanawuthikrai	-	-	-	-
<b>Average of the Meeting attendance</b>		<b>100</b>	<b>100</b>	<b>-</b>	<b>-</b>

## 8.2.2 Report on the performance of Sub-committees assigned by the Board of Directors

### 8.2.2.1 Report of Audit of Committee

Dear, All Stakeholders

The Audit Committees of Thai Plaspac Public Company Limited (“TPAC”) consist of 3 independent directors, namely Mr. Virasak Sutanthavibul as the Chairman of the Audit Committee, Mr. Kittiphat Suthisamphat as the Member of the Audit Committee, and Mr. Gran Chayavichitsilp as the Member of the Audit Committee. The Audit Committee is appointed by the Board of Directors. The Audit Committee oversees the company’s compliance with the principle of good corporate governance to ensure integrity and confidence in the investors, its shareholders, and all the stakeholders.

In 2023, the Audit Committee conducted 5 meetings which all the Meetings have been conducted following the Audit Committee’s charter and reported the result of the Meeting to the Board of Directors. The Audit Committee has performed the duties during the year 2023 as summarized below:

1. Reviewed the Company’s financial reports, including quarterly and annual financial statements concerning their accuracy and adequacy of disclosure. The Audit Committee had Meetings with the Company’s Auditor and found no causes to believe that such a financial report was not accurate as referred by the Thai Financial Reporting Standard.
2. Reviewed and ensured that the Company has an appropriate and efficient internal control system and also management to monitor Anti-Fraud and Corruption. The Audit Committee has Meetings with the Internal auditor from the external firm and discusses the inappropriateness internal system that was found.
3. Reviewed the connected transactions or the transaction that may lead to a conflict of interest between the company and related person(s) or related company(ies) and determined whether the business transactions were in accordance with the market practice. The Company’s auditors have expressed opinions on such transactions and disclosed them in the financial statements and notes to the financial statement. The Audit Committee agreed with the auditor on a disclosure.
4. Considered and appointed the Company’s auditor and approved the auditor’s fee. The Audit Committee has proposed the Board of Directors appoint EY Office Limited as the Company’s Auditor for the fiscal year ending December 31st based on any of the following certified auditors: Mr. Chayapol Supasetanon, Miss Orawan Techawatanasirikul, Mrs. Ginkarn Atsawarangsalit, Miss Pimjai Manitkajohnkit, Miss Rosaporn Decharkom, Miss Sumana Punpongsanon, Miss Kirdsiri Kanjanaprakasit, the audit fee should not exceed THB 3.29 million. Such appointment and audit fees were approved by the Board of Directors and the Annual General Meeting of Shareholders of the Company.

Moreover, the Audit Committee has reviewed the rules and regulations of the company to be in line with the Good Corporate Governance practice.

No.	Name	Position	Number of attendances
1.	Mr. Virasak Sutanthavibul	Chairman of the Audit Committee	4/4
2.	Mr. Kittiphat Suthisamphat	Audit Committee	4/4
3.	Mr. Gran Chayavichitsilp	Audit Committee	4/4

**Mr. Virasak Suthunthavibul**

**Chairman of the Audit Committee**



### 8.2.2.2 Nomination and Remuneration Committee Report

Dear, All Stakeholders

The Nomination and Remuneration Committee of Thai Plaspac Public Company Limited consists of 5 directors, divided into three independent directors and two executive directors, namely Mr. Gran Chayavichitsilp as the Chairman of the Nomination and Remuneration Committee, and Mr. Virasak Sutanthavibul, Mr. Kittiphat Suthisamphat, Mr. Kevin Kumar Sharma, and Mr. Theerawit Busayapoka as the members of the Nomination and Remuneration Committee. The Board of Directors has appointed the Nomination and Remuneration Committee to support the performance of the Board of Directors on the nomination of directors and senior executive, determination of the remuneration of directors, the Chief Executive Officer, as well as preparing the director development plan to provide the director the knowledge. All of this is to assure the shareholders that the persons who hold the directorship position possess the qualifications in accordance with the laws, and have the knowledge, capability, and efficiency to work for the utmost benefit of the Company and the shareholders.

In 2023, the Nomination and Remuneration Committees held a total of two meetings which were in line with the Nomination and Remuneration Committees' charter and the good Corporate Governance principle, the resolutions of the meeting were regularly reported to the Board of Directors for their acknowledgment. In regards, the activities of the Nomination and Remuneration Committee in 2023 can be summarized as follows.

1. Considered the qualification of the directors who would retire by rotation at the Annual General Meeting of shareholders by considering the qualification according to the laws and other criteria of the Company, as well as knowledge, capability, experience, and skill would be beneficial to the Company's operations, and nominated those persons to the Board of Directors in order to propose the name to the Annual General Meeting of Shareholders to consider and the re-election of such persons as directors of the Company for another term of office.
2. Provided the shareholders an opportunity to nominate candidates to be elected as directors of the Company for the 2023 Annual General Meeting of Shareholders in order to promote the practice of good corporate governance principles on the rights of shareholders.
3. Considered and determined the remuneration of the directors by taking into account the Company's operating results, and the responsibilities of the directors, as well as other details, and proposed the same to the Board of Directors and the Annual General Meeting of shareholders for consideration and approval.
4. Considered and reviewed the qualification of directors and Independent directors of the company in accordance with the Stock Exchange Commission and Stock Exchange of Thailand regulation.
5. Considered and reviewed the Nomination and Remuneration Committees' Charter to be in accordance with the Corporate Governance and proposed the same to the Board of Directors for consideration and approval.
6. Evaluated the performance of the Nomination and Remuneration Committee for the year and viewed that was completed their duty as assigned and reported such evaluation results to the Board of Directors.
7. Evaluated the performance of the Chief Executive Officer for the year, and determined the amount and form of remuneration, both short term and long term, of the Chief Executive Officer by taking into account the indicators as well as the performance evaluation result and key success, and the CEO self-assessment form, which was completed by the directors, and proposed the same to the Board of Directors for consideration and approval.
8. Prepared this Nomination and Remuneration Committee report and disclosed the same in the Annual Report 2023.

No.	Name	Position	Number of attendances
1.	Mr. Gran Chayavichitsilp	Chairman of the Nomination and Remuneration Committee	2/2
2.	Mr. Kittiphat Suthisamphat	Nomination and Remuneration Committee	2/2
3.	Mr. Virasak Sutanthavibul	Nomination and Remuneration Committee	2/2
4.	Mr. Kevin Kumar Sharma	Nomination and Remuneration Committee	2/2
5.	Mr. Theerawit Busayapoka	Nomination and Remuneration Committee	2/2

**Mr. Gran Chayavichitsilp**

**Chairman of the Nomination and Remuneration Committee**



## The Performance Evaluation of the Sub - committee of the Company

In the year 2023, the Company was established to assess the sub-committee's job performance.

The evaluation process

The company secretary distributes performance assessment forms to each sub-committee member for both collective and individual assessments. Following the receipt of the evaluation results from the sub-committee, the company secretary compiled the scores and presented a summary report at the Board meeting. Subsequently, the Board of Directors reviewed the results and determined measures for enhancing the overall effectiveness of the sub-committee in the upcoming period.

### The criteria for performance evaluation

Performance evaluations of the committee at the Company are developed in accordance with the guidelines of the Stock Exchange of Thailand. These criteria are adapted to suit the organization's characteristics and structure.

The evaluation form consists of the following categories:

Self-assessment of the Sub - committee members on an individual basis

1. Committee structure and qualifications
2. Committee meetings
3. Roles, duties, and responsibilities of the committee members

The scoring system uses a scale from 0 to 4, with 0 indicating disagreement or no action taken in that area, and 4 indicating strong agreement or excellent performance. The scores are then aggregated for overall assessment, with the following criteria:

- Equal to or greater than 90% = Outstanding
- Equal to or greater than 80% = Excellent
- Equal to or greater than 70% = Good
- Equal to or greater than 60% = Satisfactory
- Less than 60% = Needs Improvement

The results of the Sub - committees' performance evaluation

Evaluation categories	Average Score (Percent)	Criteria
<b>Individual Self-assessment of the Sub - committee member</b>		
• Audit Committee	95.56	Outstanding
• Nomination and Remuneration Committee	95.25	Outstanding

The evaluation results of the sub-committees of the Company's performance, particularly in areas where scores are below 90%, have been carefully examined to identify causes, establish guidelines, and devise improvement plans for ongoing development.



## 9. Internal control and related party transactions

### 9.1 Internal control

Internal control is a continuous process and is valuable for effective and efficient business operations at Thai Plaspac Public Company Limited.

The Board of Directors has assigned the audit committee to review the adequacy of the internal control systems to ensure accurate and credible reporting from the consistent accounting system in compliance with the financial reporting standards and in line with the rules and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Board of Directors and the Audit Committee believe that the internal control system is adequate and suitable for its business operations. Written responsibilities, authority manuals, and management controls have been adopted to create transparency for the utilization of the Company's resources, to prevent damage, and to ensure smooth operations of the Company. The duties of staff, controllers, and managers have been established and segregated to ensure that proper verification, monitoring, and checks and balances are in place.

The Company has an external internal auditor to verify the internal control process. The audit committee appointed Deloitte Touche Tohmatsu Jaiyos Advisory Company Limited as an internal auditor. The internal auditor assesses entity level and function level control environment, risk assessment, control activities, information and communication, and monitoring activities with an objective of effective operations, reporting, and compliance. The internal auditor reports to the audit committee quarterly.

### 9.2 Related party transactions (If any)

#### Related party transactions with persons who may have conflicts

Related party transactions are transactions arising from normal business operations where the pricing will be the market price or in accordance with the general trade conditions which can be compared to the conditions given to third parties (Fair and at arm's length) which may be the price charged by the customer or the price offered with supplier (Suppliers) and is a condition that is comparable and reasonable. In addition, the Company has charged the management fee from the subsidiaries which the charged structure has been studied with Deloitte Touche Tohmatsu Limited to charge at the market rate. The related transactions during January 1st, 2023, to December 31<sup>st</sup>, 2023, can be summarized as follows:



Related Companies/ Relationships	Types of Transaction	Amount (Million Baht)	
		2022	2023
<b>Indorama Polymers Public Company Limited</b> • Shareholders and directors are related to the Company's shareholders and management	Purchase Raw Materials	15.31	12.88
<b>Indorama Petrochem Company Limited</b> • Shareholders and directors are related to the Company's shareholders and management	Purchase Raw Materials	45.74	43.55
<b>TPAC Packaging (Bangna) Company Limited</b> • TPAC's Subsidiary	Purchase Raw Materials/	36.48	40.56
	Products/ Services	124.31	132.24
	Management fee received	5.79	7.38
	Dividend Income	0.82	1.88
<b>TPAC Packaging India Private Limited</b> • TPAC's Subsidiary	Purchase Raw Materials/	1.50	3.32
	Products/ Services	13.74	16.39
	Management fee received	2.31	2.19
	Dividend Income	-	-
<b>Sun Packaging Systems (FZC)</b> • TPAC's Subsidiary	Purchase Raw Materials/	0.04	-
	Products/ Services	9.62	7.00
	Management fee received	108.06	137.68
	Dividend Income	-	-
<b>Combi-Pack Sdn Bhd</b> • TPAC's Subsidiary	Purchase Raw Materials/	-	-
	Products/ Services	5.64	5.58
	Management fee received	-	254.30
	Dividend Income	-	-
<b>TPAC Packaging Philippines INC</b> • TPAC's Subsidiary	Management fee received	-	2.34
<b>Related Person</b> • Director, executive officer, and related persons with director and executive officer	Dividend Payment	33.14	69.62





### **Opinion of the Audit Committee on related transactions**

The above-connected transactions have been considered and approved by the Audit Committee and reported to the Board of Directors for acknowledgment that such transactions are reasonable and necessary for the company's business. By entering the transaction, the company has considered the benefits of the company as important without transferring benefits between Thai Plaspac Public Company Limited and persons who may have conflicting interests.

### **Policies and procedures for approving related transactions**

In the case of a related transaction between Thai Plaspac Public Company Limited with persons who may have a conflict of interest or stakeholders. The Audit Committee will consider and comment on the need to enter the transaction. The terms and conditions of the related transaction must be in accordance with the market price. If there is no market price The Audit Committee will consider using the appropriate price is beneficial to the company. Suppose the Audit Committee does not have expertise in considering the related transactions that occur. In that case, Thai Plaspac Public Company Limited will arrange for an independent expert to provide opinions on such related transactions to be used for the decision-making of the Audit Committee or shareholders. The directors who have conflicts of interest will not attend the meeting and will not exercise their voting rights to approve the related transaction and will disclose the related transactions.

### **Policy on future related transactions**

In the case of a new related transaction, each unit of the company must inform the details of the expected transaction, such as the value of the transaction, price, conditions, and reasons for having related transactions. By notifying the Secretary of the Audit Committee in order to have a preliminary check that the item is under conditions that must be approved by the management, Audit Committee, Board of Directors, or the shareholder of the company or not. However, the company will comply with the Securities Act, regulations, notifications, orders, and requirements of the Capital Market Supervisory Board, the SEC, and the Stock Exchange of Thailand as well as in accordance with the regulations of Thai Plaspac Public Company Limited that the Internal Audit Department must review all related transactions.



PART 03

# FINANCIAL STATEMENTS

ANNUAL REPORT 2023  
THAI PLASPAC PUBLIC COMPANY LIMITED





# Independent Auditor's Report |

To the Shareholders of Thai Plaspac Public Company Limited

## Opinion

I have audited the accompanying consolidated financial statements of Thai Plaspac 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 comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Thai Plaspac 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 Thai Plaspac Public Company Limited and its subsidiaries and of Thai Plaspac 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 matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to 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 matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

## Goodwill

As described in Note 15 to consolidated financial statements, goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. I have focused my audit on the consideration of impairment of goodwill because the assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgement in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate.

I assessed the identification of cash generating units and the financial models selected by management by gaining an understanding and assessing the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets and discount rate. I inquired responsible executives and evaluated through analysis with the Group's information and of the related companies in industry. I tested the key assumptions applied by the management in preparing estimates of the cash flows expected to be realised from the group of assets. I also compared past cash flow projections to actual operating results in order to evaluate the exercise of management judgment in estimating the cash flow projections, and tested the calculation of the expected recoverable value of the assets according to the financial model.



## Other Information

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

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

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

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

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

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

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

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



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

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

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

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





- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

Chayapol Suppasathanon  
 Certified Public Accountant (Thailand) No. 3972

EY Office Limited  
 Bangkok: 23 February 2024



## Thai Plaspac Public Company Limited and its subsidiaries

**Statement of financial position**

For the year ended 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	183,069,968	287,096,778	50,273,668	14,870,459
Trade and other receivables	6, 9	1,430,336,365	1,372,845,057	440,851,219	463,699,104
Short-term loans to related parties	6	-	-	38,135,620	66,600,000
Inventories	10	592,665,153	535,860,213	142,297,707	142,283,633
Advance payment for purchasing of raw materials		23,334,598	52,113,175	-	-
Other current financial assets	8	287,557	13,295,797	-	-
Other current assets	11	107,895,025	100,302,676	50,175,161	39,187,439
<b>Total current assets</b>		<b>2,337,588,666</b>	<b>2,361,513,696</b>	<b>721,733,375</b>	<b>726,640,635</b>
<b>Non-current assets</b>					
Restricted bank deposits	12	18,432,406	17,254,387	-	-
Other non-current financial assets	8	2,751,759	2,790,611	-	-
Investments in subsidiaries	13	-	-	3,724,083,334	3,631,150,254
Property, plant and equipment	14	2,583,876,269	2,342,027,171	331,865,618	378,110,788
Right-of-use assets	23	194,244,838	173,756,737	7,603,631	4,385,648
Goodwill	15	1,619,288,338	1,679,993,446	-	-
Intangible assets	16	520,230,001	614,174,576	2,490,341	3,453,393
Deferred tax assets	29	9,968,329	9,266,671	9,968,329	9,266,671
Withholding tax deducted at source	17	70,356,926	70,356,926	70,356,926	70,356,926
Advance payment for purchasing of molds		45,003,087	42,199,955	43,925,567	36,618,321
Assets associated with call options granted by holders of non-controlling interests	24	2,136,766	4,273,533	2,136,766	4,273,533
Other non-current assets		80,243,775	86,752,671	10,143,406	23,812,217
<b>Total non-current assets</b>		<b>5,146,532,494</b>	<b>5,042,846,684</b>	<b>4,202,573,918</b>	<b>4,161,427,751</b>
<b>Total assets</b>		<b>7,484,121,160</b>	<b>7,404,360,380</b>	<b>4,924,307,293</b>	<b>4,888,068,386</b>

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



## Thai Plaspac Public Company Limited and its subsidiaries

# Statement of financial position (continued)

For the year ended 31 December 2023

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdraft and short-term loans from banks	18	1,060,715,604	992,407,705	859,000,000	859,002,900
Trade and other payables	6, 19	589,067,083	602,425,879	234,304,262	257,134,733
Current portion of long-term loans from banks	21	381,313,260	372,981,736	249,718,655	275,080,830
Current portion of lease liabilities	23	18,785,158	11,745,730	3,727,994	1,714,842
Income tax payable		33,601,998	26,942,370	6,950,367	10,317,296
Other current financial liabilities		54,027,822	772	-	772
Other current liabilities	20	68,628,218	55,920,033	32,732,074	21,536,632
<b>Total current liabilities</b>		<b>2,206,139,143</b>	<b>2,062,424,225</b>	<b>1,386,433,352</b>	<b>1,424,788,005</b>
<b>Non-current liabilities</b>					
Long-term loans from banks, net of current portion	21	1,456,697,866	1,724,616,308	968,754,118	1,269,773,212
Lease liabilities, net of current portion	23	191,612,027	173,761,414	4,103,521	2,811,226
Liabilities associated with put options granted to holders of non-controlling interests	24	412,523,109	340,563,607	292,988,937	292,988,937
Deferred tax liabilities	29	331,972,369	363,191,956	-	-
Provision for long-term employee benefits	25	79,804,952	73,538,024	47,317,764	43,928,500
Other non-current financial liabilities		42,883,216	89,756,171	-	-
<b>Total non-current liabilities</b>		<b>2,515,493,539</b>	<b>2,765,427,480</b>	<b>1,313,164,340</b>	<b>1,609,501,875</b>
<b>Total liabilities</b>		<b>4,721,632,682</b>	<b>4,827,851,705</b>	<b>2,699,597,692</b>	<b>3,034,289,880</b>

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



## Thai Plaspac Public Company Limited and its subsidiaries

# Statement of financial position (continued)

For the year ended 31 December 2023

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
Note		2023	2022	2023	2022
<b>Shareholders' equity</b>					
Share capital					
Registered					
	326,550,000 ordinary shares of Baht 1 each	326,550,000	326,550,000	326,550,000	326,550,000
Issued and paid-up					
	326,549,999 ordinary shares of Baht 1 each	326,549,999	326,549,999	326,549,999	326,549,999
	Premium on ordinary shares	1,026,968,920	1,026,968,920	1,026,968,920	1,026,968,920
	Excess from change in ownership interest in the subsidiary	20,034,929	20,034,929	-	-
Retained earnings					
	Appropriated - statutory reserve	26	32,655,000	32,655,000	32,655,000
	Unappropriated	1,237,774,914	914,670,095	838,535,682	467,604,587
	Other components of shareholders' equity	(204,549,035)	(110,959,041)	-	-
	Equity attributable to owners of the Company	2,439,434,727	2,209,919,902	2,224,709,601	1,853,778,506
	Non-controlling interests of the subsidiaries	323,053,751	366,588,773	-	-
	<b>Total shareholders' equity</b>	<b>2,762,488,478</b>	<b>2,576,508,675</b>	<b>2,224,709,601</b>	<b>1,853,778,506</b>
	<b>Total liabilities and shareholders' equity</b>	<b>7,484,121,160</b>	<b>7,404,360,380</b>	<b>4,924,307,293</b>	<b>4,888,068,386</b>

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






## Thai Plaspac 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 or loss:</b>					
<b>Revenues</b>					
Sales	6	6,804,120,420	6,997,215,737	1,689,082,104	1,856,995,088
Dividend income	6, 13	-	-	391,972,772	108,059,350
Other income	6	89,232,042	77,080,449	62,218,591	68,967,421
Gain on exchange		5,447,898	21,867,393	146,312	5,278,896
<b>Total revenues</b>		<b>6,898,800,360</b>	<b>7,096,163,579</b>	<b>2,143,419,779</b>	<b>2,039,300,755</b>
<b>Expenses</b>					
Cost of sales	6	5,343,590,376	5,840,762,702	1,345,759,620	1,568,140,202
Selling and distribution expenses		265,948,290	222,878,468	43,866,665	40,572,949
Administrative expenses	6	466,483,778	446,128,746	179,365,208	172,087,788
Impairment loss on investment in subsidiary	13	-	-	-	77,600,000
<b>Total expenses</b>		<b>6,076,022,444</b>	<b>6,509,769,916</b>	<b>1,568,991,493</b>	<b>1,858,400,939</b>
<b>Operating profit</b>		<b>822,777,916</b>	<b>586,393,663</b>	<b>574,428,286</b>	<b>180,899,816</b>
Finance cost	27	(171,926,358)	(160,850,289)	(98,596,873)	(76,728,664)
<b>Profit before income tax expenses</b>		<b>650,851,558</b>	<b>425,543,374</b>	<b>475,831,413</b>	<b>104,171,152</b>
Income tax expenses	29	(108,874,751)	(75,215,299)	(9,221,168)	(9,352,498)
<b>Profit for the year</b>		<b>541,976,807</b>	<b>350,328,075</b>	<b>466,610,245</b>	<b>94,818,654</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currency		(108,313,427)	(161,535,543)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(108,313,427)	(161,535,543)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain	25	488,574	14,006,862	-	8,711,381
Less: Income tax effect	29	56,606	(1,828,257)	-	(1,742,276)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		545,180	12,178,605	-	6,969,105
<b>Other comprehensive income for the year</b>		<b>(107,768,247)</b>	<b>(149,356,938)</b>	<b>-</b>	<b>6,969,105</b>
<b>Total comprehensive income for the year</b>		<b>434,208,560</b>	<b>200,971,137</b>	<b>466,610,245</b>	<b>101,787,759</b>

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



Thai Plaspac Public Company Limited and its subsidiaries  
**Statement of comprehensive income (continued)**  
 For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Profit attributable to:</b>					
Equity holders of the Company		490,203,233	318,839,970	466,610,245	94,818,654
Non-controlling interests of the subsidiaries		51,773,574	31,488,105		
		<u>541,976,807</u>	<u>350,328,075</u>		
		-	-		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		397,153,477	173,649,905	466,610,245	101,787,759
Non-controlling interests of the subsidiaries		37,055,083	27,321,232		
		<u>434,208,560</u>	<u>200,971,137</u>		
		-	-		
<b>Earnings per share</b>					
30					
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>1.50</u>	<u>0.98</u>	<u>1.43</u>	<u>0.29</u>

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



# Thai Plaspac Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

### For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements										(Unit: Baht)
	Equity holders of the Company					Other components					
	Issued and paid-up share capital	Premium on ordinary shares	Excess from change in ownership interest in the subsidiary	Retained earnings Appropriated - Statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total		
<b>Balance as at 1 January 2022</b>	326,549,999	1,026,968,920	20,034,929	32,655,000	680,963,828	46,160,074	2,133,332,750	350,420,191	2,483,752,941		
Profit for the year	-	-	-	-	318,839,970	-	318,839,970	31,488,105	350,328,075		
Other comprehensive income for the year	-	-	-	-	11,929,050	(157,119,115)	(145,190,065)	(4,166,873)	(149,356,938)		
Total comprehensive income for the year	-	-	-	-	330,769,020	(157,119,115)	173,649,905	27,321,232	200,971,137		
Dividend paid	-	-	-	-	(46,043,550)	-	(46,043,550)	-	(46,043,550)		
Increase in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	2,203,000	2,203,000		
Subsidiary paid dividend to non-controlling interests of the subsidiary	-	-	-	-	-	-	-	(13,355,650)	(13,355,650)		
Increase in liabilities associated with put options granted to non-controlling interests of the subsidiaries	-	-	-	-	(51,019,203)	-	(51,019,203)	-	(51,019,203)		
<b>Balance as at 31 December 2022</b>	326,549,999	1,026,968,920	20,034,929	32,655,000	914,670,095	(110,959,041)	2,209,919,902	366,588,773	2,576,508,675		
<b>Balance as at 1 January 2023</b>	326,549,999	1,026,968,920	20,034,929	32,655,000	914,670,095	(110,959,041)	2,209,919,902	366,588,773	2,576,508,675		
Profit for the year	-	-	-	-	490,203,233	-	490,203,233	51,773,574	541,976,807		
Other comprehensive income for the year	-	-	-	-	540,238	(93,589,994)	(93,049,756)	(14,718,491)	(107,768,247)		
Total comprehensive income for the year	-	-	-	-	490,743,471	(93,589,994)	397,153,477	37,055,083	434,208,560		
Dividend paid	-	-	-	-	(95,679,150)	-	(95,679,150)	-	(95,679,150)		
Subsidiary paid dividend to non-controlling interests of the subsidiary	-	-	-	-	-	-	-	(80,590,105)	(80,590,105)		
Increase in liabilities associated with put options granted to non-controlling interests of the subsidiaries	-	-	-	-	(71,959,502)	-	(71,959,502)	-	(71,959,502)		
<b>Balance as at 31 December 2023</b>	326,549,999	1,026,968,920	20,034,929	32,655,000	1,237,774,914	(204,549,035)	2,439,434,727	323,053,751	2,762,488,478		

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

Thai Plaspac Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2023

	Note	Separate financial statements					(Unit: Baht)
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total	
				Appropriated - Statutory reserve	Unappropriated		
<b>Balance as at 1 January 2022</b>		326,549,999	1,026,968,920	32,655,000	415,304,911	1,801,478,830	
Profit for the year		-	-	-	94,818,654	94,818,654	
Other comprehensive income for the year		-	-	-	6,969,105	6,969,105	
Total comprehensive income for the year		-	-	-	101,787,759	101,787,759	
Dividend paid	6, 33	-	-	-	(46,043,550)	(46,043,550)	
Increase in liabilities associated with put options granted to non-controlling interests of the subsidiaries	24	-	-	-	(3,444,533)	(3,444,533)	
<b>Balance as at 31 December 2022</b>		326,549,999	1,026,968,920	32,655,000	467,604,587	1,853,778,506	
<b>Balance as at 1 January 2023</b>		326,549,999	1,026,968,920	32,655,000	467,604,587	1,853,778,506	
Profit for the year		-	-	-	466,610,245	466,610,245	
Other comprehensive income for the year		-	-	-	-	-	
Total comprehensive income for the year		-	-	-	466,610,245	466,610,245	
Dividend paid	6, 33	-	-	-	(95,679,150)	(95,679,150)	
<b>Balance as at 31 December 2023</b>		326,549,999	1,026,968,920	32,655,000	838,535,682	2,224,709,601	
		-	-	-	-	-	
		-	-	-	-	-	

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





Thai Plaspac 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	
	2023	2022	2023	2022
<b>Cash flows from operating activities</b>				
Profit before tax	650,851,558	425,543,374	475,831,413	104,171,152
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	494,800,090	482,325,007	105,708,118	119,904,232
Loss from fair value measurement of assets associated with call options granted by holders of non-controlling interests	2,136,767	2,136,766	2,136,767	2,136,766
Allowance for expected credit losses (reversal)	4,925,047	9,265,419	321,678	(53,871)
Impairment loss on investment in subsidiary	-	-	-	77,600,000
Reduction of inventories to net realisable value (reversal)	6,436,768	5,111,478	(157,254)	2,002,411
Loss (gain) on disposals/write-off of equipment	(997,374)	(5,971,469)	77	(267,885)
Long-term employee benefits expenses	16,706,680	19,885,953	5,612,380	8,710,191
Unrealised loss (gain) on exchange rate	(422,454)	(1,348,000)	908,150	(2,081,840)
Unrealised gain from fair value measurement of forward exchange contracts	(772)	(22,633)	(772)	(22,633)
Amortisation of financial fees	2,101,423	5,844,827	2,101,423	2,485,904
Dividend income	-	-	(391,972,772)	(108,059,350)
Interest income	(5,946,543)	(3,745,798)	(191,748)	(41,007)
Finance cost	169,824,935	155,005,462	96,495,450	74,242,760
Profit from operating activities before changes in operating assets and liabilities	1,340,416,125	1,094,030,386	296,792,910	280,726,830
Operating assets (increase) decrease				
Trade and other receivables	(62,715,561)	(60,382,341)	21,595,139	27,155,112
Inventories	(62,965,418)	57,997,768	143,180	38,354,835
Other current assets	(6,888,200)	(79,148,545)	(32,207,582)	(30,846,530)
Other non-current assets	3,705,765	(6,288,292)	6,361,566	1,043,956
Operating liabilities increase (decrease)				
Trade and other payables	(11,016,028)	16,136,726	(8,030,996)	12,033,073
Other current liabilities	12,708,185	(45,617,905)	11,195,442	(23,356,622)
Other non-current financial liabilities	521,160	-	-	-
Provision for long-term employee benefits	(9,031,954)	(12,027,614)	(2,223,116)	(3,989,709)
Cash flows from operating activities	1,204,734,074	964,700,183	293,626,543	301,120,945
Corporate income tax paid	(105,758,881)	(78,720,043)	(13,289,755)	(9,671,929)
<b>Net cash flows from operating activities</b>	<b>1,098,975,193</b>	<b>885,980,140</b>	<b>280,336,788</b>	<b>291,449,016</b>

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



## Thai Plaspac 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	
	2023	2022	2023	2022
<b>Cash flows from investing activities</b>				
Decrease (increase) in short-term loans to related parties	-	-	28,464,380	(59,600,000)
Proceeds from sales of equipment	2,122,367	17,141,795	600,000	267,905
Proceeds from sales of asset held for sale	2,230,808	-	-	-
Acquisition of building and equipment	(637,449,327)	(473,154,761)	(33,905,215)	(85,031,729)
Acquisition of intangible assets	(104,913)	(1,808,318)	-	(565,157)
Cash paid in advance for right-of-use assets	(1,446,211)	-	-	-
Cash paid for investments in subsidiaries	(15,789,487)	(62,024,372)	(108,722,567)	(196,774,372)
Cash paid for purchase of business by the subsidiary	-	(346,350,619)	-	-
Decrease (increase) in other current financial assets	12,856,252	(11,028,337)	-	-
Decrease (increase) in other non-current financial assets	6,951	(2,461,261)	-	-
Cash receipt from dividend from the subsidiaries	-	-	391,972,772	108,059,350
Interest received	5,946,543	3,745,798	191,748	41,007
<b>Net cash flows from (used in) investing activities</b>	<b>(631,627,017)</b>	<b>(875,940,075)</b>	<b>278,601,118</b>	<b>(233,602,996)</b>
<b>Cash flows from financing activities</b>				
Increase in bank overdrafts and short-term loans from banks	70,435,490	241,354,965	(2,900)	198,383,874
Decrease in restricted bank deposits	(1,375,259)	-	-	-
Cash receipt from long-term loans from banks	209,690,558	462,526,372	-	62,024,372
Repayment of long-term loans from banks	(464,635,722)	(557,978,148)	(328,482,692)	(191,857,692)
Cash receipt of long-term loan from non-controlling interests of the subsidiary	-	39,641,880	-	-
Cash paid for lease liabilities	(27,595,846)	(25,577,361)	(3,929,602)	(2,876,193)
Interest paid	(142,540,643)	(139,145,122)	(95,440,353)	(73,340,567)
Dividend paid	(176,269,255)	(59,399,200)	(95,679,150)	(46,043,550)
<b>Net cash flows used in financing activities</b>	<b>(532,290,677)</b>	<b>(38,576,614)</b>	<b>(523,534,697)</b>	<b>(53,709,756)</b>
Decrease in exchange differences on translation of financial statements in foreign currency	(39,084,309)	(78,146,547)	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(104,026,810)</b>	<b>(106,683,096)</b>	<b>35,403,209</b>	<b>4,136,264</b>
Cash and cash equivalents at beginning of year	287,096,778	393,779,874	14,870,459	10,734,195
<b>Cash and cash equivalents at end of year (Note 7)</b>	<b>183,069,968</b>	<b>287,096,778</b>	<b>50,273,668</b>	<b>14,870,459</b>
	-	-	-	-
<b>Supplemental cash flows information</b>				
Non-cash items consist of:				
Increase (decrease) in accounts payable for purchasing of equipment	10,429,558	1,549,748	394,575	(9,716,104)
Increase in liabilities associated with put options granted to non-controlling interests of the subsidiaries	71,959,502	51,019,203	-	3,444,533
Increase in right-of-use assets from lease liabilities	43,548,268	7,049,039	6,798,307	4,348,409
Increase in account payable for purchase of business	2,746,843	51,280,979	-	-

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



Thai Plaspac Public Company Limited and its subsidiaries  
**Notes to consolidated financial statements**  
 For the year ended 31 December 2023

**1. General information**

Thai Plaspac Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Mr. Anuj Lohia, which total shareholding is 69.11%. The Company is principally engaged in the manufacture and distribution of plastic packaging. The registered office of the Company is at 77 Soi Thian Thalae 30, Bang Khun Thian-Chay Thalae Road, Thakham, Bang Khun Thian, Bangkok.

The branch offices of the Company are at 3/2 Soi Thian Thalae 15, Bang Khun Thian-Chay Thalae Road, Thakham, Bang Khun Thian, Bangkok and 75/2, Moo 9, Soi Ruamjai, Bangna-Trad Road Km.18.8, Tambol Bangchalong, Amphur Bangphli, Samutprakarn.

**2. Basis of preparation**

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

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Thai Plaspac 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 (Percent)	2022 (Percent)
<u>Subsidiaries held by the Company</u>				
TPAC Packaging India Private Limited	Manufacturing and distribution of plastic packaging	India	100	100
TPAC Packaging (Bangna) Company Limited	Manufacturing and distribution of plastic packaging	Thailand	100	100



Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023 (Percent)	2022 (Percent)
Sun Packaging Systems (FZC)	Manufacturing and distribution of plastic packaging	United Arab Emirates	89	89
Combi-Pack Sdn Bhd	Manufacturing and distribution of plastic packaging	Malaysia	80	80
TPAC Packaging Philippines Inc.	Manufacturing and distribution of plastic packaging	Philippines	100	-
<u>Subsidiary held by TPAC Packaging India Private Limited</u>				
TPAC Skypet India Private Limited	Manufacturing and distribution of plastic packaging	India	80	80
TPAC Custom Solutions Private Limited	Manufacturing and distribution of plastic packaging	India	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 subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.





### 3. New financial reporting standards

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

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 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 recognition

##### Sales of goods

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

## **Other income**

Other income is recognised upon completion of performance obligation and there is a certain possibility of receiving the money.

### **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, packaging and supplies are valued at the lower of average cost (under the weighted average method) and net realisable value and are charged to production costs whenever consumed.

### **4.4 Investments in subsidiaries**

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

### **4.5 Cost of molds for amortisation**

The Group record cost of molds which are used to manufacture goods for customers as assets. Cost of molds are amortised to cost of sales based on quantities which are delivered to its customers. The Group records cost of molds for amortisation as current assets if goods are expected to manufacture and deliver to customers within 1 year, and as non-current assets if goods are expected to manufacture and deliver to customers more than 1 year.

### **4.6 Property, plant and equipment/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:

	Consolidated financial statements	Separate financial statements
Building and building improvement	20 - 30 years	20 years
Furniture and office equipment	5 - 10 years	5 years
Machinery and equipment	3 - 15 years	3 - 10 years
Motor vehicles	5 years	5 years

Depreciation is included in determining income.

No depreciation is provided on land and land improvement and assets 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 and amortisation

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition/amalgamation while intangible assets acquired in other cases are 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 assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

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

	Consolidated financial statements	Separate financial statements
Tradename	25 years	-
Customer relationship	7.5 and 10 years	-
Non-compete agreement	5 years	-
Computer software	3 - 10 years	5 - 10 years

## 4.8 Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of the Group's previously held equity interest in the acquiree, in a business combination achieved in stages.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group measures the identifiable assets acquired and the liabilities assumed at acquisition date fair value, and classifies and designates them in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the Group will be recognised at fair value at the acquisition date. A contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. A contingent consideration classified as an asset or liability is measured at fair value, with changes in fair value recognised in profit or loss.

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

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

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





## 4.9 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 (if any), 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.

	Consolidated financial statements	Separate financial statements
Land and land improvement	20 - 25 years	-
Building and building improvement	2 - 25 years	3 years
Furniture and office equipment	4 years	-
Machinery and equipment	10 years	-
Motor vehicles	5 years	4 - 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. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

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

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

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

## **4.10 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.



#### 4.11 Deferred financial fees

Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees. A portion of deferred financial fees proportionate to the amount of the loan facility already drawn is presented as a deduction against the related loan account and amortised using the effective interest rate method over the term of the loans.

The amortisation of deferred financial fees is included in finance cost.

#### 4.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also 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.

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

An impairment loss is recognised in profit or loss.

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

#### **4.14 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 Company'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 and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards, and among other things.

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.

#### **4.15 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.





#### 4.16 Income tax

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

##### **Current tax**

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

##### **Deferred tax**

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

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises 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.

#### 4.17 Financial instruments

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

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

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

### ***Financial assets at amortised cost***

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

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

### ***Financial assets at 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, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

### **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.

### **Regular way purchase and sales of financial assets**

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

### **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).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### 4.18 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.

#### 4.19 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.





#### **4.20 Liabilities associated with put options granted to holders of non-controlling interests**

The Group granted put options to holders of non-controlling interests. The Group do not have unconditional right to avoid the delivery of cash if holders of non-controlling interests exercise their put options. The Group recognise liabilities associated with put options, calculated by present value of expected exercise price, and present in non-current liabilities in the consolidated statement of financial position. The amounts also present offset from unappropriated retained earnings in the consolidated statement of financial position and the consolidated statement of changes in shareholders' equity. The amounts are to revalue at the end of reporting period, whereby the difference is to recognise in shareholders' equity in the consolidated financial statements.

#### **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:

##### **Allowance for diminution in value of inventories**

The determination of allowance for diminution in the value of inventories requires management to exercise judgement in estimating losses on outstanding inventories, based on the selling price expected in the ordinary course of business; minus selling expenses and provision for obsolete, slow-moving and deteriorated inventories, and taking into account based upon the condition of inventories and the duration such goods have remained in stock.

##### **Goodwill and intangible assets**

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

## Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

## 6. Related party transactions

Details of relationships of the Company to related parties are as follows.

Name of related persons or entities	Nature of relationships
TPAC Packaging India Private Limited	Subsidiary
TPAC Packaging (Bangna) Company Limited	Subsidiary
Sun Packaging Systems (FZC)	Subsidiary
Combi-Pack Sdn Bhd	Subsidiary
TPAC Skypet India Private Limited	Subsidiary
TPAC Custom Solutions Private Limited	Subsidiary
TPAC Packaging Philippines Inc.	Subsidiary
Mr. Anuj Lohia	Major shareholder
Indorama Petrochem Limited	Shareholder and director are related to the Company's shareholder and management
Indorama Polymers Public Company Limited	Shareholder and director are related to the Company's shareholder and management
IVL Dhunseri Petrochem Industries Private Limited	Shareholder and director are related to the Company's shareholder and management
Guangdong IVL PET Polymer Company Limited	Shareholder and director are related to the Company's shareholder and management
Indorama Yarns Private Limited	Shareholder and director are related to the Company's shareholder and management
Related persons	Director, executive officer and related persons with director and executive officer



During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business, and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	For the years ended 31 December				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2023	2022	2023	2022	
<u>Transactions with subsidiaries</u>					
(Eliminated from consolidated financial statements)					
Sales of goods	-	-	41	37	Close to market price
Purchase of goods	-	-	136	126	Close to market price
Dividend income	-	-	392	108	2023: Dirham United Arab Emirates 54,425.09 per share and Malaysian Ringgit 20.65 per share (2022: Dirham United Arab Emirates 42,858 per share)
Management fee income	-	-	39	35	Contract price
Interest income	-	-	2	1	4.86% - 5.35% per annum
Management expense	-	-	2	2	Contract price
<u>Transaction with related company</u>					
Purchase of goods	120	108	56	60	Close to market price
<u>Transaction with major shareholders and related persons</u>					
Dividend paid	70	34	70	34	2023: Baht 0.293 per share (2022: Baht 0.141 per share)

The balances of the accounts between the Group and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b><u>Trade receivables - related parties (Note 9)</u></b>				
Subsidiaries	-	-	11,862	7,138
<b><u>Other receivables - related parties (Note 9)</u></b>				
Subsidiaries	-	-	13,932	13,576

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Trade payables - related parties (Note 19)</b>				
Subsidiaries	-	-	20,669	24,551
Related companies	19,815	32,484	19,815	9,416
Total	19,815	32,484	40,484	33,967
<b>Other payables - related parties (Note 19)</b>				
Subsidiary	-	-	682	1,827

### Short-term loans to related parties

(Unit: Thousand Baht)

	Related by	Separate financial statements			
		Balance as at 1 January 2023	Increase during the year	Decrease during the year	Balance as at 31 December 2023
Loans to related parties					
TPAC Packaging (Bangna) Company Limited	Subsidiary	66,600	198,800	(234,400)	31,000
TPAC Packaging Philippines Inc.	Subsidiary	-	7,136	-	7,136
Total		66,600	205,936	(234,400)	38,136

Such short-term loans carried interest rate at 4.86 - 5.35 percent per annum and will be due in February 2024.

### 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	
	2023	2022	2023	2022
Short-term benefits	103,124	99,689	63,233	58,284
Post-employment benefits	4,288	2,783	3,637	2,303
Other long-term benefits	22	9	22	9
Total	107,434	102,481	66,892	60,596





## 7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash	866	534	94	113
Cash at banks	182,204	286,563	50,180	14,757
<b>Total</b>	<b>183,070</b>	<b>287,097</b>	<b>50,274</b>	<b>14,870</b>

As at 31 December 2023, cash at banks carried interests between 0.05 and 4.8 percent per annum (the Company only: between 0.05 and 0.60 percent per annum) (2022: between 0.10 and 2.57 percent per annum (the Company only: between 0.10 and 0.35 percent per annum)).

## 8. Other current financial assets / Other non-current financial assets

As at 31 December 2023 and 2022, the Group had other current financial assets and other non-current financial assets as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Other current financial assets</b>				
<u>Debt instruments at amortised cost</u>				
Time deposits from 3 months to 1 year (Interest rate 5.6 percent per annum (2022: 5.0 to 6.8 percent per annum))	288	13,296	-	-
<b>Total other current financial assets</b>	<b>288</b>	<b>13,296</b>	<b>-</b>	<b>-</b>
<b>Other non-current financial assets</b>				
<u>Debt instruments at amortised cost</u>				
Time deposits more than 1 year (Interest rate between 5.4 to 6.5 percent per annum (2022: 5.4 to 5.6 percent per annum))	2,752	2,791	-	-
<b>Total other non-current financial assets</b>	<b>2,752</b>	<b>2,791</b>	<b>-</b>	<b>-</b>

## 9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Trade receivables - related parties (Note 6)</u>				
Aged on the basis of due dates				
Not yet due	-	-	9,751	6,884
Up to 1 month	-	-	2,111	254
Total trade receivables - related parties	-	-	11,862	7,138
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,009,710	1,022,175	311,317	346,954
Past due				
Up to 1 month	238,423	228,308	94,344	86,271
1 - 2 months	55,936	41,060	8,980	6,710
2 - 3 months	18,087	16,018	-	2,813
3 months - 1 year	38,123	21,547	700	199
1 year - 2 years	7,284	1,541	-	-
Over 2 years	6,502	5,683	5,316	5,316
Total	1,374,065	1,336,332	420,657	448,263
Less: Allowance for expected credit losses	(21,613)	(16,904)	(5,600)	(5,278)
Total trade receivables - unrelated parties	1,352,452	1,319,428	415,057	442,985
<u>Other receivables - related parties (Note 6)</u>				
Other receivables	-	-	13,932	13,576
Total other receivables - related parties	-	-	13,932	13,576
<u>Other receivables - unrelated parties</u>				
Value added tax refundable	54,091	19,209	-	-
Other receivables	23,793	34,208	-	-
Total other receivables - unrelated parties	77,884	53,417	-	-
Total trade and other receivables	1,430,336	1,372,845	440,851	463,699

The normal credit term is 15 to 135 days (the Company only: 30 to 135 days).



Set out below is the movements in the allowance for expected credit losses of trade receivables.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	16,904	8,305	5,278	5,331
Increase during the year	4,925	9,265	322	-
Reversal during the year	-	-	-	(53)
Translation adjustment	(216)	(666)	-	-
Ending balance	21,613	16,904	5,600	5,278

## 10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	252,483	226,168	(9,094)	(6,845)	243,389	219,323
Work in process	19,450	21,068	(46)	(9)	19,404	21,059
Raw materials	289,948	248,072	(9,000)	(5,550)	280,948	242,522
Packing materials	41,096	44,689	(855)	(430)	40,241	44,259
Factory supplies	8,683	8,697	-	-	8,683	8,697
Total	611,660	548,694	(18,995)	(12,834)	592,665	535,860

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	69,386	66,675	(3,237)	(3,352)	66,149	63,323
Work in process	12,532	12,586	-	-	12,532	12,586
Raw materials	46,285	44,534	(461)	(503)	45,824	44,031
Packing materials	11,080	15,209	-	-	11,080	15,209
Factory supplies	6,713	7,135	-	-	6,713	7,135
Total	145,996	146,139	(3,698)	(3,855)	142,298	142,284

During the current year, the Group reduced cost of inventories by Baht 6.5 million (the Company only: Baht 0.2 million) (2022: Baht 10.2 million (the Company only: Baht 3.5 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 0.3 million (the Company only: Baht 0.3 million) (2022: Baht 1.5 million (the Company only: Baht 1.5 million)), and reduced the amount of inventories recognised as expenses during the year.



## 11. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Asset held for sale	-	2,231	-	-
Prepaid expenses	43,901	19,952	9,999	5,786
Cost of molds for amortisation	44,834	36,805	36,293	29,502
Advance payments	3,825	12,482	-	-
Others	15,335	28,833	3,883	3,899
<b>Total</b>	<b>107,895</b>	<b>100,303</b>	<b>50,175</b>	<b>39,187</b>

## 12. Restricted bank deposits

As at 31 December 2023, these represent the subsidiary's bank deposits pledged for short-term loans from banks, carrying interest rate at 6.75 percent per annum (2022: 3.03 percent per annum).

## 13. Investments in subsidiaries

### 13.1 Details of investments in subsidiaries as presented in separate financial statements

Company's name	Paid-up capital		Shareholding percentage		Cost		Impairment for investments		Investments - Net		Dividend received during the years	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
			(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
TPAC Packaging India Private Limited	2,498 Million Indian Rupee	2,408 Million Indian Rupee	100	100	2,242,379	2,203,904	-	-	2,242,379	2,203,904	-	-
TPAC Packaging (Bangna) Company Limited	101 Million Baht	101 Million Baht	100	100	107,000	107,000	(77,600)	(77,600)	29,400	29,400	-	-
Sun Packaging Systems (FZC)	0.45 Million Dirham United Arab Emirates	0.45 Million Dirham United Arab Emirates	89	89	384,590	384,590	-	-	384,590	384,590	137,678	108,059
Combi-Pack Sdn Bhd	2 Million Malaysian Ringgit	2 Million Malaysian Ringgit	80	80	1,013,256	1,013,256	-	-	1,013,256	1,013,256	254,295	-
TPAC Packaging Philippines Inc.	83 Million Philippines Peso	-	100	-	54,458	-	-	-	54,458	-	-	-
<b>Total</b>					<b>3,801,683</b>	<b>3,708,750</b>	<b>(77,600)</b>	<b>(77,600)</b>	<b>3,724,083</b>	<b>3,631,150</b>	<b>391,973</b>	<b>108,059</b>





### TPAC Packaging India Private Limited

On 24 February 2023, a meeting of the Board of Directors of the Company No. 1/2023 and a meeting of the Board of Directors of TPAC Packaging India Private Limited passed a resolution to approve capital increase of TPAC Packaging India Private Limited, for 9 million shares increase with a par value of INR 10 each, as for repayment of short-term loan of a subsidiary. Subsequently on 1 March 2023, the Company paid for capital increase of the subsidiary in the amount of Baht 38.5 million (INR 90 million).

### TPAC Packaging Philippines Inc.

On 12 May 2023, a meeting of the Board of Directors of the Company No. 2/2023 passed a resolution to approve the Company to establish a subsidiary in Philippines and invest at 100% of its shares. The purpose of such company is to incorporate in plastic containers manufacturing and distribution business.

Subsequently, on 4 September 2023, the Company registered TPAC Packaging Philippines Inc. with the relevant authorities in Philippines with an initial registered share capital of PHP 162 million, for 1.62 million shares with a par value of PHP 100 each. The Company partially paid for share capital amounted to Baht 6.9 million (PHP 11 million) and related expenses for the establishment of the subsidiary amounted to Baht 0.4 million.

On 20 October 2023, a meeting of the Board of Directors of the Company No. 4/2023 passed the resolutions as follows.

- 1) Approval of payment for additional share capital of the subsidiary, TPAC Packaging Philippines Inc. in total amount not exceeding USD 2.5 million as for its operating capital.
- 2) Approval of short-term loan to the subsidiary, TPAC Packaging Philippines Inc. in total amount not exceeding USD 2.5 million as for its operating capital.

Subsequently, on 8 November 2023, the Company transferred a total of USD 1.5 million to the subsidiary. This amount was divided into USD 1.3 million (PHP 72 million) for the payment of additional share capital and USD 0.2 million for short-term loan to the subsidiary.



## 13.2 Details of investments in subsidiaries that have material non-controlling interests

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Comprehensive income allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2023	2022	2023	2022	2023	2022	2023	2022
	(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
<u>Subsidiaries held by the Company</u>								
Sun Packaging Systems (FZC)	11	11	9,689	72,091	18,188	13,906	80,590	13,356
Combi-Pack Sdn Bhd	20	20	307,673	292,759	14,914	13,880	-	-

## 13.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests

### Summarised information about financial position

(Unit: Million Baht)

	As at 31 December			
	Sun Packaging Systems (FZC)		Combi-Pack Sdn Bhd	
	2023	2022	2023	2022
Current assets	372	360	351	457
Non-current assets	268	259	503	564
Current liabilities	103	105	196	146
Non-current liabilities	123	130	67	91

### Summarised information about comprehensive income

(Unit: Million Baht)

	For the years ended 31 December			
	Sun Packaging Systems (FZC)		Combi-Pack Sdn Bhd	
	2023	2022	2023	2022
Revenues	720	637	1,142	1,114
Profit	186	119	161	120
Other comprehensive income	1	3	-	-
Total comprehensive income	187	122	161	120



## Summarised information about cash flow

(Unit: Million Baht)

	For the years ended 31 December			
	Sun Packaging Systems (FZC)		Combi-Pack Sdn Bhd	
	2023	2022	2023	2022
Cash flow from (used in) operating activities	2	1	(32)	167
Cash flow used in investing activities	(71)	(71)	(33)	(46)
Cash flow used in financing activities	(13)	(13)	(26)	(47)
Net increase (decrease) in cash and cash equivalents	(82)	(83)	(91)	74

## 14. Property, plant and equipment

Movements of property, plant and equipment account for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Land and land improvement	Building and building improvement	Furniture and office equipment	Machinery and equipment	Motor vehicles	Assets under construction	
<b>Cost:</b>							
1 January 2022	348,146	569,391	33,882	2,917,334	17,406	114,412	4,000,571
Additions	-	1,890	9,306	136,279	1,976	325,254	474,705
Increase from acquisition of subsidiary	18,210	26,471	456	102,832	1,138	-	149,107
Transferred from right-of-use assets	-	-	-	9,796	-	-	9,796
Transferred to assets held for sale	-	(2,878)	-	-	-	-	(2,878)
Transfer in (out)	-	57,930	2,027	203,263	-	(263,220)	-
Disposals/write-off	-	-	(1,126)	(99,461)	(4,399)	(950)	(105,936)
Translation adjustment	(14,298)	(11,849)	(500)	(69,510)	(26)	(4,041)	(100,224)
31 December 2022	352,058	640,955	44,045	3,200,533	16,095	171,455	4,425,141
Additions	-	3,487	6,382	185,265	2,718	450,027	647,879
Transfer in (out)	-	75,523	4,391	402,648	2,027	(484,589)	-
Disposals/write-off	-	-	(5,867)	(219,371)	(1,826)	-	(227,064)
Translation adjustment	(8,330)	(8,949)	(426)	(34,113)	202	(2,847)	(54,463)
31 December 2023	343,728	711,016	48,525	3,534,962	19,216	134,046	4,791,493
<b>Accumulated depreciation:</b>							
1 January 2022	-	196,398	19,068	1,632,592	12,122	-	1,860,180
Depreciation for the year	-	25,659	5,877	316,356	2,334	-	350,226
Transferred to assets held for sale	-	(647)	-	-	-	-	(647)
Depreciation on disposals/write-off	-	-	(1,126)	(89,241)	(4,399)	-	(94,766)
Translation adjustment	-	(1,944)	(343)	(31,195)	(114)	-	(33,596)
31 December 2022	-	219,466	23,476	1,828,512	9,943	-	2,081,397
Depreciation for the year	-	28,058	7,627	330,091	2,283	-	368,059
Depreciation on disposals/write-off	-	-	(5,816)	(218,296)	(1,826)	-	(225,938)
Translation adjustment	-	(1,249)	(239)	(16,351)	221	-	(17,618)
31 December 2023	-	246,275	25,048	1,923,956	10,621	-	2,205,900



(Unit: Thousand Baht)

## Consolidated financial statements

	Land and land improvement	Building and building improvement	Furniture and office equipment	Machinery and equipment	Motor vehicles	Assets under construction	Total
<b>Allowance for impairment loss:</b>							
31 December 2022	-	-	-	1,717	-	-	1,717
31 December 2023	-	-	-	1,717	-	-	1,717
<b>Net book value:</b>							
31 December 2022	352,058	421,489	20,569	1,370,304	6,152	171,455	2,342,027
31 December 2023	343,728	464,741	23,477	1,609,289	8,595	134,046	2,583,876
<b>Depreciation for the year</b>							
2022 (Baht 342 million included in manufacturing cost, and the balance in selling distribution and administrative expenses)							350,226
2023 (Baht 356 million included in manufacturing cost, and the balance in selling distribution and administrative expenses)							368,059

(Unit: Thousand Baht)

## Separate financial statements

	Land and land improvement	Building and building improvement	Furniture and office equipment	Machinery and equipment	Motor vehicles	Assets under construction	Total
<b>Cost:</b>							
1 January 2022	54,275	213,423	16,886	1,454,305	13,692	31,508	1,784,089
Additions	-	1,070	3,334	29,608	-	41,305	75,317
Transfer in (out)	-	8,857	-	52,114	-	(60,971)	-
Disposals/write-off	-	-	-	(19,952)	(864)	-	(20,816)
31 December 2022	54,275	223,350	20,220	1,516,075	12,828	11,842	1,838,590
Additions	-	802	1,095	8,977	-	23,426	34,300
Transfer in (out)	-	726	35	17,126	-	(17,887)	-
Disposals/write-off	-	-	(5,740)	(212,765)	(30)	-	(218,535)
31 December 2023	54,275	224,878	15,610	1,329,413	12,798	17,381	1,654,355
<b>Accumulated depreciation:</b>							
1 January 2022	-	149,754	13,440	1,220,933	12,272	-	1,396,399
Depreciation for the year	-	7,786	1,462	75,183	348	-	84,779
Depreciation on disposals/write-off	-	-	-	(19,952)	(864)	-	(20,816)
31 December 2022	-	157,540	14,902	1,276,164	11,756	-	1,460,362
Depreciation for the year	-	8,243	1,831	69,523	348	-	79,945
Depreciation on disposals/write-off	-	-	(5,694)	(212,211)	(30)	-	(217,935)
31 December 2023	-	165,783	11,039	1,133,476	12,074	-	1,322,372
<b>Allowance for impairment loss:</b>							
31 December 2022	-	-	-	117	-	-	117
31 December 2023	-	-	-	117	-	-	117
<b>Net book value:</b>							
31 December 2022	54,275	65,810	5,318	239,794	1,072	11,842	378,111
31 December 2023	54,275	59,095	4,571	195,820	724	17,381	331,866
<b>Depreciation for the year</b>							
2022 (Baht 82 million included in manufacturing cost, and the balance in selling distribution and administrative expenses)							84,779
2023 (Baht 75 million included in manufacturing cost, and the balance in selling distribution and administrative expenses)							79,945





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 1,490 million (the Company only: Baht 861 million) (2022: Baht 1,641 million (the Company only: Baht 1,061 million)).

As at 31 December 2023, property, plant and equipment of subsidiaries amounting to INR 3,496 million and MYR 35 million (2022: INR 2,865 million and MYR 37 million) have been mortgaged as collaterals against bank overdrafts and long-term loans from banks as stated in Note 18 and 21 to the consolidated financial statements.

## 15. Goodwill

Movements of goodwill in the consolidated financial statements for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	TPAC			Total
	Packaging India Private Limited	Sun Packaging Systems (FZC)	Combi-Pack Sdn Bhd	
Balance as at 1 January 2022	917,426	181,699	540,612	1,639,737
Increase from acquisition of subsidiary	108,288	-	-	108,288
Translation adjustment	(61,863)	6,237	(12,406)	(68,032)
Balance as at 31 December 2022	963,851	187,936	528,206	1,679,993
Translation adjustment	(30,956)	(1,849)	(27,900)	(60,705)
Balance as at 31 December 2023	932,895	186,087	500,306	1,619,288

The Company allocates goodwill acquired through business combination with indefinite useful lives to group of assets that generates cash inflows for annual impairment testing by determining the recoverable amounts of its group of assets that generates cash inflows based on value in use using cash flow projections from financial estimation approved by management covering a 5-year period for those three companies.

Key assumptions used in value in use calculations are as follows:

	TPAC Packaging		
	India Private Limited	Sun Packaging Systems (FZC)	Combi-Pack Sdn Bhd
Sales growth rate	8% - 10%	7%	5%
Pre-tax discount rate	13% - 14%	11%	10%

Management has considered the sales growth rates based on historical operating results, forecast markets and production capacity. The pre-tax discount rates reflect the risks specific to each cash-generating unit. The management believed that there is no occurrence of impairment of goodwill.

Management believes that any reasonably possible change in the key assumptions on which the group of units' recoverable amount are based would not cause the group of units' carrying amount to exceed its recoverable amount.

## 16. Intangible assets

The net book value of intangible assets account as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				Total
	Tradename	Customer relationship	Non-compete agreement	Computer software	
<b>Cost:</b>					
1 January 2022	216,983	546,521	-	14,415	777,919
Additions	-	-	-	1,808	1,808
Increase from acquisition of subsidiary	39,654	47,585	10,134	-	97,373
Translation adjustment	(15,291)	(17,041)	(476)	(149)	(32,957)
31 December 2022	241,346	577,065	9,658	16,074	844,143
Additions	-	-	-	105	105
Translation adjustment	(2,759)	(18,247)	(111)	(81)	(21,198)
31 December 2023	238,587	558,818	9,547	16,098	823,050
<b>Accumulated amortisation:</b>					
1 January 2022	29,034	121,017	-	8,367	158,418
Amortisation for the year	9,868	67,082	1,547	1,771	80,268
Translation adjustment	(2,384)	(6,612)	(92)	(140)	(9,228)
31 December 2022	36,518	181,487	1,455	9,998	229,458
Amortisation for the year	9,727	65,508	1,946	1,748	78,929
Translation adjustment	(601)	(5,365)	(53)	(58)	(6,077)
31 December 2023	45,644	241,630	3,348	11,688	302,310
<b>Allowance for impairment loss:</b>					
31 December 2022	-	-	-	510	510
31 December 2023	-	-	-	510	510
<b>Net book value:</b>					
31 December 2022	204,828	395,578	8,203	5,566	614,175
31 December 2023	192,943	317,188	6,199	3,900	520,230



(Unit: Thousand Baht)

	Separate financial statements	
	Computer software	Total
<b>Cost:</b>		
1 January 2022	10,479	10,479
Additions	565	565
31 December 2022	11,044	11,044
31 December 2023	11,044	11,044
<b>Accumulated amortisation:</b>		
1 January 2022	6,151	6,151
Amortisation for the year	930	930
31 December 2022	7,081	7,081
Amortisation for the year	963	963
31 December 2023	8,044	8,044
<b>Allowance for impairment loss:</b>		
31 December 2022	510	510
31 December 2023	510	510
<b>Net book value:</b>		
31 December 2022	3,453	3,453
31 December 2023	2,490	2,490

### Tradename

- TPAC Packaging India Private Limited assessed the identified assets on the date of amalgamation between TPAC Packaging India Private Limited and Sunrise Containers Limited. The subsidiary granted tradename “Sunpet” registered in four countries which are India, Saudi Arabia, United Kingdom and United Arab Emirates amounting to Baht 223 million. The expected useful life is 25 years.
- TPAC Skypet India Private Limited assessed the identified assets on the date of purchase of business of M/s Skypet Polymers. The subsidiary granted tradename “Skypet” amounting to Baht 40 million. The expected useful life is 25 years.

### Customer relationship

- TPAC Packaging India Private Limited assessed the identified assets on the date of amalgamation between TPAC Packaging India Private Limited and Sunrise Containers Limited. The subsidiary granted long-term relationship with customer, from Sunrise Containers Limited amounting to Baht 180 million. The expected useful life is 7.5 years.
- The Company assessed the identified assets on the date of acquisition of Sun Packaging Systems (FZC) by granted long-term relationship with customer from Sun Packaging Systems (FZC) amounting to Baht 74 million. The expected useful life is 7.5 years.
- The Company assessed the identified assets on the date of acquisition of Combi-Pack Sdn Bhd by granted long-term relationship with customer from Combi-Pack Sdn Bhd amounting to Baht 275 million. The expected useful life is 10 years.
- TPAC Skypet India Private Limited assessed the identified assets on the date of purchase of business of M/s Skypet Polymers by granted long-term relationship with customer from M/s Skypet Polymers amounting to Baht 48 million. The expected useful life is 10 years.

### Non-compete agreement

- TPAC Skypet India Private Limited assessed the identified assets on the date of purchase of business of M/s Skypet Polymers according to the clause stated in the Shareholders Agreement which prohibit former shareholders from entering into directly and indirectly competing businesses against M/s Skypet Polymers for a period of 5 years from the business purchase date. The identified assets are amounting to Baht 10 million.

## 17. Withholding tax deducted at source

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Withholding tax in 2018	35,546	35,546	35,546	35,546
Withholding tax in 2019	34,811	34,811	34,811	34,811
Total	70,357	70,357	70,357	70,357

The Group presented withholding tax deducted at source as an asset since it has claimed for refund of it. However, the net realisable value of the tax is subject to the examination of the Company's accounts by the officials of Revenue Department.





## 18. Bank overdraft and short-term loans from banks

(Unit: Thousand Baht)

	Interest rate (% per annum)		Consolidated financial statements	
	2023	2022	2023	2022
	Bank overdraft	8.50 - 9.50	6.35 - 9.50	18,893
Short-term loans from banks	3.35 - 9.50	1.50 - 9.50	1,041,823	992,404
<b>Total</b>			<b>1,060,716</b>	<b>992,407</b>

(Unit: Thousand Baht)

	Interest rate (% per annum)		Separate financial statements	
	2023	2022	2023	2022
	Bank overdraft	-	6.35	-
Short-term loans from banks	3.35 - 4.25	1.65 - 3.00	859,000	859,000
<b>Total</b>			<b>859,000</b>	<b>859,003</b>

Bank overdraft credit facility and short-term loans from banks of subsidiaries are secured by the mortgage of current assets of the subsidiaries, restricted bank deposits of the subsidiary, property, plant and equipment of the subsidiaries and the corporate guarantee by the subsidiary as described in Note 14 to the consolidated financial statements.

Under the bank overdraft credit facility and short-term loans from banks, the Group has to comply with certain financial terms and other terms as specified in the agreements, such as maintenance of interest bearing debt to equity ratio and debt service coverage ratio.

## 19. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Trade accounts payable - related parties (Note 9)	19,815	32,484	40,484
Trade accounts payable - unrelated parties	302,301	322,577	107,531	127,985
Accounts payable for purchasing of fixed assets	28,161	17,731	2,288	1,893
Account payable for purchasing of shares	-	15,789	-	15,789
Accrued expenses	113,740	103,161	19,480	20,875
Other payables - related parties (Note 9)	-	-	682	1,827
Other payables - unrelated parties	125,050	110,684	63,839	54,799
<b>Total</b>	<b>589,067</b>	<b>602,426</b>	<b>234,304</b>	<b>257,135</b>



## 20. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Advance received for molds	48,233	30,938	29,149	19,991
Others	20,395	24,982	3,583	1,546
<b>Total</b>	<b>68,628</b>	<b>55,920</b>	<b>32,732</b>	<b>21,537</b>

## 21. Long-term loans from banks

Loan	Interest rate (% per annum)	Repayment schedule	(Unit: Thousand Baht)			
			Consolidated		Separate	
			financial statements	financial statements	financial statements	financial statements
			2023	2022	2023	2022
1	MLR - 1.75	Quarterly installments as from 25 February 2019	202,857	318,090	202,857	318,090
2	MLR - 2.00	Quarterly installments as from 30 December 2020	250,750	310,250	250,750	310,250
3	Year 1 - 3: MLR - 1.75 Year 4 - 7: MLR - 2.00	Quarterly installments as from 30 June 2022	769,377	923,127	769,377	923,127
4	Bank's Cost of Funds Rate + 1.00	Monthly installments as from 1 June 2021	26,679	32,085	-	-
5	Bank's 1 month Cost of Funds Rate + 1.00	Monthly installments as from 6 June 2021	25,071	45,434	-	-
6	Repo Rate + Fixed rate	Semi-annual installments as from 14 December 2022	206,903	294,835	-	-
7	Repo Rate + Fixed rate	Semi-annual installments as from 31 March 2024	114,018	-	-	-
8	Repo Rate + Fixed rate	Semi-annual installments as from 30 March 2023	151,603	180,390	-	-
9	Repo Rate + Fixed rate	Semi-annual installments as from 30 April 2024	55,987	-	-	-
10	Repo Rate + Fixed rate	Semi-annual installments as from 30 December 2024	4,205	-	-	-
11	Repo Rate + Fixed rate	Semi-annual installments as from 10 January 2025	35,073	-	-	-
<b>Total</b>			<b>1,842,523</b>	<b>2,104,211</b>	<b>1,222,984</b>	<b>1,551,467</b>
Less: Deferred financial fees			(4,512)	(6,613)	(4,512)	(6,613)
<b>Net</b>			<b>1,838,011</b>	<b>2,097,598</b>	<b>1,218,472</b>	<b>1,544,854</b>
Less: Current portion			(381,313)	(372,982)	(249,718)	(275,081)
<b>Long-term loans, net of current portion</b>			<b>1,456,698</b>	<b>1,724,616</b>	<b>968,754</b>	<b>1,269,773</b>



Movements of the long-term loan account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Beginning balance	2,097,598	2,236,910	1,544,854	1,672,202
Add: Additional borrowings	209,691	462,526	-	62,024
Financial fees amortisation	2,101	5,845	2,101	2,486
Less: Repayment	(464,636)	(557,978)	(328,483)	(191,858)
Translation adjustment	(6,743)	(49,705)	-	-
Ending balance	<u>1,838,011</u>	<u>2,097,598</u>	<u>1,218,472</u>	<u>1,544,854</u>

As at 31 December 2023, the long-term credit facilities of the Group which have not yet been drawn down amounted to INR 385 million (the Company only: Nil) (2022: Baht 25 million (the Company only: Baht 25 million)).

#### Loan 1

On 16 August 2018, the Company entered into a loan agreement with a bank in the amount of Baht 1,200 million. The loan has no collateral.

Under the loan agreement, the Company has to comply with certain financial terms as specified in the agreement, such as maintaining interest bearing debt to equity ratio and debt service coverage ratio, to be in line with the rates stipulated in the agreement. The Company is required to maintain a portion of its investment in the subsidiary and required to obtain approval from the financial institutions in various matters, including dividends and assets or income guarantees.

#### Loan 2

On 1 October 2020, the Company entered into a loan agreement with a bank in the amount of Baht 425 million. The loan has no collateral.

Under the loan agreement, the Company has to comply with certain financial terms as specified in the agreement, such as maintaining interest bearing debt to equity ratio and debt service coverage ratio, to be in line with the rates stipulated in the agreement. In addition, the Company has to comply with other terms as specified in the agreement, such as the Company is required to maintain a portion of its investment in the subsidiary and required to repay principal in case the Company receives dividend from the subsidiary.



### **Loan 3**

On 24 May 2021, the Company entered into a loan agreement with a bank in the amount of Baht 1,025 million. The loan has no collateral.

Subsequently, on 30 May 2022, the Company had drawn down the loan from a bank of Baht 62 million to pay account payable related to the purchase of 80% shares of Combi-Pack Sdn Bhd to group of sellers, which is the remaining 6% of the initial purchase price as stipulated in the agreement.

Under the loan agreement, the Company has to comply with certain financial terms as specified in the agreement, such as maintaining interest bearing debt to equity ratio and debt service coverage ratio, to be in line with the rates stipulated in the agreement. In addition, the Company has to comply with other terms as specified in the agreement, such as condition of principal repayment.

### **Loan 4 - 5**

On 1 June 2021, the Group received its long-term loans from banks as a result of the acquisition of Combi-Pack Sdn Bhd of MYR 4.9 million and MYR 9.5 million, respectively.

Under the loan agreements, the subsidiary has to comply with certain financial terms as specified in the agreement, such as maintaining financial ratio, outstanding balance of tangible assets to be in accordance with the rates stipulated in the agreement. The above loans are pledged by the property, plant and equipment of the subsidiary as collateral, and guaranteed by the directors.

### **Loan 6**

On 10 December 2021, the subsidiary entered into a loan agreement with a bank in the amount of INR 1,000 million. The loan are pledged by the property, plant and equipment of the subsidiary as collateral.

Subsequently in September 2022, the subsidiary had drawn down the loan of INR 760 million from another bank as for substitute loan from the previous bank. The interest rate will be determined at the time of disbursement which refer to the market interest rate. Presently, the loan carries interest at a rate of Repo Rate plus fixed rate per annum. The loan is repayable on semi-annual installments basis with amount specified as same as the previous agreement. The loan was secured by the mortgage of property, plant and equipment of the subsidiary. Under the loan agreement, the subsidiary has to comply with certain financial terms and other terms as specified in the agreement, such as maintaining debt to equity ratio and debt service coverage ratio.





### **Loan 7**

On 30 August 2023, the subsidiary entered into a loan agreement with a bank in the amount of INR 278 million. The interest rate will be determined at the time of disbursement which refer to the market interest rate. Presently, the loan carries interest at a rate of Repo Rate plus fixed rate per annum. The loan is repayable on monthly installments basis with amount specified in the agreement. The loan was secured by the mortgage of property, plant and equipment of the subsidiary.

Under the loan agreement, the subsidiary has to comply with certain financial terms and other terms as specified in the agreement, such as maintaining debt to equity ratio and debt service coverage ratio.

### **Loan 8**

On 30 March 2022, the subsidiary entered into a loan agreement with a bank in the amount of INR 430 million. The loan was secured by the mortgage of property, plant and equipment of the subsidiary and the corporate guarantee by the Company. The subsidiary had fully drawn down the loan of INR 430 million on 31 March 2022.

Subsequently, on 30 September 2022, the subsidiary had drawn down the loan of INR 430 million from another bank in India, and repaid the loan in full to the previous bank on 3 October 2022. The interest rate will be determined at the time of disbursement which refer to the market interest rate. Presently, the loan carries interest at a rate of Repo Rate plus fixed rate per annum. The loan is repayable on semi-annual installments basis with amount specified as same as the previous agreement. The loan was secured by the mortgage of property, plant and equipment of the subsidiary and the corporate guarantee by another subsidiary.

Under the loan agreement, the subsidiary has to comply with certain financial terms and other terms as specified in the agreement, such as maintaining debt to equity ratio and debt service coverage ratio.

### **Loan 9**

On 28 April 2023, the subsidiary entered into a loan agreement with a bank in the amount of INR 135 million. The interest rate will be determined at the time of disbursement which refer to the market interest rate. Presently, the loan carries interest at a rate of Repo Rate plus fixed rate per annum. The loan is repayable on semi-annual installments basis with amount specified in the agreement. The loan was secured by the mortgage of property, plant and equipment of the subsidiary and the corporate guarantee by another subsidiary.

Under the loan agreement, the subsidiary has to comply with certain financial terms and other terms as specified in the agreement, such as maintaining debt to equity ratio and debt service coverage ratio.



### **Loan 10**

On 6 December 2023, the subsidiary entered into a loan agreement with a bank in the amount of INR 176 million. The interest rate will be determined at the time of disbursement which refer to the market interest rate. Presently, the loan carries interest at a rate of Repo Rate plus fixed rate per annum. The loan is repayable on semi-annual installments basis with amount specified in the agreement. The loan was secured by the mortgage of property, plant and equipment of the subsidiary and the corporate guarantee by another subsidiary.

Under the loan agreement, the subsidiary has to comply with certain financial terms and other terms as specified in the agreement, such as maintaining debt to equity ratio and debt service coverage ratio.

### **Loan 11**

On 29 May 2023, the subsidiary entered into a loan agreement with a bank in the amount of INR 304 million. The interest rate will be determined at the time of disbursement which refer to the market interest rate. Presently, the loan carries interest at a rate of Repo Rate plus fixed rate per annum. The loan is repayable on semi-annual installments basis with amount specified in the agreement. The loan was secured by the mortgage of property, plant and equipment of the subsidiary and the corporate guarantee by another subsidiary.

Under the loan agreement, the subsidiary has to comply with certain financial terms and other terms as specified in the agreement, such as maintaining total debt to EBITDA ratio and debt service coverage ratio.

## **22. Debentures**

On 24 April 2018, the Annual General Meeting of the Company's shareholders approved the issuance and offering of debentures in total amount not exceed than Baht 2,000 million. The Company has authority to determine any relevant terms and details such as type of debentures, security, offering amount at each issuance, offering price per unit, term of debentures, maturity period, rights of early redemption, interest rate, repayment method and allocation method, etc. As at 31 December 2023, the Company has not issued the debentures.

## **23. Leases**

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

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 2 - 25 years (the Company only: 3 - 5 years).



## 23.1 Right-of-use assets

Movements of right-of-use assets account for the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Land and land improvement	Buildings and building improvement	Furniture and office equipment	Machinery and equipment	Motor vehicles	
Net book value as at						
1 January 2022	16,536	160,631	160	10,903	2,347	190,577
Additions during the year	2,700	3,684	-	-	665	7,049
Transferred to equipment	-	-	-	(9,796)	-	(9,796)
Depreciation for the year	(4,386)	(11,727)	(160)	(872)	(1,069)	(18,214)
Translation adjustment	440	3,946	-	(235)	(10)	4,141
Net book value as at						
31 December 2022	15,290	156,534	-	-	1,933	173,757
Additions during the year	5,135	37,152	-	-	1,261	43,548
Depreciation for the year	(4,321)	(16,713)	-	-	(935)	(21,969)
Translation adjustment	(200)	(883)	-	-	(8)	(1,091)
Net book value as at						
31 December 2023	15,904	176,090	-	-	2,251	194,245

(Unit: Thousand Baht)

	Separate financial statements			Total
	Buildings and building improvement	Furniture and office equipment	Motor vehicles	
Net book value as at 1 January 2022	1,096	46	1,534	2,676
Additions during the year	3,684	-	665	4,349
Depreciation for the year	(2,017)	(46)	(576)	(2,639)
Net book value as at 31 December 2022	2,763	-	1,623	4,386
Additions during the year	5,537	-	1,261	6,798
Depreciation for the year	(2,948)	-	(632)	(3,580)
Net book value as at 31 December 2023	5,352	-	2,252	7,604

## 23.2 Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Lease payments	319,181	296,689	8,329	4,890
Less: Deferred interest expenses	(108,784)	(111,182)	(497)	(364)
Total	210,397	185,507	7,832	4,526
Less: Portion due within one year	(18,785)	(11,746)	(3,728)	(1,715)
Lease liabilities - net of current portion	<u>191,612</u>	<u>173,761</u>	<u>4,104</u>	<u>2,811</u>

Movements of the lease liabilities account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Balance at beginning of year	185,507	188,926	4,526	2,752
Additions	42,102	7,049	6,798	4,349
Accretion of interest	12,349	10,931	438	302
Decrease from repayment	(27,596)	(25,577)	(3,930)	(2,877)
Translation adjustment	(1,965)	4,178	-	-
Balance at end of year	<u>210,397</u>	<u>185,507</u>	<u>7,832</u>	<u>4,526</u>

A maturity analysis of lease payments is disclosed in Note 36.2 to the consolidated financial statements under the liquidity risk.

## 23.3 Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Depreciation expense of right-of-use				
assets	21,969	18,214	3,580	2,639
Interest expense on lease liabilities	12,349	10,931	438	302
Expense relating to short-term leases	19,707	15,136	243	1,148
Expense relating to leases of low-value				
assets	658	3,752	478	240





## 23.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 48 million (2022: Baht 44 million) (the Company only: Baht 5 million (2022: Baht 4 million)), including the cash outflow related to short-term leases and leases of low-value assets.

### 24. Assets associated with call options granted by holders of non-controlling interests / Liabilities associated with put options granted to holders of non-controlling interests

#### Sun Packaging Systems (FZC)

On 24 April 2019, the Company entered into Shareholders Agreement between the Company, Sun Packaging Systems (FZC) and Mr. Kishore Kumar Tarachand Bhatia. The Company has call options which were rights to buy all remaining 11% of shares in Sun Packaging Systems (FZC) from Bhatia Investment Holding Limited. Call options granted to holders of non-controlling interests are summarised below.

First exercise of call options:

Within 6 months from 24 April 2022, the option price is based on specified terms and conditions as stated in the agreement.

Second exercise of call options:

Within 6 months from 24 April 2024, the option price is based on specified terms and conditions as stated in the agreement.

As at 31 December 2023, the Company recorded assets associated with call options granted by holders of non-controlling interests amount of Baht 2.1 million (2022: Baht 4.3 million).

#### Combi-Pack Sdn Bhd

On 31 May 2021, the Company entered into Shareholders Agreement between the Company and Mr. Chow Chee Yut. Mr. Chow Chee Yut has put options which has rights to sell all remaining 20% of shares in Combi-Pack Sdn Bhd to the Company. The Company has call options which has rights to buy all remaining 20% of shares in Combi-Pack Sdn Bhd from Mr. Chow Chee Yut. The exercise of put options granted to holders of non-controlling interests are within 60 days after the date that the subsidiary's auditor has audited the financial statements for the years 2024, 2025, 2026 and 2027, respectively, the option price is based on specified terms and conditions as stated in the agreement.

### TPAC Skypet India Private Limited

On 31 December 2021 and 25 February 2022, TPAC Packaging India Private Limited and TPAC Skypet India Private Limited entered into the Shareholders Agreement between both subsidiaries and Mr. S. Selvaraj, whereby Mr. S. Selvaraj has put options with rights to sell all remaining 20% of shares in TPAC Skypet India Private Limited to TPAC Packaging India Private Limited. TPAC Packaging India Private Limited has call options with rights to buy all remaining 20% of shares in TPAC Skypet India Private Limited from Mr. S. Selvaraj. The exercise of put options granted to non-controlling interests of the subsidiary are within 60 days after the date that the subsidiary's auditor has audited the financial statements for the years 2026, 2027, 2028 and 2029, respectively, the option price is based on specified terms and conditions as stated in the agreement.

As at 31 December 2023, the Company recorded liabilities associated with put options granted to holders of non-controlling interests amount of Baht 412.5 million (the Company only: Baht 293.0 million) (2022: Baht 340.6 million (the Company only: Baht 293.0 million)).

## 25. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2023 and 2022 were as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Provision for compensation on employees' retirement	65,392	60,045	41,598	38,344
Provision for long service awards	5,933	5,788	5,720	5,584
Other provisions	8,480	7,705	-	-
Total	<u>79,805</u>	<u>73,538</u>	<u>47,318</u>	<u>43,928</u>



Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Group, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Provision for long-term employee benefits at beginning of year</b>	73,538	79,557	43,928	47,919
Included in profit or loss:				
Current service cost	13,672	18,683	4,168	7,789
Interest cost	3,035	980	1,445	728
Past service costs	-	92	-	-
Remeasurement the value of other long-term benefit	-	131	-	193
Included in other comprehensive income:				
Actuarial gain (loss) arising from				
Demographic assumptions changes	-	(15)	-	830
Financial assumptions changes	(404)	(8,018)	-	(5,052)
Experience adjustments	(85)	(5,974)	-	(4,489)
Increase from acquisition of subsidiary	-	985	-	-
Benefits paid during the year	(9,032)	(12,028)	(2,223)	(3,990)
Translation adjustment	(919)	(855)	-	-
<b>Provision for long-term employee benefits at end of year</b>	<b>79,805</b>	<b>73,538</b>	<b>47,318</b>	<b>43,928</b>

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cost of sales	11,255	13,931	3,036	5,527
Selling, distribution and administrative expenses	5,452	5,824	2,577	2,990
Total expenses recognised in profit or loss	<b>16,707</b>	<b>19,755</b>	<b>5,613</b>	<b>8,517</b>

The Group expect to pay Baht 6.8 million of long-term employee benefits during the next year (the Company only: Baht 1.5 million) (2022: Baht 8.6 million (the Company only: Baht 2.2 million)).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 8 - 16 years (the Company only: 8 - 16 years) (2022: 8 - 16 years (the Company only: 8 - 16 years)).

Significant actuarial assumptions are summarised below:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Discount rate	2.49 - 7.49	2.49 - 7.48	2.49, 3.44	2.49, 3.44
Salary increase rate	4 - 8	4 - 8	4	4
Turnover rate	2 - 23	2 - 23	2 - 23	2 - 23

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:

	As at 31 December 2023			
	Consolidated		Separate	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(7.3)	8.5	(4.2)	4.9
Salary increase rate	14.1	(10.9)	9.7	(7.2)
Turnover rate	(7.1)	9.6	(6.1)	8.4

	As at 31 December 2022			
	Consolidated		Separate	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(6.9)	8.1	(4.0)	4.7
Salary increase rate	7.0	(6.2)	3.9	(3.4)
Turnover rate	(3.4)	3.9	(2.8)	3.3

## 26. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.





## 27. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Amortisation of financial fees	2,101	5,845	2,101	2,486
Interest expenses on borrowings	157,476	144,074	96,058	73,941
Interest expenses on lease liabilities	12,349	10,931	438	302
<b>Total</b>	<b>171,926</b>	<b>160,850</b>	<b>98,597</b>	<b>76,729</b>

## 28. Expenses by nature

Significant expenses classified by nature are as follow:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Salaries, wages and other employee benefits	724,414	717,566	293,733	302,242
Depreciation and amortisation	494,800	482,325	105,708	119,904
Raw materials and consumables used	3,954,201	4,424,861	845,317	1,038,543
Changes in inventories of finished goods and work in process	22,411	53,746	(2,772)	37,302

## 29. 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	
	2023	2022	2023	2022
<b>Current income tax:</b>				
Current corporate income tax charge	116,017	87,938	13,280	13,442
Adjustment in respect of income tax of previous year	(2,698)	(5,196)	(3,357)	(3,380)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(4,444)	(7,527)	(702)	(710)
<b>Income tax expenses reported in profit or loss</b>	<b>108,875</b>	<b>75,215</b>	<b>9,221</b>	<b>9,352</b>

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	
	2023	2022	2023	2022
Deferred tax relating to actuarial loss (gain)	(57)	1,828	-	1,742

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit before tax	650,852	425,543	475,831	104,171
Applicable tax rate	0%, 8%, 20%, 24%, 25.17%	0%, 8%, 20%, 24%, 25.17%	8%, 20%	8%, 20%
Accounting profit before tax multiplied by income tax rate	195,175	91,889	94,745	20,495
Adjustment in respect of income tax of previous year	(2,698)	(5,196)	(3,357)	(3,380)
Effects of:				
Non-deductible expenses	5,213	23,748	2,031	18,165
Additional expense deductions allowed	(4,640)	(2,914)	(4,640)	(2,914)
Dividend which exempted corporate income tax	(78,395)	(21,612)	(78,395)	(21,612)
Reversal of previous deferred tax assets	(16)	(4,807)	-	-
Others	(5,764)	(5,893)	(1,163)	(1,402)
Total	(83,602)	(11,478)	(82,167)	(7,763)
Income tax expenses reported in profit or loss	108,875	75,215	9,221	9,352



The components of deferred tax assets and deferred tax liabilities as at 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
<b>Deferred tax assets</b>				
Allowance for expected credit losses	3,491	2,689	-	-
Allowance for diminution in value of inventories	2,016	1,744	114	145
Allowance for assets impairment	125	125	125	125
Accumulated depreciation - equipment	217	211	217	211
Provision for long-term employee benefits	12,036	10,717	9,512	8,786
Contingent liabilities	5,323	1,173	-	-
Cost of amalgamation of subsidiary	-	27	-	-
Lease	1,014	-	-	-
<b>Total</b>	<b>24,222</b>	<b>16,686</b>	<b>9,968</b>	<b>9,267</b>
<b>Deferred tax liabilities</b>				
Accumulated depreciation	346,075	370,426	-	-
Unrealised gain on exchange rate	151	185	-	-
<b>Total</b>	<b>346,226</b>	<b>370,611</b>	<b>-</b>	<b>-</b>
<b>Deferred tax - net</b>	<b>(322,004)</b>	<b>(353,925)</b>	<b>9,968</b>	<b>9,267</b>
Transactions reflected in statement of financial position:				
Deferred tax assets	9,968	9,267	9,968	9,267
Deferred tax liabilities	331,972	363,192	-	-
<b>Deferred tax - net</b>	<b>(322,004)</b>	<b>(353,925)</b>	<b>9,968</b>	<b>9,267</b>

As at 31 December 2023, two subsidiaries had unused tax loss on which deferred tax assets have not been recognised in total of Baht 69 million and PHP 9 million (2022: a subsidiary of Baht 96 million).



### International Business Center

On 24 June 2019, the Revenue Department approved the Company to be International Business Center in providing management services, technical services, supporting services, and international trade with tax benefits for 15 accounting periods as from 1 June 2019 to 31 December 2033 under specified requirements.

### Exemption of corporate income tax for companies located in Sharjah Airport International Free Zone in United Arab Emirates

Sun Packaging System (FZC) located in Sharjah Airport International Free Zone in United Arab Emirates, and granted corporate income tax exemption for 50 years as from the subsidiary's founding date in 2004.

## 30. 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.

The following table sets forth the computation of basic earnings per share:

		Consolidated financial statements					
		Profit for the year		Weighted average number of ordinary shares		Earnings per share	
		2023	2022	2023	2022	2023	2022
		(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>							
Profit attributable to equity holders of the Company		490,203	318,840	326,550	326,550	1.50	0.98
		Separate financial statements					
		Profit for the year		Weighted average number of ordinary shares		Earnings per share	
		2023	2022	2023	2022	2023	2022
		(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>							
Profit attributable to equity holders of the Company		466,610	94,819	326,550	326,550	1.43	0.29





### 31. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Board of Directors. The basis that used to measure operating profit or loss of segment is same as the basis that used to measure operating profit or loss in the financial statements.

For management purposes, the Group is principally engaged in the manufacture and distribution of plastic packaging. Their operations are carried on in two geographic areas in Thailand which consists of the Company and TPAC Packaging (Bangna) Company Limited, and oversea countries which consists of India as operated by TPAC Packaging India Private Limited, TPAC Skypet India Private Limited and TPAC Custom Solutions Private Limited, United Arab Emirate as operated by Sun Packaging Systems (FZC), Malaysia as operated by Combi-Pack Sdn Bhd and Philippines as operated by TPAC Packaging Philippines Inc.

The basis of accounting for any transactions between reportable geographical segments is consistent with that for third party transactions.

The revenue and profit information by geographical segment in the consolidated financial statements for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	For the years ended 31 December							
	Thailand		Overseas countries		Elimination of inter-segment revenues		Consolidation	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenues from customers	1,864,850	2,009,795	4,939,270	4,987,421	-	-	6,804,120	6,997,216
Inter-segment revenues	173,062	160,791	16,705	9,261	(189,767)	(170,052)	-	-
Total revenues from sales	<u>2,037,912</u>	<u>2,170,586</u>	<u>4,955,975</u>	<u>4,996,682</u>	<u>(189,767)</u>	<u>(170,052)</u>	<u>6,804,120</u>	<u>6,997,216</u>
Segment operating profit	212,968	142,383	612,310	446,934	(2,500)	(2,924)	822,778	586,393
Unallocated income and expenses:								
Finance cost							(171,926)	(160,850)
Income tax expenses							(108,875)	(75,215)
Profit for the year							<u>541,977</u>	<u>350,328</u>

#### Major customers

During the years ended 31 December 2023 and 2022, the Group has no major customer with revenue of 10 percent or more of the Group's revenues.

### 32. 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 contributed to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by Bank of Ayudhaya Public Company Limited and Thanachart Bank Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to approximately Baht 6.7 million (the Company only: Baht 6.3 million) (2022: Baht 6.1 million (the Company only: Baht 5.7 million)) were recognised as expenses.

### 33. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2022	Annual General Meeting of the shareholders on 28 April 2023	95,679	0.293
Total dividends for 2023		<u>95,679</u>	<u>0.293</u>
Final dividends for 2021	Annual General Meeting of the shareholders on 29 April 2022	46,044	0.141
Total dividends for 2022		<u>46,044</u>	<u>0.141</u>



### 34. Commitments and contingent liabilities

#### 34.1 Capital commitments

As at 31 December 2023 and 2022, the Group had capital commitments relating to acquisition of machinery and molds as follows:

Foreign currency	Consolidated financial statements		Separate financial statements	
	2023 (Million)	2022 (Million)	2023 (Million)	2022 (Million)
Baht	18.1	11.1	17.5	9.7
US Dollar	3.5	0.4	0.3	0.2
Euro	1.0	-	0.1	-
Japanese Yen	91.1	42.6	2.5	2.5
Malaysian Ringgit	1.1	0.9	-	-
Indian Rupee	251.7	46.1	-	-
Dirham United Arab Emirates	1.3	0.3	-	-
Philippines Peso	4.7	-	-	-
Chinese Yuan	0.5	-	0.5	-

#### 34.2 Guarantees

As at 31 December 2023, there were outstanding bank guarantees to guarantee electricity and other utilities use, and guarantee for damage goods of Baht 19 million, INR 19 million and MYR 1 million issued by banks on behalf of the Group (the Company only: Baht 15 million) (2022: Baht 20 million INR 13 million and MYR 1 million (the Company only: Baht 14 million)).

#### 34.3 Litigations

TPAC Packaging India Private Limited has been carrying excise duty, and good and service tax under dispute amounting to INR 18 million (2022: INR 14 million). These contingent liabilities have arisen pursuant to notice received from Indirect tax department. Currently, litigation is in progress pertaining to such disputes at the Courts in India. The management of subsidiary has set aside provision for the potential losses to such case amounting to INR 10 million (2022: INR 11 million).

In addition, on 20 April 2021, TPAC Packaging India Private Limited received an assessment order of INR 85.8 million from Income tax department of India related to share premium received in India's tax fiscal years 2018 - 2019. Currently, the subsidiary is in the appeal process of such assessment order. The Group's management and the subsidiary's management believe that the subsidiary will not incur any loss as a result of this assessment order. The subsidiary therefore has not set aside provision for losses resulting from this assessment order.

### 35. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million 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 FVTPL				
Assets associated with call options granted by holders of non-controlling interests	-	-	2.1	2.1
<b>Liabilities measured at fair value</b>				
Financial liabilities measured at fair value				
Liabilities associated with put options granted to non-controlling interests of the subsidiaries	-	-	412.5	412.5

(Unit: Million 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 FVTPL				
Assets associated with call options granted by holders of non-controlling interests	-	-	4.3	4.3
<b>Liabilities measured at fair value</b>				
Financial liabilities measured at fair value				
Liabilities associated with put options granted to non-controlling interests of the subsidiaries	-	-	340.6	340.6





(Unit: Million 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 FVTPL				
Assets associated with call options granted by holders of non-controlling interests				
-	-	2.1	2.1	
<b>Liabilities measured at fair value</b>				
Financial liabilities measured at fair value				
Liabilities associated with put options granted to non-controlling interests of the subsidiaries				
-	-	293.0	293.0	

(Unit: Million 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 FVTPL				
Assets associated with call options granted by holders of non-controlling interests				
-	-	4.3	4.3	
<b>Liabilities measured at fair value</b>				
Financial liabilities measured at fair value				
Liabilities associated with put options granted to non-controlling interests of the subsidiaries				
-	-	293.0	293.0	

## 36. Financial instruments

### 36.1 Derivatives

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
<b>Derivative liabilities</b>				
Derivative liabilities not designated as hedging instruments				
Foreign exchange forward contracts				
	-	1	-	1
<b>Total derivative liabilities</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>

## **Derivatives not designated as hedging instruments**

The Company 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 within 3 months.

### **36.2 Financial risk management objectives and policies**

The Group's financial instruments principally comprise cash and cash equivalents, restricted bank deposits, trade and other receivables, bank overdraft and short-term loans from banks, trade and other payables and long-term loans. 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, deposits with banks, 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 and major customers are diversified as the Group has various customer base and they are reputable customers.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due. 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.

#### **Liquidity risk**

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, long-term loans from banks and lease contracts. The Group has access to a sufficient variety of sources of funding.

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, and included interest payment:



(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2023

	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>					
Bank overdraft and short-term loans from banks	18,893	1,050,765	-	-	1,069,658
Trade and other payables	-	589,067	-	-	589,067
Lease liabilities	-	31,015	104,976	183,190	319,181
Long-term loans from banks	-	468,932	1,549,919	40,807	2,059,658
Other financial liabilities	42,385	54,028	865	-	97,278
<b>Total non-derivatives</b>	<b>61,278</b>	<b>2,193,807</b>	<b>1,655,760</b>	<b>223,997</b>	<b>4,134,842</b>

(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2022

	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>					
Bank overdraft and short-term loans from banks	-	900,281	-	-	900,281
Trade and other payables	-	602,426	-	-	602,426
Lease liabilities	-	21,954	77,029	197,706	296,689
Long-term loans from banks	-	433,481	1,686,105	174,424	2,294,010
Other financial liabilities	37,743	-	52,385	-	90,128
<b>Total non-derivatives</b>	<b>37,743</b>	<b>1,958,142</b>	<b>1,815,519</b>	<b>372,130</b>	<b>4,183,534</b>

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2023

	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>					
Bank overdraft and short-term loans from banks	-	867,321	-	-	867,321
Trade and other payables	-	234,304	-	-	234,304
Lease liabilities	-	4,035	4,294	-	8,329
Long-term loans from banks	-	289,935	1,024,907	-	1,314,842
<b>Total non-derivatives</b>	<b>-</b>	<b>1,395,595</b>	<b>1,029,201</b>	<b>-</b>	<b>2,424,796</b>

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2022

	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>					
Bank overdraft and short-term loans from banks	-	864,959	-	-	864,959
Trade and other payables	-	257,135	-	-	257,135
Lease liabilities	-	1,953	2,937	-	4,890
Long-term loans from banks	-	326,037	1,314,456	52,302	1,692,795
<b>Total non-derivatives</b>	-	<b>1,450,084</b>	<b>1,317,393</b>	<b>52,302</b>	<b>2,819,779</b>

**Market risk**

There are three types of market risk comprising currency risk, interest rate risk, and commodity price risk. The Group enters into foreign exchange forward contracts to hedge the foreign currency risk arising on sales transactions.

**Foreign currency risk**

The Group's exposure to the foreign currency risk relates primarily to its sales transactions that are denominated in foreign currencies. Mostly, 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	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2023	2022	2023	2022	2023	2022
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 currency unit)	
US Dollar	4,280	3,002	1,062	857	34.2233	34.5624
Euro	540	181	64	90	38.0334	36.8274
Pound Sterling	8	9	-	-	43.8440	41.6639
Singapore Dollar	326	353	4	13	25.9733	25.7306
Australian Dollar	1,054	1,087	152	173	23.4595	23.3791
Malaysian Ringgit	-	-	-	1,989	-	7.8304
Japanese Yen	-	-	1,900	-	0.2423	-
Swiss Franc	-	-	10	-	40.7035	-
Dirham United Arab Emirates	93	-	-	-	9.3183	-



Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2023	2022	2023	2022	2023	2022
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 currency unit)	
US Dollar	1,566	1,090	62	84	34.2233	34.5624
Euro	-	-	16	-	38.0334	36.8274
Singapore Dollar	-	-	3	11	25.9733	25.7206
Malaysian Ringgit	-	-	-	1,989	7.4168	7.8304
Swiss Franc	-	-	10	-	40.7035	37.4333
Philippines Peso	13,031	-	-	-	0.6138	-

As at 31 December 2023, the Group had no foreign exchange contracts outstanding.

As at 31 December 2022, the Group had foreign exchange contracts outstanding are summarised below.

Foreign currency	Consolidated and Separate financial statements				
	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)		
US Dollar	-	19	-	34.44	15 March 2023

### Foreign currency sensitivity

As at 31 December 2023 and 2022, the Group has no significant impact on the Group's profit before tax and equity due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives with a reasonably possible change in exchange rates within next one year.

### Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash and cash equivalents, restricted bank deposits, bank overdraft and short-term loans from banks and long-term loans from banks. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 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: Million Baht)

Consolidated financial statements							
As at 31 December 2023							
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	More than 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	178	5	183	Note 7
Trade and other receivables	-	-	-	-	1,430	1,430	-
Time deposits	-	3	-	-	-	3	Note 8
Restricted bank deposits	18	-	-	-	-	18	Note 12
	<u>18</u>	<u>3</u>	<u>-</u>	<u>178</u>	<u>1,435</u>	<u>1,634</u>	
<b>Financial liabilities</b>							
Bank overdraft and short-term loans from banks	1,061	-	-	-	-	1,061	Note 18
Trade and other payables	-	-	-	-	589	589	-
Lease liabilities	19	67	124	-	-	210	Note 23
Long-term loans from banks	-	-	-	1,838	-	1,838	Note 21
	<u>1,080</u>	<u>67</u>	<u>124</u>	<u>1,838</u>	<u>589</u>	<u>3,698</u>	

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2022							
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	More than 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	127	160	287	Note 7
Trade and other receivables	-	-	-	-	1,373	1,373	-
Time deposits	13	3	-	-	-	16	Note 8
Restricted bank deposits	17	-	-	-	-	17	Note 12
	<u>30</u>	<u>3</u>	<u>-</u>	<u>127</u>	<u>1,533</u>	<u>1,693</u>	
<b>Financial liabilities</b>							
Bank overdraft and short-term loans from banks	992	-	-	-	-	992	Note 18
Trade and other payables	-	-	-	-	602	602	-
Lease liabilities	12	42	132	-	-	186	Note 23
Long-term loans from banks	-	-	-	2,098	-	2,098	Note 21
	<u>1,004</u>	<u>42</u>	<u>132</u>	<u>2,098</u>	<u>602</u>	<u>3,878</u>	



(Unit: Million Baht)

Separate financial statements						
As at 31 December 2023						
Fixed interest rates		Floating	Non-	Total	Effective interest rate	
Within 1 year	1-5 years	interest rate	interest bearing			
					(% per annum)	
<b>Financial assets</b>						
Cash and cash equivalents	-	-	47	3	50	Note 7
Trade and other receivables	-	-	-	441	441	-
Short-term loans to related parties	38	-	-	-	38	Note 6
	38	-	47	444	529	
<b>Financial liabilities</b>						
Bank overdraft and short-term loans from banks	859	-	-	-	859	Note 18
Trade and other payables	-	-	-	234	234	-
Lease liabilities	4	4	-	-	8	Note 23
Long-term loans from banks	-	-	1,218	-	1,218	Note 21
	863	4	1,218	234	2,319	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2022						
Fixed interest rates		Floating	Non-	Total	Effective interest rate	
Within 1 year	1-5 years	interest rate	interest bearing			
					(% per annum)	
<b>Financial assets</b>						
Cash and cash equivalents	-	-	4	11	15	Note 7
Trade and other receivables	-	-	-	464	464	-
Short-term loans to related party	67	-	-	-	67	Note 6
	67	-	4	475	546	
<b>Financial liabilities</b>						
Bank overdraft and short-term loans from banks	859	-	-	-	859	Note 18
Trade and other payables	-	-	-	257	257	-
Lease liabilities	2	3	-	-	5	Note 23
Long-term loans from banks	-	-	1,545	-	1,545	Note 21
	861	3	1,545	257	2,666	

### Interest rate sensitivity

As at 31 December 2023 and 2022, the Group has no significant impact on the Group's profit before tax and equity due to changes in floating interest rate with a reasonably possible change in interest rates within next one year.

### ***Plastic polymers price risk***

The Group is affected from a fluctuation of plastic polymers, as operations of the Group require to purchase plastic polymers, main raw material, for production. The Group has risk related to change in plastic polymers price of forecasted plastic polymers to be consumed.

The Group's Board of Directors has developed and enacted a risk management strategy for plastic polymers price risk by having customer arrangements which allow the Group to adjust pricing to be in line with quarterly price movement of plastic polymers and diversified the risk of supply disruptions by purchasing plastic polymers from multiple local suppliers.

### **36.3 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.

The methods and assumptions used by the Group estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable, short-term loans to related parties, accounts payable, bank overdraft and short-term loans from banks, the carrying amounts in the statement of financial position approximate their fair value.
- b) The carrying amounts of long-term loans carrying interest at rates approximating the market rate, and fixed rate long-term loans which interest rate is comparable to market rate, in the statement of financial position approximates their fair value.
- c) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies. The Group considers counterparty credit risk when determining the fair value of derivatives

During the current year, there were no transfers within the fair value hierarchy.



### 36.4 Reconciliation of recurring fair value measurements, of financial assets and liabilities, categorised within Level 3 of the fair value hierarchy

(Unit: Thousand Baht)

	Consolidated financial statements	
	Assets associated with call options granted by non-controlling interests of the subsidiary	Liabilities associated with put options granted to non-controlling interests of the subsidiaries
Balance as at 1 January 2023	4,274	340,563
Increase (decrease) during the year	(2,137)	71,960
Balance as at 31 December 2023	2,137	412,523

(Unit: Thousand Baht)

	Separate financial statements	
	Assets associated with call options granted by non-controlling interests of the subsidiary	Liabilities associated with put options granted to non-controlling interests of the subsidiaries
Balance as at 1 January 2023	4,274	292,989
Decrease during the year	(2,137)	-
Balance as at 31 December 2023	2,137	292,989

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Assets associated with call options granted by non-controlling interests of the subsidiary	Black Scholes Model	Stock price and strike price	0.16 AED/share	No significant impact
Liabilities associated with put options granted to non-controlling interests of the subsidiaries	Discounted cash flow based on the expected exercise price	Exercise price	107.92 MYR/share and 739.23 INR/share	No significant impact



### **37. 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, and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods. As at 31 December 2023, the Group's interest bearing debt to equity ratio was 1.16:1 (2022: 1.27:1) and the Company's interest bearing debt to equity ratio was 0.94:1 (2022: 1.30:1).

### **38. Events after the reporting period**

38.1 In January 2024, the Company paid for capital increase of the subsidiary, TPAC Packaging India Private Limited, in the amount of Baht 20.8 million (INR 50 million). The capital increase was in accordance with the resolution passed in a meeting of the Board of Directors of the Company No. 6/2023 and a meeting of the Board of Directors of the subsidiary on 15 December 2023, that approved TPAC Packaging India Private Limited to increase its registered share capital of 5 million shares with a par value of INR 10 each for investment purposes.

38.2 On 23 February 2024, a meeting of the Board of Directors of the Company No. 1/2024 passed a resolution to propose the annual general meeting of the Company's shareholders to adopt a resolution to pay a dividend from operating results for the year 2023 of Baht 0.45 per share, totaling Baht 147 million. The dividend will be paid and recorded after it is approved by the annual general meeting of the Company's shareholders.

### **39. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2024.





# C4

PART

## CERTIFICATION OF INFORMATION

ANNUAL REPORT 2023  
THAI PLASPAC PUBLIC COMPANY LIMITED





## APPENDIX 1

Details of Directors, Executives, Controlling Person, The highest responsibility in accounting and finance, The person who directly responsible for accounting supervision and Company Secretary

### APPENDIX 1.1

Details of Directors, Executives, Controlling Person, The highest responsibility in accounting and finance, The person who directly responsible for accounting supervision and Company Secretary.

### APPENDIX 1.2

The position of director and executives in the Company, subsidiaries and associates

List of Directors	The Company	Subsidiaries					
		TPAC Packaging (Bangna) Limited	TPAC Packaging India Private	Sun Packaging Systems (FZC)	Combi-Pack Sdn Bhd	TPAC Sky-pet India Private Limited	TPAC Custom Solutions Private Limited
1) Mr. Yashovardhan Lohia	C						
2) Mr. Kevin Kumar Sharma	IV, VI, VII	C, IV		C, I	C, I		
3) Mr. Theerawit Busayapoka	IV, V, VI, VII	I					
4) Mr. Anil Kumar Kohli	IV, VII	I	I	I	I		
5) Mrs. Aradhana Lohia Sharma	I						
6) Mr. Virasak Sutanthavibul	I, III, V						
7) Mr. Kittiphath Suthisamphat	I, III, V						
8) Mr. Gran Chayavichitsilp	I, III, V						
9) Mr. Vishal Aggarwal	X		I		I	I	
9) Mr. Khanit Thanawuthikrai	X						

**Remark:**

C = Chairman of the Board                      I = Director                      II = Independent Director   III = Audit Committee  
 IV = Executive Committee                      V = Nomination and Remuneration Committee  
 VI = Corporate Governance Committee      VII = Risk Management Committee      X = Executive



## APPENDIX 2

### Details of the Directors of the Subsidiary

List of Directors	Subsidiaries					
	TPAC Packaging (Bangna) Limited	TPAC Packaging India Private	Sun Packaging Systems (FZC)	Combi-Pack Sdn Bhd	TPAC Skypet India Private Limited	TPAC Custom Solutions Private Limited
1) Mr. Peralath Jayachandran Nair		C, II			II	
2) Mr. Nimit Kishore Bhatia			II	II		II
3) Mr. Suyog Chitlange		X	X		II	
4) Mr. Chow Chee Yut				I		
5) Miss Chang Lai Ping				I		
6) Mr. Doonyanop Tangsikabuth	II					
7) Mr. Somchai Chaisuparakul	X					

**Remark:**

1. C = Chairman of the Board of Directors      2. I = Director      3. II = Executive Director      4. X = Executive
2. Subsidiaries refer to important subsidiaries whose revenue exceeds 10% of total revenue. According to the income statement of the previous fiscal year.



## APPENDIX 3

### APPENDIX 3.1 Details of Head of Internal Audit

The Company hired Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. Is an Audit Service provider of internal Control with details of the Head of Internal Audit as follows

Head of Internal Audit	Education / Training / Working Experience	Time Period	Company	Position
Mr. Somkrit Krishnamra	<p><b>Education / Training</b></p> <ul style="list-style-type: none"> <li>Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW)</li> <li>BSc. Economics from University College London, UK</li> </ul> <p><b>Working Experience</b></p> <ul style="list-style-type: none"> <li>2006 - Present: Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. Partner in Risk Advisory (RA) at Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. and has over 20 years of combined audit and advisory experience.</li> </ul>	Year 2023 — Present	Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd.	Engagement Partner



## APPENDIX 4

### Assets for business operation and Details about the appraisal items

#### 1. Assets for business operation

Details of assets used in business operation It appears in Section 1.2.3 , page 29

#### 2. Details about the appraisal items

- None -





## APPENDIX 5

### Policy and practice of corporate governance and business ethics

## Good Corporate Governance Policy Of Thai Plaspac Company Limited and Subsidiaries

Section 1 Rights of Shareholders

Section 2 Equitable Treatment of Shareholders

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### Section 1: Shareholders' Right

The Company respects the rights of all shareholders to equally obtain the Company's information accurately, completely, adequately, and timely to support their decision in every matter. Therefore, the Board of Directors has adopted the following policies.

1. Disclosure of the Company's material information necessary for shareholders shall be done through the Company's website and through the Stock Exchange of Thailand in a clear and timely manner.
2. The shareholders shall receive clear, equal, and sufficient information for decision-making, by disclosing such information in both Thai and English languages through the channels of the Stock Exchange of Thailand and the Company's website.
3. Regarding the shareholders' meetings, all shareholders shall receive clear information relating to the meeting adequately and equally in order to review and consider prior to the meeting will take place. The Company shall release information about the date, time, venue, and agenda of shareholders meeting in precisely, both in Thai and English, via the Stock Exchange of Thailand system "SET Portal" and the Company's website 30 days before the meeting date while the printed copy shall be delivered to all shareholders in advance of the meeting date, not less than 21 days in advance.
4. In case the shareholder cannot attend the meeting, he/she has a right to appoint an independent director or any person to represent him/her in the meeting by signing the proxy form which is attached to the invitation notice of the meeting or can be downloaded from the Company's website.
5. All shareholders have a right to review the Company's operation results by inquiring or making recommendations and suggestions to the Board and related management who are obliged to attend the meeting and answer all shareholders' inquiries.
6. At the meeting, shareholders shall consider and vote for a resolution of each agenda in respectively. There shall not be urgently any changes in material information or any additional agenda in the shareholders' meeting.
7. The Company requires all directors to attend the shareholders' meeting.
8. The Company shall disclose to the public the voting results of each agenda in the shareholders' meeting via the Stock Exchange of Thailand system "SET Portal" and the Company's website the next business day after the meeting date.
9. Minutes of the shareholders' meeting should be prepared in a complete, accurate, timely, and transparent manner, recording all important issues and recommendations in detail for shareholders' review. The Company shall also record video footage of the meeting for future reference. Additionally, the minutes of the shareholders' meeting shall be published on the Company's website for the shareholders to consider



and submitted to the Stock Exchange of Thailand within 14 days from the date of the meeting take place.

10. Right to obtain the share certificate and right to transfer ownership of the shares.
11. Right to vote at shareholders' meeting on the following materials:
  - I. To decide on changes in the company's significant policies.
  - II. To elect or remove the Company directors.
  - III. To consider the approval of director remuneration.
  - IV. To appoint independent auditors.
  - V. To consider dividend payments.
  - VI. To consider policies or other matters as required by law.
12. Right to nominate directors, agenda items, and questions in advance of the annual general meeting according to criteria established by the Company.
13. All other rights permitted by law.

## Section 2: Equitable Treatment of Shareholders

The Company has set a policy to promote practices to treat all shareholders, individual and institutional, local, and foreign, equally, and fairly, with the following details.

1. It is crucial to disclose the information and news about the Company in an accurate, complete, and timely manner to all shareholders through the websites of the Company and the Stock Exchange of Thailand.
2. The Company has arranged for communication with shareholders and related parties through shareholder meetings and various activities of the Stock Exchange of Thailand, such as Opportunity Day or Digital Road Show
3. The Company has a policy requiring directors and senior executives to notify the Board of Directors regarding any trading of the company's shares at least one day in advance before such trading occurs.
4. Measures to safeguard internal information are as follows:
  - I. Do not disclose confidential information of the Company for personal gain to benefit other individuals, or to cause harm to the company, except for information already disclosed to the public.
  - II. Directors and senior executives must report their shareholdings upon appointment to their positions in the company for the first time by submitting Form 59-1 to the Securities and Exchange Commission ("SEC") within 30 days from the date of assuming the position, and report changes in shareholdings of the company when there is a purchase, sale, transfer, or acquisition of company securities according to Form 59-2 within 3 business days from the date of change.
  - III. Conflict of interest: The company has a policy for related party transactions, whereby all transactions are disclosed along with significant parties involved, following the same principles as transactions with external parties, to prevent conflicts of interest.

## Section 3: Role of Stakeholders

The Company is aware of and recognizes the rights of all groups of stakeholders, internal and external. Mainly Internal stakeholders are shareholders and employees while external stakeholders include customers, suppliers, creditors, competitors, public sectors, public offices, and communities. The company has received support from various stakeholders to strengthen its competitive advantage and profitability, generating long-term value of the Company. Therefore, in addition to the below policy, the Company has also announced the Whistleblower Policy to provide channels for all stakeholders to file complaints or report any suspicious incidents of misconduct or corruption. Provided that there is the policy includes complaint procedure and protection of the whistleblower as follows:



## Shareholders

The Company realizes that shareholders are the Company's owners, and the Company has to build long-term economic value added for the shareholders. So, its directors, management, and employees are obliged to follow the below guidelines.

1. Perform his/her duties with integrity and make every decision according to the professional principles with careful, realized, and fair consideration of all groups of shareholders, major and minor, and for the best interests of the Shareholders as a whole.
2. Present reports of the Company's operating result, financial status, financial and accounting statements, and others consistently, completely, and accurately.
3. It is prohibited for all employees to use or disclose any non-public information for the benefit of their own or other related persons, or for any course of action which may pose a conflict of interest with the Company.
4. The Company shall not take any actions which violate or deprive the shareholder rights, i.e. failure to submit material information or documents to the shareholders prior to the shareholders' meeting, adding important agenda, or changing material information without advanced notifications to shareholders before the shareholders' meeting.
5. The Company shall encourage shareholders to use their rights in matters such as the right to nominate a candidate for director position, and the right to express their opinions and ask crucial questions relating to the meeting agenda.

## Employees

The Company believes that to achieve our business goals, employees are one of the most valuable resources and they deserve favorable treatment. Therefore, the Company shall treat its employees fairly and equally in all aspects, including career opportunities, compensation, promotion, and transfer as well as 9 versatile training and development plans. To be able to grow and expand its business in the future, the Company has set up a policy to promote and support the development of all employees. All employees shall be treated equally with respect for human rights, a good and safe working environment, and proper and fair compensation and benefits in accordance with their responsibilities, duties, and position.

## Customers

The Company is well-aware of the importance of its customers and has set the following policy regarding customer treatment.

1. Maintain the confidentiality of customers and refrain from using their information for personal or related party benefits without prior consent from the customers.
2. Provide accurate, sufficient, and timely information to customers.
3. Provide adequate advice on the company's products and services for customer decision-making.
4. Cultivate long-term relationships with customers to foster trust in the company's business dealings.
5. Encourage customers to complete satisfaction surveys to improve products and services.

## Business Partners and Creditors

The Company is committed to treating its business partners and/or creditors fairly and honestly without taking any advantage of the relationship. Any situations that pose a conflict of interest should be avoided and any trade negotiations should be based on business relationships. The following are related guidelines.

1. Do not demand, receive, or offer any payment or benefit of any dishonest dealing with business partners and/or creditors.
2. If there is any information of bribery, demanding or receiving, or offering the benefit of dishonest dealing, such information must be disclosed to the related business partners and/or creditors for investigation and



resolution in a fair and timely manner.

3. All terms and conditions of the agreement shall be strictly followed. If any conditions cannot be complied, the responsible person must inform the creditors in advance to jointly find solutions.

The process of selecting suppliers: The Company's policy requires the bidding process. The Company will select suppliers who offer reasonable prices and meet the specifications of the product or service that the Company requires.

#### **Banks, Financial Institutions, Creditors**

The Company is committed to treating the bank, financial institution, its creditor and guarantor with honesty; and to repayment of loans and interest on time. The Company set strategies of working capital management to ensure that the Company shall not be in any difficulties in repayment to the bank, financial institution, its creditors and guarantor. The Company shall also strictly comply with all terms & conditions specified in the loan agreements and the other agreements.

#### **Competitors**

The Company has a policy to treat all competitors with integrity, not breaching confidentiality or revealing trade secrets of competitors obtained illegally or deceptively. The following are guidelines of the policy.

1. Abide by the rules of ethical competition.
2. Do not seek confidential information or trade secrets of competitors by using illegal or inappropriate methods.
3. Do not discredit competitors with any negative accusation.
4. The Company supports and promotes free and fair competition.

#### **Community and Societies**

The Company's policy is to conduct business that benefits the economy and society by adhering to the practices of a good citizen who fully complies with laws and regulations. The Company commits to develop, promote, and leverage the quality of life in society and the communities in which the company is located, along with the growth of the company.

### **Section 4: Disclosure and Transparency**

The Company has a policy to disclose financial information and other business-related information as well as the Company's operation results which are truthful, complete, adequate, consistent, and timely. The information should reflect the actual financial status and operating performance, and the future of the Company's business. By publishing such information on the company's website, both in English and Thai, and disseminating it through press releases and media of the Stock Exchange of Thailand, all shareholders and other stakeholders shall receive the Company's information thoroughly and equally. Additionally, the Company shall consistently improve and change the method and practice of information disclosure to comply with the existing regulatory requirements from the Stock Exchange of Thailand and the Securities and Exchange Commission.

### **Section 5: Board of Directors' Responsibilities**

The Board is responsible to shareholders regarding the Company's business operation and corporate governance to achieve its goals in the direction that brings maximum benefits to shareholders, taking into account the interests of all stakeholders. The Board has a duty to comply with the law, the Company's Objectives, its Articles of Association, and the resolutions of the shareholders' meeting. The Board shall perform its duties with integrity and honesty and shall vigilantly protect the interest of shareholders and other stakeholders in both the short term and the long term.



In order to ensure that the Company's operation will be aligned with the given direction and brings maximum benefits to shareholders and all stakeholders, the Board shall oversee the creation and development of the Company's vision, mission, goal, policy, business direction, strategic operating plan, and annualized budgeting. The Board shall share its opinions to clarify and create a mutual understanding of the business overview prior to approval and shall monitor the administration to achieve the set goals by adhering to the guidelines of the Stock Exchange of Thailand and the Securities and Exchange Commission.

### **Board of Directors Structure and the Meeting Quorum**

The Company's Board of Directors must be composed of directors with diverse knowledge, capabilities, and experience who possess suitable qualifications and are aligned with the Company's strategies. Consideration should be given to the necessary skills that are still lacking, in accordance with the policy on Board Diversity. The Board of Directors is responsible for considering important matters related to the Company's management and has independence in expressing opinions and casting votes on each agenda item.

According to the Article of Associations of the Company, the Board of Directors consists of at least 5 persons of which not less than one-half (1/2) of the directors shall reside in Thailand. Provided that at least 3 persons or not less than one-third (1/3) of total directors shall be the Independent Directors.

At least 2/3 of the total members of the Board must be presented to form a quorum at the time of the Board passing a resolution.

### **Role and Responsibilities of the Board of Directors**

The Board of Directors has the authorized, duties, and responsibilities to manage the Company and the subsidiaries in accordance with the relevant law, the objectives, and the Company's Articles of Association as well as all legitimate resolutions of the shareholders' meetings as follows:

1. Perform their duties in accordance with the laws, Securities and Exchange Act, the Company's objectives, and the Company Articles of Association as well as the resolutions of the Board of Directors and the shareholders' meeting with the responsibilities, duty of care, the duty of loyalty, and the utmost benefit of the Company and the shareholders.
2. Determine the Company's policies, business directions, vision, mission, values, and strategies.
3. Supervise and monitor the performance of management regularly to ensure alignment with policies, objectives, and plans efficiently and effectively to maximize economic value for the company and shareholders.
4. Emphasize the importance of disclosing necessary information for investment decision-making in securities of the company in accordance with the regulations of the Stock Exchange of Thailand.
5. Appoint the management to ensure that the accounting systems, financial reports, and accounting audit are accountable, as well as ensuring that the Company has an appropriate internal audit control system.
6. Implement adequate internal control systems, including processes for assessing the adequacy of internal controls and conducting efficient internal audits.
7. Establish the risk management policy and framework, to continually review and evaluate the policy and framework.
8. Appoint sub-committees such as the management committee, audit committee, risk management committee, executive, and others as necessary to carry out the company's operations under the supervision of the Board of Directors, management committee, or executive, or delegate authority to such individuals as deemed appropriate by the board within the time frame deemed appropriate. The Board may revoke or amend such authority. The authority shall not empower the delegate to approve transactions in which the delegate or any conflicted person has an interest or may have a conflict of interest of any other nature with the company. If authority is delegated to any individual, it must be following a resolution of the shareholders' meeting with the participation of the audit committee.





9. Report personal and related personal conflicts of interest to the Company.
  10. Establish overall performance criteria for the Board of Directors and each committee member and conduct regular performance evaluations.
  11. Consider selecting individuals with knowledge, ability, experience, and qualifications suitable for positions on the Board of Directors, audit committee, and CEO, with approval by the Company's Board of Directors.
  12. Directors should attend the training course to improve their skills which are relevant to the Company business in accordance with the Company's human resource development policy.
  13. Newly appointed directors should attend the orientation to guide the Company overview such as the Company's structure, Articles of Association, Objectives, Director code of ethics, directors' handbook, and the Company policies as well as the corporate governance policy.
  14. Consider and alter the authorized director's signing on behalf of the Company.
  15. Consider and appoint Executive and Corporate Secretary with the qualification as defined by the Securities and Exchange Commission or the Capital Market Supervisory Board, as well as decide the compensation of those.
- In addition, the Board of Directors may delegate and/or appoint other individuals to perform specific duties on its behalf, by delegating or assigning such powers or duties within the scope of authority as provided in the power of attorney and/or regulations, requirements, or orders prescribed by the Board and/or the company. However, the delegation of duties and responsibilities of the Board of Directors of the company shall not be such that the Board of Directors or the person delegated by the board of Directors may approve transactions that themselves or individuals who may have conflicts of interest (as defined in the announcements of the Securities and Exchange Commission or Capital Market Supervisory Board or the Capital Market Board).

#### **Role and Responsibilities of the Chairman**

1. To be the Leader of the Board of Directors and to be the Chairman of the Board of Directors' Meeting.
  - 1.1 Conduct the Board Meeting in compliance with the law, the Company's Articles of Association, and the Meeting agenda.
  - 1.2 Promote and allocate sufficient time for each Board member to discuss and share their ideas deliberately and to exercise their proper discretion for the best interest of all stakeholders.
  - 1.3 Conclude the meeting resolution and actions plan to be taken after the meeting clearly and decisively.
  - 1.4 Schedule board meetings without management directors.
2. Preside over the Shareholders' meeting and conduct the meeting in compliance with the law, and the Company's Articles of Association and follow the sequence of the agenda with proper allocation of time while providing an opportunity for shareholders to equally share their opinions and for directors and executives to respond to shareholder's questions properly and transparently.
3. Promote the Board of Directors to be a role model in practicing good corporate governance, Anti-fraud and Anti-corruption policy, and the Company's Code of Conduct.
4. Strengthen good relationships between Board members and the management team and support the president and his management team to carry out their duties in accordance with the Company's policies.
5. Supervise the disclosure of information and transparent management especially when there is a conflict of interest.
6. Ensuring membership of the Board has proper structure and composition.
7. Ensuring the efficient and effective performance of the Board of Directors, each committee, and individual directors.
8. Supervise the annual performance evaluation of the Board of Directors, individual directors, the Chairman himself, and all committees in order to improve the effectiveness of the Board and committees and enhance the knowledge and competencies of individual Board and committee members.



### Approval Authority of the Board

The Board of Directors has the authority to approve the Company's activities to the extent of the duties prescribed by law, the Company's Articles of Association, the Board of Directors Charter, and the resolution of the shareholders' meeting. This includes the formulation and review of vision; operational strategies; operation master plan; risk management policy; annual budget and business plans; medium-term business plan; performance-based operational goals; monitoring and evaluation of operation plans and capital expenditure; merger and acquisition of business; division of business and; participation in joint venture.

### Term of Office of the Directors

One-third or the proportion closest to one-third of all directors shall vacate office at each of the Annual General Meeting of Shareholders. In the first and second years after the Company was listed, a lot drawing shall be adopted. In the later years, directors holding the longest terms shall vacate office first. Any director vacating office on due term can be re-elected.

Apart from retirement upon the expiration of the term of office, the Directors shall vacate upon:

1. Death.
2. Resignation.
3. Dispossession of qualification or possession of disqualification under the laws.
4. The meeting of shareholders resolving to remove any director prior to the expiration of his term of office with votes 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 one half of the number of shares held by shareholders attending the meeting and having the right to vote.
5. The court issued an order to remove.

### The Board of Directors' Meeting

1. Regular Board of Directors meetings will be held more than 6 times per year and special meetings will be called as necessary. A schedule of the regular meetings will be fixed in advance for the whole year.
2. The Chairman of the Board of Directors shall supervise and endorse the meeting agenda.
3. The Corporate Secretary is responsible for delivering meeting invitations together with the meeting agenda and supporting documents to each Board member for review at least 7 days before the meeting takes place.
4. At least 2/3 of the total members of the Board must be presented to form a quorum at the time of the Board passing a resolution.

### Independent Directors

The Company determines that the Board of Directors shall consist of independent directors of at least one-third of the total number of directors. The Board of Directors or the shareholders' meeting (as the case) shall appoint independent directors to the Board. The Company has a policy of appointing no less than one-third of the total number of directors as independent directors, with at least 3 independent directors. The Company also has a policy limiting the tenure of independent directors to no more than 9 years.

The criteria for selecting independent directors are based on the criteria for selecting the Company's directors. The qualifications of those who will serve as independent directors are considered based on the qualifications and prohibitions under the Public Limited Companies Act and the Securities and Exchange Act, including relevant notifications, regulations, and/or rules. Independent directors shall have appropriate educational qualifications, expertise, work experience, and other suitable qualities to be proposed to the shareholders' meeting for appointment as directors of the company. If any independent director vacates the position before the end of the term, the board of directors may appoint a new independent director with the qualifications to replace the outgoing one. The replacing independent director shall hold the position only for the remaining term of the director being replaced.

The Board of Directors has determined the qualifications of independent directors as follows:

1. Must not hold more than 0.9 percent of the total voting shares of the Company, its parent company, subsidiary, associated company, major shareholder or its controlling person, including the shares held by the related person of such independent director.
2. Must not be or have been an executive director, employee, staff, advisor earning regular monthly salary or the controlling person of the Company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholder or controlling person, unless the foregoing status has ended for at least two years prior to the date of his or her appointment.
3. Must not be a person who is related by blood or legal registration as the father, mother, spouse, sibling and child, including the spouse of a child, of other directors, executives, major shareholders, controlling persons or any persons to be nominated as the director, executive or controlling person of the Company or its subsidiary.
4. Must not have or have had a business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person of the Company in a manner that may interfere with independent discretion, which includes not being or having been a significant shareholder or the controlling person of any person having a business relationship with the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, unless such foregoing relationships have ended for at least two years prior to the date of his or her appointment.
5. Must not be or have been an auditor of the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, and must not be a significant shareholder, controlling person or partner of the auditing firm which employs the auditor of the Company, its parent company, subsidiary, major shareholder or controlling person, unless the foregoing relationship has ended for at least two years prior to the date of his or her appointment.
6. Must not be or have been a provider of professional services, which includes serving as a legal advisor or financial advisor being paid with a service fee of more than THB 2 million per year by the Company, its parent company, subsidiary, associated company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of such provider of professional services, unless the foregoing relationship has ended for at least two years prior to the date of his or her appointment.
7. Must not be a director who is appointed as the representative of the directors of the Company, its major shareholder or shareholder that is a related person of the Company's major shareholders.
8. Must not undertake any business of the same nature and in significant competition with the business of the Company or its subsidiary, or must not be a significant partner in a partnership, executive director, employee, staff, advisor earning regular monthly salary, or holding more than 1 percent of total voting shares of another company that undertakes a business of the same nature and in significant competition with the business of the Company or its subsidiary.
9. Must not have any characteristics that result in the inability to express independent opinions on the business operation of the Company.

### **Company Secretary**

The Company Secretary is responsible as specified in Sections 89/15 and 89/16 of the Securities and Exchange Act. (No.4) B.E. 2551 which was effective on August 31, 2008, with responsibilities, careful, and honesty as well as compliance with the law, the law, Company's objectives, Articles of Association, Board resolution, and shareholders' meeting resolution. The duties of the Company secretary as follows:

1. Prepare and maintain the following documents'
  - a. Directors' registrars
  - b. Invitation letter and Minutes of the Board of Directors' Meeting, Annual Report
  - c. Shareholders' Meeting Minutes and Invitation Letter.



2. Maintain reports of interest reported by directors or executives and submit a copy of the report of interest under Section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 working days from the date the company received the report.
3. Perform other tasks as announced by the Capital Market Supervisory Board.
4. Provide basic advice to directors in matters relating to securities laws and regulations as well as the regulations of the company and follow up to ensure the correct and consistent practice including reporting significant changes to the Board of Directors.
5. Arrange shareholders' meetings and board meetings according to the law, Company regulations and good practices.
6. Prepare the minutes of the shareholders' meeting and the minutes of the Board of Directors' meeting and follow up to ensure compliance with the resolution of the meeting.
7. Prepare and maintain the registration of directors, Annual report, Invitation letter to the shareholders' meeting, Notice of the Board of Directors Meeting
8. Maintain reports of interest prepared by directors and executives and reports as required by law.
9. Ensure that the subsidiaries comply with laws and regulations.
10. Ensure the disclosure of information and information reports to regulatory agencies in compliance with laws and regulations.
11. Provide timely disclosure of information necessary to the Securities and Exchange Commission and the Stock Exchange of Thailand (Both Thai and English).
12. Assist the Board of Directors including the initial consultation and suggestions related to the law, regulation, corporate governance, and good practices related to the Board of Directors and sub-committees.
13. Supporting directors to ensure that directors have sufficient information and knowledge to perform their duties efficiently and report in the annual report.
14. Develop the knowledge related to performing company secretary duties.

#### Sub — Committees

The Board of Directors has established committees i.e. Audit Committees, Nomination and Remuneration Committees, Risk Management Committees, and Corporate Governance and Sustainability Committees to perform their duties of their specific affairs and propose related issues for the Board to consider or endorse. The Board has approved the charter of each committee which sets the duties and responsibilities of the committee and shall be published on the Company's website. The details of each committee as follows:

##### 1. Audit Committee

The Audit Committee is established with the objectives of providing assistant to the Board of Directors in fulfilling its oversight responsibility relating to the accuracy of the Company's financial statement, the efficiency of the internal control, and the compliance with law, regulations, and the code of conduct in order to promote its Good Corporate Governance. The Committee also has a duty to review the Company's risk management and to prepare the audit committee report in the annual report.

The Audit Committee comprises at least three (3) independent directors and at least one (1) member shall be financially literate or shall have a background in accounting or finance sufficiently enough to perform the duty of reviewing the accuracy of the Company's financial statements. Chairman of the Audit Committee shall be appointed by the Board of Directors or by the voting of all members of the Audit Committee.

## Role and Responsibilities of Audit Committee

1. To review and ensure that the Company's financial report is proper and with adequate disclosure in accordance with the generally accepted accounting standards, including the assurance that quarterly and annual financial reports are accurate, complete, and justifiable before the submission to the Board of Directors for approval.
2. To review and ensure that the Company has an appropriate and efficient internal control system and to annually assess the results of the internal control.
3. To ensure that the Company has complied with the securities laws and regulations of the SEC and the SET or other laws relating to the business of the Company.
4. To select and recommend to the Board of Directors the appointment of the external auditor and suggest remuneration for approval in the annual general meeting of the shareholders' meeting and to meet with the external auditor without participation of the management at least once a year.
5. To terminate the external auditor, if there is conflict of interest or effect on the Company.
6. To ensure a common understanding between the Board of Directors, the external auditor, and the internal auditor.
7. To review and disclose related party transactions or any conflict of interests as stipulated by the corresponding regulations, the Company's Articles of Association, the Securities and Exchange Commission Act, or the notification of the SET and disclose in the annual report.
8. To prepare a report of the Audit Committee's activities as may be required in line with SET regulation.
9. To review and revise the Audit Committee charter to properly align with the Securities and Exchange Act and the SET's regulations and guidelines.
10. To consider, review, and approve the internal audit plan.
11. To ensure that the internal audit department addresses all essential business control functions, proposes solutions and opinions to the management, and monitors the execution of the proposed solutions within the provided period.
12. To report the Audit Committees' operation result to the Board of Directors.
13. To be empowered to call for opinions or attendance at the meeting or provision of any related documents, as the Audit Committee may deem relevant or necessary, from the management or any related staff.
14. To seek counsel from independent professionals from varying fields when deemed necessary at the expense of the Company.
15. To do any other functions as may be designated by the Board of Directors.
16. To evaluate the annual performance for possible improvement.

## 2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is established with the objective of complying with Good Corporate Governance, the duties are mainly the consideration and determination of the remuneration package of the directors, committees, and executive management and propose for the Board of Directors before asking for the approval from the shareholders.

The Nomination and Remuneration Committee comprises at least three (3) directors and at least one-third (1/3) of the Nomination and Remuneration Committee must be independent directors and the Chairman must also be the independent director.





### **Roles and Responsibilities of the Nomination and Remuneration Committee**

1. To consider the succession plan for directors and senior executives.
2. To recruit and select qualified persons to be proposed as directors, Chief Executive Officer, Managing Director, and senior executives under relevant laws, as follows:
  - 2.1. Determine the criteria for considering persons eligible to be proposed for appointment as directors, Chief Executive Officer, Managing Director, and senior executives of the Company.
  - 2.2. The consideration criteria must be in accordance with relevant laws and regulations, requiring people who possess qualifications stipulated by the law and regulations of the Stock Exchange.
3. The Nomination and Remuneration Committee has the following duties regarding remuneration:
  - 3.1. To consider the remuneration of the directors and sub-committee members to propose to the Board of Directors for approval and to propose to the shareholders' meeting for consideration.
  - 3.2. To consider the remuneration of senior executives to propose to the Board of Directors for acknowledgment.
4. To consider the remuneration framework for management levels other than those mentioned in clause 1, where such authority has been approved by the Board of Directors and is under the responsibility of the Managing Director.
5. All sub-committees are required to conduct an annual self-assessment, both individual and group assessments, to compile the results and present them to the Board of Directors for disclosure in the annual report.
6. The Chairperson of each sub-committee is responsible for reporting the sub-committee's annual performance to the Board of Directors and disclosing it in the annual report.
7. To prepare a sub-committee report containing at least the information required by the Stock Exchange of Thailand and disclose it in the company's annual report.
8. To regularly review and update the sub-committee charters to ensure their appropriateness and compliance with the Securities and Exchange Act and the regulations of the Stock Exchange of Thailand.
9. To report performance to the Board of Directors at least twice a year.
10. To conduct an annual performance evaluation to consider and improve operations accordingly.

### **3. Risk Management Committee**

The Risk Management Committee is established with the objectives of providing the assistant the Board of Directors with in managing risk e.g. financial risk, trading risk, and exchange rate risk by determining the risk management framework and policies as well as following the result and proposing to the Board of Director to consider and mitigate the risks.

Risk Management Committee comprises of three (3) directors and shall be appointed by the Board of Directors

#### **Role and Responsibilities of the Risk Management Committee**

1. To set up the risk management policy and framework in order to relate with the company's sustainability target and strategy between the senior executive and director.
2. To follow up on the significant risks of the organization and improve the risk management framework including the risk identification and evaluation process.
3. To evaluate and approve the appropriate risk management plan for practice throughout the organization.
4. To follow up the strategy and major practicing risk management. According to the analysis and estimation, the situation is expected to be a cause of risk and affect the company's operation and also report to the director.
5. To provide the risk management advisory for the operation.
6. To create risk awareness throughout the organization by encouraging and motivating risk management to be a culture of the organization.
7. To manipulate the risk management handbook consisting of up-to-date evaluation and management standards of risk management.

8. To communicate with the audit committee about the significant risk in order to connect with internal control.
9. To report the company's risk and risk management to the Board of Directors at least twice a year.
10. All sub-committees have a duty to make a self-assessment in both individual and group for evaluation and report to the Board of Directors in order to disclose in the annual report.
11. The chairman of the sub-committee has a duty to make a self-assessment report in order to present to the Board of Directors and disclose in the annual report.
12. Making a sub-committee's performance report, followed by the regulation of the Stock Exchange of Thailand, for disclosure in the annual report.
13. To review the charter of the sub-committee in order to appropriate and relate with the Securities and Exchange and also the regulation of the Stock Exchange of Thailand
14. To report the performance report of the sub-committee to the Board of Directors at least twice a year.
15. To evaluate the performance report of the sub-committee for the purpose of the improvement process.

#### 4. Corporate Governance and Sustainability Committee

The Corporate Governance and Sustainability Committee was established with the objective of conducting business operations under the Company's sustainable corporate governance principles. This is to ensure that the Company receives a good corporate governance rating from external organizations at a standard level for a public company. The committee will report the evaluation results and recommendations to the Board of Directors to establish policies that align with sustainable corporate governance.

The Corporate Governance and Sustainability Committee has been appointed by the Board of Directors.

#### Role and Responsibilities of the Corporate Governance and Sustainability Committee

1. To establish corporate governance policies for the Board of Directors' consideration and approval, including monitoring policy compliance and regularly reviewing and improving the policies.
2. To coordinate the annual performance evaluation of the Chairman, individual directors, the entire Board of Directors, and sub-committees.
3. To ensure that the Company's corporate governance processes are appropriate, accurate, and fair, such as the accuracy of financial statements, compliance with laws and ethics, as well as the interests of all stakeholder groups.
4. To ensure that the Company's corporate governance processes are appropriate for preventing and mitigating conflicts of interest.
5. To establish policies and goals for the Company's sustainable development, balancing environmental, social, and governance (ESG) aspects, aligning with national and international standards, and continuously reviewing and improving them.
6. To provide advice and encourage the establishment of principles, policies, strategies, and operations of the Company in line with sustainable development.
7. To support the Board of Directors, executives, and employees in effectively adhering to the Company's sustainable development guidelines.
8. To oversee and monitor the effectiveness and balance of the evaluation to maximize benefits for the Company and stakeholders, including disclosing sustainable development information in the annual report.
9. To require all sub-committees to conduct an annual self-assessment, both individual and group assessments, to compile the results and present them to the Board of Directors for disclosure in the annual report.
10. The Chairman of the sub-committee is responsible for preparing a report on the sub-committee's performance to present to the Board of Directors and disclose it in the annual report.
11. To prepare a sub-committee report containing at least the information required by the Stock Exchange of Thailand and disclose it in the Company's annual report.



12. To regularly review and update the sub-committee charter to ensure its appropriateness and compliance with the Securities and Exchange Act and the regulations of the Stock Exchange of Thailand.
13. To report the sub-committee's performance to the Board of Directors at least twice a year.
14. To conduct an annual performance evaluation of the sub-committee to consider improvements and corrective actions.

#### **Performance Evaluate of the Board**

The Board of Directors shall perform a self-evaluation of the Board's performance on an annual basis so that the Directors have an opportunity to review the achievements, issues, and obstacles during the year which shall enhance the effectiveness of the Board. The Company has designed the "Board self-evaluation form" by using the principles of good corporate governance guided by the Stock Exchange of Thailand.

#### **Remuneration of Member of the Board and sub-Committees**

The Company shall decide proper remunerations of members of the Board and Committee Member based on the comparison with director's remuneration by the leading listed companies and other companies in the same industry with the consideration of the Company performance as well. All directors' remunerations in the Board and of each Committee must be approved by the shareholders' meeting.

### **Section 6: Connected Transactions**

The Company has established criteria for considering connected transactions in a transparent manner to prevent conflicts of interest. The Company has therefore established the following key policies:

1. Connected transactions shall be presented to the Audit Committee for consideration and approval before seeking approval according to the transaction size, as follows:
  - 1.1. Small transactions (1) shall be presented to the Audit Committee and notified to the Board of Directors. The management can proceed with such transactions.
  - 1.2. Medium transactions (2) shall be presented to the Audit Committee for approval and to the Board of Directors for approval of such transactions. The information shall also be disclosed through the channels of the Stock Exchange of Thailand and the Company's website.
  - 1.3. Large transactions (3) shall be presented to the Audit Committee and the Board of Directors to seek approval for such transactions from the shareholders.

For normal business transactions or normal business support transactions with general trade conditions, the Board of Directors may establish a framework for the management to proceed without seeking shareholders' approval.

2. In entering into connected transactions, the Company may appoint an independent appraiser or independent financial advisor (as the case may be) to provide opinions on significant connected transactions.
3. In entering into connected transactions, the Company may determine prices and conditions as if conducting transactions with third parties (Arm's Length Basis) for fairness and to maximize benefits for the Company.
4. Interested parties in the connected transactions shall not be able to approve or vote on such transactions.

*Remarks: <sup>(1)</sup>, <sup>(2)</sup>, <sup>(3)</sup> The transaction sizes are determined based on the criteria for considering transaction sizes of the Stock Exchange of Thailand.*



## Code of Conduct Of Thai Plaspac Company Limited and Subsidiaries

Thai Plaspac Public Company (Limited) and the subsidiaries (the “Company”) are committed to conducting our business in fair and ethical business practices to ensure the best interests of all shareholders or stakeholders and to realize the sustainable development of the organization. The Company has formulated a code of conduct for directors, executives, employees, and stakeholders of the Company. The Company abides by laws, policies, ethics, and business integrity standards in its behavior, to hold on to and adopt as guidelines for work appropriately.

### Definitions

- The Company refers to Thai Plaspac Public Company (Limited) and the subsidiaries.
- Directors refers to the directors of Thai Plaspac Public Company (Limited) and the subsidiaries.
- Executives refers to the executives of Thai Plaspac Public Company (Limited) and the subsidiaries.
- Employees refers to the employees of Thai Plaspac Public Company (Limited) and the subsidiaries.
- Stakeholders refers to persons or groups of persons directly or indirectly impacted by the Company’s business, such as directors, employees, shareholders, contractual parties, contractors, business contacts, creditors, debtors, society at large, and communities where the Company operates.

### Laws and Regulations Practices

The Company is committed to complying with all applicable laws and regulations in the countries in which we operate, including relevant international laws and regulations, such as sanctions, export controls, reporting obligations, data protection, fair-trade competition, etc.

### Human Rights and Labor Practices

The Company recognizes the importance of respecting the human rights of all and has formulated policies and guidelines that do not violate human rights, and respect for human rights by directors, executives, employees, and stakeholders of the Company. The Company also considers the importance of labor. The Company treats employees in accordance with labor laws and other regulations. The guidelines related to fair and equal labor are as follows:

1. Treat all people based on human dignity, respect rights, obligations, and individual rights, prohibit human rights violations, and refrain from physically, sexually, mentally, verbally, harassing, or intimidating others in any form.
2. Treat all people with respect, dignity and treat everyone equally without discrimination due to race, age, role, sex, gender identity, color, ethnicity, religion, country of origin, sexual orientation, marital status, pregnancy, dependents, disability, social class, trade union membership or political views.
3. Treat individuals equally and fairly, avoiding employment discrimination, including employment, salary, progress, and discipline. Dismissal or retirement, and the recruitment of employees is not limited by gender, age, and race, as well as fair and legal employment contracts.
4. Directors, executives, employees, and stakeholders of the Company have the right to freedom of association and collective bargaining are recognized and respected. Employees must not be intimidated or harassed in the exercise of their legal right to join or refrain from joining any organization.
5. Forced labor, human trafficking or illegal use of child labor is prohibited, including the punishment of physical and mental abuse of employees, whether through any form of physical or mental coercion, slave trade or any form of human trafficking.
6. Get remuneration that includes wages, overtime pay, other benefits and paid leave which meets or



exceeds the legal minimum standards or appropriate industry standards, and compensation terms established by legally binding collective bargaining agreement fairly.

7. Not work more than the regular and overtime hours allowed by the law of the country where the employees are employed. All overtime work by employees is on a voluntary basis.

### Employee Practices

The Company implements the Company's rules and regulations by formulating company policies, rules, articles of association and articles of association, which are observed by directors, executives, employees, and stakeholders of the Company to ensure the orderly conduct of the Company's activities, as follows:

1. Perform duties with honest and transparent determination.
2. Avoid giving gifts to superiors or accepting gifts from subordinates.
3. The supervisor should respect the employee, and the employee should not do anything that disrespects the supervisor.
4. Maintain discipline and abide by organizational rules and good traditions, whether it is stipulated in writing or not.
5. Jointly create and maintain the unity and unity atmosphere of the group.
6. Avoid any behavior that may damage the reputation and image of the Company or cause problems for the Company in the future.

### Occupational Safety, Health, and Working Environment

The Company is concerned about the life and health of all personnel, Therefore, carrying out its actions in occupational safety health and working environment as follows:

1. Implement laws, standards, and regulations on occupational safety, health, and working environment.
2. Promote a healthy and safe workplace, to prevent accidents and injuries that occur during work or due to the actions of employers.
3. Support and promote the awareness of safety work, including supervising employees, partners, and contractors within the Company, and strictly abide by the established occupational safety and health rules and regulations.

### Corporate Social Responsibility

The Company is committed to conducting sustainable growth business in accordance with the principles of protecting the environment, social responsibility, and corporate governance. By setting the following policies.

1. Responsible and committed to protecting the environment and local traditions of the Company's location.
2. Regularly carry out activities to contribute to society, community, and the environment, to improve the quality of life in the community where the Company is located by cooperation with the country and community.
3. Prevent accidents and control waste emissions below acceptable standards.
4. Quickly and effectively respond to events that affect the environment and community due to the Company operations, fully cooperate with government officials and relevant regulatory agencies.
7. Respect the rights and title to property and land of the individual, indigenous people, and local communities. All negotiations regarding their property or land, including the use of and transfers of it, must adhere to the principles of free, prior, and informed consent, contract transparency, and adequate and appropriate disclosure.





## Personal Data Protection

The Company respects the privacy rights of relevant personnel and protects the personal information of customers, directors, executives, employees, and stakeholders within the Company, must be protected and not be disclosed in a way that infringes their legal rights.

1. All and any personal information about individuals must be handled with full respect for the protection of their privacy and for all relevant privacy laws and regulations.
2. The person responsible for keeping the information owned or kept by the Company must protect the personal information of customers, directors, executives, employees, stakeholders, visitors, and contractors of the Company. Therefore, the use, disclosure, or transfer of personal information shall be carried out within the scope of their normal duties and shall not infringe upon their legal rights.

## IT Security

The Company values the effective use of information technology and establishes norms for the safe use of information technology to prevent information leakage and misuse, including the destruction of the resources and network.

1. Utilize information technology systems in compliance with all laws and regulations applicable in the country of the Company's business operations, including relevant international laws and regulations.
2. Use information technology systems and internal information only for the benefit of the Company.
3. Restrict access to internal information based on confidentiality levels, and relevant or allowed personnel.
4. All information related to the Company's business operations is stored in the user's computer and server system and needs to be backed up regularly to prevent loss of data.
5. Remote access to the Company's network system must be properly authenticated by users and comply with the remote network connection practices.
6. Do not open files from unknown sources and use unsafe devices, to avoid the risk of viruses, malicious software, unauthorized software, etc. The information equipment must always monitor and update anti-virus programs, which are updated by the Company's staff.

## Custody and Use of Corporate Assets

The Company encourages directors, executives, employees, and stakeholders of the Company to effectively utilize corporate assets for the maximum benefit, not to lose, damage, or use for the benefit of oneself or others, as follows:

1. Be responsible for keeping the property of the Company, and shall not deteriorate, lose, or effectively use the property for the full benefit of the Company, and shall not use the corporate assets for the benefit of oneself or others unrelated to the business operations of the Company.
2. Property refers to tangible and intangible assets, such as property, real estate, technology, knowledge, patents, copyrights, Unpublished confidential information, financial estimates, and personnel information, which must avoid the disclosure or abuse of confidential information. The exception is compliance with laws related to the business operations of the Company.

## Securities Trading and Use of Inside Information

Use of internal information as sensitive information of the Company, directors and executives, employees, and stakeholders of the Company must take appropriate actions and must consider the overall impact on stakeholders, accuracy, and legal requirements. The information shall not be used for personal or other unrelated to the business operations of the Company, as follows:

1. Avoid using insider information for one's benefit in insider trading or providing internal information to others to insider trading.



2. Directors, executives, and employees who have access to internal information as defined by the Stock Exchange of Thailand (SET), such as the company secretary, investor relations, and chief financial officer are responsible for reporting the trading status of the Company's securities within 3 working days to prevent insider trading. And avoid making complaints about the appropriateness of insider stock trading.
3. Should refrain from insider trading before the release of financial statements in accordance with the regulations of the Stock Exchange of Thailand (SET) or relevant regulatory agencies, the Company status, including other important information before buying or selling Company securities, should wait at least 24 hours after disclosing the information to the public.

### Conflict of Interest

The Company is committed to doing the right thing. By the practice of the directors, executives, employees, and stakeholders of the Company must adhere to the highest benefits of the Company in morality, ethics, and legal, avoid actions that could be conflicts of interest as follows:

1. Avoid any actions which are contrary to the interests of the Company whether caused by contact with commercial parties of the company such as business partners, customers, or competitors, or from the using opportunities or information obtained from being directors, executives, employees, or stakeholder of the Company in finding personal benefits and in terms of doing business that competes with the Company or other work aside from the work of the Company which affects the work in duties
2. Employees thus refrain from holding shares in the competitors of the Company. If doing or refraining from acting as a duty or having an impact on work in duties. If the stock is received before employment or before the Company goes into that business or acquired through inheritance, must report to the supervisor according to the hierarchy.

### Anti-Corruption Policy and Related Practices

The Company is committed to conducting anti-corruption. The Company directors, executives, employees, and stakeholders must strictly comply with the defined Anti-Corruption Policy and are prohibited from being involved with any form of corruption either directly or indirectly. By setting the following policies:

1. Adhere to a zero tolerance to all forms of bribery, corruption, extortion, or embezzlement, For the direct or indirect benefit of oneself, family, friends, and acquaintances, whether they are bribe takers, givers, or proposers, whether monetary or non-monetary, government or private institutions operated or associated with the Company must strictly comply with the Anti-Corruption Policy.
2. Do not accept or give cash, checks, bonds, stocks, gold, jewelry, real estate, or other items, nor give them to relevant personnel who have contacted them in the government sector and private institutions.
3. Do not accept any property, articles, gifts, or other benefits to induce them to evade their duties. Before accepting gifts, ensure that you abide by Company laws and regulations. Articles or gifts given to each other in performing their duties should not have high value and appropriate value on every occasion.
4. Any property, articles, gifts, or any other benefits shall not be used to induce decision-making or otherwise influence the recipient not to follow the same business practices as other counterparties. The value of gifts provided according to the opportunity shall not have a high value or exceed the normal range.
5. Do not provide money, property, articles, or other benefits to people related to government, any agency or organization in exchange for personal privileges that should not be enjoyed, or cause public officials to avoid performing their duties, regulations, and legal practices.
6. The procurement process must be carried out through the procedures of the Company's rules and regulations, and it must be transparent and verifiable.
7. Business entertainment expenses and other expenses related to the performance of commercial contracts can be carried out, but reasonable and verifiable expenses.



8. Donation and Sponsorships must be complied with:
  - 8.1. Donating money or property to charity can only be done in the name of the Company. Donations to charities must be foundations, public charitable organizations, temples, hospitals, medical institutions, or organizations. For the benefit of society, those with certificates or credibility can be reviewed and comply with the Company regulations.
  - 8.2. Charity donations can be made in the name of an individual but must not involve or raise suspicion or fraudulent behavior committed for any benefit.
9. The use of Company funds or assets to support projects must be listed only in the name of the Company. The donations paid must have the Company purpose, the Company image, and the Company reputation. The appropriation must state a clear purpose and be accompanied by verifiable evidence.
10. Do not engage in any activities related to the internal politics of the Company, nor use any resources of the Company for such activities. The Company is a politically neutral organization that supports compliance with the law and democracy. There are no guidelines for providing political assistance directly or indirectly to any political party.
11. Corruption or fraud that is directly or indirectly related to the Company shall not be ignored and must report to the supervisor immediately, or through the Company notification channel according to the whistleblowing policy.
12. Directors and managers must realize the importance of spreading knowledge and provide consulting to improve their subordinates understanding of corruption prevention, so that employees can abide by the policy of corruption prevention, including setting a role model in honesty, ethics, and conduct.

#### Customer Relations and Product Quality

The Company emphasizes customers and product quality. By setting the following policies.

1. Store and deliver products and services to meet the specifications and quality and safety criteria specified in the relevant contract or product documents to ensure they are safe for their intended use.
2. Provide accurate, sufficient, and timely information about products and services to customers. So that customers have enough information to make decisions. Without exaggerating the truth, both in advertising or in other channel communication with customers, which causes customers to misunderstand about the quality, quantity, or any conditions. of products or services.
3. Always safeguard confidential information, know-how and intellectual property. All information provided through our relationships that is not in the public domain is deemed confidential and is only to be used for its intended and designated purpose.
4. Respond to customer needs quickly and provide systems and channels for customers to complain about the quality of products and services efficiently.

#### Suppliers/Creditors Practices

The Company has adhered to the practice of partners and creditors fairly, and honestly, and has not taken advantage of the partners. Which will comply with fair contracts to partners by avoiding causing conflicts of interest and there are various problems. Based on business relationships as follows:

1. Treat trading partners and creditors equally and fairly and based on receiving fair returns both parties comply with contracts or conditions that were strictly agreed upon in case of being unable to practice. According to one of the conditions must immediately notify suppliers and/or creditors in advance to jointly consider finding solutions.
2. In business negotiations should refrain from calling or paying any benefits. That is dishonest in trade with suppliers and/or creditors. If there is information that any benefits have been requested, received, or paid where dishonesty occurs. Therefore, revealing details to supplier and/or creditors then work



together to solve problems fairly and quickly.

3. Regularly report accurate, complete, and timely financial information to creditors.

### **Competitors practices**

The Company is committed to conducting business fairly. By considering the ethics of business in accordance with trade laws in various countries that the Company operates both to customers and trade competitors

1. Behave under the framework of the competition fairly, transparently, and not taking advantage.
2. Do not seek the secret information of commercial competitors with dishonest methods. Or inappropriate, such as paying employees for competitors, etc.
3. Information received through legitimate methods and for legal objectives only by complying with all relevant laws and regulations. Do not try to disclose information about competitors that are delicate in commercial or secret. And not public treasure at any time
4. Do not destroy the reputation of competitors with a bad allegation. Creating false news or competitors
5. Do not agree with competitors or any person in a way to reduce or limit trade competition.
6. In contacting competitors, the Company personnel must not disclose or neglect the secrets of the Company in the hands of the competition.



## APPENDIX 6

### Report of Audit Committee

Report of the Audit Committee It appears in Section 8.2, page 114



**TPnC**  
PACKAGING



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