



บริษัท เอ.เจ. พลาสติก จำกัด (มหาชน)  
A.J. Plast Public Company Limited

56-1 ONE REPORT

**2023**

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## Message from The President

The world is facing various challenges and risks, such as the economic crisis in China that slows down economic growth, affecting regional demand and price, narrowing the margin, and increasing the fierceness of competition. Fluctuations in the exchange rate and raw materials, as well as the rising production cost, are affecting the Company's performance and thus require close monitoring and management.

Nevertheless, the Company still strives for production efficiency improvement and the use of new technologies to reduce cost and improve the competition, in addition to expanding the production base in Vietnam and Thailand and the factory locate at Pinthong Industrial Estate in Chonburi Province (Project 5) which have improvement and efficiency of the production line, energy consumption reduction, productivity improvement, product improvement, focusing more on value generation, monitor, alleviate, and control the risks. At the same time, searching for new opportunities to further competitive and sustainable growth. The Company manages the supply chain including raw materials, business partners, and customers with more effectiveness and set strategies, policies, and measures for sustainable business in environmental, social, and corporate governance. The Company focuses on pursuing the United Nations' Sustainable Development Goals (SDGs), though, the use of renewable energy with

solar rooftop, water reuse, and the development of green products that decrease the use of fossil-based raw materials and cultivating sustainability development at all levels in the Company towards responsible business operation.

Moreover, the Company underlines corporate governance and awareness of the stakeholders, and compliance with the policies and guidelines with transparency and strictness, as good governance is an important foundation in stable and sustainable business. Due to the outstanding performance, the Company received the Highly Commended Sustainability Excellence award in SET Awards 2023 and the AAA rating for the second consecutive year from SET ESG Rating 2023.

In the name of the Board, I would like to thank all the stakeholders for your confidence and support. The Company will continue to strive at full capacity for sustainable growth.



**(Mr. Narong Suthisamphat)**

President  
A.J. Plast Public Company Limited





**1.Mr. Narong Suthisamphat**

President



**2.Mrs. Napaporn Suthipongchai**

Vice President



**3.Mr. Kittiphat Suthisamphat**

Vice President



**4.Mr. Supote Tonurat**

Director



**5.Mr. Surasak Gosayachinda**

Director

**7.Mrs. Chavida Srisangnam**

Director

**9.Mr. Kasemsit Pathomsak**

Director

**6.Mr. Ninnat Olanvoravuth**

Director

**8.Mr. Sakchai Patiparnpreechavud**

Director

Part

# 01

## **Business Operation and Performance**

# 1. Structure and Business Operation

## 1.1 Policy and Business Overview

### 1.1.1 Vision, Objective, Goal or Strategy in Business Operation

The Company clearly sets the vision in order to be a leader in plastic film manufacturing. The Company is acknowledged as having a continuous investment and development in its innovation – to be fair to trade partners – to deliver good products and services – to encourage social responsibility and concentrate on work safety. Serving with quality products and fair price in the direction to create the maximize benefit to the shareholders. The Board of Directors sets objectives concerning vision, strategy, target, policy, direction and monitoring to ensure that the Company's strategy is compliant. To prepare the long-term strategy and annual budget and delegate the executives to make a presentation. The Board expressed its opinion together with the executives before approval and set duties and responsibilities of the Board, Management, Audit Committee, Nomination and Remuneration Committee Risk Management Committee, Corporate Governance and Sustainability Management Committee and the Managing Director, especially the responsibilities in financial operation (Details in No.7 Corporate Governance Structure and Key Information Related to Directors and Subcommittee).

### 1.1.2 History and Path of Business Development

A.J. Plast Public Company Limited was founded on 25 March 1987 with registration capital of 1 million baht – Mr. Narong Suthisamphat was the founder (changed to Public Company Limited on May 3, 1994) with its objective to produce and sell BOPP films. The first factory was located at No. 19/111 Moo 7 Thakham Road, Samaedam, Bangkhuntien, Bangkok, and on the 1<sup>st</sup> of June 2010, the household registration changed to No.95 Thakham Road, Samaedam, Bangkhuntien, Bangkok. Later, the factory was relocated to Laem Chabang Industrial Estate, Thung Sukhla, Sriracha, Chonburi. The reason for moving out was that the old location was too small and difficult to handle future expansion. Besides that, the new factory is near to Laem Chabang seaport and near to the source of the raw materials (Polypropylene resin) in Rayong, which is an advantage to save a considerable transportation cost.

The Company has started to increase production lines which are the second BOPP film line, a BOPET film line and a Metallized film line in the middle of 2001. Additionally, the Company introduced the third BOPP film line and the second Metallized film line at the end of second quarter and the third quarter of 2003, respectively. The second BOPET film line was added in 2004, and the first BOPA film, Nylon film, line was introduced at the beginning of 2006. The Company added the fourth BOPP film line in 2008 and the third Metallized film line in 2009 respectively. In addition, the second BOPA film, Nylon film, line was increased in 2011. The third BOPET film line was added in 2012, the fifth BOPP film line in 2013 and the fourth BOPET film line was installed toward the end of 2013. In 2014, the Company has introduced the sixth BOPP film line in the fourth quarter and the fourth line of Metallized film in the third quarter. In 2015, the Company increased the fifth Metallized film in the first quarter. Moreover, in the last quarter of 2015, the Company installed the sixth line of Metallized film and introduced the first line of CPP film, which are mostly used in packaging industry. In 2018, the Company

installed the seventh Metallized film line. As per the above, in 2010, the Company sold off its first BOPP film line and the first Metallized film line. In 2012, the Company sold off the first and the second BOPET film lines. In the end of 2016, the Company has sold the second line of BOPP film since it was an out-of-date machine that had been in operation for a long period of time. In 2018, the Company has sold the second line of METALLIZED film production. In 2022, the Company expanded its production capacity of BOPP film to the seventh line at the newly constructed factory at Pinthong Industrial Estate (Project 5). A.J. Plast (Vietnam) Co., Ltd. is another result of capacity expansion as we moved the fourth BOPP film production line here to continue the installation. Currently, the Company operates total 16 lines as follows:

- BOPP Film	4 Lines
- BOPET Film	3 Lines
- BOPA Film	3 Lines
- CPP Film	1 Lines
- METALLIZED Film	5 Lines

In 2020, the Company has invested in Vietnam to support future market growth by establishing a subsidiary A.J. Plast (Vietnam) Co., Ltd. and signing a Joint Venture Agreement with SCG Chemicals Public Company Limited to support the growing market.

At present the Suthisamphat group is the largest shareholders as of December 31, 2023, holding shares ratio of 46.68% of number of shares subscribed.

### 1.1.3 General Information

A.J. Plast Public Company Limited, a public company registration number 0107537001285 (formerly 375), is engaged in manufacturing and distributing packaging films including BOPP film, BOPET film, BOPA film (Nylon), CPP film and Metallized film. Production capacity for each individual product is specified as 148,000 tonnes per year for BOPP film, 107,000 tonnes per year for BOPET film, 30,000 tonnes per year for BOPA film, 16,000 tonnes per year for CPP film and 23,500 tonnes per year for METALLIZED film. The Company's products are flexible packaging materials that can be used in various applications such as food and snack packaging, garment bags, flower sleeves, gift wrap, lamination wooden coating, electrical wire wrapping, insulation and frozen foods packages.

The Company's products receive promotional privileges from the Board of Investment (BOI) Zone 3. The factory is located at the Laemchabang Industrial Estate in Chonburi province, Thailand.

**Head Office** is located at No. 95, Thakham Road, Samaedam, Bangkhuntien, Bangkok 10150, Tel: 0 2415 0035 Fax: 0 2415 3795, website: <http://www.ajplast.co.th>

**The first factory** is located at Leam Chabang Industrial Estate No. 38/11 Moo 5, Thung Sukhla, Sriracha, Chonburi 20230. Tel: 0 3849 0330 – 5 Fax: 0 3849 0337. Website: <http://www.ajplast.co.th>

**The second factory** is located at Pinthong Industrial Estate (Project 5), No. 8 Moo 8, Khaokansong, Sriracha, Chonburi 20230. Website: <http://www.ajplast.co.th>



The Company has registered capital on December 31, 2023, of 440,000,000 Baht, which are 440,000,000 ordinary shares at 1 Baht par value. The paid-up capital is 440,000,000 Baht, which are 440,000,000 ordinary shares.

## 1.2 Nature of Business

### 1.2.1 Nature of Business

The Company is engaged in manufacturing and distributing flexible packaging materials i.e. BOPP film, BOPET film, BOPA film (Nylon), CPP film, METALLIZED film and COATED film. The Company's products are used in producing consumer goods packaging such as food and snack packages, garment bags, flower sleeves, gift wraps, paper and wooden lamination insulations to keep building cool, liquid products packages and frozen foods. The products are distributed to domestic and international customers at a ratio of 46 % and 54 % respectively (calculated from net sales in 2023).

### 1.2.2 Revenue Structure

The Company has only one product line, which is flexible packaging material. However, the revenue structure by type of raw material can be shown as follows:

Type of Products	2023		2022		2021	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
<b>Domestic</b>						
- BOPP Film	2,135,480	28.40	2,469,400	27.25	2,618,771	28.05
- BOPET Film	478,149	6.36	661,359	7.30	713,753	7.65
- METALLIZED Film	320,061	4.26	343,293	3.79	337,945	3.62
- BOPA (Nylon) Film	346,278	4.61	459,537	5.07	402,346	4.31
- CPP Film	173,226	2.30	173,808	1.92	178,847	1.92
- COATED Film	1,266	0.02	4,752	0.05	3,490	0.04
<b>Total</b>	<b>3,454,460</b>	<b>45.95</b>	<b>4,112,149</b>	<b>45.38</b>	<b>4,255,152</b>	<b>45.58</b>
<b>International</b>						
- BOPP Film	1,703,707	22.66	1,876,223	20.71	1,826,967	19.57
- BOPET Film	1,055,254	14.03	1,365,250	15.07	1,500,107	16.07
- METALLIZED Film	421,790	5.61	512,386	5.65	488,361	5.23
- BOPA (Nylon) Film	789,878	10.50	1,022,814	11.29	1,105,155	11.84
- CPP Film	84,004	1.12	154,283	1.70	145,225	1.56
- COATED Film	9,548	0.13	18,554	0.20	13,765	0.15
<b>Total</b>	<b>4,064,181</b>	<b>54.05</b>	<b>4,949,509</b>	<b>54.62</b>	<b>5,079,580</b>	<b>54.42</b>
<b>Total Sales Revenue</b>	<b>7,518,641</b>	<b>100.00</b>	<b>9,061,658</b>	<b>100.00</b>	<b>9,334,732</b>	<b>100.00</b>

### 1.2.3 Business Goal

The Company implements its business plan in order to be the leader in the plastic film manufacturing. From the previous year, the Company had sufficient capacity of BOPP film, BOPET film, BOPA film, METALLIZED film, CPP film and COATED film to support market's need and meet customers' requirement, this resulted from continuous capacity expansion. For future market growth, the Company has expanded production base to Vietnam by establish subsidiary company in Vietnam under the name "A.J. Plast (Vietnam) Co., Ltd." by signing joint venture agreement with SCG Chemicals PLC. In 2023, BOPP film has a capacity of 34,000 tonnes per year.

The Company is expanding the production capacity in Thailand. The seventh BOPP film production line started production in 2022. The fifth BOPET film production line completed for installation in Q4 of 2023.

In addition, the Company has focused on developing business strategies and set short-term and long-term sustainability goals in order to become a leader in sustainability in the plastic film business.

### 1.2.4 Flexible Packaging Industry

#### Flexible Packaging

The packaging industry is continuously expanded especially the flexible packaging which has growth rate (comes from the domestic and export markets) higher than other packaging types. The growth of flexible packaging comes from the following factors;

1. Population growth
2. Growth of income per capita
3. Consumer behavior
4. Increasing number of packaging converters
5. Expansion of distribution channels especially modern trade
6. Excellent uniqueness that adds value to the products
7. Lower cost than other packaging materials

The flexible packaging types which the Company produces are as follows, BOPP film, BOPET film, BOPA film (Nylon), CPP film, METALLIZED film and COATED film are directly linked to foods and confectionary industries by around 70%, and the rest belongs to other packaging types. The flexible packaging will eventually continue to grow no matter the level of economic growth.

Those film types will be used for different applications which the users must compare the characteristic of film which is suitable to products, price can be a factor to decide the purchase from users.

### 1.2.5 Product Characteristics

The Company manufactures and distributes BOPP film, BOPET film, BOPA film (Nylon), CPP film, METALLIZED film and COATED film which have been used extensively in many industries such as packaging, adhesive tapes, cassette tapes, frozen food industry etc. These are 6 types of films that can be used together or substituted one another depending on the final product's characteristic and customer's choice.

### Characteristics of BOPP Film

BOPP film is made of Polypropylene resin, which can be used in:

- 1) Packaging production for consumer products packaging as it can be combined with other types of film to enhance its properties to be more efficient, improved products' appearances and extended their shelf lives.
- 2) Adhesive tapes production
- 3) Paper and wooden lamination
- 4) Packaging of products such as garment and flower
- 5) Making gift wrapping paper

### Characteristics of BOPET Film

BOPET film is made of Polyethylene Terephthalate resin, which can be used in:

- 1) Packaging production or laminating over BOPP film for preserving food's odor and freshness
- 2) Microwave heating as it can stand the high temperature
- 3) Producing adhesive tapes
- 4) Making the insulation in electrical wire, battery and capacitor industry

### Characteristics of BOPA (Nylon) Film

BOPA film is made of Polyamide resin which has dominant characteristics in high puncture resistance, resistance to hot and cold temperatures. Therefore, it is widely used in the food industry that are liquidity and consumable products such as:

- 1) Retort food and liquid food
- 2) Household chemicals such as liquid soap, shampoo, fabric softener, cleanser
- 3) Vegetable oils and seasoning
- 4) Frozen food
- 5) Rice
- 6) Vacuum packaging

### Characteristics of CPP Film

CPP film is manufactured from Polypropylene resin similarly to BOPP film. CPP film has a superior characteristic for sealing with other types of film with lower heat requirement therefore, the film is widely used in printing job for confectionary foods or constant noodles. Moreover, CPP film has an outstanding characteristic of being glossy and having good texture so it is popularly used for food or bread package that could add more product value.

### Characteristics of METALLIZED Film

METALLIZED film is made by feeding BOPP, BOPET, BOPA, or CPP film through metalizing process. This film is considered as a specialty film which has better selling price than regular film and can generate additional revenue to the Company. The important characteristics of METALLIZED film are,

- 1) Sparkling effect on packages
- 2) Barrier properties: Both of Oxygen and Moisture resistance are better than normal BOPP, BOPET, BOPA, and CPP film

## Characteristics of COATED Film

COATED film is made by feeding BOPP, BOPET, BOPA, CPP, or METALLIZED films through coating process that is equipped with specific chemicals. The film is considered another type of specialty film that gives higher value to the products by increasing preserving property and keeping odor of food and extending the shelf life of food. Also, the film itself can be quoted higher due to its more superior characteristics.

### 1.2.6 Important privileges which are granted

The Company's products are under promotional privilege by BOI's Zone 3 at Laemchabang Industrial Estate in Chonburi province (details per no. 21 privilege from promotion in notes to financial statement as of December 31, 2023).

The current corporate tax rate is 20% of net profit, since the year 2023, the Company had investment promotion under no. 21 privilege from promotion in notes to financial statement as at December 31, 2023, exempt for corporate tax. Therefore, the corporate tax that the Company actually pays (Effective Tax Rate) is equal to 0% of the net profit from operations before tax.

### 1.2.7 Market and Competition

(A) Marketing of Products and Services

#### Marketing Policy and Characteristics

##### Competition Strategy.

The Company has competition strategy as follows:

- Producing products with high quality standard to satisfy customers and support production in the related industry
- Offering reasonable prices to customers
- Ensuring on-time delivery
- Providing excellent after sales service that is fast and on time as the Company's products will be processed by customers, providing customers with information and suggestions will benefit the customers and consequently strengthen the relationship

##### Target Customers' Characteristics.

The Company's customers can be categorized as follows:

- Printing factories, Side Seal bags and other packages printing factories, which the products used as the products, food, snack packages
- Adhesive tapes manufacturers

No customer contributes more than 30% of the Company's total revenue.

##### Distribution and Distribution Channels.

The Company distributes to both domestic and international customers with the distribution channels as of December 31, 2023 as follows:

- Domestic market: The Company sells directly to all types of customers. The domestic sales were 46 % of total sales revenue

- International market: The Company distributes products to various countries including Japan, South Korea, Australia, Taiwan, Hong Kong, Vietnam, Malaysia, Italy, Philippines, Singapore, Indonesia, Mexico, and the United States for instance. In most cases, the products are sold through agents who directly coordinate with customers. The customers open the L/C directly to the Company and the agents receive the commission. International sales accounted for 54% of total sales.

## (B) Industry Condition and Competition

### **Plastic Packaging Industry**

Plastic packaging products which the Company produces and distributes to both domestic and export markets consist of BOPP, BOPET, BOPA, CPP, METALLIZED and COATED films. The products are used by printing houses and converted to packaging for food and non-food applications.

The demand of packaging materials has expanded rapidly especially in food industry which relies on plastic packaging because plastic is light, easy to transport with low cost. In addition, the design of plastic packaging is attractive in the eyes of end consumers. The demand of packaging materials is attributed by the growth of population and economy which create purchasing power and demand for consumption.

### **Competition**

The packaging materials are well received and very much in demand, which leads to capacity expansion in order to respond to market growth. As competition can occur at any level of market demand, therefore, the Company has developed personnel in marketing and production in attaining a high level of efficiency. The Company's policy is to produce quality products at a reasonable price and with on-time deliveries.

The plastic raw materials and products imported from free trade areas of which Thailand is a member, i.e. ASEAN-Korea, ASEAN-China are eligible for 0% import duty. This would allow the Company products to obtain lower production cost and become more competitive compared with products from other producers outside the free trade areas. Thailand is searching for more economic partnership in order to expand international trade that will promote business activities and wealth to people as the whole. Peru is the latest partnership agreement which came into effect in 2012. The change of AFTA's status to AEC in 2015 means that the activities will expand rapidly not only in trade but there will be a flow of investment, service and labor across the whole region. The coming negotiation is the European Union (EU) which will come in place of the GSP (Generalized System of Preference) which Thailand will not be eligible for the preference of import duty from 2014 due to the rise of the national income.

- **BOPP Film**

BOPP film is frequently used in flexible packaging industry because of its low cost and is able to efficiently preserve shelf life of foods and snacks. The demand of BOPP film is growing at a fast rate due to the growth of population and economy levels which in turn create a constant demand for consumer goods. Market price is determined mainly by demand and supply.

With the market strategy in terms of product quality, good service and customer relationship enhancement, the Company was able to maintain its domestic market share. And also the Company has competitive advantage over overseas competitors based on product quality and delivery lead time. In the past, high import duty served as a barrier to protect local producers. However, the import duty is gradually reduced in line with World Trade Organization (WTO) and FTA commitments. The Company is aware of the situation and have prepared measures.

- **BOPET Film**

BOPET film is another type of film that is commonly processed into packaging. It has a superior property for air permeability and is suitable for odor and flavor retaining, also extend product life. Therefore, a decision to use either BOPP film or BOPET film depends on the applications. Apart from the extensive use in food industry, BOPET film can be applied in various industries as it has finest heat resistance properties such as electric wire wrapping, building heat insulation, audio vision, air duct and apparel decorations due to its excellent heat resistance and electrical insulation.

There are two domestic competitors which are Polyplex (Thailand) Public Company Limited and SRF Industry company Limited, both of them only produce BOPET film. These competitors give no direct impact on Company's position because of high level of demand in the market. Furthermore, as most customers require a combination of BOPP, BOPET, and CPP film at the same time, they generally prefer to order all film types from a single producer rather than making split orders. The Company, therefore, has higher potential to serve these preferred needs. The Company also has a competitive advantage over imported films as the local customers not only consider product quality and standard, but also lead time to delivery, import duty, and term of payment.

- **BOPA Film (Nylon)**

BOPA film is being used extensively in packaging for liquid food industry, retort and frozen food because of its excellent characteristics in puncture resistance, heat and cold resistance, oil resistance, and abrasive resistance. Therefore, BOPA film, BOPP film and BOPET film are the Company's products which can be used extensively in food and consumable product industries.

While there is another domestic producer, Thaipolyamide company Limited, who started producing the BOPA film at the same time, the Company has been using past experience in films production and distribution to quickly gain market penetration. The success is also caused by product quality, after-sales service and the Company's business nature which has no conflict of interest with customers.

For competition against imported product, as there was no domestic manufacturer of BOPA film in the past, the product is still imported now but at a lower proportion. The Company is confident that, within a short time, it will be able to compete based on its product quality and service and will capture more market share.

- **CPP Film**

CPP film is produced from the same type of resin as BOPP film. It has better properties on heat seal strength and high gloss therefore, it is suitable to be used as the inner layer of packaging.

In 2015, the Company installed the first CPP line during the last quarter of the year. The capacity is around 16,000 tonnes per year. CPP film is widely used with other types of films from the Company; BOPP, BOPET, and BOPA films. This could be considered as to giving higher value to customers when it comes to selecting single supplier. Competitors for this product are smaller-sized manufacturers in Thailand and importer from Indonesia, for instance. The Company expects that the market for CPP films will keep on growing from domestic and international needs. Moreover, the addition of CPP film production capacity has helped to expand the base of the product range to be more diverse and comprehensive compared to the competitors which would better respond to the customers' needs.

- **METALLIZED Film**

This film is made by metallizing plain film with Aluminum, which allows the film to better prevent air and humidity permeability and further extends the life of packaged product compare with using regular films. Thus, METALLIZED film is suitable for product packaging. Moreover, this product can be used in other industries in many applications such as flower wrap or air duct cover as it can also prevent heat circulation.

Currently, the Company has a total of 5 Metallizing lines. The first 4 machines are designed for physical vapor deposition process of Aluminium. Wire-Feed processing. In principle, the process calls for the evaporation of the coating material inside a vacuum chamber. Inside this chamber, aluminum wire is fed onto individual, resistance-heated inter-metallic evaporators, where the aluminum becomes molten and evaporates onto the film. The latest machine is Crucible type vacuum Metallizer machine which employs the method of melting aluminum in a crucible pot which provides excellent deposition quality and uniformity. This creates higher valued added to our product. The Company expects that the market needs for two different metallized products will continue to grow and will lead to less competitive environment in the METALLIZED film segment.

- **COATED Film**

COATED film is a film that gets coating processed with specific chemicals. This film will possess better air and humidity permeability and further extend product life. This product could add more value to the Company due to its superior characteristics.

There is competition from small producers in Thailand and imported films from Japan. However, the Company expects that the coating film market will continue to grow both domestically and internationally. In addition, the expansion of the product base has made the products of the Company more variety and comprehensive to be able to meet the needs of more customers.

## 1.2.8 Product Procurement

### (A) Characteristics of the product procurement

#### Production

The Company manufactures film by extruding and processing plastic resin through injection and biaxial orientation into film sheets. Then the sheet will be slitted into sizes according to customers' orders. The Company currently has 3 factories location, which are located in Laemchabang Industrial Estate, Chonburi Province and another two are under the construction at Pinthong Industrial Estate (Project 5) in Chonburi province, and at Bau Bang Industrial Estate, Vietnam. In 2023, the Company has a total production capacity of 324,500 tonnes per year.

Production capacity for each individual product is as follows:

BOPP Film	4	Lines (148,000 tonnes/years)
BOPET Film	3	Lines (107,000 tonnes/years)
BOPA Film	3	Lines (30,000 tonnes/years)
CPP Film	1	Lines (16,000 tonnes/year)
METALLIZED Film	5	Lines (23,500 tonnes/years)

#### Production Policy

It is the Company's policy to produce a high-quality product and to conform to ISO 9001: 2015 ISO 14001: 2015 and GHP & HACCP standard in order to be well accepted in both domestic and international markets. This enables our customers to utilize our products effectively in downstream business. The Company also emphasizes production toward sustainable development as be certified, such as ISCC Plus Certification, Global Recycle Standard, and Circular Economy Management System For Organization Part 2: Requirements Certifications, etc. Below are the derived factors in quality and standard improvement.

- Human resource needs to be developed and trained to effectively work to support the industry's expansion
- Machinery needs to be innovated to respond to the increasing customers' demand and allow production control to be more effective and efficient
- Raw material needs to be procured from a high quality and fairly priced sources
- Focusing on sustainable business operations with environmental, social and governance (ESG) in mind



## Procurement of Raw Material

The raw materials used in film production are Polypropylene resin for BOPP film CPP film, and Polyethylene Terephthalate. For the production of BOPET film and plastic resin, Polyamide is used to produce BOPA film. For METALLIZED film and COATED film, the raw materials used are BOPP, BOPET, BOPA, or CPP films, which are considered the Company's main products that are processed through Aluminum metalizing and chemical coating process, respectively.

In 2023, most resin supplies came from domestic sources which accounted for 66.72% while 33.28% were imported. The Company purchases plastic resin from one domestic producer more than 30% of total purchases and this producer is not related to the Company. The rest of the plastic resin was imported from United States, Korea, Japan, Hong Kong, Singapore, and China etc.

Plastic resin is considered a commodity which enables the Company to procure the raw materials with equal quality from domestic and oversea sources. At present, most raw materials are procured from the domestic suppliers because the price is competitive and the inventory can be efficiently managed as there is no need to keep high stocks. However, some of the resins are imported in order to reduce risk of relying on a few domestic suppliers.

## (B) Impact on environment

### Operation to reduce impact on environment

Plastic film production method is to extrude plastic resin and progress to produce plastic film which pollution free such as odors, noise, smoke and polluted water. The Company has hired the expert to check the present system which the data collected are within the standard set by the industrial ministry and poses no impact to environment.

### Investment cost to control the environment during the past three years

12.46 Million baht

### Conflict or legal dispute related to environment

- None -

### Conflict or legal dispute related to business competition

- None -

### The impact when compared to regulations set

In 2023, the Company identified two environmental issues:

#### 1. Noise Quality

The sound quality in certain areas does not comply with legal requirements. The Company is taking steps to control the sound quality through the implementation of the Hearing Conservation and Noise Control Project. This involves:

- Cultivating a culture by creating warning signs for personal protective equipment (PPE) and encouraging the use of hearing protection devices, such as earplugs, to prevent harm to employees' hearing.

- Providing training to enhance knowledge about the dangers of loud noise, proper work practices, and the correct use of protective equipment.

## 2. Wastewater Quality

The quality of wastewater does not meet established standards, with COD and pH values exceeding the prescribed limits. The Company has instituted guidelines and measures to address this issue by:

- Increasing the number of microorganisms in the water to positively impact water quality.
- Regularly cleaning areas prone to leaks.
- Preparing chemical absorbent materials in areas where chemicals are used.
- Adding hazardous waste bins to accommodate hazardous waste in emergency situations.
- Conducting OPL (one point lesson) knowledge training on emergency leak suppression for employees and new hires every quarter.

The Company remains committed to conducting business in compliance with the law, minimizing impacts on society, the environment, and communities along the value chain. Ongoing monitoring and reporting ensure transparent communication of environmental performance results.

## 1.2.9 Assets used in business undertaking.

### Major fixed assets

Major fixed assets consist of land building equipment and machinery as of December 31 2023 are as follows:

Type of assets	Ownership	Net book value	Obligation
Land	Owner	364,101	-
Building and Plant	Owner	1,263,748	-
Machinery and Equipment	Owner	6,142,148	3 machines with mortgage (see notes to the financial statements no. 14)
Vehicle	Owner	5,519	-
Office furniture	Owner	22,026	-
Assets under construction	Owner	1,060,142	-
<b>Total</b>		<b>8,857,684</b>	

### Long-term asset lease agreement

The Company has entered into 6 long-term asset lease agreements, including land lease agreements at industrial estate the contract can be summarized as follows:

#### 1) Land lease agreement at Laem Chabang Industrial Estate, Thung Sukhla, Sriracha, Chonburi.

Remaining contract period (as of December 31, 2023)	26 years 8 months
Rental rate	12.67 Million baht per year
Obligation	None

#### 2) Land lease agreement at Laem Chabang Industrial Estate, Thung Sukhla, Sriracha, Chonburi.

Remaining contract period (as of December 31, 2023)	17 years 2 months
Rental rate	5.00 Million baht per year
Obligation	None

#### 3) Land lease agreement at Laem Chabang Industrial Estate, Thung Sukhla, Sriracha, Chonburi.

Remaining contract period (as of December 31, 2023)	1 years 7 months
Rental rate	0.26 Million baht per year
Obligation	None

#### 4) Land lease agreement at Laem Chabang Industrial Estate, Thung Sukhla, Sriracha, Chonburi.

Remaining contract period (as of December 31, 2023)	19 years 10 months
Rental rate	1.18 Million baht per year
Obligation	None

#### 5) Land lease agreement at Nong Kham, Sriracha, Chonburi.

Remaining contract period (as of December 31, 2023)	3 years
Rental rate	1.15 Million baht per year
Obligation	None

### Investment Policy in Subsidiaries and Associated Companies

The Board of Directors Meeting no. 10/2020 on October 29, 2020 have approved to establish a subsidiary and a joint venture in Vietnam with SCG Chemicals Public Company Limited. On November 5, 2020, the Company entered into a Joint Venture Agreement with SCG Chemicals Public Company Limited to established a Company in Vietnam for manufacturing and distributing packaging films. The joint venture company has a registered capital of 700 million baht, of which the Company hold 55% of the total issued and paid-up capital.

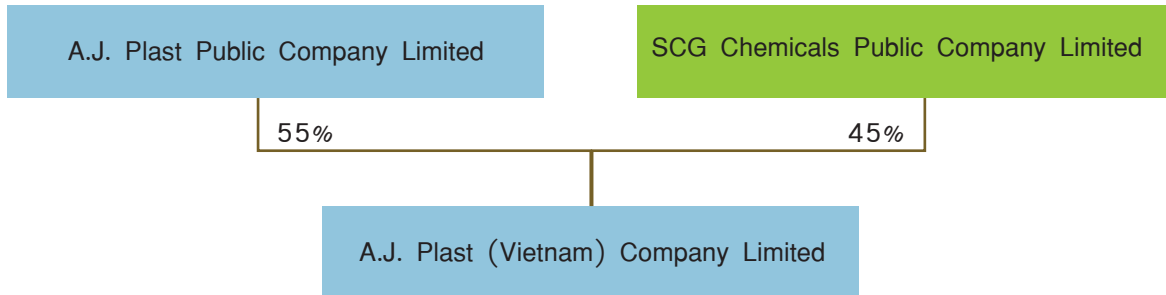
#### Work has not yet been delivered

- None -

## 1.3 Shareholding Structure of The Group

### 1.3.1 Shareholding Structure of The Group

In November 2021, the Company was registered to establish a joint venture company in Vietnam under the name A.J. Plast (Vietnam) Company Limited according to a Joint Venture Agreement with SCG Chemicals Public Company Limited.



#### Information of the joint venture Company are as follows:

1. Joint Venture Company Name and Location

Name: A.J. Plast (Vietnam) Company Limited  
 Registration number: 3703013449  
 Location: Lot C-12B-CN, Bau Bang Expansion Industrial Park, Lai Uyen Town, Bau Bang District, Binh Duong Province, Vietnam.

2. Registered capital

Issued and paid-up share capital 847,593,291.19 Baht (576,218,267,200 VND)

3. Shareholding structure

List of shareholders	shareholding
(1) A.J. Plast Public Company Limited	55%
(2) SCG Chemicals Public Company Limited	45%

4. Structure of the directors of a joint venture company

Name	Position
1 Mr. Kittiphat Suthisamphat	Chairman (representative from the Company)
2 Mr. Thosphol Chinandej	Director (representative from the Company)
3 Mr. Prasan Onwong	Director (representative from the Company)
4 Mr. Sakchai Patiparnpreechavud	Director (representative from SCG Chemicals Public Company Limited)
5 Mr. Naweew Butsunorn	Director (representative from SCG Chemicals Public Company Limited)

## 5. Source of funds

The Company plan to use the Company's working capital to invest not more than 466,301,557 baht, and gradually pay according to the joint venture agreement.

### **Cross shareholding in the group**

The Company has cross-shareholdings in related company, according to note to the financial statements no.7 investments in related party.

### **Pyramid shareholding structure in the group**

- None -

## **1.3.2 Shareholders**

The following table illustrates a list of ten largest shareholders by combining the related parties under section 258 of the Securities and Exchange Act B.E. 2535 as of December 31, 2023 as follows:

Name	No. of Shares	Ratio (%)
1. Suthisamphat Group <sup>1</sup>	205,375,107	46.68
Mr. Narong Suthisamphat <sup>2</sup>	31,365,422	7.13
Mr. Kittiphat Suthisamphat <sup>3</sup>	121,882,819	27.70
Mr. Pumphanchat Suthisamphat <sup>4</sup>	46,426,666	10.55
Ms. Ajala Suthisamphat	5,700,200	1.30
2. SCG Chemicals Co.,Ltd.	40,560,773	9.22
3. Cholkadeedamrongkul Group	30,398,400	6.91
4. Mr. Narat Ngarmapichon	8,600,000	1.95
5. THAI NDVR Co., Ltd.	6,595,100	1.50
6. Bualuang Long-Term Equity Fund	4,500,813	1.02
7. Mr. Santichai Teawsomboonkij	4,214,944	0.96
8. Mrs. Parinya Khancharoennsuk	3,000,000	0.68
9. Mr. Tittanon Nakasiri	2,951,400	0.67
10. Mr. Somkiat Therdthaveedech	2,700,000	0.61
<b>Total</b>	<b>308,896,537</b>	<b>70.20</b>

<u>Remark</u>	<p>1. Mr. Narong Suthisamphat and Mr. Kittiphat Suthisamphat are acting in concert according to the announcement of the capital market supervisory board 7/2009 subject: specification of relationship or behaviors that are considered acting with other individuals and section 246 and section 247</p> <p>2. Including spouse's shares and companies that Mr. Narong or spouse owns more than 30%</p> <p>3. Including spouse and child under 20 years old's shares and companies that Mr. Kittiphat or spouse owns more than 30%</p> <p>4. Shows separately from Mr. Kittiphat Suthisamphat because he has reached the age of majority.</p>
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## 1.4 Amount of Registered and Paid-up Capital

As of December 31, 2023, the Company has a registered capital of 440,000,000 baht, paid-up of 440,000,000 baht, divided into 440,000,000 ordinary shares with a par value of 1 baht per share and has one class of shares which is ordinary share. Securities symbol “AJ” (listed on the Stock Exchange of Thailand)

## 1.5 Dividend Policy

The Company has a policy to pay dividend not less than 30% after allocation to statutory reserve. This depends on the use of cash flow, investment plan, conditions of money and capital markets and conditions set by financial institutions. The interim dividend payment depends solely on the discretion of the Board of Directors, share dividend can be substituted for cash dividend.

For the fiscal year ended December 31, 2023, the Company has paid dividends, details are as follows:

Year	2023	2022	2021
Net profit (loss) per share	(0.83)	0.07	0.97
Dividend per share	-	0.38	0.65
Dividend payout ratio (%)	0%	398.31%	64.66%

## 2. Risk Management

### 2.1 Risk Management Policy and Plan

The Company recognizes the importance of adequate and appropriate risk management and internal control systems for business operations to comply with relevant laws, effectively manage and mitigate risks to the Company’s assets. The Company has established a systematic risk management system in accordance with international standards and integrates it with the organization’s business operations by determining a policy framework and risk management operating system that covers the Company’s operations. The Company adheres to the corporate risk management guidelines the Committee of Sponsoring Organizations of the Treadway Commission–Enterprise Risk Management (COSO–ERM) and the organization’s quality management system standards (International Organization for Standardization – Quality Management System: ISO 9001) to identify risks and opportunities in business appropriately and timely, and to be able to manage risks to an acceptable level or looking for opportunities to create added value for the organization in order to achieve the specified objectives, including meeting stakeholders’ expectations, supporting sustainable business operations and in accordance with the principles of good corporate governance.

The Company has set up a risk management structure consisting of the Risk Management Committee and the Risk Management Unit which are independent from business operation units. Mr. Thosphol Chinandej, Deputy Managing Director and Head of the Risk Management Unit, is the highest-level responsible person for the operational level of the organization's risk management, with responsibility for overseeing the Risk Management Unit and determining the organization's risk management framework, defining risk management processes, including analyzing, evaluating, and monitoring risks in accordance with policy framework. The Risk Management Unit's operations are connected to the risk owners, and there is a process in place for reporting risk management performance to the Risk Management Committee and the Board of Directors every year.

In addition, the Board of Directors has established an internal audit unit that is independent from the risk management structure and has a direct reporting line to the Audit Committee. Miss Sarinthip Thanawadee, Head of Internal Audit Department, is the highest-level responsible person for internal audit operations of the organization, who is responsible for auditing and reviewing the organization's internal control system and risk management system to ensure that management is efficient and effective, as well as in compliance with the Company's framework. The audit results and findings are regularly reported to the Audit Committee and the Board of Directors.

## 2.2 Risk Management Process

The Company puts an emphasis on risk management to prevent, mitigate and adapt to various risks including the pursuit of business opportunities. The global risk management framework of COSO-ERM 2017 has been applied as a tool for managing risks throughout the organization, divided into 5 components as follows:

- (1) Governance and Culture
- (2) Strategy and Objective-Setting
- (3) Performance
- (4) Review and Revision
- (5) Information, Communication and Reporting

The following risk management methods are used by the Company to reduce the likelihood of a risk events and the impact of damage from a risk event to an acceptable level:

- (1) Risk Acceptance
- (2) Risk Reduction
- (3) Risk Sharing
- (4) Risk Avoidance

## 2.3 Risk Assessment

The Company identifies, analyzes, and prioritizes risks by assessing the potential likelihood and impact based on event conditions, factors, indicative activities, and severities to prepare a risk management plan and implementation as well as reporting the risk management performance to the Committee for reviewing and following up.

## 2.4 Risk Factors on Business Operation

### 2.4.1 Significant Risk associated with the company

Significant risk factors that may have an impact on the Company's operations, performance and financial condition which are classified into two main categories: current risks and emerging risks, as follows:

#### Emerging Risks

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Risks from Carbon Boarder Adjustment Mechanism	<ul style="list-style-type: none"> <li>• Changes in International regulations and laws about greenhouse gas and/or carbon dioxide emissions will be subject to applicable tax losses.</li> <li>• The Company's costs, including production, distribution, and export, have increased.</li> <li>• Trade barriers from countries that issue rules, regulations, and laws.</li> </ul>	<ul style="list-style-type: none"> <li>• Inventing new innovations and improving processes to support reducing carbon dioxide and greenhouse gas emissions.</li> <li>• Participation in the verification of the Carbon Footprint of Organization (CFO) and the Carbon Footprint of Product (CFP) by Thailand Greenhouse Gas Management Organization (TGO).</li> <li>• Management in Carbon Footprint of Organization and Product.</li> <li>• Monitoring and implementation CBAM regulations to prepare for phase two.</li> <li>• Monitoring and complying with EU standards on the environment and greenhouse gas emissions.</li> </ul>



Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Risks from Cap and Trade in industrial park	<ul style="list-style-type: none"> <li>The Company takes steps to support and follow up regularly following public and private organizations who are interested towards being low-carbon footprint organization or low-carbon footprint production.</li> <li>In case of no proper management of greenhouse gases, greenhouse gas emissions will be higher and uncontrol and must purchase carbon credits from other sources to replace.</li> </ul>	<ul style="list-style-type: none"> <li>Participation in the voluntary greenhouse gas reduction program according to Thailand standards (Thailand Voluntary Emission Reduction Program: T-VER).</li> <li>Verifying the Carbon Footprint of Organization (CFO) and the Carbon Footprint of Product (CFP) by the Greenhouse Gas Management Organization.</li> <li>Managing the entire carbon footprint of the organization. Including the products</li> <li>Following up on Emissions Trading/ Cap and Trade regularly, both at local and international levels.</li> </ul>

### **Current Risks**

#### (1) Strategic Risks

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Risks of reliance on few suppliers	<ul style="list-style-type: none"> <li>Impact on business continuity as distributors might be unable to deliver goods in a timely manner.</li> <li>Higher production costs due to the cost of sourcing raw materials.</li> </ul>	<ul style="list-style-type: none"> <li>To set reserve sources of raw materials to support the risk of dependence on large suppliers.</li> <li>To find more potential raw material producers both at local and international to foster strong partnership while also increasing capacity.</li> </ul>

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Risks of reliance on major customers	<ul style="list-style-type: none"> <li>• Customers have too much bargaining power, which affects the Company's selling price.</li> <li>• Customer concentration</li> </ul>	<ul style="list-style-type: none"> <li>• To have a wide and diverse customer base.</li> <li>• Code of Conduct to be consistent with the quality and price.</li> <li>• Products are invented and developed together with customers to achieve the greatest customer satisfaction.</li> <li>• To send the product exactly as the customer requirements.</li> <li>• Training to promote the potential of sales.</li> <li>• Customer satisfaction surveys are conducted both domestic and export.</li> </ul>

(2) Financial Risks

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Risks from exchange rate fluctuation	<ul style="list-style-type: none"> <li>• Exchange rate fluctuation from selling products in foreign currencies, which could have a significant impact on the Company's revenue and profit margin.</li> </ul>	<ul style="list-style-type: none"> <li>• The exchange rate has been closely monitored.</li> <li>• To formulate strategies and predict a short-term and long-term exchange rates as the Company's strategy.</li> </ul>

### (3) Operational Risks

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Risks from work accidents	<ul style="list-style-type: none"> <li>• The production process was disrupted due to accidents.</li> <li>• Risk of damage to the manufacturing operation.</li> <li>• An indirect effect from community surrounding.</li> <li>• Loss of life or limb of employees or contractors working in the area has occurred.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company has occupational health and safety policies and measures that are clear, concise, and communicated to employees.</li> <li>• Before entering the production area, all employees are given personal protective equipment and must follow a safety policy.</li> <li>• Machines must be inspected and always maintained to ensure that they are ready for use.</li> <li>• Providing occupational safety training such as fire prevention training, occupational health, and work environment safety training for new employees.</li> <li>• Company safety promotion projects such as Safety Week, Safety Talk, White Factory, emergency drills, and so on.</li> <li>• Corrective and preventive actions such as Kiken Yochi Training (KYT), etc.</li> <li>• Providing disaster risk insurance to the Company's assets and employees including third-party workers who come to work in the production area.</li> </ul> <p><b>Additional measures</b></p> <ul style="list-style-type: none"> <li>• Cultivating a safety culture throughout the organization.</li> <li>• Setting Lost-Time Injuries Frequency Rate (LTIFR) to be KPI of Safety Department.</li> </ul>

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Risks from Covid-19 pandemic	<ul style="list-style-type: none"> <li>Production process is disrupted due to the pandemic.</li> </ul>	<ul style="list-style-type: none"> <li>To install thermometers at visitor screening points and designate specific areas for visitors.</li> <li>Visitors must submit ATK test results within 72 hours before visiting.</li> <li>In case there is a need to test for COVID before entering the factory and use online meetings.</li> </ul>

(4) Compliance Risks

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
International trade risks from Anti-dumping	<ul style="list-style-type: none"> <li>Loss of trade opportunities from tariff barriers.</li> <li>The Company's sale value declined.</li> </ul>	<ul style="list-style-type: none"> <li>The Company has measures and procedures in place to clarify and demonstrate to the countries where its customers and business partners are located that the Company does not engage in dumping trade.</li> <li>The Company has policies and measures to assist customers and business partners as needed to prevent product shortages.</li> <li>The Company has legal advisors with expertise to advise on laws and regulations.</li> <li>Expanded production capacity to country affected by anti-dumping tax to create commercial opportunity.</li> </ul>

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Risks associated with changes in laws and regulations	<ul style="list-style-type: none"> <li>The decrease in demand for traditional plastic products has led to an increase in production costs and research of new products in response to market demand and to be following the law. Stricter regulations may affect the image of the organization.</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring Relevant regulations of both domestic and international partners regularly to prepare for changes.</li> <li>Modern innovative research in line with domestic and international market demands.</li> </ul>

(5) ESG Risks

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Drought risks	<ul style="list-style-type: none"> <li>Drought or inadequacy to meet water demand may cause disruption of production processes or may lead to higher production costs. From higher water supply costs.</li> </ul>	<ul style="list-style-type: none"> <li>Setting a team to manage water usage in the production process to reduce water consumption. (Closed Loop System)</li> <li>Providing sufficient water reservation.</li> <li>Water reuse project for use in circulation within the factory.</li> <li>Reducing water consumption in cooling system from Cooling Water Chiller to Air Cooled Chiller.</li> <li>Setting guidelines for backing up water use in times of crisis.</li> </ul>

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Climate risks	<ul style="list-style-type: none"> <li>A more intense global climate change has resulted in a dramatic increase in the frequency and severity of disasters such as flash floods, droughts, and other natural disasters. Countries must collaborate to find solutions to these problems, resulting in national policy changes to cope with the crisis. The change in human lifestyle that affects the cost of production, competition in a changing market for sustainable business growth.</li> </ul>	<ul style="list-style-type: none"> <li>To concentrate on renewable energy through the installation of solar panels.</li> <li>To implement Greenhouse Gas Emission Reduction Projects and Measures.</li> <li>The Company has initiated an energy management project.</li> <li>To join the Thailand Carbon Neutral Network (TCNN) to acquire knowledge and assistance in developing management processes that effectively reduce corporate greenhouse gas emissions.</li> <li>To monitor environmental operations include air quality from chimneys and in workplaces, Water Quality Control Waste and Hazardous Waste Management System Research and development of environmental products.</li> <li>To implementing Green Office project.</li> <li>Environmental policies and targets</li> <li>ISO 14001: 2015 certificated</li> <li>ISCC Plus certificated</li> <li>Circular Economy Management System For Organization Part 2: Requirements (CEMs) certificated.</li> </ul>

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Risks from technological change, cyber threat, server network and software/application	<ul style="list-style-type: none"> <li>• Due to the leap in technology development, it has helped to achieve speed. Increased ease of operation. On the other hand, there is also a greater risk of cyber threats. Reduced data security Data leakage may result in disruption of the Company's operations.</li> <li>• Work and transmission are disrupted due to technological systems and data not being able to respond and support them.</li> <li>• Delays in shipping, contact with partners, business partners, customers, etc., as well as on-premises support.</li> </ul>	<ul style="list-style-type: none"> <li>• Daily system monitoring</li> <li>• Monitoring and following up cyber threats.</li> <li>• Monitoring and surveillance server or network functionality, and Software or Application</li> <li>• Information technology security system.</li> <li>• IT Helpdesk</li> </ul> <p><b>Additional measures</b></p> <ul style="list-style-type: none"> <li>• Cyber threat response plan</li> </ul>
Image and reputation risks	<ul style="list-style-type: none"> <li>• The Company's operations lacked continuity to the point of business interruption.</li> <li>• Reputation and credibility of the Company</li> <li>• Property damage</li> <li>• Employee was injured to the point of death.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual community impact survey.</li> <li>• Social development projects.</li> <li>• Business operation with Code of Conduct.</li> <li>• Corporate Governance Policy</li> <li>• Business continuity is planned.</li> </ul>

Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
<p>Risks from trend toward low-carbon economy causing consumer behavior changes</p>	<ul style="list-style-type: none"> <li>• Consumer behavior is changing toward a new trend (New Normal).</li> <li>• Changes in sales of each product.</li> <li>• Changing customer needs.</li> <li>• Business competition in the direction of sustainability.</li> <li>• Greater environmental consciousness.</li> <li>• Changes in communication channels Merchandising channels.</li> <li>• Allocate investments in accordance with the changing direction while maintaining the Company's financial and investment credibility.</li> </ul>	<ul style="list-style-type: none"> <li>• Coming up with innovations to meet customers' requirements.</li> <li>• Negotiation with customers and conduct joint research for green products.</li> <li>• To raise awareness of plastics for society and communities.</li> <li>• Enhancing the Company's sustainability by linking important sustainability issues with the organization.</li> <li>• Supporting sustainable development goals (SDGs)</li> <li>• The Company's policies focus on sustainable development, such as sustainability management policies. Corporate Governance Policy, etc.</li> <li>• Developing green and innovative products to meet customer needs creating opportunity for market competitiveness.</li> <li>• The process of reusing plastic raw materials from the production process and reducing waste from the production process.</li> <li>• Systematic process for determining the allocation of investments, giving importance to investments that will result in the acquisition of good performance in a short period of time.</li> <li>• Consideration of funding sources with expertise, skills, and experience to negotiate common solutions for broad and sustainable business growth.</li> </ul>



Risk Issues	Cause and Impact	Risk Management and Mitigation Measures
Risks from personnel skill development	<ul style="list-style-type: none"> <li>• Most personnel are unable to do a wide variety of work expertise.</li> <li>• People with limited abilities and expertise. In the case of production capacity expansion, cost is increased to send people from one place to another.</li> </ul>	<ul style="list-style-type: none"> <li>• Promoting more corporate training.</li> <li>• Preparing Training Need Analysis of each department and analyzing the skills required in each department.</li> <li>• Creating an annual training plan following training need analysis.</li> <li>• Allocating budgets individually position and department to encourage employees to have knowledge and expertise in responsible work or to have various abilities that will be beneficial to business operations in the future.</li> <li>• Organizing activities to promote the development of personnel skills.</li> </ul>
Employee engagement risks	<ul style="list-style-type: none"> <li>• Personnel have decreased engagement to the organization. This is because they did not develop appropriate skills and did not meet expectations.</li> <li>• The number of personnel resigning has increased.</li> <li>• Internal management becomes more complicated because personnel frequently resign.</li> <li>• Work efficiency decreases.</li> <li>• Existing personnel must spend more time teaching new personnel. As a result, you must rush to work. The amount of work per hour is higher and It may affect your mental state and working atmosphere.</li> </ul>	<ul style="list-style-type: none"> <li>• Organizational happiness survey annually.</li> <li>• Activities that create happiness of personnel following happiness survey</li> <li>• Internal party or celebration to strengthen engagement between departments within the Company.</li> <li>• Annual performance evaluation to follow up on work success, job descriptions, responsibilities, and others to discuss and solve with supervisor to find out the solution together.</li> </ul>

## 3. Business Sustainability Development

### 3.1 Policies and Objectives of Sustainable Management

The Company's Board of Directors, Executives, and all employees are committed to enhancing the Company as a leader in the production of plastic films with the intention of sustaining growth through good corporate governance, eco-friendly business operations, and human resource development in accordance with the organization's business direction and strategy, national strategy, and the United Nations' Sustainable Development Goals (SDGs).

The Company has established a sustainability development policy that considers environment, social, and governance (ESG) dimensions including respect for the human rights of all groups of stakeholders that proceed through the process of considering all impacts along with laying down management guidelines to prevent and reduce ESG impacts. The Company published sustainability development policy and targets to all stakeholders including employees and assigned each department to integrate sustainability goals and indicators into their operating processes. To support and be able to effectively comply with the organization's sustainability policies and goals, the Company establishes processes for tracking and summarizing operating results to disclose information to stakeholders through the Company's sustainability report, annually.

### 3.2 Management of Impacts on Stakeholders in the Value Chain

#### 3.2.1 Value Chain

The Company recognizes that to be effective and sustainable, business operations must consider the opinions and expectations of stakeholders throughout the value chain. Therefore, the Company manages its operations by focusing on the participation of all stakeholder groups, considering management in the environment, society, and good corporate governance in reducing risks that may arise, as well as being able to meet stakeholders' expectations.

The Company has a policy that focuses on sustainable management and development of the value chain, which is important to operating the business for long-term success, and on innovation and technology development to increase efficiency throughout the value chain for raw material stability, quality management systems, transportation systems, and business continuity.

## Business Activities



### Raw Materials Sourcing



### Production Process



### Storage and Distribution



### Marketing and Sale



### After-Sales Service

- Sourcing high-quality raw materials and packaging from manufacturers and suppliers.
  - Focusing on sourcing raw materials from socially and environmentally.
  - Raw Materials are managed efficiently and productively.
- 
- The plastic film manufacturing process is certified to international standards for high quality and safety.
  - Focusing on using resources efficiently and reducing energy consumption.
  - Circular economy has been promoted in value chains and communities through our operations.
- 
- Keeping products that are of high quality, meet standards, and are delivered on time.
  - Planning and managing a transportation system that is efficient and meets the needs of customers.
- 
- Product management and delivering to meet customer needs.
  - Communicating and providing clear and comprehensive product information.
  - Fair and reasonable pricing.
  - Encouraging, promoting, and providing customers with alternatives to use environmentally friendly products.
- 
- Receiving feedback and suggestions.
  - Customer Satisfaction Assessment.
  - Researching and developing innovations in order to create new products that contribute positively to society and environment while also responding to demand and customer satisfaction.
-

The following are supportive activities that help the main activities achieve their objectives more effectively:

- Corporate Governance: To foster a culture of ethical business practices, good governance, and anti-corruption in all forms, and to develop guidelines for fair procurement processes that take the environment and society into account. It operates in compliance with international principles and standards through a process of monitoring Code of Conduct compliance, handling complaints, and preventing Code of Conduct violations.
- Risk Management: To minimize the risks that may occur in the operation in terms of strategy operational, financial, regulatory, including social and environmental aspects that may occur by defining a range of acceptable risk levels, evaluating the likelihood and impact of key risks, defining indicators with risks, establishing a business continuity management system (BCM), and has continuous monitoring, evaluation, and fostering a culture of risk management in the organization through operations linked to risk owners, promoting risk management awareness to directors, executives, and employees at all levels, and defining risk indicators as a measure of employee performance.
- Human Resource Management: To develop capabilities, support employee advancement, and encourage innovations, the Company has analyzed, set goals, planned operations, and conducted training programs to develop the ability for employees so that employees can acquire knowledge and skills that, in line with career growth, work efficiency is increased, and employees can respond to customer needs more efficiently. It also includes overseeing operations in accordance with human rights principles, evaluating employee satisfaction to improve employee care and retention systems, and supporting business continuity.
- Innovation and Technology: Technology systems are used in the development of work processes in accounting management, corporate procurement, project implementation, supporting business agility, and reducing work processes, resulting in the ability to reduce work time and deliver products on time.
- Occupational Health, Safety, and Environmental Management: To ensure business continuity and reduce the risk of accidents that may harm employees, communities, and the environment including health risks and pandemics. The Company has assessed the potential health and safety risks that may arise throughout the operation process and set goals, measures, and programs to effectively control and minimize these risks.

### 3.2.2 Analysis of stakeholders in the value chain

The Company values its stakeholders' expectations because it recognizes that stakeholders are important to the Company's growth. For this reason, the Company conducts an annual assessment of stakeholder expectations and prioritizes responding to those expectations through various engagement channels. In this regard, stakeholders, both individuals or entities that are directly and indirectly related to the Company's business operations, are divided into

- 1) internal stakeholders including shareholders, investors, and employees and
- 2) external stakeholders including customers, business partners, suppliers, service providers and contractors, communities and society, competitors, creditors and financial institutions, local and government regulators, as well as the media and Non-Governmental Organizations (NGOs).

Stakeholders	Stakeholder Expectations	Company' Responses
<b>Internal Stakeholders</b>		
Shareholders and Investors	<ul style="list-style-type: none"> <li>• Corporate governance with honesty, transparency, and equitable adhering to business ethics.</li> <li>• Short-term and long-term risk management.</li> <li>• Continuous growth, increased competitiveness, efficient and effective managerial direction.</li> <li>• Good performance, good return, and worth the investment.</li> </ul>	<ul style="list-style-type: none"> <li>• Transparently and regularly communicate the Company's news and information via the website, media, and publications based on the situation.</li> <li>• Increasing shareholder and investor confidence by demonstrating performance</li> <li>• Analyzing, evaluating, monitoring, and developing strategies for managing short-term and long-term risks including emerging risks and crises.</li> <li>• Partners with leading companies to expand business, both domestically and internationally, in order to increase production and customer base.</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Respecting employees' rights, fair treatment.</li> <li>• Fair compensation, employment, and performance evaluations.</li> <li>• Employee development and career advancement.</li> <li>• Occupational Health and Safety</li> <li>• Good working environment</li> <li>• Good benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Communicating policies and organizational directions to employees, such as employment policy, human rights policy, inclusivity and equality policy, whistleblowing policy, occupational health and safety policy and environment, corporate happiness policies, and etc.</li> <li>• Revising compensation policy considering appropriate compensation and benefits.</li> </ul>

Stakeholders	Stakeholder Expectations	Company' Responses
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**External Stakeholders**

Customers

- Product and service quality that meets customer requirements and international standards.
- Customer satisfaction with products and services.
- Product delivery in accordance with the contract and requirements.
- Product development to meet customer needs as well as societal and environmental responsibility.
- Enhancing customer confidence
- Reasonable prices.

- Customer Satisfaction Survey.
- Receiving suggestions, feedback, and complaints to be discussed in the meeting in order to formulate problem solutions and following up on resolutions.
- Providing advice and recommending products, appropriate applications, technologies, and new market trends, as well as related technical knowledge.
- Delivering products that meet the needs of customers and are on time.
- Sharing knowledge and working collaboratively on product development.

Business Partners

- Clear business directions for future collaboration.
- Conducting business with honesty, transparency and fairness in accordance with business ethics.

- Raising the confidence of business partners.
- Collaboration to expand business, both at local and international, in order to increase production capacity and customer bases.

Suppliers, Service Providers and Contractors

- Communicating policies, standards, rules, regulations, work procedures, and also communication channels.
- To conduct business with honesty, transparency, ethics, and fairness in accordance with the Code of Conduct and business ethics.

- Communicating policies, standards, rules, regulations, and work procedures as well as human rights policies covering safety, equality, and anti-corruption to suppliers, service providers, and contractors
- Establishing a Supplier Code of Conduct that applies to suppliers, service providers, and contractors.

Stakeholders	Stakeholder Expectations	Company' Responses
Suppliers, Service Providers and Contractors	<ul style="list-style-type: none"> <li>• Collaboration with Suppliers, Service Providers, and Contractors for sustainable development.</li> </ul>	<ul style="list-style-type: none"> <li>• Developing suppliers' capacity by conducting Supplier Self-Assessment that covers the economic, social, and environmental dimensions.</li> <li>• Maintaining integrity, transparency, and fairness in the operations.</li> <li>• Enhancing quality and service to be efficient and sustainable together.</li> <li>• Developing knowledge for suppliers, service providers, contractors, and partners to work together to maximize efficiency and effectiveness in operations as well as enhancing competitiveness.</li> </ul>
Communities and Societies	<ul style="list-style-type: none"> <li>• The impact on communities' societies and the environment from the Company's operations.</li> <li>• Community, societal, and environmental impact and responsibilities.</li> <li>• Transparent, accurate, and timely disclosure of information, news, and operations of the Company.</li> <li>• Community participation.</li> </ul>	<ul style="list-style-type: none"> <li>• Emphasizing on minimizing the environmental impact.</li> <li>• Communicating and disclosing the Company's work in a transparent, complete, accurate, and timely manner.</li> <li>• Opinions, suggestions, whistleblowing, and complaints, from the community and society, are welcome through corporate communication channels and community surveys.</li> <li>• Carry out social and community activities, such as promoting the economy and income, education, and youth development support including participating in environmental through reforestation activities.</li> </ul>

Stakeholders	Stakeholder Expectations	Company' Responses
Creditors and Financial Institutions	<ul style="list-style-type: none"> <li>• Conducting business with honesty, transparency, and fairness in accordance with the Code of Conduct.</li> <li>• Business growth.</li> <li>• Disclosure of information with accuracy, clarity, timeliness.</li> <li>• Repayment in full and on time.</li> </ul>	<ul style="list-style-type: none"> <li>• Conducting business with honesty, transparency, and fairness in accordance with the principles of good corporate governance and business ethics.</li> <li>• Operating the business with efficiency and effectiveness in line with international standards.</li> <li>• Regularly, information will be disclosed in a transparent, complete, and timely manner via the website, media, and publications.</li> <li>• Enhancing the trust of creditors and financial institutions by revealing their operating results.</li> <li>• Analyzing, assessing, monitoring, and developing strategies for managing short-term and long-term risks including emerging risks and crises.</li> </ul>
Local and Government Regulators	<ul style="list-style-type: none"> <li>• Cooperating with government agencies and local regulators.</li> <li>• Accurate and timely information disclosure.</li> <li>• Conducting business with transparency and accountability.</li> </ul>	<ul style="list-style-type: none"> <li>• Complying with relevant laws.</li> <li>• Supporting and collaborating with government agencies and local regulators to assess the situation and potential consequences in order to find preventive measures and solutions.</li> <li>• Communicating with government officials and local regulators to build mutual trust.</li> </ul>
Media and Non-Governmental Organizations (NGOs)	<ul style="list-style-type: none"> <li>• Collaborating with the media and non-profit organizations.</li> <li>• Accurate and timely disclosure of information to the general public.</li> </ul>	<ul style="list-style-type: none"> <li>• Disclosure of accurate, complete, appropriate, clear, and to-the-point updated information.</li> <li>• To allow the media to meet and talk with the Company's executives and/or representatives.</li> <li>• Collaborating with independent organizations to promote environmental cooperation, such as the circular economy and environmentally friendly products, etc.</li> <li>• Participating in meetings organized by non-profit organizations such as Women's Empowerment Principles (WEPEs).</li> </ul>



## 3.3 Management of Environmental Sustainability

### 3.3.1 Environmental Policies and Guidelines

Environmental performance is one of the corporate strategies for long-term growth. The Company is committed to conduct business with environmental considerations, focusing on innovation development to support environmentally friendly products, aiming to foster a social drive-in environmental stewardship, and having a process in place to reduce negative impacts on the environment, community, and society throughout the value chain. The Company has a policy framework that is in accordance with relevant laws and regulations including the United Nations Sustainable Development Goals (SDGs), which are essential to drive the Company toward becoming a leader in sustainability.

The Board of Directors has established environmental management policies and procedures that cover a wide range of areas, such as energy management and greenhouse gas management, water management, waste and pollution management, product responsibility, resource efficiency in accordance with the 5Rs principle, and the rejection of the use of hazardous substances in the manufacturing process. In response to the Company's environmental policies, in 2023, the Company continues to build product responsibility cooperation with all stakeholders throughout the value chain in consistence with the circular economy concept and efficient use of natural resources as well as creating added value to waste from the manufacturing processes. In 2023, the Company has been certified with the International Organization for Standardization - Environmental Management System (ISO 14001: 2015), Global Recycle Standard (GRS), Circular Economy Management System For Organization Part 2: Requirements (CEMs), and International

Sustainability and Carbon Certification (ISCC PLUS). In addition, the Company has set environmental performance as company goals and indicators, and also communicate and educate employees, and there is a process in place for reporting company's performance to stakeholders. Furthermore, technology is used to monitor performance, review operations and increase efficiency for continuous improvement.

### 3.3.2 Environmental Performance

#### 3.3.2.1 Energy Management



In alignment with Goal 12 of the Sustainable Development Goals (SDGs), focusing on sustainable consumption and production, and in adherence to the Company's policy promoting resource efficiency, an energy management program has been implemented. This program aims to reduce energy consumption from fossil sources and increase the utilization of renewable energy in the Company's operations.

In 2023, the Company initiated a solar rooftop project with a total capacity of up to 1 megawatt in the Laem Chabang Industrial Estate and 3.6 megawatts in the Pinthong Industrial Estate (Project 5) The objective is to generate renewable energy for internal use, resulting in a reduction of approximately 1.4 MWh per year and a decrease in greenhouse gas emissions by 705.93 tonnes

of carbon dioxide equivalent annually. Additionally, it leads to cost savings of around 7 million baht per year. The Pinthong Industrial Estate (Project 5) with a total capacity of 3.6 MW, is anticipated to reduce energy consumption by approximately 5.61 M kWh, achieving greenhouse gas emissions of 2,799 tonnes of CO<sub>2</sub> equivalent per year. This results in an annual electricity cost saving of approximately 9 million baht. The Solar Floating project, with a total capacity of 1 MW, is expected to reduce energy consumption by about 1.40 M kWh. This initiative achieved greenhouse gas emissions reductions of 664 tonnes of CO<sub>2</sub> equivalent per year and saved approximately 2.17 million baht in electricity annual consumption.



The Company has set a target to reduce electricity consumption per product unit by 5% by compared to the base year.

In 2023, electricity consumption amounted to 167,975,582 kWh, increasing 5.8% from 2022. As, the Company has built new plant at the Pinthong Industrial Estate (Project 5), the total electricity consumption increased from last year.

Additionally, energy management involves various projects, including:

1. Formulating sustainable energy management policies and goals.
2. Goal setting and energy-saving planning.
3. Installing new machinery in the production process to reduce energy consumption and enhance performance.
4. Rooftop Solar Power installation project.
5. Floating Solar Power installation project.
6. Efficient cooling system installation project.
7. Direct Flake Dosing (DFD) system installation to reduce the process of melting plastic waste and processing it into recycled plastic pellets.
8. Developing a process for continuous performance review, measurement, and evaluation.

### 3.3.2.2 Water Management

Water resource management is of paramount importance in today's context, especially in Thailand, one of the region's most susceptible to the impacts of extreme weather changes. These changes include rising sea levels, severe disasters like droughts and flash floods, and alterations in the quantity and quality of natural water bodies due to shifts in rainfall patterns. The Company recognizes the potential risks associated with water shortages in its production processes. As a response, it has formulated water management policies aligned with Goal 6 of the Sustainable Development Goals (SDGs) by using circular economy and 5Rs. These policies establish guidelines to enhance production processes by utilizing water resources efficiently and productively. The Company also maintains more stringent control over factory effluents than what laws and regulations mandate. Additionally, the Company is actively engaged in a water reuse project with a capacity of 10,000 cubic meters to recycle and reduce water usage within Pinthong Industrial Estate (Project 5) and it can reduce daily water use.

The Company has set a target to reduce water consumption by 5% by 2025, based on the year 2021. In 2023, the interim target is to achieve a 1% reduction through water management.

In terms of water management performance in 2023, the Company had a total water consumption of 272,163 cubic meters, reflecting a 13% increase from 2022 due to the initiation of BOPET film production in the Pinthong Industrial Estate (Project 5). However, the Company has implemented operational processes to enhance water efficiency through projects such as the water reuse for circulation initiative. The Company anticipates reducing water consumption by about 21,114 cubic meters per year by calculating 8% of the total water consumption, resulting in a reduction of greenhouse gas emissions by 5.4 tonnes of CO<sub>2</sub> equivalent per year. This initiative is expected to save approximately 0.5 million baht per year, contributing to the Company's goal of reducing net water consumption by 5% in 2024 compared to 2023.

Additionally, the Company has been implemented as follows:

1. Determining environmental management policies and water consumption targets.
2. Developing process flow diagrams, analyzing data on input and output water quality, and continuously measuring water usage.
3. Increasing recycling by circulating water from the production process for use in the cooling system.
4. Management and control of the quality of all wastewater before releasing out of the factory.
5. Initiating rainwater harvesting projects for circulation within the Company's factories.
6. Implementing maintenance plans and conducting continuous inspections of the water supply systems to meet standards and reduce water loss.

Wastewater quality management and control revealed that the average of pH was 6.64, while the chemical oxygen demand (COD), suspended solids and biochemical oxygen demand (BOD) values were 312.58, 73.96 and 93.46 mg/L, respectively, which are under the standard.

The Company has laid down guidelines and measures to manage wastewater and reduce risks that may occur in the future, as follows:

1. Regularly clean and monitor areas where leaks may occur or there is a risk of using various chemicals while they are being used.
2. Installing chemical absorbent materials and hazardous waste bins in adjacent areas where chemicals are used to assist in managing hazardous waste during crises.
3. Conducting OPL (one-point lesson) knowledge training on emergency leak suppression for employees, including new hires, every quarter. This aims to enhance their capabilities in managing and suppressing potential leaks in the future. The Company has set a target for 100% employee participation in training.

### 3.3.2.3 Waste Management

The Company actively addresses resource scarcity risks, reduces environmental impact, minimizes waste disposal costs, and promotes a culture of preserving natural resources throughout its value chain. Implementing waste sorting, storage, and operational processes is a key strategy to reduce volume and add value to waste, aligning with the circular economy and the 5Rs principle. This approach contributes to lower greenhouse gas emissions from waste, reduces landfill waste, and fosters more sustainable production and consumption. The Company is dedicated to developing and enhancing work processes based on the circular economy concept, aiming to achieve zero landfill waste through the development and modification of highly efficient operations and processes.

The Company sets ambitious targets, including increasing the usage of post-consumer recycled (PCR) and bio-based resin in plastic film production to over 12,000 tonnes per year by 2025. Additionally, it aims to reduce waste sent to landfills by 50% by 2023 and 80% by 2025, with a simultaneous 10% reduction in hazardous waste by 2022. The Green Office project encourages employees to participate in cost-effective resource usage at the Company's head office and sub-branches. The Company has also set targets to increase the rate of recycling plastic waste within the factory, incorporating it back into the production process for plastic film production, and reducing waste exported outside the factory.

In 2023, the Company had a total waste of 6,869 MT, representing a 1.63% increase compared to 2022. However, We found that the total amount of garbage and waste depends on the total production volume of the Company, and in 2023, the Company had an increased production volume from 2022 the Company successfully recycled 6,513 tonnes of waste, reducing the overall waste volume by 95%. The revenue from the sale of waste from the production process exceeded 25 million baht, reflecting a 32% increase from 2022. This includes a total of 236 tonnes of hazardous waste, marking a 24% increase in the total hazardous waste volume compared to 2022.

The Company has effectively reduced waste, contaminated waste, and hazardous waste through various ongoing projects, including:

1. Developing waste and contaminant management policies and setting targets.
2. Calculating greenhouse gas emissions from each waste management and disposal method.
3. Collaborating with stakeholders to develop and enhance technology and innovations for waste reduction and reuse, in line with the circular economy concept and the 5Rs principles.
4. Planning plastic film production cycles to align with customer orders, minimizing excess plastic film around the edges.
5. Integrating plastic waste into the quality improvement process and utilizing it as raw material to produce green products.

6. Implementing projects to encourage employees to engage in cost-effective resource usage through the Green Office Project for the Company's head office and subsidiary branches.
7. Designing innovative solutions to boost the percentage of plastic resins derived from recycled plastics and bio-based sources.
8. Selling waste materials from the manufacturing process to nearby communities and factories, contributing to community income, with a total exceeding 25 million baht.

### 3.3.2.4 Pollution Management

#### (1) Air Pollution Management

The Company established a goal to reduce air pollution concentration by 10% in 2023, based on the year 2022. In 2023, the concentration of air pollution will be as follows:

Types	Average Quantity	Announcement of the Ministry of Industry	Comparing to the Announcement
Total Suspend Particular	3.7 mg/m <sup>3</sup>	320 mg/m <sup>3</sup>	Below 99%
Sulfur Dioxide	<1.3 ppm	60 ppm	Below 98%
Carbon Monoxide	<0.04 ppm	200 ppm	Below 100%
Oxides of Nitrogen	21.8 ppm	690 ppm	Below 97%

In 2023, the average particulate matter, sulfur dioxide, and carbon monoxide reductions will be 4%, 62%, and 97% from 2022, respectively. All of air pollution concentration of the Company are compiled following the announcement of the Ministry of Industry on determining the number of contaminants in the air emitted from factories, 2006. As above table, the average quantity of total suspend particular, Sulfur Dioxide, Carbon Monoxide and Oxide of Nitrogen are all under the criteria of the announcement, below 99%, 98%, 100% and 97%, respectively. Moreover, the Company set the new target of 2024 reducing the concentration of air pollution to be achieved.

#### (2) Noise Pollution Management:

The Company aims to control noise levels across all areas, targeting a 8-hour average sound level value not exceeding 85 dBA and a maximum sound level value not surpassing 115 dBA, as followed by the Ministry of Labor related to setting standards for administration, management, occupational health and safety including working environments related to heat, light, and noise, 2016, and the announcement of the Department of Labor Protection and Welfare regarding noise level standards that employees are allowed to receive on average throughout daily working, 2018.

In 2023, Some areas of factory, the grinder workshop and recycling machine areas, has been exceeded the Ministry of Industry standards, with average sound quality values of 86 and 90 dBA, respectively. The Company is controlling noise quality strictly throughout the Hearing Conservation and Noise Control Project as below.

1. Creating warning signs for personal protective equipment (PPE) that is the need of primary PPE before going to production areas including encouraging the use of hearing protection devices, such as earplugs, to prevent harm to employees' hearing.
2. Embedding safety culture into employees via training to enhance knowledge about the dangers of loud noise, proper work practices, and the correct use of protective equipment.

### **3.3.2.5 Light Quality Management:**

The Company is committed to controlling lighting quality in all areas, setting brightness standards in the production process and the office at  $\geq 200$ – $300$  and  $\geq 400$ – $500$  Lux according to Announcement of labor welfare and protection regarding Lux output level, 2018.

In 2023, it was found that the lighting quality exceeded the standard, with brightness values in some areas of the production process and the office being 118.7 and 212.8 Lux. To meet light quality standards, the Company increased the number of light bulbs (482 Bulbs) and cleaned light sources in the office and production process.

### **3.3.2.6 Greenhouse Gas Management**

The Company has established ambitious targets and operational plans to reduce greenhouse gas emissions, adhering to the Absolute Emission principle. The goal is to achieve a 7% reduction in greenhouse gas emissions by 2025 from the base year 2021. Business processes are being developed to meet greenhouse gas reduction targets post-2020, in line with Intended Nationally Determined Contributions (INDCs). The Company incorporates national and international standards across its organizations, processes, and products, including Environmental Management Systems (ISO 14001: 2015), Carbon Footprint of Organization (CFO), and Carbon Footprint of Products (CFP). For product stewardship, the Company holds certifications such as Global Recycle Standard (GRS), ISO 14001: 2015, and International Sustainability and Carbon Certification (ISCC PLUS).

In 2023, the Company implemented greenhouse gas management through various strategies:

1. To determine environmental management policies and set both short-term and long-term greenhouse gas emission reduction targets.
2. To identify and investigate sources of greenhouse gas emissions throughout the value chain.
3. To evaluate the potential and analyze measures to reduce greenhouse gases in alignment with the circular economy concept and the 5Rs principles.
4. To collaborate with stakeholders to develop and improve processes, raw materials, technology, and innovations.

5. The Green Office Project focuses on changing behavior in the office to reduce energy use and initiate environmentally friendly activities, including waste reduction through reduction, reusing, and recycling, and eliminating the use of hazardous chemicals.
6. The organization's environmental management system is certified by ISO 14001:2015.
7. To develop environmentally friendly products, utilizing plastic waste from the factory as raw materials for plastic film production, certified by GRS.
8. To continuously improve the production process, with plans to upgrade to Green Industry Level 4 by 2024.
9. To be certified for sustainable carbon management standards (ISCC PLUS) by the International Sustainability & Carbon Certification.
10. To be certified for the circular economy management system for organizations to promote circular economy policies Circular Economy Management System For Organization Part 2: Requirements (CEMs)
11. To join the project to drive towards Net Zero for EEC to support the greenhouse gas emissions rights trading system and promote carbon credit trading in the EEC area.
12. To receive a plate of Climate Action Leading Organization (CALO) from the Thailand Carbon Neutral Network (TCNN) under the category "Leading Organization in Greenhouse Gas Management".

The Company has implemented measures and mechanisms to drive greenhouse gas reduction operations in line with the objectives of INDCs, transitioning into a low-carbon business. This includes reducing greenhouse gas emissions throughout the value chain, developing environmentally friendly production processes and products, adopting alternative and renewable energy sources, and investing in technologies and innovations for increased productivity and efficiency. Additionally, the Company is an active participant in the Thailand Carbon Neutral Network (TCNN), contributing to the collaborative effort to achieve carbon neutrality and support Thailand's Net Zero goals and received a plate of Climate Action Leading Organization (CALO) which has evaluation results at the gold and bronze levels for measuring and reducing respectively. Additionally, The training to create personal awareness of employee regarding environmental impacts and climate change issues.

In 2023, the Company joined the project to drive towards Net Zero for EEC, supporting the greenhouse gas emissions rights trading system and promoting carbon credit trading in the EEC area by the Water and Environment Institute for Sustainability, Federation of Thai Industries. The Company analyzes greenhouse gas emissions data within the specific scope of the organization's carbon dioxide emissions including verification and certification of greenhouse gas emissions. As a result of these operations, the Company summarized that the amount of direct carbon dioxide emissions of 2022 as follows:

Scope	Quantity (tonCO <sub>2</sub> eq)
Direct Carbon Dioxide Emissions	15,016
Indirect Carbon Dioxide Emissions	63,604
<b>Total</b>	<b>78,620</b>

The Company has received carbon footprint organization certification of 2023 as follows:

Scope	Quantity (tonCO <sub>2</sub> eq)
Direct GHG Emissions and Removals	19,271
Energy Indirect GHG Emissions	68,790
Other Indirect GHG Emissions	511,938
<b>Total</b>	<b>599,999</b>

Additionally, the product has received carbon footprint certification, plain BOPET film, from Thailand Greenhouse Gas Management Organization (Public Organization) or TGO has greenhouse gas emissions of 2.95 tonnes of carbon dioxide equivalent and the Company plans to be certified carbon footprint of product for BOPP film within 2024.

## 3.4 Social Sustainability Management

### 3.4.1 Social policies and guidelines

#### 3.4.1.1 Human Rights and Equality

##### Human Rights Policy

The Company values society, respects human rights throughout the value chain, and is not involved in human rights violations. The Company has a comprehensive human rights due diligence (HRDD) audit in terms of labor rights, responsible production and services, and participation in community and social development. The Company has developed a human rights policy based on the core principles of conducting business in accordance with corporate governance, Code of Conduct, justice, not dealing with human rights violations, being accountable to all stakeholders, as well as respecting human dignity in rights, freedoms, and equality. Human rights are one of the Company's intentions, and it respects and protects the human rights of all groups of people both inside and outside the organization, as well as throughout the Company's value chain, by operating in compliance with the laws of the country in which it operates. It also adheres to international principles such as the Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the International Labor Organization Declaration on Fundamental Principles and Rights at Work.



- (1) **Employees, business partners, suppliers, service providers and contractors**  
The Company values labor rights, both within and outside of the organization, and does not use illegal child labor and forced labor. The Company promotes equality, fair compensation, and non-discriminatory evaluation of employee performance, as well as employee training and development and promotion consideration processes, and provides employment for disadvantaged groups such as the disabled, elderly, outcasts, and others. Additionally, promoting transparent, fair, and non-discriminatory procurement with all business partners.
- (2) **Customers**  
Conducting business responsibilities in terms of producing products, providing services to customers, communicating, educating, and engaging with customers while adhering to Code of Conduct, business ethics, respecting for human rights, and treating customers equally. Moreover, whistleblowing channel for customer's complaints, suggestions, and opinions.
- (3) **Competitors**  
Conduct business with a focus on fair, transparent, and ethical competition; do not use your power to compete unfairly and will not do anything to change the competitive market; do not seek confidential information from competitors through dishonest means; and no false accusation or damage competitors' reputations with exaggerated or untrue information.
- (4) **Communities, societies, and environment**  
It is dedicated to be a good neighbor and partner for the communities surrounding the Company's location, as well as to promoting local culture and traditions. In addition, various projects are undertaken to develop the community and support the local community's well-being. Moreover, whistleblowing channel for communities' complaints, suggestions, and opinions.

### **Gender Equality Policy**

The Company respects and complies with the law and prioritizes gender equality without discrimination, does not promote violence, harassment, and all forms of sexual exploitation, respects human rights, and believes that everyone deserves equal rights.

- (1) **Employees**  
The factors in the selection of new employees, work evaluation, employee compensation, maternity leave, and parental leave, including not promoting violence, harassment, and all forms of sexual exploitation in the workplace, are all emphasized by the Company.
- (2) **Suppliers**  
Issues of race, nationality, ethnicity, gender, language, age, skin color, physical differences, religion, culture, ideological beliefs, political opinions, education, and social status are not used to determine the credibility of the suppliers and have no influence on decision making when doing business together.
- (3) **Communities and Society**  
We are promoting social responsibility and public interest activities related to gender equality.

### 3.4.1.2 Employees and Workforces

#### Human Capital Development Policy

The Company recognizes that employees play an important role in enhancing the organization's competitiveness. Thus, it has formulated a policy that expresses the management's commitment to the principles of business operations with respect for human rights and giving importance to employee diversity, and to treat employees equally, fairly, and to encourage equality in respect of age, gender, race, disability and ethnicity, as well as to recognize differences in values and beliefs. The Company focuses on the entire business process including recruiting, hiring, promotion, learning, employee development, compensation, and employee treatment, as well as job evaluation.

#### Employment Policy

The Company places importance on employment in accordance with the laws, regulations and regulations of the country where the establishment is located, such as the Thai Labor Protection Act. Labor laws that serve as a guideline for treating employees for fair employment and appropriate working conditions, such as fair remuneration, and appropriate holidays. For sustainable growth and business operation as below considerations:

(1) Labor and Human Rights Practices

The Company does not discriminate and does not discriminate against racial differences. Nationality, race, gender, language, age, skin color, physical differences, disability, religion, culture, creed beliefs, political opinions, education, and social status. It also provides employees with the right to freedom of association to form groups to negotiate with the Company regarding employee welfare, such as the establishment of welfare committees, etc.

(2) Employment and performance evaluation

The Company has an equal process for recruiting and selecting personnel. Transparency, fairness, appropriate to the rate of force and structure of the organization, including consideration of employment and promotion based on knowledge, ability and potential based on the position.

(3) Remuneration

The Company has established an appropriate wage structure in accordance with the labor laws of the country where the establishment is located. Not less than the minimum wage rate in accordance with the wage rate in the relevant market, reflecting the work potential of employees, fair, equitable, non-discriminatory, in line with the Company's growth.

(4) Holiday and Leaves

The Company treats its employees in accordance with the laws of each country where the establishment is located. There are holiday and leaves according to each country where the Company is located.

(5) Employee capability development

The Company promotes and supports the development of employees' abilities and commits to supporting employees' growth in their career paths. Training Need Analysis is a guideline to plan for developing employee capabilities appropriate to their positions and duties.

(6) Termination/Not Termination

The Company considers equally treating on employee. There is a termination procedure that complies with the labor law related to the Company locations including human rights respect and other rules and regulations related to the rights of employees to terminate employment. The Company will notify employees in advance before termination including paying compensation by the law.

### **Compensation and Benefits Policy**

The Company is confident that a long-term successful Company must be able to attract talented employees, retain competent employees, and employees receive appropriate and sufficient compensation to meet living wage for themselves and family. according to market guidelines as well as to provide motivation and encourage employees to work and bring success for the Company to grow in a sustainable business.

According to labor law, the Company has set up an appropriate wage structure that is not less than the minimum wage rate and is aligned with the labor wage rate in the relevant market and employee performance. The Company has set corporate key performance indicators by considering the aspects of operations across all business units. The indicators are related to the performance of the Managing Director, Deputy Managing Director, executives level, department manager level, and all employees, respectively, and are also used to assess knowledge, competence, and personnel development, as well as measure work efficiency in relation to the organization goals.

(1) Short-term compensation and benefits

The Company determines remuneration in conformance with labor law that is not less than the minimum wage rate, in line with the wage rate in the relevant market, and comparable to the general pay rate of other organizations in the industry. Moreover, the Company pays quarterly and annual bonuses based on an evaluation of individual employee performance and the Company's performance.

(2) Long-term compensation and benefits

The Company has determined that compensation is paid based on the evaluation of employees' performance in relation to the Company's indicators and performance. The Company is willing to pay reasonable compensation to employees with high competencies, as well as promote and support them to grow along their career growth in line with the Company's long-term business plans and goals.

The Company also takes care of various welfare matters. In addition to remuneration to employees, such as supporting accident insurance for individual employees, annual health check-ups, uniforms, other support related to the situation, etc.

There are also guidelines to promote savings and create financial security. By supporting provident funds for all employees. The Company contributes to the provident fund as follows:

Employment Period	Provident fund of the Company
1 year or more	50% of accumulated funds
3 years or more	70% of accumulated funds
5 years or more	100% of accumulated funds

\*The provident fund is derived from 3% of the Company's employees' salaries.

### 3.4.1.3 Safety, Occupational Health and Working Environment

#### Safety, Occupational Health, and Working Environment Policy

The Company places care for the health, of life of all employees and drive safety, occupational health, and working environment in parallel with employees' regular work. The Company places improve safety, occupational health, and working environment as outlined below:

- (1) Workplace safety is everyone's priority
- (2) Contributing to improving working conditions and working environment and ensuring a safe environment
- (3) Promoting and supporting various safety activities that raise employee awareness
- (4) Supervisors at all levels must serve as role models, and encourage them to work safely
- (5) At all times while working, all employees must aware their own and coworkers' safety, as well as the assets of the Company
- (6) All employees are responsible for keeping the workplace clean and neat all the time
- (7) All employees must participate and support in the Company's safety, occupational health and working environment program and have the right to provide feedback on how to improve working conditions and safe working methods
- (8) All employees keep their health and get enough rest for good health and safe life.

### 3.4.1.4 Customer Relationship Management

#### Quality Policy

The Company focuses on managing the business that satisfies and meets the needs of customers in terms of quality and service by constantly reviewing and improving the efficiency of quality systems using the criteria below:

- (1) Complying with relevant laws and regulations
- (2) Communicating and disseminating the quality policy to employees to ensure a thorough understanding.
- (3) Controlling, recording, reviewing, and monitoring quality management systems for continuous Improvement

Moreover, the Company emphasizes customer satisfaction with products and services and annually conducts customer satisfaction surveys.

#### Innovation Management Policy

The Company places an emphasis on research, development, and innovation, focusing on new product innovations and manufacturing process innovations, as well as promoting research and development with external agencies to meet customer satisfaction, safety, security needs, and environmental conservation, using the following approaches:

- (1) Promoting high value-added products
- (2) Emphasizing the Circular Economy concept
- (3) Committed to the research and development of environmentally friendly products
- (4) Collaborating with researchers and experts from outside the organization
- (5) Employees at all levels receive training, education, and the development of innovative initiative skills

### 3.4.1.5 Community and Social Responsibilities

The Company recognizes the importance of communities as key stakeholders in driving sustainability goals together, and believes that business success cannot be achieved alone. The Company's long-term growth can be achieved through the collaboration of all stakeholders. The Company, therefore, has a corporate citizenship policy that focuses on closely supporting the community by promoting social activities and conducting surveys of the community's opinions, needs, and concerns.

## 3.4.2 Social Operating Results

### 3.4.2.1 Human Rights and Equality

The Company complies with the Company's human rights policy and has a Human Rights Due Diligence (HRDD) process by conducting a human rights risk assessment to prevent human rights violations and human rights issues that may arise, including assessing human rights impacts that may occur on stakeholders from the Company's operations and that may be caused by the Company's products throughout the value chain. The Company conducts HRDD through the following steps:

- (1) Defining the scope of the assessment
- (2) Identification of human rights risk issues
- (3) Human Rights Risk Assessment by analyzing the severity of the impact and the likelihood that it will occur, as well as prioritizing human rights risks within the organization and throughout the supply chain
- (4) Determination of measures to prevent and mitigate human rights impacts consistent with the risks
- (5) Preparation of human rights monitoring plans and reports
- (6) Determination of human rights remedies

According to the human rights risk assessment, the Company still had a moderate residual risk, which is the risk due to accidents from operations, because even though the Company had a policy on occupational safety, health, and the environment, as well as occupational health and safety training, accidents from operations still occurred to employees. As a result, the Company has developed the following additional guidelines for human rights risk management:

- (1) Measures must be strictly implemented, and existing projects must be reviewed on a regular basis
- (2) Job-specific safety training programs
- (3) Projects to improve the organization's overall safety culture
- (4) Setting objectives for becoming a Zero-Accident Organization
- (5) Communication to ensure that employees understand the Company's commitment to human rights, both directly and indirectly, and that they are able to effectively comply with the Company's policies, measures, and operating guidelines

### 3.4.2.2 Employees and Workforces

#### Employment

2023	Quantity
Total number of employees (persons)	1,591
Employees by genders (persons)	
Male	1,152
Female	439
Employees by age (persons)	
Below 30 years old	791
30-50 years old	716
Over 50 years old	84
Employees with disability (persons)	
Male	9
Female	8
Employees by level (persons)	
Top Management (Assistant Managing Director Up)	4
Management (Manager level Up)	38
Operations Employees	1,549
Total of employee turnover (%)	34.07*
Top Management (Assistant Managing Director Up)	0.00
Management (Manager level Up)	0.19
Operations Employees	33.88

\*66% of employee turnover which are under 30 years old.

The Company recognizes that employees play an important role in enhancing the organization's competitiveness. thus, it has formulated a policy that expresses the management's commitment to the principles of business operations with respect for human rights, and the importance of treating employees equally, fairly, and promoting equality in terms of age, gender, race, and nationality, as well as realizing differences in values and culture, disability without discrimination. The Company emphasizes the recruitment process, job evaluation based on role, promotion, learning, employee development, compensation, and employee care throughout the business process.

In 2023, the Company has implemented a process to promote and develop knowledge and skills for employees at all levels to provide opportunities for career advancement and to strengthen the organization to be prepared for changing customer behavior. It can also improve employees' ability to lead the organization's growth by enhancing the quality of human resource management system to be more efficient as follows:

- (1) Developing Human Resources Policy and Strategy

- (2) Improving work processes and information management systems through the use of digital technology with the goal of reducing work processes and ensuring management continuity, as well as achieving the goal of developing employee capacity and enhancing employee engagement. It also helps to store documents and information efficiently and easily.
- (3) Analyzing the need for training to improve employees' abilities based on their roles, responsibilities, and performance in order to develop an annual training and skill development plan that promotes employee advancement, as follows:
  - Being an effective supervisor
  - Orientation for executives level
  - Time management skills
  - Coordination, coaching and problem-solving skills
  - Giving feedback to improve efficiency
  - Production control to meet the target
  - Understanding and operating in accordance with standards such as quality management of goods and services Environmental management system, etc.
  - The Company's sustainability development cover environmental, social and corporate governance.

This includes other skills development courses, which continuously conduct annual training plans through the analysis of individual, departmental, and departmental data in accordance with the capacity development plan and promote employee progress, such as production capacity development, multiplication maintenance, etc. Quality Standards Environment, risk management, business ethics, etc. A total of 54 completed courses with an average of 13.94 hours of training or knowledge development activities for employees per year, out of 21,209 total hours attended by the total employees and a target of 10 hours per person per year.

Furthermore, the Company emphasizes its employees' health and well-being. In 2023, the Company established a welfare committee comprised of employee representatives to discuss and give an opinion to employers on the appropriate allocation of welfare benefits to the Company's employees, including monitoring and supervising the provision of welfare to employees without discrimination.

The Company conducts an annual employee engagement survey to plan for ways to improve employee engagement. In 2023, it was found that the assessment of employee engagement with the organization was equal to 66.45%

### **3.4.2.3 Occupational Health and Safety**

The Company has a policy to develop and improve the efficiency of safety operations for employees, customers, and suppliers, as well as to continually promote a safe working culture to reduce the risk of illness and injury, and to appropriately care for employees' health and wellbeing with the goal of maintaining a zero fatal organization. In 2023, the Company had a significant occupational health and safety performance, with zero fatalities, 91 work-related accidents, and 48 cases of lost time injury.



The total number of work-related accidents in 2023 increased by 8.64% compared to 2022, and occupational injury accidents to the point of stopping work in 2023 increased compared to 2022. The following projects are being implemented by the Company to prevent such accidents:

- Annual health check-ups and health check-ups are based on risk factors.
- Primary Personal Protective Equipment (PPE) updated especially prevention of noise-related injury or hearing loss.
- Measuring the working environment regarding the level of heat, lighting, and noise within the workplace.
- Air pollution measurement
- Annual building inspection
- Electrical system and electrical service certification
- Crane tracking, inspection and testing
- Emergency equipment monitoring
- Occupational safety training for new employees and contractors
- Annual safety, occupational health, and working environment review training
- Primary fire fighting training and fire evacuation training
- Chemical work Safety training and chemical spill plan training
- Training on proper and safe forklift driving
- Safety and environment day activities

#### **3.4.2.4 Customer Relationship Management**

The Company has a policy of focusing on continuous product development to meet customer satisfaction with responsibilities, fairness, and ethics, taking the safety and health of customers into account. Specify product details correctly and completely through adhering to the Company's business ethics. There are processes in place to rigorously control and monitor for compliance with the rules, regulations, and related requirements, while also concerning the quality and safety of products in accordance with international standards, consisting of

- (1) Quality management system standards
- (2) Food safety standards
- (3) Quality standards and packaging inspection in accordance with factory sanitation requirements.
- (4) Environmental management system standards
- (5) Global Recycled Standard (GRS)
- (6) Circular economy management system standards (CEMs)
- (7) Sustainability system certificate (ISCC Plus)

Moreover, innovations that are environmentally friendly and can improve the quality of life of the community and society, as well as respond to customer needs, are being developed, including channels and processes for participation and listening to opinions in joint development planning. The Company's goal is to achieve a level of customer satisfaction of at least 82% for both international and domestic customers.

In 2023, the Company achieved 84.35% of domestic customer satisfaction and 83.27% of export customer satisfaction.

### **3.4.2.5 Community and Social Responsibilities**

The Company is committed to conducting business responsibly with the development of communities and sustainable society. In 2023 the Company had community survey satisfaction. Based on the result from the community survey in 2023, the people in the community had a positive perception towards A.J. Plast and perceived it as the top 3 needs of the community to promote the economy and income, build relationships with support community activities, and the development of education and youth. The Company has implemented various projects and activities. that helps support the economy and income, relationships with support for community activities, and education and youth development, respectively. In 2023, the Company provides support to society and communities in the amount of 12.19 million baht. The Company actively supports communities and society through a variety of activities and projects, as follows:

- (1) Recycling waste to generate income or to use as an energy source
- (2) Reducing environmental impact by planning to reduce landfill waste and increase the rate of waste material recycling and reuse in order to reduce the burden of waste management in the area's communities
- (3) Participating in the inspection and assessment of environmental governance project (White Flag Green Star) for the year 2023, with assessment committee consisting of community leaders, local government representatives, and educational institutions surrounding Laem Chabang Industrial Estate.
- (4) Reforestation project, called Pracha Arsa, in collaboration with Pinthong Industrial Estate (Project 5)
- (5) Collaborating with the Laem Chabang Industrial Estate to treat water by EM (Effective Microorganisms) in the mangrove forest area of Laem Chabang Project.
- (6) Reforestation project to reduce greenhouse gases for a sustainable future.
- (7) Participating in blood donation activities with Pinthong Industrial Estate (Project 5)
- (8) Providing support for activities of the community and society, such as Children's Day activities
- (9) Providing support for the development of education and youth by supporting the academic work of nearby educational institutions.

## 4. Management Discussion and Analysis (MD&A)

### 4.1 Performance and financial position analysis

The following analysis of financial position and performance is the analysis of financial information according to the consolidated financial statements for the year ended December 31, 2023. In reading the Management Discussion and Analysis, investors should study information in the supporting documents, including the consolidated financial statements along with the notes to the financial statements and the information presented in this report.

#### Performance analysis

##### Financial Information

(Unit: Baht)

	2023	2022	2021
Total Assets	14,298,257,165	13,218,721,627	10,370,795,317
Total Liabilities	9,804,799,244	8,383,489,602	5,483,677,302
Shareholders' Equity	4,493,457,921	4,835,232,025	4,887,118,015
Sales Revenue	7,627,475,449	9,061,658,158	9,334,733,002
Total Revenue	7,720,860,915	9,131,983,788	9,444,461,369
Gross Profit	142,265,513	681,526,379	1,169,538,143
Net Profit (Loss)	(402,296,986)	23,723,819	417,464,380

##### Key Financial Ratio

	2023	2022	2021
Net Profit (Loss) Margin (%)	(5.21)	0.26	4.42
Return on Equity (%)	(8.95)	0.49	8.54
Return on Assets (%)	(2.81)	0.18	4.03
Net Profit (Loss) Per Share (Baht)	(0.83)	0.07	0.97
Dividend Per Share (Baht)	-	0.63	0.80
Book Value Per Share (Baht)	10.21	10.99	11.11

## Overview of Past Operating Result

Sales revenue has increased (details in table 1.2.2 Revenue Structure). The Company has expanded both domestically and internationally to maintain market share since there has been an expansion in product needs. Currently, the Company is the domestic market leader for BOPP, BOPET, BOPA and METALIZED films, and continued to expand the market share of CPP and COATED. Furthermore, the Company gains competitive advantage over foreign manufacturers from cost of shipping which make higher cost than the Company. More importantly, the Company has prioritized the strategy on producing high-quality products, satisfying customers' needs, and having reasonable pricing. Also, the Company has placed importance on excellent after-sales service and maintaining close relationship with customers. Also, promote sustainable business operations, take into account both environmental, social and corporate governance and be able to meet the needs of environmental products as well. In addition, we continuously cooperate with both partners and customers to design and develop raw materials and products that meet environmental needs.

The Company has closely monitored the movement of foreign exchange by continuously evaluating, sequencing, managing risk, and monitoring. Attend and agree with the Risk Management Committee twice a year. The Company has made a forward exchange contract with domestic financial institutes to prevent risks from volatile foreign exchange that may cause an impact by receiving less Thai currency from export sales or payment to foreign creditors details in notes to financial statement no.23 and 28 as of December 31, 2023.

## Past Operating Performance

Sales revenues in 2023 were at Baht 7,627.48 million, decreased by 15.83% when compared to last year. This was because of the decrease in average selling price according to highly competitive industry. Other incomes, which consist of scrap sales, tax cards income and gain on exchange rate, were at Baht 93.38 million, increased by 32.79% when compared to last year. Cost of sales to revenue ratio increased by 5.66% (from 92.47% in 2022 to 98.13% in 2023). This was mainly due to the decrease in selling price when compared to last year as above mentioned. Selling and administrative expenses were at Baht 658.40 million, decreasing by Baht 33.88 million or equivalent to 4.89% when compared to last year, mainly from the decrease in freight costs for export sales. Other expenses/other (gain) losses were at Baht (99.91) million, increased by 96.98% when compared to last year, mainly due to gain on measurement at fair value of investment in related party. Finance costs, consisting of bank fees and interest expenses, were at Baht 169.79 million. The increase of Baht 83.89 million or equivalent of 97.68%, when compared to last year, was because the Company had new loans for expanding its production capacity, constructing a new factory building and investing in new machinery. Currently, the factory building has been completed. In addition, the Company repaid loans and interest on a regular basis. In 2023, the Company had a net loss of Baht (402.30) million when compared to net profit in 2022 of Baht 23.72 million. In addition to the reasons mentioned above, there was an income tax revenue for the year of Baht 89.68 million, mainly from the carry forward of tax losses for the previous years. As a result, the Company reported a net loss for 2023 attributable to the equity holders amounting to Baht (367.02) million, with a basic loss of Baht (0.83) per share.

## Financial Position

### Assets

Total assets ending 2021-2023 are 10,370.80 million baht 13,218.72 million baht and 14,298.26 million baht respectively. The assets compose of land, building, and equipment equivalent to 62-70%, net trade account receivable and notes receivable 7-12%, and net inventories 12-14%. The increase/decrease of net assets between 2021-2023 mainly came from increase in right of use assets in 2022 and 2023 according to Thai Financial Reporting Standard No.16, lease agreement (details in notes to financial statement no. 3.8 and 10 as of December 31, 2023). Also, the increase in property, plant and equipment (details in notes to financial statement no. 3.7 and 9 as of December 31, 2023) and increase in investment in related party from fair value measurement as details in notes to financial statement no.3.5 and no.7.

The amount of account receivable from 2021 to 2023 were 1,051.14 million baht, 791.21 million baht and 880.56 million baht respectively, increase in account receivable according to increase in sales volume and increase in inventories due to the Company had inventory management. The inventories in 2021 were 1,355.88 million baht, 2022 were 1,653.11 million baht, and 2023 were 1,776.07 million baht respectively. The increase in inventories is in line with the rise in sales volume to accommodate the growing customer demand from the current situation that is beginning to recover. The Company continuously tries to improved debt collections and inventories turnover together with the products demand in the market that helped the efficiency of the circulated assets management in the past 3 years. The average period of debt collection was 36 days in 2021, 38 days in 2022, and 41 days in 2023 as compared to age of debtors and granting credit policy which the Company considered from the basic of financial position, payment history and the purchase volume of customers which appeared that debt collection has improved and the majority of debt outstanding not yet matured (details in notes to financial statement no.5 as of December 31, 2023).

As of December 31, 2023, the total assets were 14,298.26 million baht. Main assets consist of property, plant and equipment totaled of 9,806.13 million baht, trade account receivable and others receivable of 1,055.03 million baht, inventories of 1,776.07 million baht and the right of use assets of 782.24 million baht. The total assets increased was derived from the right of use assets, property, plant and equipment.

The long-term investment at the end of 2023 was 230.50 million baht because the majority of shareholders group wished to delist from the stock exchange, that caused the propose price higher than the stock exchange price at the end of 2002 (details in notes to financial statements no. 3.5 and 7 as of December 31, 2023).

## Liquidity

In the past 3 years, the circulation of cash from operations has improved due to the efficiency in managing trade accounts receivable and inventories, the improvement of average receivable collection period and the average inventories turn over caused an improvement of cash circulation. For investment activities, the Company invested in fixed assets in order to increase production capacities of BOPP, BOPET and METALLIZED films. Apart from this the Company attempted to pay back long-term loan in order to reduce interest payment.

However, despite the improvement in trade accounts receivable, inventories and trade account payable management, the Company still depends on the short-term loan for operation activities.

The ability to pay bank interest, the proportion to pay bank interest at the end of 2021 to 2023 is equivalent to 11.78, 5.49, and 5.13 times respectively. However, while the debt service coverage from 2021 to 2023 is equivalent to 0.55, 0.16, and 0.22 times respectively, the Company ability to pay obligation less than 1 times, however, the Company believes that the financial institutions will provide support in granting overdraft, short term and long-term loans as the Company has continuously.

## Source of fund

Liabilities were 5,483.68 million baht in 2021, 8,383.49 million baht in 2022 and 9,804.80 million baht in 2023. Most liabilities consist of short term and long term loans totaled 3,123.11 million baht in 2021, 6,391.98 million baht in 2022 and 7,702.30 million baht in 2023. Other items such as account payable from procurement of raw materials and packaging materials totaled 2,175.12 million baht in 2021, 1,893.08 million baht in 2022 and 1,977.88 million baht in 2023 which the Company continuously repays the debt.

At the end of 2023, the Company has total liabilities of 9,804.80 million baht, mostly compose of bank overdraft and financial institutions totaled 7,702.30 million baht, trade accounts payable 1,977.88 million baht. The increase of these liabilities derived from the Company has invested in expanding and constructing a film production plant at Pinthong Industrial Estate (Project 5). (Details in notes to financial statements no. 14 as of December 31, 2023).

In 2023, the Company has a paid-up capital of 440.00 million baht and premium on share capital of 1,531.67 million baht (details in notes to financial statements no. 17 as of December 31, 2023), accumulated profit of 2,184.16 million baht and Non-controlling interests of 337.63 million baht. The shareholders' equity was 4,493.46 million baht. From the operation results of the pasts years that enabled the Company to maintain liabilities to equity ratio equal to 2.18 as committed to the financial institutions.

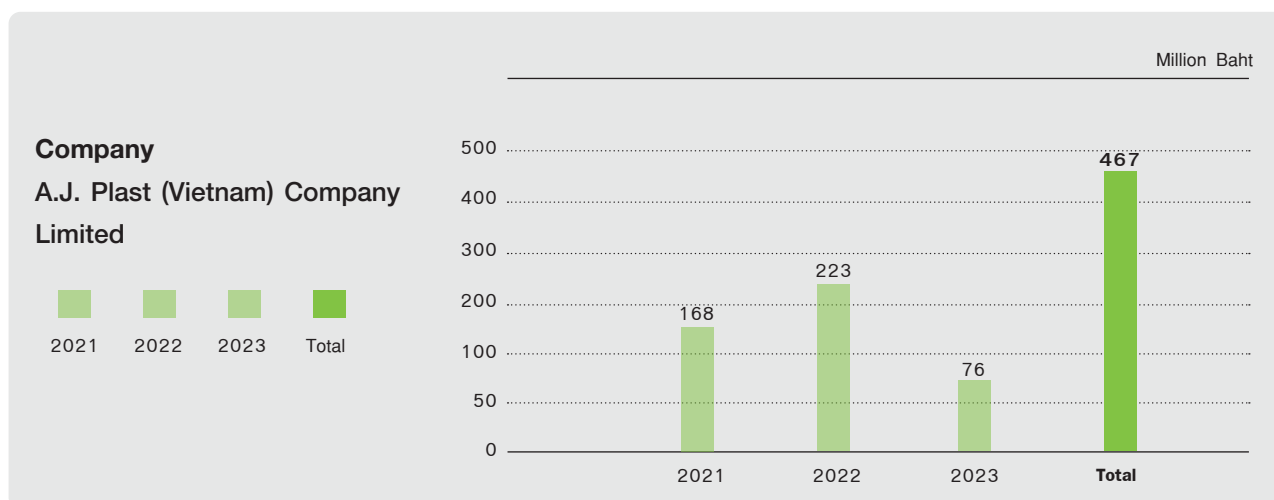
The Company expects that the cash flow from operations will be sufficient for the repayment of capital and interest which can affect the liabilities to equity ratio to be reduced in future.

## Audit Report

Auditor's report for the financial statements as of December 31 2021, 2022, audited by Mr. Chaikon Unpitipongsa and 2023 audited by Dr. Virach Aphimeteetamrong from Dr. Virach and Associates Office Company Limited unconditional opinion that the financial statements show the financial position, performance, change in shareholders' equity and cash flow are correctly in accordance with Thai Financial Reporting Standards.

## Factors affecting future performance

The Company has a plan to invest in a joint venture company in Vietnam totaling approximately 467 million baht, to be able to expand customer base to Southeast Asia including in other countries, there is a tariff barrier with Thailand but no tariff barrier with Vietnam. The main source of fund is expected to be used for investment will come from net cash flows from operating, estimated annual usage as follows:



## 4.2 Key financial information

### (A) Summary of financial statements

Transaction	Audited					
	December 31, 2023		December 31, 2022		December 31, 2021	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Cash and cash equivalents	29,184	0.20	184,363	1.39	184,363	1.39
Trade and other current receivables	1,055,035	7.38	972,573	7.36	972,573	7.36
Inventories	1,776,070	12.42	1,653,111	12.51	1,653,111	12.51
Other current assets	122,737	0.86	23,909	0.18	23,909	0.18
Other non-current financial assets	230,498	1.61	159,480	1.21	159,480	1.21
Property, plant and equipment	9,806,130	68.58	9,212,761	69.69	9,212,761	69.69
Right-of-use assets	782,238	5.47	811,836	6.14	811,836	6.14
Other non-current assets	496,365	3.48	200,689	1.52	200,689	1.52
<b>TOTAL ASSETS</b>	<b>14,298,257</b>	<b>100</b>	<b>13,218,722</b>	<b>100</b>	<b>13,218,722</b>	<b>100</b>

Transaction	Audited					
	December 31, 2023		December 31, 2022		December 31, 2021	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Bank overdrafts and short-term loans from financial institutions	3,279,063	22.93	2,030,314	15.36	2,030,314	15.36
Trade and other current payables	1,977,877	13.83	1,893,076	14.32	1,893,076	14.32
Current portion of leases liabilities	9,562	0.07	10,092	0.08	10,092	0.08
Current portion of long-term loans	492,177	3.44	419,714	3.18	419,714	3.18
Other current liabilities	33,990	0.24	5,915	0.04	5,915	0.04
Other financial current liabilities	574	0.01	10,853	0.08	10,853	0.08
Lease liabilities	668,162	4.67	675,528	5.11	675,528	5.11
Long-term loans	3,253,341	22.75	3,256,337	24.63	3,256,337	24.63
Non-current provisions for employee benefits	90,053	0.63	81,662	0.62	81,662	0.62
<b>TOTAL LIABILITIES</b>	<b>9,804,799</b>	<b>68.57</b>	<b>8,383,490</b>	<b>63.42</b>	<b>8,383,490</b>	<b>63.42</b>
Authorized share capital	440,000		440,000		440,000	
Issued and paid-up share capital	440,000	3.08	440,000	3.33	440,000	3.33
Premium on share capital	1,531,673	10.71	1,531,673	11.59	1,531,673	14.77
Unappropriated	2,173,530	15.21	2,543,664	19.24	2,791,252	26.91
Other components of shareholders' equity	10,628	0.07	8,961	0.07	(1,830)	(0.02)
Non-controlling interests	337,626	2.36	310,934	2.35	126,023	1.22
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>4,493,458</b>	<b>31.43</b>	<b>4,835,232</b>	<b>36.58</b>	<b>4,887,118</b>	<b>47.12</b>
Sales	7,627,475	100	9,061,658	100	9,334,733	100
Total Revenues	7,720,861	101.22	9,131,984	100.78	9,444,461	101.18
Cost of sales	7,485,210	98.13	8,380,132	92.48	8,165,195	87.47
Sale and Administrative expenses	648,811	8.51	692,279	7.64	605,223	6.48
Finance cost	169,794	2.23	85,895	0.95	78,954	0.85
<b>PROFIT (LOSS) FOR THE PERIODS</b>	<b>(402,297)</b>	<b>(5.27)</b>	<b>23,724</b>	<b>0.26</b>	<b>417,464</b>	<b>4.47</b>
Earnings (Loss) per Share (Baht)	(0.83)		0.07		0.97	
Issued and paid-up share capital (Thousand Shares)	440,000		440,000		440,000	
Share Value (Baht per Share)	1		1		1	
Book Value (Baht per Share)	10.21		10.99		11.11	
Cash flows from operating activities	(149,112)		(210,195)		855,320	
Cash flows from investing activities	(1,070,269)		(2,786,232)		(584,415)	
Cash flows from financing activities	1,064,421		3,090,502		(200,725)	
Net increase (decrease) in cash and cash equivalents	(154,961)		94,075		70,181	



(B) Financial Ratio

Financial Ratio	Audited		
	December 31, 2023	December 31, 2022	December 31, 2021
<b>Liquidity Ratios</b>			
Current ratio (times)	0.51	0.65	0.72
Current ratio (times)	0.19	0.26	0.35
Cash flow liquidity ratio (times)	(0.03)	(0.55)	0.24
Accounts receivable turnover (times)	9.07	9.79	10.32
Collection period (days)	40.22	37.29	35.38
Inventory turnover ratio (times)	13.26	18.11	22.98
Inventory turnover (days)	27.52	20.15	15.88
Accounts payable turnover (times)	3.87	4.99	4.79
Payable period (days)	94.38	73.11	76.25
Cash Cycle (days)	(26.63)	(15.66)	(24.99)
<b>Profitability ratios</b>			
Gross profit margin (%)	1.87	7.52	12.53
Operating profit margin (%)	(6.77)	(0.12)	6.05
Other income to total income (%)	2.50	1.33	(0.69)
Net profit margin (%)	(5.21)	0.26	4.42
Return on Equity (%)	(8.95)	0.49	8.72
<b>Operating Efficiency ratios</b>			
Return on assets (%)	(2.81)	0.20	4.19
Return on fixed assets (%)	(1.03)	3.25	11.36
Asset turnover (times)	0.54	0.77	0.95
<b>Leverage ratios</b>			
Debt to equity (times)	2.18	1.73	1.12
Interest coverage (times)	5.13	5.49	11.78
Interest-bearing debt to earnings before interest, income tax expense, depreciation and amortization (times)	9.45	15.79	3.93
Debt service coverage (times)	0.22	0.16	0.55
Dividend payout (%)	-	398.31	64.71

## 5. General Information

### 5.1 General Information and Other References

<b>Company name</b>	A.J. Plast Public Company Limited
<b>Securities symbol</b>	AJ (Listed on the Stock Exchange of Thailand)
<b>Business</b>	Manufacturing and distributing packaging films in Thailand and Overseas
<b>Registration number</b>	0107537001285
<b>Head office</b>	No. 95, Thakham Road., Kwaeng Samaedam, Khet Bangkhuntien, Bangkok 10150
<b>The factory</b>	<ul style="list-style-type: none"><li>- Leamchabang Industrial Estate, No. 38/11 Moo 5, Thungsukhla Subdistrict, Sriracha District, Chonburi Province 20230</li><li>- Pinthong Industrial Estate (Project 5), No. 8 Moo 8, Khaokansong Subdistrict, Sriracha District, Chonburi Province 20110</li></ul>
<b>Telephone number</b>	0 2415 0035
<b>Website</b>	www.ajplast.co.th
<b>Registered capital</b>	440,000,000 Baht
<b>Issued and paid-up capital</b>	440,000,000 Baht which are 440,000,000 ordinary shares at 1 Baht par value
<b>Preferred shares</b>	None

#### Other references

<b>Share Registrar</b>	<ul style="list-style-type: none"><li>- Thailand Securities Depository Co., Ltd. The Stock Exchange of Thailand, Tower A, 14<sup>th</sup> Floor, No. 93 Ratchadaphisek Road, Kwaeng Dindaeng, Khet Dindaeng, Bangkok Tel: 0 2009 9383, 0 2009 9389 Fax: 0 2009 9476</li></ul>
<b>Auditor</b>	<ul style="list-style-type: none"><li>- Mr. Virach Aphimeteetamrong, No.1378 Dr. Virach and Associates Office Co., Ltd. No. 518/3 Maneeya Center North Building, 7<sup>th</sup> Floor, Ploenchit Road, Kwaeng Lumpinee, Khet Patumwan, Bangkok Tel: 0 2254 8386 Fax: 0 2253 8730</li></ul>

## 5.2 Other Information

The Board of Directors Meeting No. 10/2020 on October 29, 2020 considered to approved the establishment of a subsidiary and approved a joint venture in a Joint Venture Company in Vietnam and signing of a Joint Venture Agreement with SCG Chemicals Public Company Limited. On November 5, 2020, the Company entered into a Joint Venture Agreement with SCG Chemicals Public Company Limited to support future market growth as well as to manufacturing and distributing packaging film by establishing in Vietnam. The Company hold 55% of the total issued and paid-up capital and the remaining of the total issued is held by SCG Chemicals Public Company Limited.

On November 15, 2021, A.J. PLAST (Vietnam) Company Limited has been registered in Socialist Republic of Vietnam, authorized share capital amount of VND 210,611 million (USD 9,080,000) or about 306 million baht.

On November 18, 2022, A.J. PLAST (VIETNAM) COMPANY was registered capital changing VND 210,611 million to be 491,409 million VND (USD 21,186,000) or about 711 million baht.

On October 18, 2023, the Company paid for increase of investment in subsidiary amount of VND 50,798 million (USD 2,088,741) or about 76,362,972 baht with the same investment proportion 55% of the investment. The Company has paid share capital as follows:

Date	Paid-up investments		
	USD	Million VND	Baht
22 December 2021	4,994,000	115,836	167,397,890
28 February 2022	3,329,150	77,220	108,733,702
31 May 2022	3,329,150	77,220	113,806,993
18 October 2023	2,088,741	50,798	76,362,972
<b>Total</b>	<b>13,741,041</b>	<b>321,074</b>	<b>466,301,557</b>

## 5.3 Legal Disputes

-None-

Part

**02**

**Corporate Governance**

## 6. Corporate Governance Policy

### 6.1 Overview of Corporate Governance Policies and Regulations

A.J. Plast PLC realizes the importance of the good corporate governance which can be attained by adhering to fairness and honesty and would like to see the responsibility of employees toward their works with clarity and integrity supporting fair, equitable and reliable practices of all stakeholders. Committed to create value for the business and its long-term mutual interests for the Company and the Company have stable and sustainable growth in the future.

The Board of Directors have set policies on good corporate governance as a guideline in conducting business which people will have to comply with, as follow:

- (1) To construct the management structure that set scope of responsibility of directors, executive directors and Subcommittee that determine the Company's policies and operating direction, supervise management to effectively implement the policy. For the long - term benefit of shareholders within the framework of regulations and code of conduct, there is a clear, reliable, and effective separation of duties between the Board of Directors and executives.
- (2) To ensure all procedures are carried out with efficiency under a good internal control system and an appropriate balance of power including clarity operation that can be checked and an efficiency in disclosing information.
- (3) To ensure the Company does not take any actions that violate official regulations or violations of law.
- (4) To ensure the report of financial statements reflexives true results of its operations, including appropriate steps to risk assessment.
- (5) To proceed with conflicts of interest with rational prudence based on the Company's interests.
- (6) To cultivate virtues and good consciences for executives and employees to behave well and honestly. Disciplined and conscientious in their duties and responsibilities and being ready to adjust to the better and respond to them all the time.
- (7) To realize and respect the right of shareholders, stakeholders' ownership, including how to treat them with fair, quality and non-discriminatory. To allow stakeholders to participate in comments and to be provided channels for whistleblowing. If the stakeholder is damaged by a violation of the legal rights, they will be compensated by the measure.
- (8) To have obligations to all shareholders, stakeholders, and to promote social responsibility to preserve the environment and to participate in sustainable development in accordance with the Company's status.
- (9) To prevent anybody using inside information for personal gain.
- (10) To act on anti-corruption law, policy and measures including measures and procedures for who do not comply. To set measurements, policies, and regulations in reporting any wrongdoing or an offense against law place which may mar the Company's reputation or the financial position. The Company will report the case at once and try to remedy the impact and to prevent any recurrence.

The Company sets a policy for Good Corporate Governance 5 headings as follows:

## 1. Right of Shareholders

The Board of Directors is aware the importance of shareholders' rights by setting corporate governance policy to create a confidence that the basis rights of shareholders will be protected such as buying, selling, or transferring shares, the rights to receive adequate information, participation in shareholders' meeting including the voting rights for important issues and the rights to share the profit.

The Board of Directors imposes a policy to facilitate shareholders to attend the meetings, as follows:

- sending the invitation of shareholders' meeting and supporting documents sufficiently in advance.
- Invitation letter of shareholders' meeting contains details of the meeting agendas with the Board of Directors opinions and list of all independent directors. Proxy forms are supported for shareholders to authorize to attend the meeting instead.
- Shareholders, who cannot attend the meeting in person, can send the proxy form along with the meeting invitation letter and supporting documents for facilitating the granting of proxies to shareholders.
- Maps of the meeting are provided.
- In addition, shareholders are able to reach all information relating the meeting via the Company's website, <https://www.ajplast.co.th/set-news.php>, at least 30 days before the meeting.
- The Company allows shareholders to register at least one hour before the meeting and the minute of the meeting is recorded in full.
- The minutes of the meeting are recorded accurately and completely.
- Adopt technology system to facilitate shareholders during shareholders' meeting.

The Board of Directors emphasizes the right and equality of shareholders including promoting the exercise of shareholders' rights that include the right to receive sufficient information in time. Moreover, the right of shareholders in meeting attention and the vote to decide on the change in policies, the right to elect and remove directors, and the right to approve the appointment of an auditor are all emphasized.

### **Shareholder's Meeting**

The Board of Directors, Audit Directors and Independent Directors are aware of the importance of meeting attention. Before starting every meeting, The Chairman of the Board clearly explains voting and counting methods including to allocate appropriate meeting time and conducting appropriate and transparent meetings. During the meeting, shareholders have equitable rights in giving opinions, and making queries before vote casting and summarizing solution of each agenda, including giving rights to shareholders one day in advance to questions issues related to the meeting.

There was a meeting in 2023 which was an Annual General Meeting of Shareholders No.1/2022 on 26 April 2023, held at the Meeting room of A.J. Plast Public Company Limited, No 95, Thakarm Road, Samaedam, Bangkhuntien, Bangkok. The Company's directors gave importance of the meeting, and all directors included the Audit Committee and independent directors, as well as managing directors and executives of the Company attended the meeting.

## 2. Equitable Treatment of Shareholders

The Company is giving the importance of equitable treatment to shareholders on the following:

- (1) The Company sends out an invitation letter prior to the meeting including annual report/56-1 One Report, proxy forms and map of the meeting at least 7 days in advance and at least 14 days in advance in case of urgent matter.
- (2) The Company establishes policies that the Board of Directors and executives inform the Board of Directors of the trading of the Company's shares at least a day in advance before trading.
- (3) Before every meeting, the Company gives ballot papers to shareholders and proxies. Also, giving opportunities to query before vote casting of each agenda.
- (4) The shareholders' meeting follows the agenda informing in invitation letter of the meeting. Meeting agendas are not added on in case the Company does not inform shareholders and shareholders could study the agenda information before deciding.
- (5) List names of all independent directors in proxy forms that can lead and support shareholders to give authorization and an opportunity to give authorization to any independent directors.
- (6) To record minutes of the meeting in full and send the report of the meeting to The Stock Exchange of Thailand within 14 days after the meeting and to display the report on website together with pictures taken in the meeting.
- (7) To set direction of written procedures concerning the use of inside information by warning directors – managements – staffs and related persons not to use significant inside information to change the share price not yet release to public.

According to the Securities Exchange act B.E 2535 (1992) states that directors – executives or department manager or equivalent to finance and accounting level must report stock holding at beginning of taking office and to report to stock exchange commission with 3 days of stock transaction and the director and executives should regularly submit to the Board a report on ownership of the Company's shares.

### 3. Role of Stakeholders

The Company is giving importance of rights to all group of stakeholders regardless of internal stakeholders such as employees or the executives or the external stakeholders such as customers, suppliers, creditors, competitors, or related parties because the Company's aware of strong support coming from stakeholders for competitiveness and profitability which eventually can be accounted as the long - term success.

The Company provides channels of information for stakeholders and related parties – one of the channels is the Company's website. This channel gives stakeholders chances to give opinions, leave comments, or inform complaints when discovered unfair treatment, unlawful behaviors, or unethical behaviors by the Company. The Company's website ([www.ajplast.co.th](http://www.ajplast.co.th)) displays the financial report and internal control system by Audit Committee. The Company has a system to protect the informers and will treat as confidential publishing on annual report/56-1 One Report.

#### **Stakeholders**

##### **(1) Customers**

The Company aware the importance of customers toward business success and wishes to efficiently respond the demand from customers by setting policies, customer service in code of conduct, strictly keeping commitments made with customers by providing good services, and punctual deliveries with fair price. Information is updated and strictly conforming to conditions including set a system concerning with quality, volume and product safety of products and services including recommendations the use of products and services. Moreover, the Company emphasizes confidentiality of customers and unlawfully used.

##### **(2) Shareholders and Investors**

The Company is aware the importance and interested in operation concerning the right of shareholders in regulations and measures following good corporate governance honestly, transparently, and fairly. Regarding code of conduct, the Company realizes enterprise risk management, business growth and good performance of the Company. In addition, informing information, press releases and news via the Company's website, media, and publication continually to shareholders and investors that can reach correct, accurate, transparent information.

##### **(3) Employees**

The Company is aware that employees are a main factor to reach objective; therefore, the Company sets a policy on employee treatment in business ethical manual, it is the policy that the Company should give fair treatment concerning with opportunity and reward including development of efficiency. In the previous years, the Company has motivated employees to reach work target by offering quarterly incentive bonus which yielded a considerable success and set work environmental manual for safety reason to protect assets and life of employees.



#### **(4) Business Partners**

The Company focuses on clear, honest, and transparent business operations for creating future cooperation with both domestic and international business partners. To set goals and develop knowledge together for efficient and sustainable operation.

#### **(5) Creditors and Financial Institutions**

The Company emphasizes and focuses on honesty, transparency, and fairness for accurate disclosure via the Company's website, media and publication, including full and timely repayment. The Company concerns policy and measures for creditors, especially guarantee terms and capital management including overdue and delay payments that following fair and responsible treatment for creditors of the Company.

#### **(6) Suppliers, Service Providers and Contractors**

The Company's policies and measures are determined to follow fairly and equally and concerning maximum benefit of the Company base on obtaining fair returns for both parties and avoiding situations that cause conflicts of interest. Refer to supplier code of conduct of the Company, reaching more details at <https://www.ajplast.co.th/sustainability/suppliercodeofconduct.php>

#### **(7) Community and Social**

Business operation by concerning economic and social benefits and emphasizing to preserve customs and traditions. The Company's location in Laem Chabang Industrial Estate and Pinthong Industrial Estate (Project 5) which is managed by Industrial Estate Authority. The Company manage and monitor related to environmental including energy, water, noise, air and greenhouse gases. There is also a community and social survey every 2 years to survey and respond the requirement and opinion of the community and society.

#### **(8) Government Agencies and Local Authority**

Good cooperation with government agencies and local authority following related laws. To support, collaborate and communicate with department staff that can build good relationships and mutual understanding.

#### **(9) Mass Media and Independent Organization**

The Company cooperates with mass media and independent organizations by disclosing to the public properly and timely. Opportunities for media to meet and talk with Company representatives and/or management and promoting environmental cooperation with independent organizations including meeting attention with various independent organizations.

## 4. Disclosure and Transparency

Information disclosure is important to Good Corporate Governance which the Company must give importance to information that is to give information to The Stock Exchange of Thailand and shareholders completely, recently, equitably, and transparently. The Company has an office for investor relations in order to give information and answer questions. Details of information disclosure and transparency are as follows:

### (1) Remuneration of Directors and Management

See details of Directors and Management's remuneration, heading 7.5.2

The Company discloses role and duties of the Board of Directors, Audit Committee, Executive Committee, Nomination and Remuneration Committee, Risk Management Committee and managing director including number of attending meeting under heading 7.3 Subcommittee and the number of each director attended the meeting, under heading 8.3.1 Number of meetings and attendance.

### (2) Report of the Board of Directors

The Board of Directors has a responsibility for the Company's financial statements and financial information that appear on annual report/56-1 One Report. The financial statements are prepared to be certified generally according to accounting principles and choosing an appropriate accounting policy with consistent practice including adequate disclosure of financial important information in the notes. The financial information disclosed to shareholders has been reviewed quarterly and audited by the auditors annually.

The Board of Directors has recognized the important good corporate governance continually and concerned the important of shareholder's right in receiving the correct, adequate, complete, and equal Company information for making decision in the shareholder's meeting and the Company has given all shareholders with equitable right in checking Company's operations, questioning, giving opinion and suggestion.

In this respect, the Board of Directors has appointed an Audit Committee which is composed of independent directors they are responsible for the quality of financial reports and the internal control system. The opinion of the Audit Committee in this respect appeared in the Committee's report as shown in annual report/56-1 One Report.

The Company has policies for the Board of Directors that must report securities holding and staking in every meeting including clearly stated in the agenda in every Board meeting.

**Information of Change in Management's Securities Holding** (as of December 31, 2023)

Name/Position <sup>1</sup>	Ratio of share-holding as of January 1, 2023	Buying/Selling shares	Ratio of share-holding as of 31 December, 2023
Mr. Narong Suthisamphat, President	29,880,000	-	29,880,000
Spouse	222,222	-	222,222
Mrs. Napaporn Suthipongchai, Vice President and Risk Management Director	-	-	-
Spouse	-	-	-
Mr. Kittiphat Suthisamphat, Vice President, Chairman of Risk Management Committee, and Managing Director	115,447,842	-	115,447,842
Spouse and underrate children	5,611,111	-	5,611,111
Dr. Ninnat Olanvoravuth, Chairman of Audit Committee, Chairman of Corporate Governance and Sustainability Management Committee, Risk Management Director, and Independent Director	-	-	-
Spouse	-	-	-
Mrs. Chavida Srisangnam, Audit Director, Nomination and Remuneration Director and Independent Director	15,555	-	15,555
Spouse	-	-	-
Mr. Surasak Gosayachinda, Chairman of Nomination and Remuneration Committee Audit Director and Independent Director	18,000	-	18,000
Spouse	-	-	-
Mr. Supote Tonurat, Nomination and Remuneration Director, Corporate Governance and Sustainability Management Director, and Independent Director	10,000	-	10,000
Spouse	-	-	-
Mr. Sakchai Patiparnpreechavud, Corporate Governance and Sustainability Management Directors	-	-	-
Spouse	-	-	-
Mr. Kasemsit Pathomsak, Independent Independent Director	-	-	-
Spouse	-	-	-

Name/Position <sup>1</sup>	Ratio of share-holding as of January 1, 2023	Buying/Selling shares	Ratio of share-holding as of 31 December, 2023
Mr. Thosphol Chinandej, Deputy Managing Director and Company Secretary	68,200	-	68,200
Spouse	4,000	-	4,000
Ms. Sonnattanan Srijundee, Assistant Managing Director	31,100	-	31,100
Spouse	-	-	-
Mr. Chanchai Kissaneepaiboon, Assistant Managing Director and Factory Manager	54,000	-	54,000
Spouse	-	-	-
Mr. Anupan Tangphanitannan, Chief Financial Officer	-	-	-
Spouse	-	-	-
Mr. Fritz Friedrich Schanzer, General Manager Consultant	-	-	-
Spouse	-	-	-
Mr. Peter Barnes, Research and Research and Development Manager	-	-	-
Spouse	-	-	-
Ms. Pacharaporn Suebsantiwong, Planning Manager	-	-	-
Spouse	-	-	-
Mr. Pannasak Charoennet, Purchasing Procurement Manager	-	-	-
Spouse	-	-	-
Mr. Sarawut Nusati, IT Manager	-	-	-
Spouse	-	-	-
Mr. Pongkan Pongwirat, Human Resources and Administration Assistant Manager	-	-	-
Spouse	-	-	-

The Board considered and was satisfied with the control system which will create reasonable credibility in the financial statements as of December 31, 2023.

### (3) Relation Investors

The Board of Directors is aware of importance of financial and non-financial disclosure related to business and operating performance with accuracy, sufficiency, and credibility, which shows the Company's performance and the true financial status of the Company including the future performance. In doing this, the Company must act in compliance to law and regulations related to the disclosure of information set by The Stock Exchange of Thailand by passing information to shareholders through channel information of The Stock Exchange of Thailand. In addition, appropriate communication with shareholders, investors, and analysts.

The interested and related parties are able to request information from relation investors department by contacting Mr. Thosphol Chinandej, Tel 0 2415 0035, Ext. 144, Fax 0 2415 3795 or e-mail: investment@ajplast.co.th

### (4) Securities Analysts Meeting

A total of 18 on-site and online meetings in 2023 with analysts and institutional investors are arranged to inform the Company's operating results and summarize the overall business of the Company.

### (5) Opportunity Day

In 2023, the opportunity day event is not participated by the Company.

### (6) Newsletter

The Company communicates its information in 2023 by publishing news online. Details are as follows:

- (1) A.J. Plast PLC drive business toward sustainability by achieving SET Awards 2023 and has rated AAA ESG rating for the 2nd year in a row.

Source: <https://www.thaipr.net/business/3423675>

## 5. Responsibilities of The Board of Directors

### (1) Structure of The Board of Directors

#### (1.1) Component of the Board

The Board must consist of all independent directors are not less than one-third of the entire Board of Directors. The operation and administration of the executive directors are under the impartial supervision of non-executive directors and independent directors that can balance adequately. Moreover, the Board Committee must have diverse professional skills, specialized expertise, genders, and ages including considering knowledge, experiences, necessary skills to drive the organization towards the goal.

The Board consists of 9 directors which is appropriate to the size of the organization and can be divided as follows:

- |                                   |                                                                                                                                                           |
|-----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Mr. Narong Suthisamphat        | President                                                                                                                                                 |
| 2. Mr. Kittiphath Suthisamphat    | Vice President, Chairman of Risk Management Committee and Managing Director                                                                               |
| 3. Mrs. Napaporn Suthipongchai    | Vice President and Risk Management Director                                                                                                               |
| 4. Dr. Ninnat Olanvoravuth        | Chairman of Audit Committee, Chairman of Corporate Governance and Sustainability Management Committee, Risk Management Director, and Independent Director |
| 5. Mrs. Chavida Srisangnam        | Audit Director, Nomination and Remuneration Director and Independent Director                                                                             |
| 6. Mr. Surasak Gosayachinda       | Chairman of Nomination and Remuneration Committee, Audit Director, and Independent Director                                                               |
| 7. Mr. Supote Tonurat             | Nomination and Remuneration Director, Corporate Governance and Sustainability Management Director, and Independent Director                               |
| 8. Mr. Sakchai Patiparnpreechavud | Corporate Governance and Sustainability Management Director                                                                                               |
| 9. Mr. Kasemsit Pathomsak         | Independent Director                                                                                                                                      |

The Board consists of 2 female directors, representing 22.2% of the total directors as follows:

- |                                |                                                                                |
|--------------------------------|--------------------------------------------------------------------------------|
| 1. Mrs. Napaporn Suthipongchai | Vice President and Risk Management Director                                    |
| 2. Mrs. Chavida Srisangnam     | Audit Director, Nomination and Remuneration Director, and Independent Director |

The Board consists of 5 independent directors which are 3 audit directors, representing 55.6% of the total directors as follows:

1. Dr. Ninnat Olanvoravuth Chairman of Audit Committee, Corporate Governance and Sustainability Management Director, Risk Management Director and Independent Director
2. Mrs. Chavida Srisangnam Audit Director, Nomination and Remuneration Director and Independent Director
3. Mr. Surasak Gosayachinda Chairman of Nomination and Remuneration Committee, Audit Director, and Independent Director
4. Mr. Supote Tonurat Nomination and Remuneration Director, Corporate Governance and Sustainability Management Director, Director and Independent Director
5. Mr. Kasemsit Pathomsak Independent Director

The Board consists of 1 executive director, representing 11.1 % of the total directors as follows:

1. Mr. Kittiphat Suthisamphat Vice President, Chairman of Risk Management Committee and Managing Director

The Board consists of 8 non-executive directors, representing 88.9% of the total directors as follows:

1. Mr. Narong Suthisamphat President
2. Mrs. Napaporn Suthipongchai Vice President and Risk Management Director
3. Dr. Ninnat Olanvoravuth Chairman of Audit Committee, Chairman of Corporate Governance and Sustainability Management Committee, Risk Management Director, and Independent Director
4. Mrs. Chavida Srisangnam Audit Director, Nomination and Remuneration Director and Independent Director

5. Mr. Surasak	Gosayachinda	Chairman of Nomination and Remuneration Committee, Audit Director, and Independent Director
6. Mr. Supote	Tonurat	Nomination and Remuneration Committee Director, Corporate Governance and Sustainability Management Director, and Independent Director
7. Mr. Sakchai	Patiparnpreechavud	Corporate Governance and Sustainability Management Director
8. Mr. Kasemsit	Pathomsak	Independent Director

Therefore, the operation and administration of the executive directors are under the impartial supervision of non-executive directors, and independent directors that can balance adequately.

#### **(1.2) Tenure of Directors**

The Nomination and Remuneration Committee review the criteria and procedures for searching directors and present to the Board of Directors prior to director nomination after the end of their term. Details under 8.1 recruitment of directors and executives.

#### **(1.3) To Define Qualification of Independent Directors**

The Company define qualification of independent directors and considering selection criteria including diversity in skills, experiences, talent, characteristics, genders, and ages including clear defining the position of independent directors that should be not more than 9 years without exception as details under 8.1 recruitment of directors and executives.

#### **(1.4) Combining or Splitting a Position**

The chairman is a representative of major shareholders – holding 46.68% of total shares.

The chairman is not the same person as the managing director, both are the representative from the same group of major shareholders, but the role and power of authorities are clearly separated to create a balance of power in managing the organization. However, the structure of the Board consists of more than one-third of the total directors which creates a balance of power that can effectively review the performance of the executives. Additionally, the Board of Directors determines that managing director and executives are required to able to hold directorship or other positions in listed companies, not more than 3, and other companies that are not listed companies, not more than 5.



### **(1.5) Company Secretary**

Secretary of the Company must have necessary and appropriate qualifications, knowledge, and experience to support the Board's operations, to take responsibilities for overseeing and advising the Board of Directors and executives relate to regulations that the Board of Directors must be informed and practice, and to oversee the activities of the Board of Directors. In addition, cooperating the implementation of the Board's resolutions to comply with good corporate governance, and arranging the Board of Directors and shareholders' meetings, including helping the Board of Directors ensure compliance with resolutions and maintaining the information sheet. Moreover, Company Secretary must be trained and developed useful knowledge to perform duties continuously such as the Company Secretary Program (CSP) from the Thai Institute of Directors Association (IOD).

## **(2) Duties and Responsibilities of the Board of Directors**

### **(2.1) Corporate Governance Policy**

The Board believes that system and process related to corporate governance are important factors to achieve success and optimal benefit to the organization and shareholders. The Company is aware of effective corporate governance in enhancing transparency and competitiveness because of business importance, necessity, and growth. By doing this, the Board has defined a corporate governance policy and measures of the Company by efficient operating for a long-term shareholders' benefits under 5 sections relate to the law and code of conduct, those are, rights of shareholders, equitable treatment, role of stakeholders, disclosure of information and responsibilities of the Board of Directors.

### **(2.2) Leadership and Vision**

The Company clearly sets the vision to be a leader in plastic film producer with international standards. Focusing on new environmentally friendly products developments and innovation for sustainability development, including increasing competitiveness internationally, and to be accepted to be the Company which develop and invest in plastic film continuously, to be fair trade partner, to be professional, to have good products and services, to be aware of social responsibility and to be concentrate on work safety along with concerning and protecting environment. Serving customers with good quality products, reasonable prices and concerning optimal benefits for shareholders. The Board of Directors ensure the preparation of vision, goals, policies, operational direction, long-term strategic plan, other plans and annual budget of the Company and Executive Committee take responsibilities to present and is given opinion, suggestion and approved by the Board of Directors. Additionally, defining scope, duties, responsibilities of the Board of Directors, Executive Committee, Audit Committee and managing director, especially determining authority of responsibilities. Financial operation shown in annual report/56-1 One Report in heading 7 corporate governance structure and key information related to Directors, Subcommittee, Executives, Employees, and others.

### **(2.3) Conflict of Interest**

The Company set an important policy to not allow directors, executives and employees take any advantages for their own interests following code of conduct and anti-corruption policy and measures, including the acts of directors of executives and employees, and trying to avoid connected transactions which may lead to a conflict of interest with the Company and in case that is in avoidable and for the sake of Company interest which the Board must comply to conditions set by the Stock Exchange of Thailand and must strictly follow the criterion and disclose information related to the listed Company.

Moreover, the Board will forbid the use of information received for their own interests or doing a business competing with the Company or related transactions including not to use internal information for stock transactions or giving information to the outsiders for stock transactions which the Company can make pensions as follows:

(2.3.1) Transactions may be led to conflict of interest, the Board considers the connected transactions appropriately which may lead to conflict of interest including the compliance of criterion set by the Stock Exchange as if conducting transactions with the outsiders. No conflict-of-interest transaction as mentioned above for 2023.

(2.3.2) According to the Stock Exchange Act 1992 – directors and the executives must report the holding of company stocks once in the office and giving report for stock transactions within 3 days to the Stock Exchange Commission and must also report to the Board of Directors of the Company.

### **(2.4) Code of Conduct**

In order to give maximum benefits to shareholders for which the Board has a policy to emphasize equally together with target achievement; therefore, the Board of Directors set the target and procedure in order to reach the target as mentioned in the vision and principal chapters and corporate governance policy including to establish code of conduct which are informed measures, regulations and expectation clearly to executives and employees including other stakeholders – shareholders, customers, suppliers, creditors, competitors and social. Additionally, it is a duty of the executives and all employees to acknowledge and observe policy and regulation as stipulated in code of conduct and management take responsibilities and focus on operation of subordinates to be informed, be understood, and follow code of conduct strictly.

### **(2.5) Control System and Internal Audit**

The Company has a policy to ensure efficiency and adequacy with acceptable risk level and suitable to surrounding conditions of the organization. The internal auditor regularly monitored activities to adjust control measures more suitable to the surrounding and changeable risks. The Board of Directors has evaluated the Company's control system and concluded that the present control system is adequate and appropriate and can prevent the improper usage of assets from executives and unauthorized persons. In the past, there was no flaw of this system, and the Company is confident that the internal auditor will efficiently control the operations as directed by the Company.

The Board gives the importance of risk management including prevention and management of risks related to Company's operation according to heading risk management under the related law and regulations of corporate governance.

### **(3) The Board of Director's Meeting**

There were 6 meetings in 2023 of the Board of Directors. The Board of Director meeting is set to arrange with more than or equal to 6 meetings scheduled per year. Invitation letters, together with agenda, were sent out at least 7 days in advance allowing them enough time to study and adequacy of meeting time. Before the meeting, the schedule will be allocated appropriately including pre-arranging all meetings schedule throughout the year.

In the Board of Directors' meeting, directors can discuss and give opinions openly and a Chairman of the Board concludes and summarizes the meeting agendas. In case that related directors must leave during the meeting, directors of the Company must be in the meeting not less than two-third of the total of directions. On average, the Board of Committee must attend at least 80% of all meetings of the Board. Moreover, each director of the Company attends at least 75% of the Board meeting.

The Board of Directors' meeting in 2023 were arranged 6 meetings as follows:

1. February 27, 2023
2. March 22, 2023
3. March 29, 2023
4. May 15, 2023
5. August 15, 2023
6. November 13, 2023

The Board of Non-Executive Directors' meeting in 2023 were arranged 4 meetings as follows:

1. February 27, 2023
2. May 15, 2023
3. August 15, 2023
4. November 13, 2023

#### (4) Remuneration of Directors and Management

##### (4.1) Remuneration of Directors

The Company has clearly and transparently set the remuneration of the director, which corresponds to that of the industry and is competitive enough to maintain the directors with the required qualifications. The Company has proposed all forms of remuneration, including monetary and other remuneration, including benefits, etc., and has sought approval from the shareholders' meeting. Remuneration was approved by shareholders including there was an increase in Audit Committee's remuneration according to the increase in their amount of work. In addition, duties, responsibilities, the performance appraisal of the Board of Directors related to financial, social, environmental, and corporate governance are factors to determine the directors' remuneration. The remuneration should be adequate to supervise and maintain directors who have the required qualifications considering knowledge, specialization, experience, skills required to drive the organization to achieve the goal and shareholders are requested to approve, the details in heading 7.5.2.

##### (4.2) Remuneration of Management

Management's remuneration follows the Company's policies by considering duties, responsibilities and the performance assessment of individual executives related to the Company's performance, the details in heading 7.5.2.

#### (5) Development of Directors and Management

The Board of Directors has policy to development directors to always encourage self-improvement by attending seminars, webinars, meetings with Thai-IOD, The Stock Exchange of Thailand, The Securities and Exchange Commission, Thailand, and other related associations.

In 2023, the Company has encouraged employee, executives, and directors to participate in training as follow:

(1) Anti-Corruption Training Topics consists of:

- Anti-corruption guidelines
- Punishment
- Complaint and Whistleblowing channels

(2) Code of Conduct training topics consists of:

- Corporate vision and Mission
- Corporate culture
- Corporate core value
- Maintaining code of conduct as employee
  - Human rights and Discrimination
  - Responsibilities to stakeholder

(occupational health and safety, product responsibility, environment, and communities and social)

- Confidentiality of information
  - IT security
  - Promoting a safe and well-being environment
  - Anti-corruption
  - Conflicts of interest
  - Antitrust/Anticompetitive practices
  - Intellectual property rights
  - Inside trading/Dealing
  - Penalties
  - Whistleblowing channel
- (3) Human rights training consists of topics:
- Human rights case studies related to business
  - Human rights with A.J. Plast
  - Whistleblowing channel complaints and consultations
- (4) Personal data protection training topics consists of:
- Privacy policy
  - Disclosure
  - Aggregation and Use of data
  - Security
  - Data collection period
  - Rights of personal data subjects
  - Personal data protection channel

## 6.2 Code of Conduct

The Company determines policies and measures in the code of conduct to set the code standard and regulations for executives and employees to practice by defining business operation principles and the Company's value. The compliances of code of conduct following the law, regulations including corporate governance and expectation. For maximum benefits to standardize, the Board of Directors, executives employees, and other stakeholders operate following morality, integrity, equality to build foundation to be an organization with sustainable growth.

The Company defines practice guidelines and operations to lead to create the organization's value under code of conduct as follows:

- (1) To operate business in accordance with the principles of fairness, honesty, transparency and fairness under the law, regulations, and other requirements to ensure that all related parties are confident in the operation. However, actions and decisions are in the best interests of all stakeholders concerning society and environment.
- (2) To be clear set scope, powers, duties and responsibilities of the managing director, Executive Committee and Subcommittee including employees to be efficient, transparent, fair and checked operations.

- (3) To be on duties with knowledge, specialty in the management with determination and prudence to create sustainable progress and growth including suitable returns for shareholders.
- (4) The Company provides an adequate and appropriate internal control system and preventive measures have been put in place, checking mechanism and control and balance the exercise of power appropriately and clearly to prevent corruption.
- (5) No seeking for personal benefits and related persons' benefits from internal information usage or customers' confidential information revealing to outsiders, including actions that cause conflicts of interest. To provide adequate and appropriate internal control system, to put preventative measures, to control and balance the exercise of power appropriately and clearly, and inspection mechanism for anti-corruption.
- (6) Appropriate and cautious operations of conflicts of interest by taking the Company's interests as the premise, considering duties, responsibilities to shareholders, stakeholders, community and society for supreme fairness.
- (7) To support and respect human rights based on humanity, discrimination, privileges against any individual groups, e.g., gender, racial and physical equality.
- (8) To adhere to the safety and hygiene of workplace and to promote both physical and mental health including safety of life and property for employees.
- (9) To determine duties, responsibilities, rules, and regulations clearly and efficiently regarding the performance of the Company's directors, executives, and all employees. To Consider corporate governance policy, anti-corruption policy, code of conduct of the Company, to prevent as mentioned above from committing offense or causing damage to oneself, colleagues, outsiders, and the Company.
- (10) To define policy and procedures for whistleblowing to notify when fraud, corruption, suspicion of corruption, violation of the law or unusual actions that may affect the reputation and financial position of the Company significantly by reporting supervisors immediately for correcting occurring deficiencies or impacts including preventive measures.
- (11) Monitoring and auditing the Board of Directors, executives, and employees to practice following code of conduct, including to support genuine compliances to build stakeholders trust and to incorporate code of conduct as part of the corporate culture.
- (12) Following-up processes to ensure compliance with code of conduct through whistleblowing channels for receiving clues and complaints including follow-up clues and complaints processes.
- (13) To communicate code of conduct to directors, executives, and all of employees annually. code of conduct training is arranged annually with explaining of the appropriated penalties in case of the violation regarding code, rules, regulations, and related requirements. Post-test of training is taken and the dissemination of code of conduct to both internal and external personnel, for example, investors, business partners and customers are thoroughly informed and can use as a guideline to follow the direction of the Company's business operations.

## **6.2.1 Human Rights and Discrimination**

The Company has human rights policy, employment policy, gender equality policy to present the importance of respect for human rights, treatment of labor, employees and all groups of stakeholders, both inside and outside the organization, and providing equality and non-discrimination to all groups of stakeholders, for example, employees, business partners, customers, communities, etc. including different acceptant in gender, age, race, nationality, physical, religion, language, age, skin color, education and social status without discrimination, mutual respect, and no special privileges are granted to any particular groups.

## **6.2.2 Responsibility to Stakeholders**

### **(6.2.2.1) Occupational Health and Safety**

The Company attaches importance to the health and safety of its employees, business partners, communities, and stakeholders by organizing a safe operation plan, workplace rules and how to use machinery, equipment and raw materials correctly. To reduce the risk in the operation as much as possible, employees and related persons focus on safety and good health as well as instilling awareness in such matters among employees and related parties to proceed according to the guidelines in various matters.

### **(6.2.2.2) Products Responsibility**

The Company operates in all aspects to ensure suppliers, customers, and related parties the safety and quality of products and services. Standard certified that meet or exceed the standards required by the law. Regarding international standards, raw materials, imported raw materials, production processes, development, completed products checking are all in the standard which are ISO 9001: 2015, Good Hygiene Practices (GHPs), and Hazard Analysis and Critical Control Point (HACCP) standards. In addition, employee services and after-sales services are evaluated.

### **(6.2.2.3) Environment**

The Company protects the environment by considering clean production and low pollution processes including the development of environmentally friendly products. The Company has invested in production processes, modern machinery, and continuous application of technology in production processes for reducing carbon dioxide emissions, electricity usage and negative effects on the environment. Employees and related persons in business operations cultivate environmental awareness.

### **(6.2.2.4) Communities and Social**

The Company is concerned to create value and engaging with communities and society and give importance to participating in projects or activities to enhance the community and society. Moreover, the culture of personnel within the organization towards the community and society. Risks, opportunities, positive and negative impacts, and human rights related to communities and society, are considered.

### **6.2.3 Confidentiality of Information**

The Company has a policy to keep confidential information of the Company and customers, which will be operated rigorously and strictly. It is the duty and responsibility of the directors, executives and all employees who are responsible, especially internal information that cannot or should not be disclosed to the public. Directors, executives, employees, and all related persons must not use internal information for Insider trading, dealing, or personal gains in trading that affect the business or the price of securities to ensure equality and fairness to all groups of stakeholders. In addition, confidential information must not be disclosed to business competitors. If any director, executives, or employees are found to have violated discipline, the Company has maximum penalty for termination of employment.

### **6.2.4 IT Security**

The Company places importance on efficient information usage technology systems. Policies and regulations for information usage technology are clear and secure to prevent abuse or unauthorized usage including the destruction of resources and computer networks.

### **6.2.5 Promotion of Safe and Well-Being Environment**

The Company promotes and develops safe and hygienic workplace and environment including training and educating knowledge on proper and appropriate operational guidelines. For safety and well-being of employees, suppliers and related parties to avoid the risk of accidents as much as possible, the Company define policies, measures, projects and activities to support safe environment and well-being of employees and related parties.

### **6.2.6 Anti-corruption**

The Company is committed to conducting business with honesty, transparency, and fairness, including to support and cultivate culture of anti-corruption within the organization to all level of employees. Anti-corruption policy and measures are determined related to corporate governance policy of the Company.

The Company has taken actions against corruption and all form of corruption including anti-corruption measures as follows:

- (1) Giving and receiving gifts, entertainment, and others
- (2) Sponsorships and donations
- (3) Political contributions
- (4) Conflicts of Interest
- (5) Facilitation payment
- (6) Employment of government employees

Anti-corruption practices as follows:

- (1) To determine anti-corruption policy and measures to the Board of Directors and employees
- (2) To promote and support all levels of employees to emphasize and aware of anti-corruption and internal controlling to prevent anti-corruption, giving or receiving bribes in all forms, and complying with the law of every country in which the Company operates.



- (3) Anti-corruption practices covering the personnel management processes from recruiting personnel, promotion, training, performance appraisal and employee compensation. Requiring all supervisors who must communicate and understand guidance, with employees, to be used in business activities. Moreover, Supervising the practice to be effective in accordance with the guideline and to prevent recurrence of cases by the preventive guideline.
- (4) Employees should not be neglected or ignored when seeing or having doubts about actions that are considered frauds and corruptions by notifying supervisors or in-charged team or via designated reporting channels. Also, cooperating in investigations.
- (5) The risk management unit coordinated investigations for fraudulent activities and corruption immediately after being informed including no ignorant of acts to consider corruption related to the Company and parties. All acts in such matters must be reported and cooperated in the investigation.
- (6) No policy of the Company to demote, punish or give negative results to employees who refuse to corruption even though that action makes the Company lose business opportunities.
- (7) Anti-corruption policy, practice and measures of the Company are determined including whistleblowing channels for complaints and suggestions, for example, new employees' orientation, all-level employees training, newsletters, public relations boards, etc. The Company builds knowledge and understanding to all employees including suppliers, business partners, customers to cooperate in continuous compliance.
- (8) The Company has in place an internal control system to review information of finance, accounting departments including important activities, for example, sales, marketing, procurement, contraction of sales department and dealing with external agencies. To ensure that the internal control system achieves the goals, including checking the operation following operating procedures, requirements, and regulations related to anti-corruption. The result of internal control is communicated to the responsible personnel and suggested in the efficient operating system improvement.
- (9) A person who commits corruption, considering an offense under regulations relating to the work of personnel management, for employees, which must be considered for the disciplinary action that is imposed including may be punished by law If the act is illegal.

### **6.2.7 Conflict of Interest**

The Company focuses on being an ethical organization in line with the corporate culture. Therefore, the performance of employees' duties must be upfolded for the best interests of the Company. To aware of conflicts of interest, or conflicts between personal interests and common interests of the Company, the Company must adhere to ethical and legal principles cause to reduce conflicts of interest that affect the Company, both directly and indirectly. Thus, all employees must avoid any acts related to conflicts of interest.

Any action shall be in accordance with cause and effect based on actions for the benefit of the Company. Not contrary to the Company's rules, regulations, guidelines, and ethics. as follows:

- (1) Not operate or be a consultant, independent director, partner of the Company that directly or indirectly competes with the Company, and does not conduct business in the same manner as the Company.
- (2) Not performing or being a consultant, independent director, partner of the Company that provides the purchase and sale of raw materials or involvement in other services of the Company or use of authority from the position of duty to seek benefits.
- (3) Employees of the Company do not involve or participate in any activities that cause conflicts of interest of the Company.
- (4) Do not take information or what employees know from their positions for exploitation.
- (5) All employees help each other to monitor or if there is an act or circumstance that is considered a conflict of interest with the Company, employees are required to report such conflicts of interest through their supervisors, risk management agencies or through whistleblowing and complaint channels

### **6.2.8 Antitrust/Anticompetitive Practices**

The Company emphasizes fair competition that is one of the factors affecting the Company's development continuously regarding to ethical principles for operating competitors, suppliers, customers and other stakeholders.

However, all employees must follow code of conduct under the same standard and find more code of conduct in the Company's website, <https://www.ajplast.co.th/sustainability/codeofconduct.php>, including supplier code of conduct that is presented to suppliers to be clear and correct understood and can reach more details in the Company's website, <https://www.ajplast.co.th/sustainability/suppliercodeofconduct.php>.

### **6.2.9 Intellectual Property Rights**

The Company attaches importance to intellectual property rights, which is important factors to support business operation efficiently, and to respect to all intellectual property rights of the Company and stakeholders considering, both inside and outside the organization.

The Company has no intellectual property violations, for example, trademarks, patents, trade secrets and other copyrighted works, etc. By using, distributing, or modifying any intellectual properties, only permission from the property owner is required. Employees take responsibility to protect the Company's intellectual properties including no supporting and promoting partners that infringes on intellectual property rights, both directly and indirectly.

### **6.2.10 Insider Trading/Dealing**

The Company supervised an appropriate use of internal information by considering the exploitation of business for the Company only. Do not seek the interests of any person or group of people and conduct corporate culture and provide knowledge through training to employees, executives, and directors of the Company.

### 6.3 Major Changes and Developments

The Company is aware of social changes and the needs of all stakeholders including sustainable business operations. The Board of Directors emphasize to review visions, strategies, policies, practices, measures, operating processes, and good corporate governance in 2022 as follows:

- (1) To consider all policies of the Company.
  - (1.1) A new policy which is circular economy policy.
  - (1.2) To update policies which are environment policy and biodiversity policy.
- (2) To update code of conduct and supplier code of conduct.
- (3) To invite suppliers and business partners to become a part of Thai Collective Action Against Corruption (CAC).

In addition, in 2023, some guidelines in corporate governance policy are not yet able to be implemented as follows:

- (1) The Chairman of the Board is not an independent director.

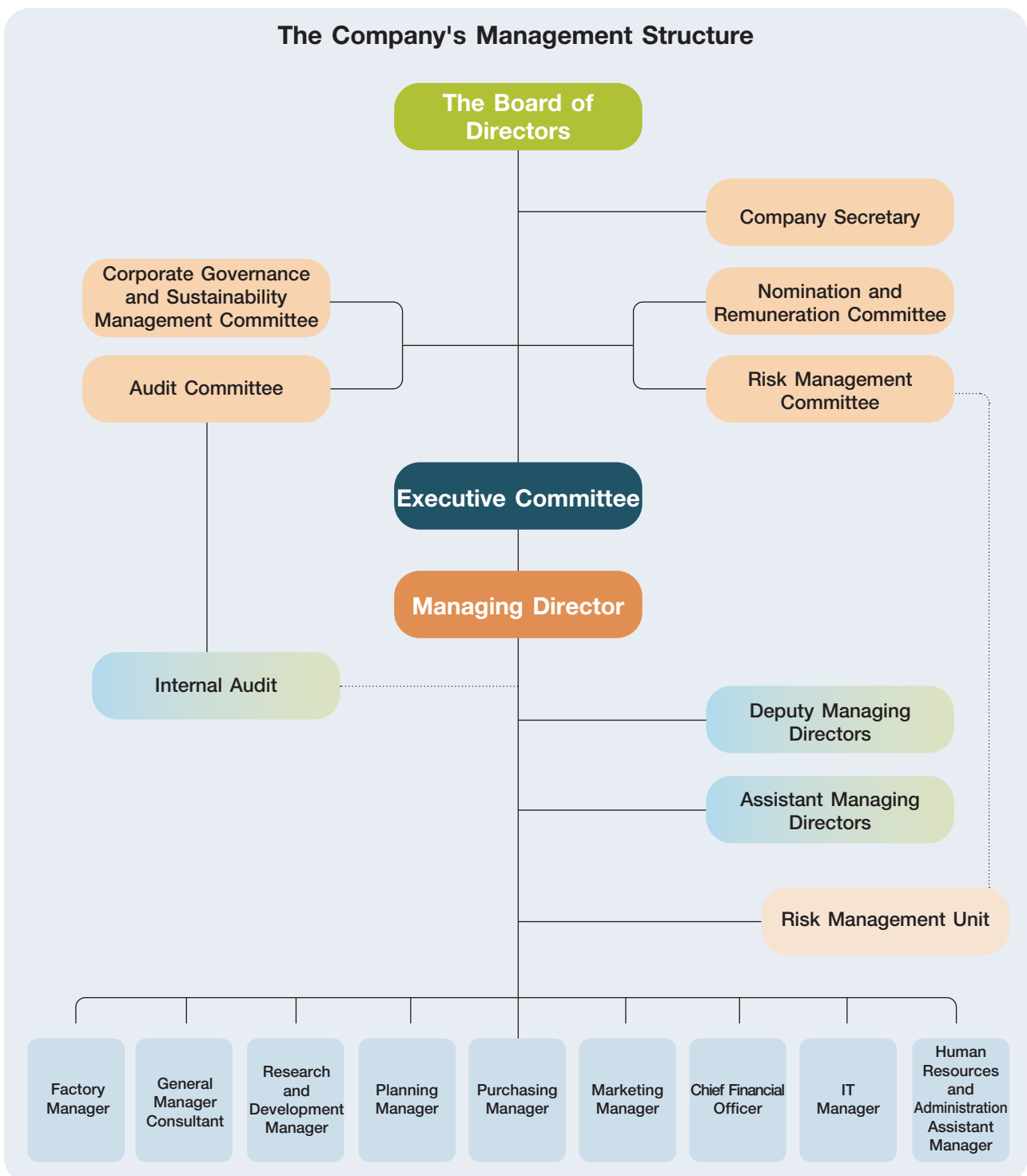
The Company define the role and responsibilities of the Chairman of the Board clearly focusing on the interest of the Company, shareholders, and all stakeholders. Powers are given to independent directors to hold meetings without any other directors or executives attending to consider matters as independent directors see fit to propose to the Board of Directors.

- (2) Independent directors hold office for more than 9 years.

The Board considers the necessity of proposing to be reinstated as a director by allowing the Board to consider the independent qualifications of such directors if the Board comments that is appropriate.

# 7. Corporate Governance Structure and Key Information Related to Directors, Subcommittees, Executives, Employees and Others

## 7.1 Corporate Governance Structure



## 7.2 Board of Directors

### 7.2.1 Component of the Board of Directors

According to the Company's policies, the Board of Directors must not less than 5 members and half of the directors must be residents of Thailand. Board members must be the Board of Directors in the listed Company not more than 3 companies.

In voting for directors' selection, the shareholders meeting will choose the director by representing one share for one vote. Each of the shareholders needs to vote for all the shares in possession to select one or more person to be directors, but the vote shall not be distributed. The persons, who receive the highest scores, will be appointed as directors as many as the available positions allow.

In the case of equal score, the Chairman of the Board will make the final decision.

In every annual shareholder meeting, one-third or nearest to one-third of the directors will be retired. For the official appointment of directors with legally bound signatures, the chairman or the vice chairman needs to sign and affix the Company's seal or two of the directors jointly sign and affix the Company's seal on. The Board of Directors has the authority to change legally bound directors.

#### **The Board of Directors consists of 9 members (as of December 31, 2023)**

1. Mr. Narong	Suthisamphat	President
2. Mrs. Napaporn	Suthipongchai	Vice President and Risk Management Director
3. Mr. Kittiphai	Suthisamphat	Vice President, Chairman of Risk Management Committee and Managing Director
4. Mr. Ninnat	Olanvoravuth	Chairman of Audit Committee, Chairman of Corporate Governance and Sustainability Management Committee, Risk Management Director, and Independent Director
5. Mrs. Chavida	Srisangnam	Audit Director, Nomination and Remuneration Director and Independent Director
6. Mr. Surasak	Gosiyachinda	Chairman of Nomination and Remuneration Committee, Audit Director and Independent Director
7. Mr. Supote	Tonurat	Nomination and Remuneration Director, Corporate Governance and Sustainability Management Director and Independent Director
8. Mr. Sakchai	Patiparnpreechavud	Corporate Governance and Sustainability Management Director
9. Mr. Kasemsit	Pathomsak	Independent Director

### Authorized Persons with Legally Bound Signatures

1. Mr. Narong	Suthisamphat	President
2. Mrs. Napaporn	Suthipongchai	Vice President
3. Mr. Kittiphat	Suthisamphat	Vice President and Managing Director

### Non-Executive Directors consists of 8 members (as of December 31, 2023)

1. Mr. Narong	Suthisamphat	President
2. Mrs. Napaporn	Suthipongchai	Vice President and Risk Management Director
3. Mr. Ninnat	Olanvoravuth	Chairman of Audit Committee, Chairman of Corporate Governance and Sustainability Management Committee, Risk Management Director, and Independent Director
4. Mrs. Chavida	Srisangnam	Audit Director, Nomination and Remuneration Director and Independent Director
5. Mr. Surasak	Gosiyachinda	Chairman of Nomination and Remuneration Committee, Audit Director and Independent Director
6. Mr. Supote	Tonurat	Nomination and Remuneration Director, Corporate Governance and Sustainability Management Director and Independent Director
7. Mr. Sakchai	Patiparnpreechavud	Corporate Governance and Sustainability Management Director
8. Mr. Kasemsit	Pathomsak	Independent Director

### Scope of Authorities of the President

The President has a duty and responsibility to direct the Company according to the law, objective and the internal rules of the Company, the duty and responsibility of the president are as follows:

1. Calling a meeting of the Board of Directors, as a chairman of the Board's meeting and shareholders' meeting, including to set the meeting agenda.
2. Controlling the meeting to be effective in accordance with the rules and articles of association, supporting and providing opportunities for directors to freely express opinions.
3. Supporting and encouraging the Board of Directors to perform duties to the best of their ability by responsibility and in accordance with the principles of good corporate governance of the Company.
4. Monitoring the management of the Board of Directors and other Subcommittees to achieve the objectives.
5. Casting the decisive vote in case the Board of Directors' meeting gets the equal votes of both parties.

## Scope of Authorities of the Board of Directors

The Board of directors has a duty and responsibility to direct the Company according to the law, objective and the internal rules of the Company, including passing resolutions at the shareholders' meeting by the law with honesty and taking care of the interest of the Company. Except for matters requiring approval from the shareholders' meeting, such as matters required by the law to be approved by the shareholders' meeting on related transactions, and buying or selling important assets according to the regulations of the Stock Exchange of Thailand, etc. In short, the duty and responsibility of the Board are as follows:

1. Performing duties based on skills, knowledge and experience in order to make the Company achieve its goal and best interests in compliance to the laws, Company's policies as well as shareholders' decisions with prudence and responsibility to the shareholders.
2. Reviewing and considering the policies and business direction proposed by Executive Committee including any decisions that are beyond the Executive Committee and the managing director's authorities.
3. Monitoring the Executive Committee to effectively manage according to the company's policies. Have the Executive Committee presents only issues that have a significant impact on the business including acquisition or sale assets of the registered companies and related company's transactions in compliance with the regulations of the Securities Exchange Commission and Stock Exchange of Thailand and have them approved by the director who has no conflict of interest.
4. Reviewing any operation according to the ethics of doing business, management, and staff and used such ethics as guidelines in the organization.
5. Electing some of the directors to be members of the Executive Committee. Authorize and determine the scope of the authorization and command to the Executive Committee and the managing director in a way that the company's objective can be achieved. Such authorization must not be given to the party that may have any conflict of interest with the Company or the company's subsidiaries.
6. Appointing and removing authorized directors with legally bound signatures.

### 7.2.2 Director Knowledge Development

The Company has a policy to continuously promote and develop knowledge for the Directors by preparing the annual training plan of the directors and the number of directors who must attend the training and It is must be more than 75% of the total number of directors

In 2023, There are courses and attendance of directors' trainings as follows.

- 1) Code of conduct training  
The number of directors participating was 8, or 89% of the total number of directors.
- 2) Human rights training  
The number of directors participating was 8, or 89% of the total number of directors.
- 3) Anti-corruption training  
The number of directors participating was 8, or 89% of the total number of directors.
- 4) Personal data protection training  
The number of directors participating was 8, or 89% of the total number of directors.

## 7.3 Subcommittees

### Executive Committee

#### Component and Appointment of the Executive Committee

The Board of Directors appoints the Executive Committee by choosing from the Board of Directors.

- |         |           |               |                                      |
|---------|-----------|---------------|--------------------------------------|
| 1. Mr.  | Narong    | Suthisamphat  | President                            |
| 2. Mrs. | Napaporn  | Suthipongchai | Vice President                       |
| 3. Mr.  | Kittiphat | Suthisamphat  | Vice President and Managing Director |

#### Scope of Authorities of the Executive Committee

The Executive Committee has a duty and responsibility to manage normal operations, the duty and responsibility of the Executive Committee as follows:

1. Approving important policies by aligning the Company's objectives, mission and guidelines as well as the supervision of manufacturing and distribution.
2. Approving the acquisition of fixed assets under 50 million baht in compliance with the Stock Exchange of Thailand's regulation regarding acquisition or sale of the registered companies' assets or the related transaction or any other related regulatory agencies.
3. Approving investment in a new project or business expansion and submitting to the Board of Directors for further approval.
4. Performing regular business operations that are beyond the authority of the managing director.

### Audit Committee

#### Component and Appointment of the Audit Committee

The Board of Directors appoints the Audit Committee by choosing at least three qualified directors according to the Stock Exchange of Thailand's notification. Each Audit Committee member has a two-year tenure term.

The Audit Committee consists of 3 members (as of December 31, 2023)

- |         |         |              |                             |
|---------|---------|--------------|-----------------------------|
| 1. Mr.  | Ninnat  | Olanvoravuth | Chairman of Audit Committee |
| 2. Mrs. | Chavida | Srisangnam   | Audit Director              |
| 3. Mr.  | Surasak | Gosiyachinda | Audit Director              |

Mrs. Chavida Srisangnam, an Audit Committee No.2, has knowledge and experience in reviewing the audited financial statements of the Company. In 2023, she has deliberately audited and reviewed quarter and annual financial reports and agreed with the auditor that the reports are, as per requirement by accurate accounting and reporting standards.



## **Scope of Authorities of the Audit Committee**

1. To review the company's financial statements for accuracy and adequacy purposes.
2. The Committee will ensure that the Company must have an appropriate and efficient internal control system and consider the independence of the internal audit unit, including review in the appointment, reassignment or dismissal of the internal audit.
3. To ensure that the Company has duly complied with the laws on the Securities and Exchange Commission, the Stock Exchange of Thailand's requirements and other laws relating to the Company's business.
4. To consider and propose to appoint the independent financial auditor and consider dismissing and fixing his auditing fee, and to hold a meeting at least once a year with the auditor without the presence of the management.
5. To review the disclosure of the company's information in case there is any connected transaction or any transaction with a possible conflict of interest to ensure that the transaction is accurate, complete and transparent.
6. To prepare a report of the Audit Committee and disclose, which must be signed by the chairman of the Audit Committee and contain at least the following information:
  - A. The opinion related to the acceptability and appropriateness of the financial accounting report.
  - B. The opinion related to the adequacy of the internal audit control.
  - C. The opinion related to the compliance of regulations set by the Stock Exchange of Thailand or other laws related to Company business.
  - D. The opinion is concerned with the appropriateness of the auditor.
  - E. The opinion concerned with the business relations which may lead to a conflict of interest.
  - F. Number of meeting and the presence of each Audit Committee.
  - G. The opinion concerned with the feedback from the performance of their duties.
  - H. Other opinion that the investors should be informed under the scope of responsibilities authorized by the Board of Directors.
7. To act according to designation by the Board of Directors upon the Audit Committee's approval.

## **Nomination and Remuneration Committee**

### **Component and Appointment of Nomination and Remuneration Committee**

The Board of Directors appoints Nomination and Remuneration Committee by selecting from a number of company's directors, who for selection of suitable director and to consider compensation and meeting fee and other which is in line with other industries of the same size. Most of selected committees are independent directors (more than 50%) and the Chairman of Nomination and Remuneration Committee is an independent director, with two - year tenure.

Nomination and Remuneration Committee consists of 3 members (as of December 31, 2023)

- |                 |              |                                                   |
|-----------------|--------------|---------------------------------------------------|
| 1. Mr. Surasak  | Gosiyachinda | Chairman of Nomination and Remuneration Committee |
| 2. Mrs. Chavida | Srisangnam   | Nomination and Remuneration Director              |
| 3. Mr. Supote   | Tonurat      | Nomination and Remuneration Director              |

#### **Scope of Authority of Nomination and Remuneration Committee**

1. To consider the structure of organization, factors and qualifications of the director and managing director.
2. To consider and select persons, who have knowledge and abilities that are suitable and consider according to the company's business strategy and the Board skill matrix such as engineering expertise. petrochemical and material industries, economics, business administration, law, food industry, packaging, including retail business, etc., without restrictions on gender, race, nationality, religion, skin color and culture, in order to determine the qualifications of the nominated directors and nominated as a director or managing director with the vacant position including to propose to the Board of Directors or to the shareholders' meeting for consideration and appointment.
3. To consider and propose the remuneration structure for the directors, or the managing director such as remuneration by monthly and yearly, meeting's fees, gratuity, bonuses and other benefits either in cash or non-cash payment.
4. To consider succession plan for future replacement of managing director, president, and directors.
5. To perform other tasks as delegated by the Board, regarding to search and compensation.

#### **Risk Management Committee**

##### **Component and Appointment of Risk Management Committee**

The Board of Directors appoints a Risk Management Committee by selecting from a number of company's directors for the purpose of overseeing various risks, with two-year tenure.

Risk Management Committee consists of 3 members (as of December 31, 2023):

- |                  |               |                                       |
|------------------|---------------|---------------------------------------|
| 1. Mr. Kittiphat | Suthisamphat  | Chairman of Risk Management Committee |
| 2. Mrs. Napaporn | Suthipongchai | Risk Management Director              |
| 3. Mr. Ninnat    | Olanvoravuth  | Risk Management Director              |

##### **Scope of Authority of Risk Management Committee**

1. To review and propose policies and the framework of risk management to the Board of Directors for approval.
2. To consider the review and recommending risk that is acceptable, and to propose to the Board for approval.
3. To monitor the development and continuously follow the framework of risk management in order that the Company attains the efficiency of risk management.

4. To supervise from the risk management unit down to operational level for carrying out, following up, reviewing, improvement and correcting including public relations, communication, and continuous reporting of risk management.
5. To coordinate with the Audit Committee relating to important risks and to have the internal auditor as the reviewer to ensure that the Company has a suitable internal control system for risk management including implementing the risk management system to the organization.
6. To perform tasks relating to management risk as delegated by the Board.

## **Corporate Governance and Sustainability Management Committee**

### **Component and Appointment of Corporate Governance and Sustainability Management Committee**

The Board of Directors appoints the Corporate Governance and Sustainability Management Committee by selecting from the company's directors and must consist of more than 50% of independent directors and the chairman must be independent. To operate the business by focusing on responsibility and ready to take on challenges go along with creating value with stakeholders and sustainability management, that consists of 3 components such as commitment to growth the business through good corporate governance; operate the business by perspectives of the environment preservation and develop the human and social resource.

Corporate Governance and Sustainability Management Committee consists of 3 members (as of December 31, 2023)

- |                |                    |                                                                          |
|----------------|--------------------|--------------------------------------------------------------------------|
| 1. Mr. Ninnat  | Olanvoravuth       | Chairman of Corporate Governance and Sustainability Management Committee |
| 2. Mr. Sakchai | Patiparnpreechavud | Corporate Governance and Sustainability Management Director              |
| 3. Mr. Supote  | Tonurat            | Corporate Governance and Sustainability Management Director              |

### **Scope of Authority of Corporate Governance and Sustainability Management Committee**

1. To review and propose the corporate governance policy, sustainability management policy and related policy to the Board of Directors to approve, supervise, advise and encourage the practice to executives and employees at all levels.
2. To supervise, advise and encourage the operations in accordance with corporate governance policy, disclose information effectively for checking in order to achieve the goals that have been set, as well as presenting to the Board of Directors for acknowledgment.
3. To review corporate governance policy, sustainability management policy and related policy regularly at least once a year ensuring that be appropriate, compliance with the law, regulations, measures, and practices of leading companies.

4. To supervise the development and compliance of corporate governance policy, sustainability management policy and related policy regularly to ensure that the Company has effective supervision and continual practice.
5. To operate the Corporate Governance and Sustainability Development Working Committee.
6. To coordinate with other Subcommittees on issues related to governance and sustainability management and has an internal audit to review to ensure that the Company has an internal control that is suitable for managing risks, including adopting risk management to comply with the Company's operations.
7. To perform other tasks as required by the Board of Director's assignments related to corporate governance and sustainability management.

## 7.4 New Directors

### 7.4.1 Criteria for Selection of New Director

The new director of the Company must have multi skills, specialists and experience in various fields of work including various in gender, age and religious diversity or other restrictions. The Company is considered based on knowledge, ability and experience related to business in accordance with the Company's strategy, which uses the director pool database from the Thai Institute of Directors Association (IOD) as a factor in the selection of new directors to identify suitable directors or executives. However, directors or executives of the Company must have qualifications under the Public Limited Companies Act B.E. 2535, including laws and related regulations.

### 7.4.2 The Process for Appointing New Directors

- (1) Nomination and Remuneration Committee proposes and selects suitable persons by reference to the criteria for selecting new directors and having the qualifications as announced by the Stock Exchange of Thailand.
- (2) Nomination of the Board of Directors will nominate persons with multi skills, specialist and experience in various fields work including various in gender, age and religious diversity or other restrictions.
- (3) New directors must be approved and appointed by the Board of Directors of the Company more than two-thirds of the total number of committees.

### 7.4.3 Orientation for New Directors

The Company realizes the performing of new directors; therefore, arranging the Company overview introduction, structures, and related companies for new directors to understand workflows, structures, culture, and key information that are important and necessary to understand the Company's policies, measures, practices, relevant laws, etc. Also, meeting with the president, vice president, Board of Directors and Subcommittees.

## 7.5 Executives

### 7.5.1 The Company's Executives, on 31 December 2023, consisted of 11 persons.

1.	Mr. Kittiphat	Suthisamphat	Managing Director
2.	Mr. Thosphol	Chinandej	Deputy Managing Director, Company Secretary and Acting Marketing Manager
3.	Ms. Sonnattanan	Srijundee	Assistant Managing Director
4.	Mr. Chanchai	Kissaneepaiboon	Assistant Managing Director and Factory Manager
5.	Mr. Anupan	Tangphanitannan	Chief Financial Officer
6.	Mr. Fritz Friedrich	Schanzer	General Manager Consultant
7.	Mr. Peter	Barnes	Research and Development Manager
8.	Ms. Pacharaporn	Suebsantiwong	Planning Manager
9.	Mr. Pannasak	Charoennet	Procurement Manager
10.	Mr. Sarawut	Nusati	IT Manager
11.	Mr. Pongkan	Pongwirat	Human Resources and Administration Assistant Manager

#### Scope of Authorities of the Managing Director

1. Supervising, managing and operating the business for the best interest of the Company under the authority given by the Board of Directors.
2. Approving trade terms for example determining customers' credit limit, term of payment, procurement and sales contract as well as change in trade terms.
3. Approving the acquisition of fixed assets under 20 million baht.
4. Hiring, appointing, penalizing, and dismissing employees as well as promote and adjust employees' rewards excluding any employees hired, appointed, penalized or dismissed by the Board of Directors.
5. Determining the operational procedure for the Company in compliance with the Company's policies, the Board of Directors' decision, labor law or any related regulations.

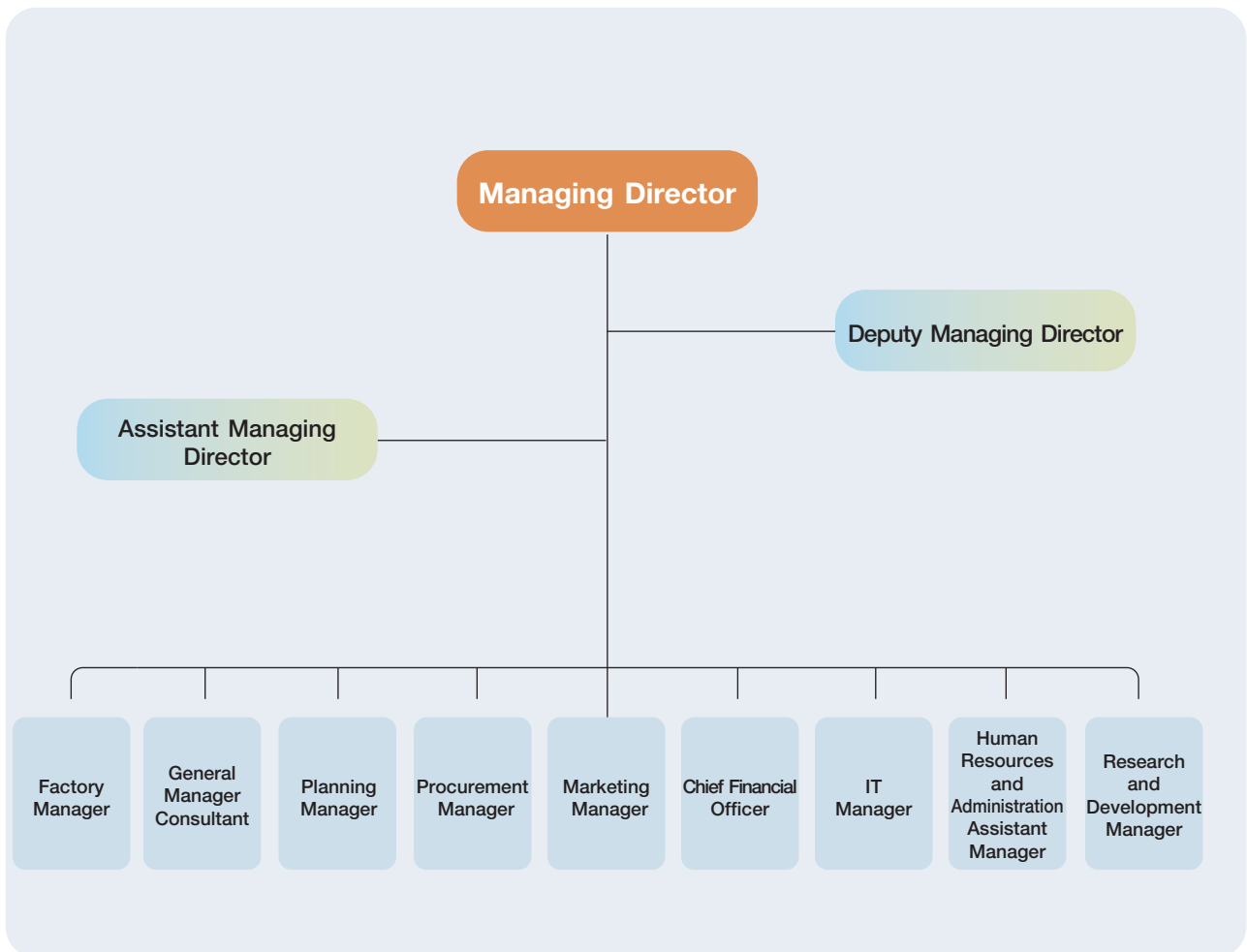
#### Appointment of Company's Directors in Other Companies

The Board of Directors and managing director realize the duties of the Company's directors and executives with efficiency. The Company has determined the number of companies that the managing director and executives holding the position at other companies to maintain efficiency in the performance.

Managing director and executives can hold the position in other companies. However, must not be an obstacle to the performance of the director and managing director of the Company and comply with the guidelines defined by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Board of Directors has determined the managing director and executives of the Company are able to hold directorship at other listed companies not more than 3 companies and other companies or non-listed subsidiaries not more than 5 companies, excluding subsidiaries affiliates and the joint venture company which is necessary to management to protect the interest.

### Management Structure Chart of the Company



## 7.5.2 Remuneration of directors and Executives

### 7.5.2.1 Remuneration of directors

The Company has clearly set the remuneration of the directors, which corresponds to the industry and is competitive enough to maintain the directors with the required qualifications. The Company has proposed all forms of remuneration, including monetary and other remuneration, including benefits, etc., and was approved by the shareholders. In addition, there was an increase in the Audit Committee's remuneration according to the increased workload.

### 7.5.2.2 Remuneration of managing director and Executives

Managing director and executives remuneration follow the Company's policies by relating to the performance of the Company and each individual managing director and executives.

Short-term and long-term remuneration of managing director and executives are as follows:

#### (1) Short-term remuneration

The Company determines the remuneration according to the appropriate wage structure that complies with the labor laws of the establishment located and not less than the minimum wage rate complies with the labor wage rate in the relevant market and comparable to the other organizations in the same business. In addition, the Company has quarterly and annual bonuses according to the performance of the managing director, individual executives and the Company's performance.

#### (2) Long-term remuneration

The Company determines the remuneration according to the performance of directors, which corresponds to the indicators, the Company's performance, business plan and long-term goals. In addition, also have welfares besides the compensation to managing director and executives such as health insurance and accident insurance, annual health check, provident fund and other support related according to the situation.

The remuneration of directors and executives in 2023 are as follows:

### 7.5.2.3 Monetary remuneration

#### - Directors

	2023		2022	
	No. of directors	Total (million baht)	No. of directors	Total (million baht)
Remuneration and attendance fee	9	6.33	9	6.22
Other remuneration	-	-	-	-
<b>Total</b>	<b>9</b>	<b>6.33</b>	<b>9</b>	<b>6.22</b>

- Non-executive directors

	2023		2022	
	No. of directors	Total (million baht)	No. of directors	Total (million baht)
Remuneration and attendance fee	8	5.74	8	5.64
Other remuneration	-	-	-	-
<b>Total</b>	<b>8</b>	<b>5.74</b>	<b>8</b>	<b>5.64</b>

- Executive directors and executives

	2023		2022	
	No. of directors	Total (million baht)	No. of directors	Total (million baht)
Salary and Bonus	13	49.31	12	47.09
Provident Fund	13	1.04	12	0.96
<b>Total</b>	<b>13</b>	<b>50.35</b>	<b>12</b>	<b>48.05</b>

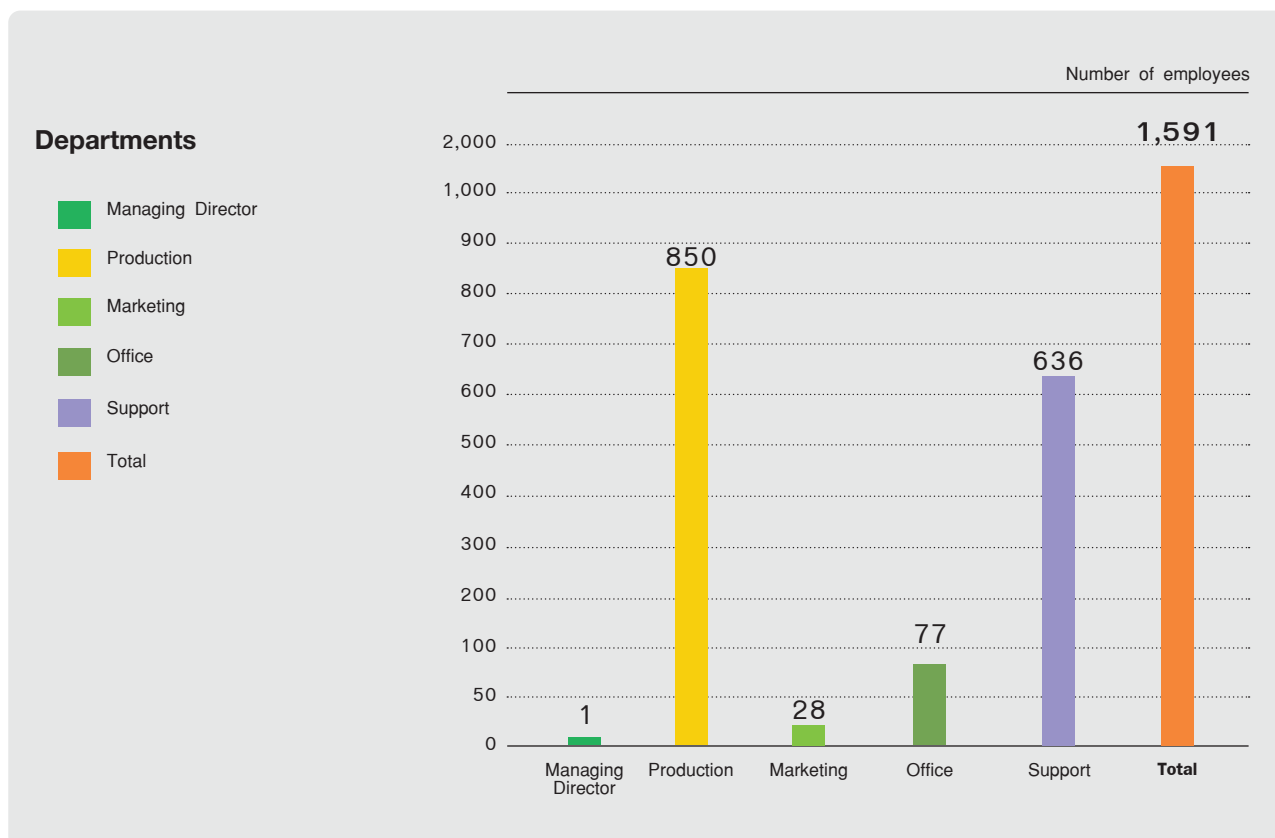
#### 7.5.2.4 Other remuneration not in the form of monetary

Directors	- None -
Executive directors and executives	- None -



## 7.6 Employees

### 7.6.1 Number of Employees as of December 31, 2023, and The Remuneration Including Salary, Bonus and Provident Fund in 2023 as Follows:



7.6.2 Remuneration in the form of salary and bonus is 539.15 million baht and the provident fund is 6.44 million baht.

7.6.3 No significant change in the number of employees and no conflict of employment during the past three years.

## 7.7 Other Information

### Company Secretary

According to new regulations issued by the Stock Exchange of Thailand relating to and conducting a Good Corporate Governance, the Company must have a secretary (currently is Mr. Thosphol Chinandej) whose role and responsibility is to advise the Board and executives to follow rules and regulations and his responsibility is to call the Board and the shareholders meeting, assisting the Board to perform according to solutions and to keep related files and documents. (see the detail of the Company Secretary as attachment 1)

**Name** Mr. Thosphol Chinandej

### Education

Bachelor's degree in Faculty of Political Science, Chulalongkorn University  
Master's degree in Organization Development, U.S. International University

### Experience

2006 – Present: Deputy Managing Director and Company Secretary – A.J. Plast Public Company Limited

### Training

- DCP Class 208/2015-IOD
- TLCA's EDP #5
- Company Secretary Program (CSP 133/2022)

### The person supervising accounting.

**Name** Mr. Anupan Tangphanitannan : Chief Financial Officer

### Education

Bachelor's degree – Faculty of Commerce and Accountancy, Thammasat University  
Master's degree – Faculty of Commerce and Accountancy, Thammasat University

### Experience

2023 – Present Chief Financial Officer – A.J. Plast Public Company Limited  
2020 – 2023: Financial Controller, Thai AirAsia Company Limited  
2018 – 2020: Financial Controller, Thai AirAsia X Company Limited  
2016 – 2018: Accounting Manager, National Power Supply Public Company Limited  
2013 – 2016: Accounting Manager, Sahaviriya Steel Industries Public Company Limited  
2001 – 2012: EY Office Limited Thailand

## Head of Internal Audit

**Name** Miss Sarinthip Thanawadee : Head of Internal Audit

## Education

Bachelor's degree of Accountancy, University of the Thai Chamber of Commerce

## Experience

2016 – Present Internal Audit Manager – A.J. Plast Public company Limited  
2015 – 2016 Assistant Internal Audit Manager – Index Living Mall company Limited  
2008 – 2015 Assistant Internal Audit Manager – Advanced Research Group company Limited

## Training

- Internal Audit Procedure – The Institute of Internal Auditors of Thailand
- CPIAT – The Institute of Internal Auditors of Thailand

## Investors Relationship

The Board of Directors is aware of the importance of financial and non-financial disclosure related to business and operating performance with accuracy, sufficiency and credibility, which shows the Company's performance the true financial status of the Company including the future performance. In doing this, the Company must act in compliance with laws and regulations related to the disclosure of information set by the Stock Exchange of Thailand by passing information to shareholders through channel information of the Securities and Exchange Commission.

The interested parties can receive the relation investor information by contacting Mr. Thosphol Chinandej, Tel 0 2415 0035 Ext. 144 and e-mail: [investment@ajplast.co.th](mailto:investment@ajplast.co.th)

## Auditor's fee

- 1) Audit fee: the Company paid audit fee in total 2,110,000.00 baht for 2023
- 2) Non-audit fee: the Company paid for the other service by checking that the Company must follow conditions set by the Board of Investment (BOI) to the auditor, total 490,000.00 baht

## 8. Report on Key Performance in Corporate Governance

### 8.1 Report on Key Performance in Corporate Governance

#### Committee Report

The Board of Directors is responsible for the Company's financial statements and financial information appearing in the annual data list/annual report (Form 56-1 One Report). Such financial statements are prepared in accordance with generally accepted accounting standards in Thailand by choosing an appropriate accounting policy and consistently implementing it and use discretion carefully including adequate disclosure of important information in the notes to the financial statements. The financial information disclosed to shareholders has been reviewed in the quarterly financial statements and has been audited by the auditor for the annual financial statements.

The Board of Directors has always realized the importance of complying with the principles of good corporate governance of the organization and realized the importance of shareholders' rights in receiving the Company's information that is correct, complete, sufficient, timely and equitable for use in decision making at the shareholders' meeting. The Company has given shareholders the opportunity to have equal rights to inspect the Company's operations, ask questions, express opinions, and provide suggestions to the Company.

In this regard, the Board of Directors has appointed an Audit Committee that consists of non-executive directors and independent directors. The Audit Committee is responsible for the quality of financial reports and internal control systems, and the opinion of the Audit Committee appeared in the report of the Audit Committee. which is already shown in attachment 3 the Audit Committee report.

The Company focuses on the nomination process of the Board of Directors and operates in accordance with the principles of good corporate governance with fairness and transparency. The Board of Directors of the Company has a variety of skills, professions, specializations, knowledge, ability, and experience in various fields. The Board of Directors of the Company also has gender, age and religious diversity or any other restrictions in accordance with the strategy, vision and goals of sustainable business operations.

The Company determines the criteria for nominating and appointing directors and executives as follows:

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

### 8.1.1.1 Nomination Criteria and Appointment of Independent Directors

In the nomination of independent directors, the Company stipulates the criteria for nominating independent directors. The person who has qualifications in accordance with the criteria for nominating the Company's directors. In addition, the qualifications of independent directors refer to the definition of independent directors of the Company under criteria that are equivalent to the criteria set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET)

#### Qualifications of Independent Directors

- (1) Holding shares not exceeding 0.5% of the voting shares, the Company includes the shares held by persons related to the independent director.
- (2) Must not be or have been a director who participates in executives, employees, staff, consultants that receive a regular salary. A person with controlling power in the previous 2 years is relieved in the case of being a government official or advisor of a government agency which is a major shareholder or Person with controlling power in less than 2 years.
- (3) Must not have blood relationship or by legal registration with directors or executives.
- (4) Never conducting transactions or being a significant shareholder or the person having the authority to control the juristic person doing transactions with the Company with transaction value more than or equal to 20 million baht or 3% of net asset value (NTA), whichever is lower than in the previous 2 years.
- (5) Must not be or have been an auditor of the Company, parent Company, subsidiary Company, associated Company, major shareholder, person with controlling power during the previous 2 years.
- (6) The Company has set a policy for independent directors to hold the position for not more than 9 years without exception.
- (7) Must not be or have been a provider of other professional services or being a significant shareholder, person with controlling power, partner of a legal entity providing services in excess of 2 million baht in the previous 2 years.  
\* In the event that a person who does not have qualifications in accordance with Clause 4 ) and Clause 6 ) will be able to hold the position of an independent director only when the Board of Directors clarify that the Person has been considered in accordance with Section 89/7 that does not affect the performance of duties and independent opinions and must disclose the information specified in the notice of the shareholders' meeting.
- (8) Must not be the representative of the Company's director major shareholder or a person related to a major shareholder.
- (9) Do not operate businesses that are in the same condition and are in competition with the Company and subsidiary or holding shares more than 1 %, or being a director who participates in the executives, employees, staff, consultants who receive a regular salary person having controlling power over such business.
- (10) There is no other characteristic that prevents the Person from expressing independent opinions on the Company's operations.

- (11) Independent Directors can be independent directors of companies in the group. However, the Audit Committee shall not be a director of the parent company, subsidiary or subsidiary of the same level which is a listed company.
- (12) After being appointed as an independent director, such independent director may be assigned by the Board of Directors to make decisions on the operation of the Company's business, the parent company, subsidiary company, associated company, major shareholder or a person who has the power to control. The decision is made in a collective decision, but the Audit Committee is prohibited from participating in the decision making in the operation.

Independent director who serves as the Audit Committee appointed by the Board of Directors or at the shareholders' meeting of the Company by nomination from the Company's directors which has qualifications for independence according to the announcement of the SEC of the Company, that at least one Audit Committee member must have knowledge in accounting and finance. To perform audits and supervise the operations of the Company including overseeing financial reports, internal control system, nomination of auditors and consideration of conflicts of interest.

In the election of directors to replace the vacant position for reasons other than the expiration of the term. The Board Committee may elect a director to fill the vacant position with a vote of not less than three-fourths of the remaining directors. The replacement director will hold the replacement position only for the remaining term.

### **8.1.1.2 Selection Criteria, Nomination and Appointment of Company Directors**

#### **8.1.1.2.1 Criteria for Selecting Directors of The Company.**

##### Criteria for selecting directors of the Company

The Company has appointed the Nomination and Remuneration Committee to perform the duties of considering the selection of directors and high-ranking executives with criteria for recruiting, considering the nature of business operations and the Company's strategy. Therefore, the qualifications of the directors to be nominated have been determined to be appropriate and consistent with the business strategy by considering the necessary skills that are still lacking and has a policy of diversity in the structure of the Board of Directors (Board Diversity) and senior management by the Board of Directors of the Company and senior management must have a variety of skills, professions, specializations knowledge, ability, experience in various fields including gender, age and religious diversity or any other restrictions. Criteria includes consideration from the knowledge, abilities and experiences related to the business in accordance with the Company's operational strategy, which uses the Director Pool database from the Thai Institute of Directors Association (IOD) as a component in the nomination of new directors to identify suitable persons to be directors or executives. However, the person who has been appointed to be a director or executives of the Company must have qualifications under the Public Limited Companies Act B.E. 2535, other laws, and related regulations.

Currently, the Board of Directors consists of 9 directors, the number of which is suitable for the Company's business conditions as well as being a director who has the knowledge and abilities necessary for the elements of the structure, Directors who are still absent. By considering the expertise (Board Skill Matrix) both in engineering expertise, Petrochemical and Materials Industry, Economics, Business Administration, Accounting and Finance, Law, Sustainability, Food Industry, Packaging, Retail Crisis Management including supply chain management, etc. to combine knowledge abilities that are beneficial to the Company's operations which makes the composition of the Board of Directors of the Company. At present, there are people with qualifications, experience, expertise from various professions and covering all areas appropriately without limitation in gender, race, nationality, religion, skin color and culture or any other restrictions.

#### **8.1.1.2.2 Components of the Board of Directors**

According to the Company's regulations, there are not less than 5 of the Board of Directors, of which not less than half of the total directors must be residents of Thailand and that person who will take the position of the Company's director must hold directorship in not more than 3 listed companies.

In voting for the election of directors, the shareholders' meeting will elect directors. It shall be deemed that one shareholder has a vote equal to one share per one vote. And each shareholder must use all his/her votes to elect one person or more people to be directors but cannot divide the votes to any person to any extent. Persons receiving the highest approval votes in descending order shall be elected as directors equal to the number of directors to be elected at that time. If the persons elected in descending order have equal votes exceeding the number of directors to be elected at that time, the chairman shall have a casting vote

When an ordinary meeting is held every year, one-third of the directors shall retire from the office at the rate or the number nearest to one-third of the directors will be signed as an important binding Company. The chairman of the Board or any vice chairman shall sign and affix the Company's seal, or two other directors jointly sign and affix the Company's seal. The Board of Directors has the power to determine and amend the names of the directors who are authorized to sign and bind the Company.

#### **8.1.1.2.3 Nomination and Appointment of the Board of Directors**

Selection of persons to be appointed as directors must go through the nomination process of the Nomination and Remuneration Committee and was approved by the shareholders' meeting. The Company gave an opportunity to all shareholders in every group in nominating a person to be considered for the position of director. The names can be submitted through the Company's website in advance at the scheduled time prior to the annual general meeting of shareholders. This is usually during the 4<sup>th</sup> quarter of every year and the voting for the election of directors will be used by individual ballots. The rules and procedures are as follows:

- (1) A shareholder has a vote equal to 1 share per 1 vote.
- (2) Each shareholder may use all his/her votes under Clause 1 to elect one person or more persons to be directors. In the case of electing several people to be directors, the votes cannot be split to any individual to any extent.

- (3) The persons receiving the highest number of votes in descending order are elected and shall be directors equal to the number of directors to be or to be elected at that time. The meeting is the casting vote.

At every annual general meeting of shareholders, The Company requires one-third of the directors to resign from office at that time. If the number of directors cannot be divided exactly into three parts, there shall be retired by the number nearest to one-third of the directors who must retire from office in the first and second year after the registration of that company. A lot shall be drawn. In subsequent years, the member who has been in office the longest shall retire from office. Directors who vacate office may be re-elected from retirement by rotation. A director vacates office upon death, resignation, disqualification, or having prohibited characteristics under Securities and Exchange Act, The shareholders' meeting resolved to issue and the court has issued an order.

### **8.1.1.3 Assessment of the performance of the Board of Directors**

In 2023, the Company has determined that the Board of Directors' performance is assessed.

#### **8.1.1.3.1 Performance appraisal process**

Company Secretary delivers performance appraisal form to each director for self-assessment every year-end. After each director and the Managing Director have completed the evaluation. The performance appraisal form will be submitted for both the Board and the individual back to the company secretary to collect assessment scores and a summary report to the Board of Directors' meeting to determine measures to improve the performance of the Board further.

#### **8.1.1.3.2 Assessment criteria performance**

Evaluation of the performance of the Board of Directors of the Company uses an assessment form prepared in accordance with the Stock Exchange of Thailand's guidelines. By adapting to suit the nature and structure of the organization. The results of the assessment will be an important part in the development of the duties and operations of the Board of Directors to be more efficient and effective.

The self-assessment of the entire Board of Directors consists of 7 topics as follows:

- (1) Board structure and qualifications.
- (2) Board meetings.
- (3) Roles, Duties and Responsibilities of the Board of Directors
- (4) Director's duties
- (5) Relationship with management
- (6) Awareness and importance in Environmental, Social and Governance (ESG)
- (7) Director's self-development and executives development

The self-assessment of the individual Board of Directors consists of 4 topics as follows:

- (1) Structure and Qualifications of the Company's directors.
- (2) Meeting of the Board of Directors
- (3) Roles, duties, and responsibilities of the Company's directors
- (4) Awareness and importance in Environmental, Social and Governance (ESG)



Scoring is done by specifying the opinion of each judge by specifying a mark ( / ) in only one score box from 0 – 4 in the assessment form or has a rating ranging from strongly disagree or no action in that regard to strongly agree or has done excellent in that regard. Then take all the scores obtained for evaluation by percentage of the full score which is defined as the following criteria.

- Equal or more than 90% = Excellent
- Equal or more than 80% = Very good
- Equal or more than 70% = Good
- Equal or more than 60% = Fair
- Below 60% = Need to improve

### **8.1.1.3.3 Performance Appraisal of The Board of Directors of The Company**

#### **The performance appraisal of the entire Board of Directors**

The average overall score is 95%, Excellent.

1. Board structure and qualifications
  - The average overall score is 97%, Excellent.
2. Board meetings
  - The average overall score is 94%, Excellent.
3. Roles, Duties and Responsibilities of the Board of Directors
  - The average overall score is 94%, Excellent.
4. Director's duties
  - The average overall score is 97%, Excellent.
5. Relationship with management
  - The average overall score is 99%, Excellent.
6. Awareness and importance in Environmental, Social and Governance (ESG)
  - The average overall score is 90%, Excellent.
7. Director's self-development and executives development
  - The average overall score is 91%, Excellent.

#### **Performance assessment of individual directors**

The average overall score is 97%, Excellent.

1. Structure and qualifications of the Company's directors.
  - The average overall score is 93%, Excellent.
2. Meeting of the Board of Directors
  - The average overall score is 97%, Excellent.
3. Roles, duties, and responsibilities of the Company's directors
  - The average overall score is 97%, Excellent.
4. Awareness and importance in Environmental, Social and Governance (ESG)
  - The average overall score is 97%, Excellent.

## 8.1.2 Meeting Attendance and Remuneration of Individual Committees

### 8.1.2.1 Board Meeting Attendance

Attendance the meeting of the Board of Directors each person in 2023 can be summarized as follows:

Name - Surname	Position	Number of times attending the meeting				
		Board of Directors	Audit Committee	Nomination and Remuneration Committees	Risk Management Committee	Corporate Governance and Sustainability Management Committees
1. Mr. Narong Suthisamphat	President	6/6				
2. Mr. Kittiphat Suthisamphat	Vice President, Chairman of the Risk Management Committee	6/6			2/2	
3. Mrs. Napaporn Suthipongchai	Vice President, Risk Management Director	6/6			2/2	1/1*
4. Mr. Ninnat Olanvoravuth	Chairman of Audit Committee, Chairman of Corporate Governance and Sustainability Management Committee, Risk Management Director, and Independent Director	6/6	4/4		2/2	2/2
5. Mrs. Chavida Srisangnam	Audit Director, Nomination and Remuneration Director and Independent Director	6/6	4/4	2/2		
6. Mr. Surasak Gosiyachinda	Chairman of Nomination and Remuneration Committee, Audit Director and Independent Director	6/6	4/4	2/2		

Name - Surname	Position	Number of times attending the meeting				
		Board of Directors	Audit Committee	Nomination and Remuneration Committees	Risk Management Committee	Corporate Governance and Sustainability Management Committees
7. Mr. Supote Tonurat	Nomination and Remuneration Director, Corporate Governance and Sustainability Management Director and Independent Director	6/6		2/2		1/1**
8. Mr. Sakchai Patiparnpreechavud	Corporate Governance and Sustainability Management Director	6/6				2/2
9. Mr. Kasemsit Pathomsak	Independent Director	6/6				

\* Mrs. Napaporn Suthipongchai resign from the Corporate Governance and Sustainability Management Committee on August 15, 2023

\*\* Mr. Supote Tonurat has joined the Corporate Governance and Sustainability Management Committee on August 15, 2023

### 8.1.2.2 Director's Remuneration

In this regard, the Annual General Meeting of Shareholders No. 1/2023, on April 26, 2023, resolved to pay the directors' remuneration of 500,000 baht per year and the remuneration to the Audit Committee of 300,000 baht per year besides from receiving remuneration as a director of the Company and meeting allowance for the directors 10,000 baht per person per meeting.

Salary and bonus of 13 executive directors and executives totaling 49.31 million baht.

(1) Monetary compensation for the year 2023

Name - Surname	Position	Director's Remuneration				
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance and Sustainability Management Committee
1. Mr. Narong Suthisamphat	President	560,000.00				
2. Mr. Kittiphat Suthisamphat	Vice President, Chairman of the Risk Management Committee and Managing Director	560,000.00			20,000.00	

Name - Surname	Position	Director's Remuneration				
		Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Corporate Governance and Sustainability Management Committee
3. Mrs. Napaporn Suthipongchai	Vice President, Risk Management Director	560,000.00			20,000.00	10,000.00
4. Mr. Ninnat Olanvoravuth	Chairman of Audit Committee, Chairman of Corporate Governance and Sustainability Management Committee, Risk Management Director and Independent Director	560,000.00	340,000.00		20,000.00	20,000.00
5. Mrs. Chavida Srisangnam	Audit Director, Nomination and Remuneration Director and Independent Director	560,000.00	340,000.00	20,000.00		
6. Mr. Surasak Gosiyachinda	Chairman of Nomination and Remuneration Committees, Audit Director and Independent Director	560,000.00	340,000.00	20,000.00		
7. Mr. Supote Tonurat	Nomination and Remuneration Director, Corporate Governance and Sustainability Management Director and Independent Director	560,000.00		20,000.00		10,000.00
8. Mr. Sakchai Patiparnpreechavud	Corporate Governance and Sustainability Management Director	560,000.00				20,000.00
9. Mr. Kasemsit Pathomsak	Independent Director	550,000.00				

- (2) other compensation

Contributions to the provident fund of 13 executive directors and executives in amount of 1.04 million baht.

### **8.1.3 Supervision of Operations of Subsidiaries and Associated Companies**

The Company has appointed representatives to take positions as directors with controlling powers in subsidiaries and joint venture companies. To monitor and supervise the management of subsidiaries and joint venture companies in accordance with the strategic guidelines and policies of the Company and in accordance with the strategies agreed upon and as stipulated in the joint venture agreement efficiently and effectively.

### **8.1.4 Follow-up to Have Compliance With Policies and Guidelines for Corporate Governance**

#### **8.1.4.1 Prevention of Conflicts of Interest**

The Company considers prevention of conflicts of interest is an important policy to prevent directors, executives, and employees from taking advantage of the opportunity seeking personal benefit. Therefore, prevention of conflicts of interest has been stated in the Code of Conduct as to the guidelines for directors, executives, and employees of the Company to avoid making transactions related to yourself that may cause conflicts of interest with the Company. If such transactions are necessary for the benefit of the Company, the Board requires compliance with the regulations of the Stock Exchange of Thailand with prices and conditions as a transaction with a third party. Whereby directors or employees who have conflict of interest in the transaction must not participate in the approval process. In the case that it is a related transaction under the announcement of the Stock Exchange of Thailand must strictly comply with the rules, procedures, and disclosure of related transactions of listed companies.

Moreover, the Company creates a culture within the organization, instills the concept of business ethics for employees, executives, and directors. Also, to understand and be aware of the ongoing prevention of conflicts of interest. There is a code of conduct training according to the annual training plan to enhance the concept and guidelines to prevent conflicts of interest for all employees, executives, and directors of the Company.

In addition, the Board of Directors prohibits the use of opportunities or information obtained from being directors, executives or employees for personal benefit or doing business that competes with the Company or related business including not using inside information for their own benefit in trading the Company's shares or provide inside information to others for the benefit of trading in the Company's shares. The Company has protections as follows:

- (1) Transaction that may have conflicts of interest: The Board is aware of the conflict-of-interest transactions and related transactions and considered the appropriateness carefully every time including complying with the rules of the Stock Exchange of Thailand by the price and conditions as a transaction with a third party. In 2023, there has been no transaction that may have conflicts of interest.

- (2) According to the Securities and Exchange Act B.E. 2535, directors and executives are required to report their holdings of the Company's securities when first took a position and report every time when purchase or sale of securities within 3 business days to the SEC and will inform the Board of Directors' meeting regularly.

In 2023, the Company has monitored its performance in accordance with the Code of Conduct. In the event of a violation of the Code of Conduct, including an internal audit according to audit plan 2023, no cases or violations related to conflicts of interest within the Company were found.

#### **8.1.4.2 Supervision of The Use of Inside Information**

In supervising the use of the Company's inside information, the Company has stipulated in the Company's work regulations to ensure equality and fairness to all shareholders by notifying the directors, executives and employees that are prohibited from using inside information that has not been disclosed to the public to use for personal benefit or others, both directly and indirectly. Employees must be ethical in their work and must not seek other benefits or accept benefits from others either directly or indirectly. If found that the director, executives or employee commits a breach of discipline, the Company has a maximum penalty for termination of employment. In summary, the key policies and practices are as follows:

- (1) The Company has determined that the directors, executives and employees are aware of the relevant announcement of the SEC stipulating that directors and executives are responsible for reporting changes in securities holdings to the SEC in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 within 3 days from the date of the change in securities holdings, and inform the Company secretary for acknowledgment in order to prepare a memorandum of changes and summarize the number of securities of directors and executives individual to present to the Board of Directors will be informed in the next meeting. The Company also notifies the penalties if there is a violation or non-compliance with the said requirements.
- (2) In the case of directors, executives or people who have access to internal information wishing to trade in the Company's securities, it is mandatory to inform the information of entering the transaction to the Company secretary which has been assigned by the Board of Directors at least 1 business day in advance of the transaction date.
- (3) The Company has a regulation prohibiting the use of financial statements or other information that affects the Company's stock price that is known to be disclosed to outsiders or those who are not involved and prohibited trading of securities in the period of 1 month before the financial statements or other information that affects the Company's securities price and must not trade in the Company's securities until the period of 24 hours has elapsed since the disclosure of such information. Non-compliance with such requirements is considered a violation of the Company's discipline. If directors, executives, or employees have access to important inside information whoever commits a violation of discipline will be punished by warning, wage deductive, suspension from work without pay until the termination of employment.
- (4) The Company cultivates, communicates, and trains the use of inside information for the benefit of the Company, which is a topic under the code of conduct training.

The approach has been approved by the Board of Directors.

The Company discloses the securities holdings of directors and senior executives in the annual information list/annual report (56-1 One Report) as prescribed by the Securities and Exchange Commission and report to the Board of Directors to acknowledge every time such person changes their securities holdings. To achieve good corporate governance practices, the Company proceeded as follows:

- (1) Non-public information, let be known only to those involved as needed.
- (2) The owner of information that has not been released to the public must urge those involved to strictly follow the security procedures to prevent the leak of confidential files and documents.

In 2023, the Company has monitored its performance regarding the use of internal data in accordance with the Code of Conduct. In the event of a violation of the Code of Conduct, including an internal audit according to audit plan 2023, and no cases or violations related to the use of information within the Company for exploitation.

### **8.1.4.3 Anti-corruption**

The Company has an anti-corruption policy that business operations are conducted with fairness, honesty, transparency, and responsibility to all groups of stakeholders. It will be the main support for sustainable business growth. The Company is committed to preventing and combating all forms of corruption. Promote and instill a culture of anti-corruption within the organization for all employees and all levels on anti-corruption, such as donations, sponsorships, political assistance, conflict of interest, facilitation payment, hiring government employees, giving, and receiving gifts and entertainment. The Company has set an anti-corruption policy in writing to be used as a framework for further business operations. In this regard, you can study the anti-corruption policy on the Company's website at <https://www.ajplast.co.th/ir-corporate-governance.php> The Company has communicated an anti-corruption policy and guidelines to employees at all levels, business partners and customers, with a commitment to communicate the entire supply chain of the Company.

#### **Cultivating an anti-corruption culture**

The Company is committed to promote and cultivate a culture of anti-corruption both inside and outside the organization for all employees and all levels with anti-corruption and all forms of corruption, such as donations, sponsorships, political assistance, conflict of interest, facilitation payment, hiring government employees, giving, and receiving gifts, entertainment including prohibiting the payment of bribes for the Company's business benefits.

#### **- Anti-corruption training**

The Company provides training for employees to communicate policies, practices and provide knowledge about anti-corruption by organizing training once a year for directors, executives, and employees at all levels. In 2023, 87.26% of employees, executives and directors who participated in and passed anti-corruption training and 4% increased from 2022.

**- Promoting and supporting anti-corruption in the entire supply chain**

The Company promotes and supports anti-corruption in the entire supply chain, such as business partners, customers, etc. Participation in the network to combat corruption, bribery and corruption, and communicate anti-corruption and anti-corruption policies and measures to both business partners and customers. as well as implementing anti-corruption measures in giving and receiving gifts, entertainment, customer support, etc.

**The declaration of intent is the Thai Private Sector Collective Action Coalition Against Corruption.**



the Company was certified to be the Thai Private Sector Collective Action Coalition Against Corruption (CAC) since 30 June 2022

### **8.1.4.4 Code of Conduct**

#### **Cultivating a culture of business ethics**

The Company is committed to promoting and embedding a culture of business ethics to the Company's employees by conducting training to communicate the policies, guidelines, and operations of the Company's Code of Conduct. The Company organizes training once a year for executives and employees of all levels.

In 2023, 91.44% of employees, executives and directors who participated in code of conduct training and passed the test. Moreover, 4% increased comparing with previous year. increased from 2022. There are following topics:

- Corporate vision and mission
- Corporate culture
- Core corporate values
- Maintaining code of conduct as employee,

which the related topics are:

- Human rights and Discrimination
  - Responsibilities to stakeholder (occupational health and safety, product responsibility, environment and communities and social)
  - Confidentiality of Information
  - IT security
  - Promoting a safe and well-being environment
  - Anti-corruption
  - Conflicts of interest
  - Antitrust/Anticompetitive practices
  - Intellectual property rights
  - Inside trading/Dealing
- Penalties
- Whistleblowing channels

#### **Violation of the Code of Conduct**

In 2023, the Company has 1 cases of violation of code of conduct following rules and regulations, details of which are as follows:

Case 1: A complaint related to harassment.

The Company has taken action against the offender and provided appropriate remedy to the victim.



### 8.1.4.5 Whistleblowing

The Company is committed to listening to complaints, suggestions, opinions, or clues from all sectors, both inside and outside the organization with integrity and ethics, transparency, and fairness, and implementing whistleblowing and complaints policy by adhering to the principles of good corporate governance and in accordance with the Company's Code of Conduct, since from the process of receiving complaints, considering, and communicating to both whistleblowers and complainants and those involved with morality and ethics. There are also measures for protection and fairness from the Company for those involved. The Company will operate equally with fairness by considering the safety of those involved with confidentiality is paramount.

The Company has given importance to the rights of all groups of stakeholders whether internal stakeholders including employees and executives of the Company or external stakeholders such as customers, business partners, creditors, competitors, or other relevant parts because the Company is aware of support from various stakeholders which will create the ability to compete and create profits for the Company. This is considered to create the long-term success of the Company.

The Company has provided channels for stakeholders and related parties to have the opportunity to express their opinions, whistleblowers, and complaints on the violation of rights in the event of unfairness case of violation fraud and corruption cases or issues related to illegality, rules and Code of Conduct including other cases.

The Company has a mechanism to protect whistleblowers and complaints and execute confidentially without disclosing the name of the whistleblower and the complaint and there are agencies that are responsible for receiving clues and complaints. An investigation has been made to determine the cause of reporting clues and complaints. If there are any offenders, they will be punished according to the Company's rules and regulations.

#### **Whistleblowing channels**

In case of doubt, notify, complaint or violation, please contact or inquire at the risk management unit of the Company, details as follows:

- Company website at <https://www.ajplast.co.th/contact.php>
- Phone 0 2415 0035 ext. 202 to contact the risk management unit
- [whistleblow@ajplast.co.th](mailto:whistleblow@ajplast.co.th)
- Company complaint box, located at the Company's factories, Laem Chabang Industrial Estate and Pinthong Industrial Estate (Project 5)

To contact the independent director of the Company directly (not through the Company's executives), please contact Dr. Ninnat Olanvoravuth (Chairman of the Audit Committee) via e-mail as below:

- ninnat.o@chula.ac.th

The whistleblower or the complainant will receive protection and fairness as stipulated by the Company as follows.

- The Company will operate confidentially. The safety of the whistleblower and those involved in the data source is considered.
- The names of whistleblowers and complaints are not disclosed, which will be kept secret.
- If the whistleblower realizes that he is in an unsafe situation or suffers damage by reporting, the whistleblower can request the right to be protected from the Company, which the Company will consider as appropriate on a case-by-case basis.

#### **Complaint Management Follow-up Process**

- (1) The risk management unit will receive whistleblowing from various channels if it can be accessed by both internal and external stakeholders.
- (2) Gather facts, review, and verify information.
  - The Company will consider and coordinate to contact the complainant. In the case of requesting additional information and details including other cases as appropriate and follow up on the progress within 15 days.
  - Operations since compilation consider the information examine will act in secret.
  - At this stage, if the whistleblower becomes aware that he or she is in an unsafe situation or has suffered damage or distress. The whistleblower or the complainant can request the right of protection from the Company and the Company will consider it as appropriate according to each case.
  - If there is a reason to suspect a complaint, the Company may consider acting as it deems appropriate according to the rules Related Guidelines.
- (3) Collect the facts, consider, and check the information.
  - The Company will consider and coordinate to contact the complainant. In the case of requesting additional information and details including other cases as appropriate and follow up on the progress within 15 days.
  - Operations since compilation consider the information examine will act in secret.
  - At this stage, if the whistleblower becomes aware that he or she is in an unsafe situation or has suffered damage or distress. The whistleblower or the complainant can request the right of protection from the Company and the Company will consider it as appropriate according to each case.
  - If there is a reason to suspect a complaint, the Company may consider acting as it deems appropriate according to the rules Related Guidelines.

- (4) Reporting results and summary of operating results.
- Risk management unit prepares a summary of complaints clue and report the results to the whistleblowers, the complainant, Audit Committee, Executive Board of Directors who cooperate in the investigation of complaints or related persons as necessary and report on audit results, clues and complaints report a complaint investigation and penalties (if any) to the executives and the Managing Director approves the penalties (if any), including a summary of the offenses submitted to the Corporate Governance and Sustainability Management Committee.
- (5) Report and summary of follow-up results along with laying out preventive and corrective measures to prevent incidents from recurring, as well as review procedures to resolve violations of the Code of Conduct.

## 8.2 Report on The Performance of The Audit Committee

During the year 2023, the Audit Committee has performed its duties in accordance with the scope, duties and responsibilities as assigned by the Board of Directors which complies with the regulations of the Stock Exchange of Thailand. In the fiscal year 2023, there were 4 meetings of the Audit Committee, and in 2023 until the reporting date, 1 meeting, a total of 5 meetings, and internal auditors also attended the meeting (See attachment 3 Report from Audit Committee).

## 8.3 Summary of The Performance of The Subcommittee and Others

### 8.3.1 Number of Meetings and Attendance

There were 4 meetings of the Audit Committee in the year 2023. The attendance of each meeting can be summarized as follows:

Name	Position	Attendance of all meetings (times)
1. Mr. Ninnat Olanvoravuth	Chairman of Audit Committee and Independent Director	4/4
2. Mrs. Chavida Srisangnam	Audit Director and Independent Director	4/4
3. Mr. Surasak Gosiyachinda	Audit Director and Independent Director	4/4

There were 2 meetings of the Nomination and Remuneration Committee in 2023. The attendance of each meeting can be summarized as follows:

Name	Position	Attendance of all meetings (times)
1. Mr. Surasak Gosiyachinda	Chairman of the Nomination and Remuneration Committee	2/2
2. Mrs. Chavida Srisangnam	Nomination and Remuneration Director	2/2
3. Mr. Supote Tonurat	Nomination and Remuneration Director	2/2

There were 2 meetings of the Risk Management Committee in 2023. The attendance of each meeting can be summarized as follows:

Name		Position	Attendance of all meetings (times)
1. Mr. Kittiphat	Suthisamphat	Chairman of the Risk Management Committee	2/2
2. Mrs. Napaporn	Suthipongchai	Risk Management Director	2/2
3. Mr. Ninnat	Olanvoravuth	Risk Management Director	2/2

There were 2 meetings of Corporate Governance and Sustainability Management Committee in 2023. The attendance of each meeting can be summarized as follows:

Name		Position	Attendance of all meetings (times)
1. Mr. Ninnat	Olanvoravuth	Chairman of the Corporate Governance and Sustainability Management Committee	2/2
2. Mr. Sakchai	Patiparnpreechavud	Corporate Governance and Sustainability Management Director	2/2
3. Mr. Supote	Tonurat	Corporate Governance and Sustainability Management Director	1/1*
4. Mrs. Napaporn	Suthipongchai	Corporate Governance and Sustainability Management Director	1/1**

\* Mr. Supote Tonurat joined as a Corporate Governance and Sustainability Management Director on 15 August 2023

\*\* Mrs. Napaporn Suthipongchai resign from the Corporate Governance and Sustainability Management Committee on 15 August 2023.

Board meeting who are not executives in 2023, there are 4 times. The meeting attendance of each person can be summarized as follows:

Name		Position	Attendance of all meetings (times)
1. Mr. Narong	Suthisamphat	President	4/4
2. Mrs. Napaporn	Suthipongchai	Vice President	4/4
3. Mr. Ninnat	Olanvoravuth	Independent Director	4/4
4. Mrs. Chavida	Srisangnam	Independent Director	4/4
5. Mr. Supote	Tonurat	Independent Director	4/4
6. Mr. Surasak	Gosiyachinda	Independent Director	4/4
7. Mr. Sakchai	Patiparnpreechavud	Director	4/4
8. Mr. Kasemsit	Pathomsak	Independent Director	4/4

### 8.3.2 Subcommittee performance evaluation process

Company Secretary delivers the performance appraisal form to all Subcommittee for self-assessment every year-end. After each director has completed the evaluation, the performance appraisal form will be sent back to the Company secretary to collect assessment scores and do a summary report to the Board of Directors' meeting to determine measures to improve the performance of the Board further.

### 8.3.3 Criteria for evaluating the performance of Subcommittee.

Subcommittee of the Company's Board of Directors uses an assessment form prepared in accordance with the guidelines of the Stock Exchange of Thailand which are adapted to suit the nature and structure of the Board of Directors. The results of the assessment will be important to the development of duties and operations related to the Subcommittee to be more efficient and effective.

#### 8.3.3.1 The self-assessment of the Subcommittee, both the Committee and the individual, consists of 3 topics as follows:

- Structure and qualifications of the Company's directors
- Meeting of the Board of Directors
- Roles, duties, and responsibilities of the Company's directors

Scoring is done by specifying the opinion of each judge by specifying a mark ( / ) in only one score box from 0 – 4 in the assessment form or has a rating ranging from strongly disagree or no action in that regard to strongly agree or has done excellent in that regard. Then take all the scores obtained for evaluation by percentage of the full score which is defined as the following criteria:

- Equal or more than 90% = Excellent
- Equal or more than 80% = Very good
- Equal or more than 70% = Good
- Equal or more than 60% = Fair
- Equal or more than Below 60% = Need to improve

### 8.3.4 Performance Appraisal Results of Subcommittee

#### 8.3.4.1 Performance Assessment of The Audit Committee

The results of the performance appraisal of the Audit Committee  
– Average score of 100% which is excellent

#### 8.3.4.2 Performance Evaluation of The Nomination and Remuneration Committee

The results of the performance appraisal of the Nomination and Remuneration Committee  
– Average score of 100% which is excellent

### **8.3.4.3 Performance Assessment of The Risk Management Committee**

The results of the performance assessment of the Risk Management Committee

- Average score of 95% which is excellent

### **8.3.4.4 Performance Evaluation of The Executive Committee**

The results of the performance appraisal of the Executive Committee

- Average score of 99% which is excellent

### **8.3.4.5 Performance Assessment of The Corporate Governance and Sustainability Management Committee**

The results of the performance appraisal of the Corporate Governance and Sustainability Management Committee

- Average score of 89% which is very good

## **8.4 Summary of The Performance of The Managing Director, Executives, Etc.**

### **8.4.1 Nomination, Developing and Evaluating The Performance of The Managing Director and Executives**

#### **8.4.1.1 Criteria for Nomination Managing Director**

- (1) Qualifications of the Managing Director must be a person with knowledge, abilities, skills, experience in management and experience in doing business that is consistent with the Company's business, having specialized expertise that are beneficial to the Company's business and in line with business strategies without discrimination of sex, age, race, etc.
- (2) To be leadership visionary, morals and ethics as well as having a good attitude towards the organization able to devote enough time which is beneficial to the Company's business operations.
- (3) Transparent work history including not having any prohibited characteristics as prescribed by the notification of the Securities and Exchange Commission.

#### **8.4.1.2 Criteria for Nomination Executives**

- (1) Qualifications of executives must be a person with potential, efficiency, competence, skills, experience in management, having specialized expertise in accordance with the position and duties assigned and does not discriminate against race, nationality, ethnicity, sex, language, age, skin color, physical differences, religion, culture, beliefs, political views, education and social status.
- (2) To be leadership visionary, morals and ethics as well as having a good attitude towards the organization able to devote enough time which is beneficial to the Company's business operations.
- (3) Transparent work history no wrongdoing both directly and indirectly.

### **8.4.1.3 Nomination and Appointment of Managing Director and Executives**

#### Nomination and Appointment of Managing Director

The Company has a policy to select the person to be responsible for the position of Managing Director of the Company to be appropriate and transparent and ensure that the executives is professional by the Nomination and Remuneration Committee who will be responsible for the nomination of the Managing Director position.

#### Managing Director Selection Process

- (1) The Nomination and Remuneration Committee select the right person by screening from qualified persons which can be obtained from insiders and outside the organization.
- (2) In the nomination of the Managing Director, Nomination and Remuneration Committee will select persons with knowledge, abilities, skills and experiences that are beneficial to the operation of the business or from nominations from the Board of Directors or senior executives of the Company.
- (3) After selecting the right person, the Nomination and Remuneration Committee will nominate such person to the Board of Directors' meeting to consider appointing.

#### Nomination and Appointment of Executives

The Company has a policy to select the person to be responsible for the position being the executives of the Company to be appropriate and transparent to ensure that the executives is professional and has specific expertise. The Managing Director is responsible for recruiting and appointing the incumbent.

### **8.4.1.4 Evaluation of The Performance of Managing Director**

In 2023, the Company has determined that the Managing Director's performance assessment.

#### **8.4.1.4.1 Managing Director's Performance Evaluation Process**

The Company Secretary has delivered the performance appraisal form to the Managing Director for self-assessment every year-end. After the Managing Director has completed the evaluation, the performance appraisal form will be sent back to the Company secretary to collect assessment scores and summarizing report to the Board of Directors' meeting to determine measures to improve the performance of the Managing Director further.

#### **8.4.1.4.2 The Managing Director's Performance Appraisal Criterias**

The evaluation of the Managing Director's performance was based on an assessment form prepared in accordance with the Stock Exchange of Thailand's guidelines by adapting to suit the nature and structure of the organization. The results of the assessment will play an important part in the development of duties and operations related to the Managing Director to be more efficient.

Self-assessment of both individual and individual subcommittee consisting of 14 topics.

Scoring is done by specifying the opinion of each judge by specifying a mark ( / ) in only one score box from 0 – 4 in the assessment form or has a rating ranging from strongly disagree or no action in that regard to strongly agree or has done excellent in that regard. Then take all the scores obtained for evaluation by percentage of the full score which is defined as the following criteria:

- Equal or more than 90% = Excellent
- Equal or more than 80% = Very good
- Equal or more than 70% = Good
- Equal or more than 60% = Fair
- Below 60% = Need to improve

#### 8.4.1.4.3 The results of the performance appraisal of the Managing Director

- Average score of 95 % which is Excellent

The performance assessment results are divided into 14 topics as follows:

1. Leadership.	The average overall score is 96%,	Excellent.
2. Strategy formulation.	The average overall score is 92%,	Excellent.
3. Strategy compliance.	The average overall score is 88%,	Very good.
4. Planning and financial performance.	The average overall score is 92%,	Excellent.
5. Relationship with the Board of Directors.	The average overall score is 96%,	Excellent.
6. External relations.	The average overall score is 90%,	Excellent.
7. Management and relationship with personnel.	The average overall score is 88%,	Very good.
8. Succession.	The average overall score is 83%,	Very good.
9. Knowledge of products and services.	The average overall score is 100%,	Excellent.
10. Environmentally.	The average overall score is 100%,	Excellent.
11. Considering employees.	The average overall score is 100%,	Excellent.
12. Human Rights and Gender Equality.	The average overall score is 100%,	Excellent.
13. Community and social awareness.	The average overall score is 95%,	Excellent.
14. Characteristics of the Managing Director.	The average overall score is 94%,	Excellent.

#### 8.4.2 Succession Plan for Executives

To prepare for the future, the Company has a policy to plan development on the necessary skills for the person who is the successor for important positions of the Company. Succession planning will be supervised by the Executive Committee with support from the Human Resources Department, the Nomination and Remuneration Committee that will supervise the preparation of a succession plan of the Company's executives. To operate the business smoothly and continually, the plan will be reviewed annually.



## 9. Internal Control System and Related Party Transactions

### 9.1 Internal Control and Risk Management

#### The Board of Directors' Opinion

The Board of Directors are aware of the importance of risk management and adequacy of internal control to suit business activities, which is one of the components of good corporate governance, in order for efficient management, reliability of financial report and other reports and can prevent or reduce risk or damage to company's assets including compliance the regulations and related law, however, the Company has taken important steps related to the internal control as follows:

1. To set the organization's structure to be according to the Company's objective and nature of business, including determine responsibilities and line of command within the Company.
2. To set authorities of executives and operator, approval authorities, separate the duties and responsibilities on the part of the operator and executives in order to have a balance of power and a counter check.
3. The Audit Committee considered the internal control system related to the accounting system and financial report is accurate, including the asset management and compliance with regulations or legal requirements.

#### 9.1.1 The adequacy and suitability of the internal control system

The Board of Directors' meeting no. 6/2023 on November 13, 2023, which the Audit Committee attended the meeting, and evaluated the adequacy of the internal control system comply with COSO (The Committee of Sponsoring Organization of Treadway Commission) by making queries to the executives covering 5 issues such as organization and environment, risk management, the operation control from executives, information and communication, and follow up system. The committee considered that the Company has an adequate internal control system including transactions with major shareholders, directors, executives or related persons. The Company's activities are under 5 significant elements as follows:

##### (1) Control Environment

The Company strives to create a culture and environment of sound and effective internal controls, conducting the businesses honestly and transparently by adhering to the principles of good corporate governance and business ethics as well as promoting the corporate value driving the Company toward sustainability. Assignments of responsibility, explicit authorities of executives at each level and in each matter, requiring executives and employees to comply with the principles in the code of conduct and the corporate governance policy.

The Board of Directors has appointed subcommittee to help and support the performance of the Board of Director such as Nomination and Remuneration Committee, Corporate Governance and Sustainabilities Management Committee, Audit Committee and Risk Management Committee, with charters that clearly define each committee's roles and responsibilities.

The Company has defined the approval authority to determine the authority and step for approval of the transaction, as well as encourage and develop personnel in order to use their knowledge to reach the potential to perform.

#### (2) Risk Assessment

The Company has defined risk management policy included as part of the good corporate governance policy, including setting a risk management approach to be in one direction for the whole organization and approaches have been disseminated to employees at all levels for acknowledgement.

The Company's risk management process follows the best practices of the risk management framework. The process includes risk identification covering external and internal factors that may impact the ability of the Company's operations to achieve the target such as strategic, financial, operating, rules, social and environment, which required all of executives and operation have the responsibilities to manage risks. The risk management unit has the duty to coordinate, advise, and monitor all units and summarized the risk management report to analyze and determine adequate and appropriate measures to avoid or reduce the potential impact on the Company.

#### (3) Control Activities

The Company has prepared the policies, rules and regulations, operational manuals and authorization level, such as determine approval authority limits, segregation of duties among approval, as well as the information technology control, including the administration, follow up operations in accordance with the laws and regulations and business ethics as well as able to comply with the good corporate governance of the office of the Securities and Exchange Commission according to the corporate governance framework of the Company.

#### (4) Information and Communication

The Company recognizes the importance of the information management system. This includes the communication and disclosure of information that is accurate, credible, and timely as well as security of the information system.

The Company established an investor relations unit to coordinate and communicate with investors or interested person can contact the Company for information. In addition, the Company provides channels for insiders and outsiders to report complaints or communicate about other matters through the Company website at <https://www.ajplast.co.th/contact.php> or Tel 0 2415 0035 – 202 contact risk management unit or by e-mail [whistleblow@ajplast.co.th](mailto:whistleblow@ajplast.co.th)

## (5) Monitoring Activities

The Company has an internal audit unit, which reports directly to and receives functional guidance from Audit Committee. The internal audit conducts an audit according to the annual audit plan, for evaluating the adequacy and effectiveness of internal controls and compliance with company policies and procedures, which is in accordance with the plan of the operation control system as well as being able to express their opinions on the results of the audit independently.

The internal audit unit has control and follow-up operations, in terms of performance and compliance with policy and methodology to help the monitoring governance more effectively.

### 9.1.2 Head of Internal control

The Company has assigned Miss Sarinthip Thanawadee to be the head of the internal audit unit of the Company. Because of experience and had been trained in courses related to operations and have an understanding of the Company's operating activities. Therefore, she was able to perform the duties appropriately. (Details of the head of internal audit are shown in Attachment 4)

### 9.1.3 Information about the Audit Committee

The Audit Committee has the duty to review the Company's internal control and internal audit system are appropriate and efficient, including considering the independence of the internal audit unit as well as approving the appointment, transfer and dismissal of the head of the internal audit unit.

## 9.2 Related Parties Transaction

Below is a list of related transactions that the Company and subsidiaries have entered into with persons/companies who may have a conflict of interest, for the year ended 31 December 2023.

Company	Relationship	Transaction	Amount (Million Baht)	
			2023	2022
A.J. Plast (Vietnam) Company Limited	Subsidiary Company	- Consulting fee	22.74	1.16
United Rice Company Limited	Related Company	- Administrative expenses	1.02	1.01
All Marketing Company Limited	Related Company	- Administrative expenses	-	0.34

## **The Necessity and Rationality of The Related Transactions**

The related transaction entered by the Company with person who may have conflict of interest has been thoroughly reviewed by the Audit Committee, the transaction was reasonable and beneficial to the Company and shareholders.

## **The policy of future related party transactions**

The Company's policy on related transactions satisfies good corporate governance by prescribing conditions in compliance with normal characteristics of business operations and market prices that are on an arm's length basis for non-related persons. Furthermore, such transactions shall be proposed to the Audit Committee for consideration of the suitability of the price and reasonableness of the transaction.

In the case of transactions in the ordinary course of business of the Company and ongoing in the future, the Company will determine the rules and practice guidelines according to normal of business with reference to prices and terms that believes are appropriate, fair, reasonable, and verifiable. and proposed the transactions to the Audit Committee consider to appropriate of the transaction. In case of the Audit Committee cannot consider, the Company will arrange an independent appraiser or financial advisor to be used as a guideline for comparison and decision making of the Board of Directors or the shareholders, however, the Board of Directors will consider and approve the transaction.

Further, in case the directors have an interest in the related party or connected transaction or change in terms and conditions regarding transactions with major shareholders, director, executives and persons who may have conflicts or connected persons of the Company. The directors with interests will not attend the Board of Directors' meeting in the agenda relating to the consideration of entering into the transaction.

part

# 03

## **Consolidated Financial Statements and The Separate Financial Statements**

# INDEPENDENT AUDITOR'S REPORT

## To the Shareholders A.J. PLAST PUBLIC Company LIMITED

### Opinion

I have audited the accompanying consolidated financial statements of A.J. Plast Public Company Limited and its subsidiary, which comprise the consolidated statements of financial position as at December 31, 2023, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of A.J. Plast 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 A.J. Plast Public Company Limited and its subsidiary and of A.J. Plast Public Company Limited as at December 31, 2023, and 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 judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

#### 1. The inventories exist and properly valuation

As at December 31, 2023, the Company has inventories after deduction of provision for diminution inventories and provision for deteriorated inventories amount of Baht 1,657.20 million, were disclosed in Note 6 to the financial statements, which are significant to the financial statements. Finished products of the Company are plastic film packagings, so executives has to make judgment carefully in the estimation of loss on diminution in inventories may be occurred, which considering based on the fluctuation of the plastic film market price and the foreign exchange rates including the past experience.

I have audited the existence of inventories and the appropriateness of the assumptions used by the executives to estimate loss on diminution in inventories by :

- Evaluating the internal control system on inventories management.
- Attend the meeting of the Company to plan checking inventories and observing the physical checking of inventories together with the staff of the Company from beginning to the end, and test the accuracy of inventories reconciliation from checking date to the end of the period. To ensure inventories exist and quantity at the end of the period are properly and complete.
- Testing the validity of the preparation of the Company's production costs. To ensure accurate unit costs and allocation of related expenses to such products properly.
- Comparing the cost of inventories against expected net realizable value calculating from the selling price after year ended less selling expenses.

The results of a audited are satisfactory, and I found no material misstatement

## **2. The completeness of the revenues recognition from export sales**

According to Note 3.1, sale of goods are recognized when the Company has transferred control over the goods to the customer.

The Company has revenues from the sales for the year 2023 total amount of Baht 7,518.64 million, with revenues from export sales amount of Baht 4,051.62 million, which is significant to the financial statements. Due to the term of transferring the control to customer is different. Therefore, the revenues recognition from export sales with many condition terms may have effect to the accuracy and completeness of revenues recognition.

I have assessment and testing of revenue recognition system, accounts receivable and settlements, cut-off and examine the accuracy of related supporting documents of the revenues from export. All audited to ensure the revenues recognition from export sales are properly recorded and complete.

Based on our testing, the result is satisfactory, and I found no material misstatement.

## **3. Value of other non-current financial assets - investments in related party**

As of December 31, 2023, the Company has other non-current financial assets – investments in related party shown the fair value amount of Baht 230.50 million according to Note 7 to the financial statements which is significant item in the financial statements. The Company provided fair value appraisal of other non-current financial assets – investments in related party by the independence appraiser.

I have assessed the competence and independence of the appraiser in accordance with the auditing standards and consider the appropriateness of appraisal method chosen by the appraiser, data accuracy, including the appropriateness of the assumptions used in calculation.

Based on our testing, the result is satisfactory, and I found no material misstatement.

## **Other Information**

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

My opinion on the financial statements does not cover the other information and I 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, 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 executives 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, executives 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 executives either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the 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 judgment and maintain professional skepticism throughout the audit. I also :

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



(Dr. Virach Aphimeteetamrong)

Certified Public Accountant Registration No. 1378

Dr.Virach & Associates Office Co.,Ltd.

Bangkok : February 27, 2024

A.J. PLAST PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

		BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	Notes	2023	2022	2023	2022
<b>ASSETS</b>					
Current Assets					
Cash and cash equivalents	3.2 and 4	29,184,394	184,362,616	2,511,985	5,713,562
Trade and other current receivables	3.3 and 5	1,055,034,705	972,572,694	987,589,916	950,009,378
Inventories	3.4 and 6	1,776,070,114	1,653,111,092	1,657,203,228	1,653,111,092
Other current financial assets					
Receivables from Buying and Selling					
Forward Exchange Contracts		3,485,900	914,504	3,485,900	914,504
Other current assets					
Non-current assets classified					
as held for sale		119,251,184	-	119,251,184	-
Deposit		-	22,994,077	-	-
Total Current assets		2,983,026,297	2,833,954,983	2,770,042,213	2,609,748,536
Non-current Assets					
Other non-current financial assets					
Investments in related party	3.5 and 7	230,498,051	159,480,400	230,498,051	159,480,400
Investments in subsidiary	3.6 and 8	-	-	466,301,557	389,938,585
Property, plant and equipment	3.7 and 9	9,806,129,738	9,212,760,917	8,857,684,320	8,600,751,874
Right-of-use assets	3.8 and 10	782,237,970	811,835,820	580,463,901	605,297,078
Intangible assets	3.9 and 11	186,474,245	21,354,457	162,580,770	1,409,381
Deferred tax assets	3.10 and 20	89,910,758	-	89,910,758	-
Other non-current assets					
Prepaid assets		213,482,244	171,782,601	206,871,522	113,497,021
Guarantee for leasing assets		626,625	1,226,625	626,625	1,226,625
Accounts receivable-Customs					
Department		4,976,680	5,476,766	4,976,680	5,476,766
Others		894,557	849,058	894,557	849,058
Total other non-current assets		219,980,106	179,335,050	213,369,384	121,049,470
Total Non-current Assets		11,315,230,868	10,384,766,644	10,600,808,741	9,877,926,788
<b>TOTAL ASSETS</b>		<b>14,298,257,165</b>	<b>13,218,721,627</b>	<b>13,370,850,954</b>	<b>12,487,675,324</b>

Notes to the financial statements form an integral part of these statements.

A.J. PLAST PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

	Notes	BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2023	2022	2023	2022
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Current Liabilities					
Bank overdrafts and short-term loans					
from financial institutions	12	3,279,063,063	2,030,314,209	3,142,142,625	2,030,314,209
Trade and other current payables	13	1,977,877,047	1,893,076,349	1,889,557,646	1,869,488,382
Current contract liabilities		33,990,050	5,914,673	27,991,398	5,914,673
Current portion of long-term loans	14	492,176,674	419,713,733	407,795,275	383,933,846
Current portion of leases liabilities	3.8 and 15	9,562,143	10,091,868	9,562,143	10,091,868
Other current financial liabilities					
Payables from Buying and Selling					
Forward Exchange Contracts		574,260	10,852,767	574,260	10,852,767
<b>Total Current Liabilities</b>		<b>5,793,243,237</b>	<b>4,369,963,599</b>	<b>5,477,623,347</b>	<b>4,310,595,745</b>
Non-current Liabilities					
Long-term loans	14	3,253,341,364	3,256,336,626	2,935,820,253	2,916,427,692
Lease liabilities	3.8 and 15	668,162,103	675,527,746	630,234,168	637,599,811
Non-current provisions for					
employee benefits	3.12 and 16	90,052,540	81,661,631	90,052,540	81,661,631
<b>Total Non-current Liabilities</b>		<b>4,011,556,007</b>	<b>4,013,526,003</b>	<b>3,656,106,961</b>	<b>3,635,689,134</b>
<b>TOTAL LIABILITIES</b>		<b>9,804,799,244</b>	<b>8,383,489,602</b>	<b>9,133,730,308</b>	<b>7,946,284,879</b>

Notes to the financial statements form an integral part of these statements.

A.J. PLAST PUBLIC COMPANY LIMITED AND SUBSIDIARY  
STATEMENTS OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2023

		BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
<i>Note</i>		2023	2022	2023	2022
<b>LIABILITIES AND SHAREHOLDERS'</b>					
<b><u>EQUITY (CONTINUED)</u></b>					
Shareholders' Equity					
Share capital					
Authorized share capital					
	440,000,000 common stocks of Baht 1 par value	440,000,000	440,000,000	440,000,000	440,000,000
Issued and paid-up share capital					
	440,000,000 common stocks at Baht 1 each	440,000,000	440,000,000	440,000,000	440,000,000
	Premium on share capital	1,531,672,784	1,531,672,784	1,531,672,784	1,531,672,784
Retained earnings					
Appropriated					
	Legal reserve	60,000,000	60,000,000	60,000,000	60,000,000
	Unappropriated	2,137,723,199	2,504,741,247	2,229,640,802	2,530,794,996
	Other components of shareholders' equity	(13,564,486)	(12,115,998)	(24,192,940)	(21,077,335)
	Total Shareholders' Equity of the Parent	4,155,831,497	4,524,298,033	4,237,120,646	4,541,390,445
	Non-controlling interests	337,626,424	310,933,992	-	-
	Total Shareholders' Equity	4,493,457,921	4,835,232,025	4,237,120,646	4,541,390,445
	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>14,298,257,165</b>	<b>13,218,721,627</b>	<b>13,370,850,954</b>	<b>12,487,675,324</b>

Notes to the financial statements form an integral part of these statements.

A.J. PLAST PUBLIC COMPANY LIMITED AND SUBSIDIARY  
 STATEMENTS OF COMPREHENSIVE INCOME (1/2)  
 FOR THE YEAR ENDED DECEMBER 31, 2023

BAHT

	Notes	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
		2023	2022	2023	2022
Revenues					
Sales		7,627,475,449	9,061,658,158	7,518,641,541	9,061,658,158
Other incomes					
Scrap sales		29,782,938	24,666,711	27,510,454	24,666,711
Tax cards income		9,372,848	10,881,589	9,372,848	10,881,589
Gain on assets disposal		-	-	-	1,253,478
Gain on exchange rate		17,894,710	-	18,070,477	-
Others		36,334,970	34,777,330	59,080,122	35,895,922
Total other incomes		93,385,466	70,325,630	114,033,901	72,697,700
Total Revenues		7,720,860,915	9,131,983,788	7,632,675,442	9,134,355,858
Expenses					
Cost of sales		7,485,209,936	8,380,131,779	7,375,315,898	8,380,131,779
Distribution costs		285,395,691	379,566,180	275,526,343	379,566,180
Administrative expenses		366,678,918	306,493,313	306,910,212	281,942,758
Directors' remuneration	18	6,330,000	6,220,000	6,330,000	6,220,000
Other expenses					
Loss on exchange rate		-	18,643,470	-	29,640,894
Loss from unused equipment		-	512,708	-	-
Other gains					
Gain on measurement at fair value of Buying and Selling Forward Exchange Contracts		(28,889,887)	(28,157,519)	(28,889,887)	(28,157,519)
Gain on measurement at fair value of financial assets					
- Investments in related party	7	(71,017,651)	(41,716,400)	(71,017,651)	(41,716,400)
Total Expenses		8,043,707,007	9,021,693,531	7,864,174,915	9,007,627,692
Profit (loss) from operating activities		(322,846,092)	110,290,257	(231,499,473)	126,728,166
Finance incomes		29,586	427	-	427
Finance costs	19	(169,794,283)	(85,895,402)	(159,968,524)	(84,079,561)
Reversal of (impairment loss) determined in accordance with TFRS 9					
- Reversal of allowance for (expected credit loss)		635,069	(671,463)	635,069	(671,463)
Profit (loss) before income tax		(491,975,720)	23,723,819	(390,832,928)	41,977,569
Income tax revenues	20	89,678,734	-	89,678,734	-
Profit (loss) for the years		(402,296,986)	23,723,819	(301,154,194)	41,977,569

Notes to the financial statements form an integral part of these statements.

A.J. PLAST PUBLIC COMPANY LIMITED AND SUBSIDIARY  
 STATEMENTS OF COMPREHENSIVE INCOME (2/2)  
 FOR THE YEAR ENDED DECEMBER 31, 2023

		BAHT			
		CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
Notes	2023	2022	2023	2022	
	Other comprehensive income (loss) for the years				
	Components of other comprehensive income (loss)				
	that will be reclassified to profit or loss :				
	Exchange rate differences				
	on translation of financial statements	3,031,123	19,620,508	-	-
	Components of other comprehensive income (loss)				
	that will not be reclassified to profit or loss :				
	Actuarial loss from employee benefit plan	(3,347,629)	-	(3,347,629)	-
16	Other components of income tax	232,024	-	232,024	-
	Actuarial loss from employee benefit plan				
	- net of tax	(3,115,605)	-	(3,115,605)	-
	Other comprehensive income (loss)				
	for the years - net of tax	(84,482)	19,620,508	(3,115,605)	-
	Total comprehensive income (loss) for the years	(402,381,468)	43,344,327	(304,269,799)	41,977,569
	Profit (loss) attributable to				
	Equity holders of the parent	(367,018,048)	29,609,128	(301,154,194)	41,977,569
	Non-controlling interests	(35,278,938)	(5,885,309)	-	-
		(402,296,986)	23,723,819	(301,154,194)	41,977,569
	Total comprehensive income (loss) attributable to				
	Equity holders of the parent	(368,466,536)	40,400,408	(304,269,799)	41,977,569
	Non-controlling interests	(33,914,932)	2,943,919	-	-
		(402,381,468)	43,344,327	(304,269,799)	41,977,569
	Earnings (loss) per share of the parent company	3.14			
	Basic earnings (loss) per share (Baht)	(0.83)	0.07	(0.68)	0.10
	The number of common stocks				
	used in computation (shares)	440,000,000	440,000,000	440,000,000	440,000,000

Notes to the financial statements form an integral part of these statements.

A.J. PLAST PUBLIC COMPANY LIMITED AND SUBSIDIARY  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2023  
CONSOLIDATED

BAHT

	Equity holders of the parent							Non-controlling interests	Total shareholders' equity	
	Issued and paid-up share capital	Premium on capital shares	Retained earnings		Other components of the shareholders' equity					Total equity of the parent
			Legal reserve	Unappropriated	Other comprehensive income (loss)		Total of the shareholders' equity			
					Translation of financial statement differences	Loss from employee benefit plan				
Note										
Beginning balances as at January 1, 2022	440,000,000	1,531,672,784	60,000,000	2,752,329,022	(1,829,943)	(21,077,335)	(22,907,278)	4,761,094,528	126,023,487	4,887,118,015
Increase in non-controlling interests during the year										
- from investments in subsidiary	-	-	-	-	-	-	-	-	181,966,586	181,966,586
Dividend payment	18	-	-	(277,196,903)	-	-	-	(277,196,903)	-	(277,196,903)
Profit (loss) for the year 2022	-	-	-	29,609,128	-	-	-	29,609,128	(5,885,309)	23,723,819
Other comprehensive income (loss) for the year										
Exchange differences on translating financial statements	-	-	-	-	10,791,280	-	10,791,280	10,791,280	8,829,228	19,620,508
Total comprehensive income (loss) for the year 2022	-	-	-	29,609,128	10,791,280	-	10,791,280	40,400,408	2,943,919	43,344,327
Balances as at December 31, 2022	440,000,000	1,531,672,784	60,000,000	2,504,741,247	8,961,337	(21,077,335)	(12,115,998)	4,524,298,033	310,933,992	4,835,232,025
Increase in non-controlling interests during the year										
- from investments in subsidiary	-	-	-	-	-	-	-	-	60,607,364	60,607,364
Profit (loss) for the year 2023	-	-	-	(367,018,048)	-	-	-	(367,018,048)	(35,278,938)	(402,296,986)
Other comprehensive income for the year										
Exchange differences on translating financial statements	-	-	-	-	1,667,117	-	1,667,117	1,667,117	1,364,006	3,031,123
Actuarial loss from employee benefit plan - net of tax	-	-	-	-	-	(3,115,605)	(3,115,605)	(3,115,605)	-	(3,115,605)
Total comprehensive income (loss) for the year 2023	-	-	-	(367,018,048)	1,667,117	(3,115,605)	(1,448,488)	(368,466,536)	(33,914,932)	(402,381,468)
Balances as at December 31, 2023	440,000,000	1,531,672,784	60,000,000	2,137,723,199	10,628,454	(24,192,940)	(13,564,486)	4,155,831,497	337,626,424	4,493,457,921

Notes to the financial statements form an integral part of these statements.



A.J. PLAST PUBLIC COMPANY LIMITED AND SUBSIDIARY  
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
 FOR THE YEAR ENDED DECEMBER 31, 2023  
 THE SEPARATE FINANCIAL STATEMENTS

		BAHT					
		Issued and paid-up share capital	Premium on share capital	Retained earnings		Total other components of shareholders' equity	Total shareholders' equity
				Legal reserve	Unappropriated	Loss from employee benefit plan	
	<i>Note</i>						
Beginning balances as at January 1, 2022		440,000,000	1,531,672,784	60,000,000	2,766,014,330	(21,077,335)	4,776,609,779
Total comprehensive income for the year 2022		-	-	-	41,977,569	-	41,977,569
Dividend payment	18	-	-	-	(277,196,903)	-	(277,196,903)
Balances as at December 31, 2022		440,000,000	1,531,672,784	60,000,000	2,530,794,996	(21,077,335)	4,541,390,445
Loss for the year		-	-	-	(301,154,194)	-	(301,154,194)
Actuarial loss from employee benefit plan							
- net of tax		-	-	-	-	(3,115,605)	(3,115,605)
Total comprehensive loss for the year 2023		-	-	-	(301,154,194)	(3,115,605)	(304,269,799)
Balances as at December 31, 2023		440,000,000	1,531,672,784	60,000,000	2,229,640,802	(24,192,940)	4,237,120,646

Notes to the financial statements form an integral part of these statements.

## A.J. PLAST PUBLIC COMPANY LIMITED AND SUBSIDIARY

## STATEMENTS OF CASH FLOWS (1/3)

FOR THE YEAR ENDED DECEMBER 31, 2023

	BAHT			
	CONSOLIDATED		THE SEPARATE FINANCIAL	
	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES :				
Profit (loss) for the years	(402,296,986)	23,723,819	(301,154,194)	41,977,569
Adjustments to reconcile profit (loss) for the years				
to cash provided from (used in) operation :				
Income tax revenues	(89,678,734)	-	(89,678,734)	-
Depreciation of plant and equipment	300,925,526	275,564,226	291,423,127	275,553,452
Depreciation of right-of-use assets	31,869,229	31,491,209	27,104,556	26,707,894
Amortization of intangible assets	10,747,764	387,507	10,350,875	387,507
Allowance for expected credit loss (reversal)	(635,069)	671,463	(635,069)	671,463
Loss on deteriorated inventories (reversal)	494,288	(1,541,566)	494,288	(1,541,566)
Loss on diminution in inventories (reversal)	(66,948,361)	78,187,858	(66,948,361)	78,187,858
(Gain) loss on disposal/unused assets	-	512,708	-	(1,253,479)
Unrealized (gain) loss on exchange rates	62,171	(11,574,389)	(162,673)	(4,343,087)
Unrealized (gain) loss on measurement at fair value of				
Buying and Selling Forward Exchange Contracts	(2,911,640)	9,938,263	(2,911,640)	9,938,263
Gain on measurement at fair value of financial assets				
- Investments in related party	(71,017,651)	(41,716,400)	(71,017,651)	(41,716,400)
Increase in other income from condominium transferring	(1,470,000)	-	(1,470,000)	-
Increase in other income from the write-off of				
other current payables	(6,788,042)	(10,247,637)	(6,788,042)	(10,247,637)
Increase in production cost from prepaid assets	-	2,516,671	-	2,516,671
Increase in production cost from machinery under installation	1,186,800	245,960	1,186,800	245,960
Interest expenses	158,968,070	73,741,177	149,142,311	71,925,336
Long-term employee benefits expenses	7,560,910	5,611,985	7,560,910	5,611,985
Profit (loss) from operation before changes in				
operating assets and liabilities items	(129,931,725)	437,512,854	(53,503,497)	454,621,789
Changes in operating assets and liabilities items				
(Increase) decrease in operating assets items				
Trade and other current receivables	(87,286,639)	245,044,094	(42,405,167)	243,393,280
Inventories	(131,611,658)	(388,666,022)	(12,744,771)	(388,666,022)
Receivables from Buying and Selling				
Forward Exchange Contracts	914,504	14,181,168	914,504	14,181,168
Other current assets	22,994,077	(22,994,077)	-	-
Other non-current assets	1,054,587	2,190,621	1,054,587	2,190,621

Notes to the financial statements form an integral part of these statements.

A.J. PLAST PUBLIC COMPANY LIMITED AND SUBSIDIARY  
STATEMENTS OF CASH FLOWS (2/3)  
FOR THE YEAR ENDED DECEMBER 31, 2023

BAHT

	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Changes in operating assets and liabilities items (continued)				
Increase (decrease) in operating liabilities items				
Trade and other current payables	158,381,979	(404,770,007)	78,729,924	(407,063,365)
Current contract liabilities	28,075,377	(49,007,744)	22,076,725	(49,007,744)
Payables from Buying and Selling Forward Exchange Contracts	(10,852,767)	(50,605,039)	(10,852,767)	(50,605,039)
Payment for long-term employee benefits	(2,517,630)	(3,872,333)	(2,517,630)	(3,872,333)
Cash used in operating activities	(150,779,895)	(220,986,485)	(19,248,092)	(184,827,645)
Translation of financial statement differences	1,667,117	10,791,280	-	-
Net Cash Used in Operating Activities	(149,112,778)	(210,195,205)	(19,248,092)	(184,827,645)
<b>CASH FLOWS FROM INVESTING ACTIVITIES :</b>				
Purchase of property, plant and equipment	(700,716,671)	(2,574,872,029)	(444,558,626)	(2,375,816,230)
Purchase of intangible assets	(175,867,552)	(20,175,584)	(171,522,264)	(230,508)
Cash received from disposal assets	-	1,121,494	-	384,529,635
Payment for interest recorded as cost of assets	(67,315,177)	(14,580,729)	(35,820,029)	(11,001,762)
Raw materials used and recorded as cost of assets	-	(30,040,010)	-	(30,040,010)
Prepaid assets	(126,369,296)	(147,684,838)	(119,758,573)	(89,399,258)
Payment for investments in subsidiary	-	-	(76,362,972)	(222,540,695)
Net Cash Used in Investing Activities	(1,070,268,696)	(2,786,231,696)	(848,022,464)	(2,344,498,828)
<b>CASH FLOWS FROM FINANCING ACTIVITIES :</b>				
Increase in bank overdrafts and short-term loans				
from financial institutions	1,248,656,569	688,803,687	1,111,736,131	688,803,687
Proceeds from long-term loans	458,730,812	2,800,688,821	412,973,550	2,425,000,000
Repayment for long-term loans	(389,263,133)	(215,778,462)	(369,719,560)	(215,778,462)
Repayment for leases liabilities	(10,218,380)	(11,396,589)	(10,218,380)	(11,396,589)
Repayment for assets acquisition payables	(149,249,388)	(16,311,871)	(133,181,390)	(16,311,871)
Interest expenses paid	(156,206,904)	(69,102,760)	(147,528,522)	(60,588,178)
Increase in non-controlling interests from exchange				
rate differences from translations of financial statements	1,364,006	8,829,228	-	-
Proceeds from investments in subsidiary				
of non-controlling interests	60,607,364	181,966,586	-	-
Dividend payment	-	(277,196,903)	-	(277,196,903)
Net Cash Provided from Financing Activities	1,064,420,946	3,090,501,737	864,061,829	2,532,531,684

Notes to the financial statements form an integral part of these statements.

A.J. PLAST PUBLIC COMPANY LIMITED AND SUBSIDIARY  
STATEMENTS OF CASH FLOWS (3/3)  
FOR THE YEAR ENDED DECEMBER 31, 2023

BAHT

	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Net increase (decrease) in cash and cash equivalents				
before exchange rate effects	(154,960,528)	94,074,836	(3,208,727)	3,205,211
Exchange rates effects on cash and cash equivalents	(217,694)	7,256,367	7,150	25,065
Cash and Cash Equivalents as at January 1,	184,362,616	83,031,413	5,713,562	2,483,286
Cash and Cash Equivalents as at December 31,	29,184,394	184,362,616	2,511,985	5,713,562
<b>Additional Disclosure Items to Cash Flows Statements</b>				
Non-cash flows items comprise :				
Inventories increased from machinery during installation	4,513,519	-	4,513,519	-
Transfer advance payments for machinery to be inventories (spare parts)	614,545	-	614,545	-
Transfer machinery and equipment to assets classified as held for sale	119,251,184	-	119,251,184	-
Increase in machinery and equipment from other current receivables	1,507,941	-	1,507,941	-
Increase in plant and equipment from assets acquisition payables	79,328,038	149,181,296	79,328,038	133,113,298
Increase in plant, machineries and equipment from prepaid assets	84,055,108	226,977,751	25,769,527	226,588,707
Interest recorded as cost of assets	104,623	4,550,327	104,623	168,288
Increase in machinery under installation from spare parts (Inventories)	-	14,793,625	-	-
Raw materials used and recorded as cost of machineries installation	80,234,773	-	80,234,773	-
Increase in right-of-use assets from leases liabilities	-	3,113,635	-	3,113,635
Effect of the increase in the adjustment of lease liabilities				
Interest paid in advance increase	51,633	-	51,633	-
Increase in right-of-use assets	2,271,379	3,447,994	2,271,379	-
Effect of adjusted actuarial estimation from employee benefit plan				
- Increase in deferred tax assets	232,024	-	232,024	-
- Increase in provision for long-term employee benefits	(3,347,629)	-	(3,347,629)	-
- Other comprehensive income decreased	3,115,605	-	3,115,605	-

Notes to the financial statements form an integral part of these statements.

**A. J. PLAST PUBLIC COMPANY LIMITED AND SUBSIDIARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**1. GENERAL INFORMATION**

Company status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.
Company location	
Head office	95, Thakarm Road, Samaedam, Bangkhuntien, Bangkok.
Branch 1 (Factory location)	Laemchabang Industrial Estate, 38/11 Moo 5, Thungsukala Subdistrict, Sriracha District, Chonburi Province.
Branch 2 (Warehouse location)	Laemchabang Industrial Estate, 46/3 Moo 5, Thungsukala Subdistrict, Sriracha District, Chonburi Province.
Branch 3 (Warehouse location)	333/4 TIP 8 Building project, Moo 9, Bangpla Subdistrict, Bangphli District, Samutprakan Province.
Branch 4 (Factory location)	Pinthong Industrial Estate (Project 5), 8 Moo 8 Khao Khan Song Subdistrict, Sriracha District, Chonburi Province.
Type of business	1) Manufacturing and selling plastic films both local and exporting to foreign countries, scraps are sold both in local and abroad. 2) Investing in its subsidiary which carries on business according to Note 8 to the financial statements.

As at December 31, 2023, the Company is during cancellation process the branch 3.

**2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

2.1 The consolidated and the separate financial statements are prepared in accordance with the Accounting Standards and Financial Reporting Standards issued by Federation of Accounting Professions under the Accounting Profession Act, B.E. 2547 (2004), the Accounting Act, B.E. 2543 (2000) and the Notification of the Office of the Securities and Exchange Commission. Except the financial statements of overseas subsidiary are prepared in accordance with Accounting Standards of the country where the subsidiary is located. The preparation of the consolidated financial statements have been adjusted to conform with the accounting policies of the Company.

2.2 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 periods beginning on or after January 1, 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.

2.3 Financial reporting standards that became effective for fiscal years beginning on or after January 1, 2024.

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 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.

Management of group companies is evaluating the impact of such financial reporting standards on the financial statements in the year when they are adopted.

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

2.5 The consolidated financial statements included the financial statements of A. J. Plast Public Company Limited with its subsidiary as follows :

COMPANY	% HOLDING		ESTABLISHED IN
	2023	2022	
<u>SUBSIDIARY</u>			
A.J. Plast (Vietnam) Company Limited	55.00	55.00	Socialist Republic of Vietnam

2.6 Inter-company balances and significant transactions of the Company and its subsidiary have been eliminated from the consolidated financial statements.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Revenues and expenses recognition

Revenue from product sales is recognized when the Company has transferred control over the goods to the customer. Revenues from the sales are stated at the invoiced without VAT and after discount.

Interest income is recognized on an accrual basis based on the effective rate of interest.

Other revenues and expenses are recognized on an accrual basis

#### 3.2 Cash and cash equivalents

Cash and cash equivalents are cash on hand and fixed deposit at the financial institutions due not more than 3 months from the date of acquisition with no obligation.

#### 3.3 Trade accounts receivable and allowance for expected credit loss

Trade accounts receivable are stated at the net realizable value, the Company provides allowance for expected credit loss that may arise from collection of receivables by considering the aging of debt according to the simplified approach.

#### 3.4 Inventories

Inventories are stated at cost or net realizable value, whichever is the lower. Cost is determined by the weighted average method.

The Company set up provision for diminution in deteriorated inventories which are expected to be unsaleable and for the inventories which have net realizable value lower than cost.

#### 3.5 Investments in related party

Investments in related party undertaking mean the company in which, directly or indirectly, has common management, major shareholder or some related person.

The Company recorded investments in related party at fair value.

#### 3.6 Investments in subsidiary

Subsidiary is company in which the group of the Company has power to govern the financial and operating policies. The Company included the subsidiary in the consolidated financial statements since the date that the group Company has power to govern until the date of the power to govern is ended.

The investments in subsidiary for the separate financial statements are presented by the cost method after deducting impairment of investment.

### 3.7 Property, plant and equipment

The property, plant and equipment are stated at cost net from accumulated depreciation and allowance for impairment assets (if have). Depreciation is calculated by the straight-line method based on the estimated useful life of the following assets:

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS
	USEFUL LIFE (YEARS)
Land	No depreciation
Plant and factories	20 - 40
Condominium	10 - 20
Condominium improvement	5
Machineries	15 - 30
Tools and accessories	5
Vehicle	5
Computer accessories	3 - 8
Office furniture and equipment	5
Natural gas system	5

In 2023, the Company has revised the useful life and residual value of its machinery and equipment. This results in changes in the estimated useful life and residual value of the assets.

Financial expenses which are directly related to the acquisition, construction and manufacturing of assets are recorded as cost of fixed assets.

An impairment loss is recognized 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.

### 3.8 Leases

#### Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses. The recognized right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use assets or the end of the lease term.



If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use assets reflects that the lessee will exercise a purchase option, the lessee shall depreciate the right-of-use assets from the commencement date to the end of the useful life of the underlying asset.

#### **Leases liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate.

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

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognized as expenses on a straight-line basis over the lease term.

### **3.9 Intangible assets**

#### **Deferred computer softwares**

Deferred computer softwares are stated at cost net from cumulative amortization which is calculated by the straight-line method based on the estimated 3 - 5 years.

#### **Research and development/internally generated intangible assets**

Research expenditure is recognized as an expense in statement of comprehensive income as the year incurred.

Expenditure incurred from products development is recognized as an asset when the Company can demonstrate all of the following :

- 1) The expenditure attributable to its development can be measured reliably and feasibility in technical, financial, commercial, and resource and ;
- 2) The Company intends to and has the ability to complete the development for the purpose of using or selling.

Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Expenditure from product development are amortized when the asset is ready to use in production process by the straight-line method over the period of its expected benefit 5 years.

### 3.10 Deferred tax assets/liabilities

Deferred tax assets/liabilities are recognized for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the statements of financial position date. They will be realised in future period when the income is realised, or the expenses provided for are actually incurred and considered deductible for income tax purposes.

Deferred tax assets are recognized for deductible temporary differences or addible tax are deferred tax liabilities if it is highly probable that the Company will generate sufficient taxable profits from its future operations to utilise these assets.

At each statements of financial position date, the Company reviews and reduces the carrying amount of deferred tax assets/liabilities to the extent that it is no longer probable that sufficient taxable profit be available to allow all or part of the deferred tax asset or deferred tax liabilities to be utilised.

### 3.11 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment and right-of-use assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

The Group is recognized impairment loss in profit or loss.

### 3.12 Employee benefits

#### Short-term employee benefits

The Company and its subsidiary recognized salaries, wages, bonuses and contributions to the social security fund as expenses when incurred.

#### Long-term employee benefits

##### Defined contribution plan

The Company provided a provident fund, which is a defined contribution plan, the assets of which are held in a separate trust fund and managed by the external fund manager. Such provident fund is contributed by payments from employees and the Company. Contributions to the provident fund are charged to the operation in the incurred year

### Defined benefit plan

The provision for employee retirement benefits is recognized as an expense of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by a qualified actuary using the Projected Unit Credit Method.

### 3.13 Income tax expenses (revenues)

Income tax expenses (revenues) from profit/loss for the period consist of current income tax and deferred tax. Income tax expenses (revenues) recognized in statements of comprehensive income unless part of transaction recorded in shareholders' equity recorded directly to equity.

### 3.14 Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the year by the number of weighted average common stocks held by outsiders during the year.

### 3.15 Foreign currency transactions

Foreign currency transactions incurred during the year are recorded in Baht at the rate ruling on the date of transactions. Outstanding foreign currency assets and liabilities on the statements of financial position are converted to Baht at the rate of exchange in effect on that date.

Gain and loss on exchange rates included in the calculation performance.

For preparation of the consolidated financial statements, the financial statements of the subsidiary denominated in foreign currencies are converted to Baht based on the following exchange rates:

- Assets and liabilities were translated by the average exchange rate at the end of the year.
- Shareholders' equity and depreciation were translated by the exchange rate in effect on the transaction dates.
- Revenues and expenses were translated by the average exchange rate for the year.

The translation of financial statement differences in foreign currencies was shown in other comprehensive income.

### 3.16 Related party

The party which has, directly and indirectly, some common management, major shareholders or some common related persons are accounted for as related parties.

### 3.17 Financial instruments

#### Classification and measurement of financial assets

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

#### Financial assets measured at amortized cost

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

Financial assets at amortized cost are subsequently measured using the effective interest rate method and are subject to gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

#### Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss are carried in the statements of financial position at fair value with net changes in fair value recognized in profit or loss. These financial assets include derivatives, equity investments which the Company has not irrevocably elected to classify at fair value through other comprehensive income 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 financial liabilities are recognized at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using the method gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process in determining amortized cost, takes into account any fees or costs that are an integral part amortization is included in finance cost in profit or loss.

The Group may elect to measure financial liabilities at fair value through profit or loss if doing so eliminates, or significantly reduces a recognition inconsistency.

#### **Impairment of financial assets**

The Group uses the simplified approach to compute expected credit loss for trade accounts receivable. Therefore, every day at the end of the reporting period, the Group recognizes the allowance for anticipated credit loss over the life of the trade receivables based on credit loss data from past experience updated with forward-looking information about the receivable and the economic environment.

#### **Offsetting of financial instruments**

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

### **3.18 Derivatives and hedge accounting**

The Group derivatives are initially recognized 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 recognized in profit or loss. Derivatives are carried as financial assets when the fair value is greater zero and as financial liabilities when the fair value is less than zero.

The Group uses derivatives are Buying and Selling Forward Exchange Contracts to hedge from fluctuation of exchange rate risk.

#### **Hedge accounting**

For the purpose of hedge accounting, the Group hedges are classified as follow :

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

**Fair value hedges**

The change in the fair value of a hedging instrument is recognized in profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in profit or loss.

Any adjustment to the carrying value of fair value hedges relating to items carried at amortized cost, is amortized through profit or loss over the remaining term of the hedge using the effective interest method. The amortization may begin as soon as an adjustment exists or no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognized, the unamortized fair value is recognized immediately in profit or loss.

**3.19 Fair value measurement**

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. 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 techniques that are appropriate in the circumstances and maximizes 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 categorized within the fair value hierarchy into 3 levels based on the categorization 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.

The carrying amount of cash and cash equivalents, other current financial assets, trade receivables, amounts due from related parties, trade payables, accounts payable-plant and equipment, amounts due to related parties are assumed to approximate their fair value due to the short maturities of these instruments.

### 3.20 Presentation currency

The financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest Baht unless otherwise stated.

### 3.21 Significant accounting judgments and estimates

In preparation of financial statements in accordance with generally accepted accounting principles requires executives to use judgments on various estimates and assumptions that will affect the reported amounts of revenues, expenses, assets and liabilities including the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and assumptions are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions of significant accounting relate primarily to allowance for expected credit loss, provision for deteriorated inventories, provision for diminution inventories, gain (loss) on measurement at fair value of other non - current financial assets, allowance for depreciation of plant and equipment, allowance for depreciation of right-of-use assets, allowance for impairment assets, amortization of intangible assets and provision for long-term employee benefits. All other estimates mentioned above are further disclosed in the corresponding notes to the financial statements.

## 4. CASH AND CASH EQUIVALENTS

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Cash	909,000	825,000	909,000	825,000
Bank deposit	28,275,394	183,537,616	1,602,985	4,888,562
Total cash and cash equivalents	29,184,394	184,362,616	2,511,985	5,713,562

5. TRADE AND OTHER CURRENT RECEIVABLES

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Trade accounts receivable				
Current	844,731,523	761,325,784	811,524,127	761,325,784
Over due within 3 months	8,606,063	7,384,117	7,666,699	7,384,117
Over due within 3 - 6 months	8,833	1,201,414	8,833	1,201,414
Over 12 months	4,342,987	4,978,056	4,342,987	4,978,056
Total	857,689,406	774,889,371	823,542,646	774,889,371
Post - dated cheque	27,209,773	21,300,163	27,209,773	21,300,163
Total Trade accounts receivables	884,899,179	796,189,534	850,752,419	796,189,534
<u>Less</u> Allowance for expected credit loss	(4,342,987)	(4,978,056)	(4,342,987)	(4,978,056)
Total trade accounts receivable - net	880,556,192	791,211,478	846,409,432	791,211,478
Other current receivables				
Other receivables	23,864,491	25,686,216	25,150,924	25,686,216
Refundable value added tax	111,364,533	107,948,885	82,809,570	85,022,442
Prepaid spare parts	1,940,475	6,843,037	1,940,475	6,843,037
Prepaid interest	7,359,037	6,656,199	7,359,037	6,656,199
Other	29,949,977	34,226,879	23,920,478	34,590,006
Total other current receivables	174,478,513	181,361,216	141,180,484	158,797,900
Trade and other current receivables	1,055,034,705	972,572,694	987,589,916	950,009,378



6. INVENTORIES

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Finished products	570,965,109	557,867,742	520,165,014	557,867,742
Work in process	58,349,854	30,593,371	32,608,159	30,593,371
Raw materials	699,269,612	763,819,655	660,880,388	763,819,655
Packaging materials	23,216,858	28,166,685	21,807,392	28,166,685
Lubricant	6,514,538	7,814,702	6,514,538	7,814,702
Other consumed supplies	4,236,800	10,694,738	3,495,042	10,694,738
Spare parts	189,293,611	177,167,582	187,508,963	177,167,582
Goods in transit	103,471,644	95,556,855	103,471,644	95,556,855
Raw materials in transit	134,132,908	62,050,727	134,132,908	62,050,727
Other consumed supplies in transit	868,257	82,185	868,257	82,185
Total	1,790,319,191	1,733,814,242	1,671,452,305	1,733,814,242
<u>Less</u> : Provision for deteriorated inventories	(833,637)	(339,349)	(833,637)	(339,349)
<u>Less</u> : Provision for diminution inventories	(13,415,440)	(80,363,801)	(13,415,440)	(80,363,801)
Inventories - net	1,776,070,114	1,653,111,092	1,657,203,228	1,653,111,092

## 7. OTHER NON-CURRENT FINANCIAL ASSETS - INVESTMENTS IN RELATED PARTY

Other non - current financial assets measured at fair value through profit or loss consisted of the following

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS
Beginning balance as at January 1, 2022	117,764,000
Gain on measurement at fair value of investments	41,716,400
Ending balance as at December 31, 2022	159,480,400
Gain on measurement at fair value of investments	71,017,651
Ending balance as at December 31, 2023	230,498,051

The Company provided fair value appraisal of investments in related party by the independence appraiser, which used Discounted Cash Flow Approach method.

Investment in United Foods Public Company Limited, which is a related company due to they have related shareholders and directors as follows :

Nature of business	The number of shares	% Holding	Cost (BAHT)	Paid-up share capital (BAHT)	Dividend (BAHT)	
					2023	2022
Food	998,000	4.99	23,952,000	200,000,000	--	--

## 8. INVESTMENTS IN SUBSIDIARY

Subsidiary	Type of Business	Paid-up share capital (USD)		% Holding	Cost Method (BAHT)	
		2023	2022		2023	2022
A.J. Plast (Vietnam) Company Limited	Manufacturing products from plastic	24,983,710	21,186,000	55.00	466,301,557 (USD 13,741,041)	389,938,585 (USD 11,652,300)

On November 15, 2021, A.J. PLAST (Vietnam) Company Limited has been registered in Socialist Republic of Vietnam, authorized share capital amount of VND 210,611 million (USD 9,080,000) or about Baht 306 million.

On November 18, 2022, A.J. PLAST (VIETNAM) COMPANY was registered capital changing VND 210,611 million to be VND 491,409 million (USD 21,186,000) or about 711 million baht.

On October 18, 2023, the Company paid for increase of investment in subsidiary amount of VND 50,798 million (USD 2,088,741) or about Baht 76,362,972 with the same investment proportion 55% of the investment.

The Company has paid share capital as follows :

Date	Paid-up share capital		
	USD	Million VND	BAHT
December 22, 2021	4,994,000	115,836	167,397,890
February 28, 2022	3,329,150	77,220	108,733,702
May 31, 2022	3,329,150	77,220	113,806,993
Oct 18, 2023	2,088,741	50,798	76,362,972
Total	13,741,041	321,074	466,301,557

As at December 31, 2023, A.J. PLAST (VIETNAM) COMPANY LIMITED is in process of changing the registered capital from VND 491,409 million (USD 21,186,000) to VND 583,769 million (USD 24,983,710) or about 848 million baht.

#### Financial statements of subsidiary in the foreign country

The financial statements of the Company's subsidiary in the foreign country was used to prepare consolidated financial statements have been translated into Baht, the details are as follows

(AMOUNT IN MILLION BAHT)

Subsidiary in the foreign country	Total Assets		Total Revenues	
	2023	2022	2023	2022
A.J. Plast (Vietnam) Company Limited	1,421.00	1,124.28	111.11	11.03

NOTES TO THE FINANCIAL STATEMENTS

9. PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	CONSOLIDATED (BAHT)										
	Land	Plant and factory	Condominium and improvement	Machinery	Factory tools and equipment	Vehicle	Computer accessories	Office furniture and equipment	Natural gas system	Assets under construction and installation	Total
<b>At Cost</b>											
January 1, 2022	364,101,194	808,772,611	21,079,731	8,695,179,668	183,091,805	22,476,250	11,262,151	54,469,917	7,881,000	217,678,773	10,385,993,100
Purchase	--	268,611,406	--	1,023,690,930	30,531,322	--	5,346,947	5,447,009	1,880,900	1,383,994,484	2,719,502,998
Disposal/unused	--	--	--	--	--	(5,228,000)	--	--	--	--	(5,228,000)
Disposal assets to subsidiary											
- Machinery and equipment	--	--	--	(840,845,960)	(19,679,942)	--	--	--	--	366,848,329	(493,677,573)
- Spare parts (Inventories)	--	--	--	--	--	--	--	--	--	14,793,625	14,793,625
Recorded as assets transactions											
- Interest	--	--	--	--	--	--	--	--	--	19,131,056	19,131,056
- Raw materials used	--	--	--	30,040,010	--	--	--	--	--	--	30,040,010
Transfer in/(transfer out)	--	74,222,507	--	71,305,295	--	--	--	--	--	(145,527,802)	--
Transferred to expenses	--	--	--	--	--	--	--	--	--	(245,960)	(245,960)
Transferred from prepaid assets	--	17,089,264	--	17,012,945	3,553,502	--	--	--	--	189,322,040	226,977,751
December 31, 2022	364,101,194	1,168,695,788	21,079,731	8,996,382,888	197,496,687	17,248,250	16,609,098	59,916,926	9,761,900	2,045,994,545	12,897,287,007
Purchase	--	303,763,970	--	395,480,993	11,595,394	--	9,639,041	2,795,314	--	56,769,997	780,044,709
Recorded as assets transactions											
- Interest	--	--	--	--	--	--	--	--	--	67,419,800	67,419,800
- Raw materials used	--	--	--	--	--	--	--	--	--	80,234,773	80,234,773
Transfer in/(transfer out)	--	413,592,777	--	833,095,002	202,911	--	112,003	--	--	(1,247,002,693)	--
Transferred to expenses	--	--	--	--	--	--	--	--	--	(1,186,800)	(1,186,800)
Transferred to non - current assets classified as held for sale	--	--	--	(586,481,607)	--	--	--	--	--	--	(586,481,607)
Condominiums increased from other income	--	--	1,470,000	--	--	--	--	--	--	--	1,470,000
Transferred from prepaid of											
- Assets	--	--	--	1,568,092	1,524,007	--	--	--	--	80,963,009	84,055,108
- Spare parts	--	--	--	--	465,081	--	--	--	--	1,042,860	1,507,941
December 31, 2023	364,101,194	1,886,052,535	22,549,731	9,640,045,368	211,284,080	17,248,250	26,360,142	62,712,240	9,761,900	1,084,235,491	13,324,350,931

NOTES TO THE FINANCIAL STATEMENTS

PARTICULARS	CONSOLIDATED (BAHT)										
	Land	Plant and factory	Condominium and improvement	Machinery	Factory tools and equipment	Vehicle	Computer accessories	Office furniture and equipment	Natural gas system	Assets under construction and installation	Total
<b>Accumulated depreciation</b>											
January 1, 2022	--	305,115,286	6,172,408	3,431,488,159	104,043,567	14,836,664	5,574,499	31,121,662	7,880,990	--	3,906,233,235
Depreciation for the year 2022	--	18,490,201	820,717	217,643,509	26,849,166	254,000	3,632,804	7,827,451	46,378	--	275,564,226
Disposal/unused	--	--	--	--	--	(3,593,798)	--	--	--	--	(3,593,798)
Disposal machinery and equipment to a subsidiary	--	--	--	(486,009,367)	(7,668,206)	--	--	--	--	--	(493,677,573)
December 31, 2022	--	323,605,487	6,993,125	3,163,122,301	123,224,527	11,496,866	9,207,303	38,949,113	7,927,368	--	3,684,526,090
Depreciation for the year 2023	--	28,429,086	551,953	233,972,125	24,550,346	232,650	5,128,944	7,684,242	376,180	--	300,925,526
Transferred to non - current assets classified as held for sale	--	--	--	(467,230,423)	--	--	--	--	--	--	(467,230,423)
December 31, 2023	--	352,034,573	7,545,078	2,929,864,003	147,774,873	11,729,516	14,336,247	46,633,355	8,303,548	--	3,518,221,193
<b>Net Book value</b>											
December 31, 2022	364,101,194	845,090,301	14,086,606	5,833,260,587	74,272,160	5,751,384	7,401,795	20,967,813	1,834,532	2,045,994,545	9,212,760,917
December 31, 2023	364,101,194	1,534,017,962	15,004,653	6,710,181,365	63,509,207	5,518,734	12,023,895	16,078,885	1,458,352	1,084,235,491	9,806,129,738

NOTES TO THE FINANCIAL STATEMENTS

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS (BAHT)										
	Land	Plant and factory	Condominium and improvement	Machinery	Factory tools and equipment	Vehicle	Computer accessories	Office furniture and equipment	Natural gas system	Assets under construction and installation	Total
<b>At Cost</b>											
January 1, 2022	364,101,194	808,772,611	21,079,731	8,695,179,668	183,091,805	22,476,250	11,262,151	54,469,917	7,881,000	217,394,480	10,385,708,807
Purchase	--	268,611,406	--	1,023,690,930	30,531,322	--	4,999,759	5,447,009	1,880,900	1,162,598,152	2,497,759,478
Disposal/unused	--	--	--	--	--	(5,228,000)	--	--	--	--	(5,228,000)
Disposal of assets to subsidiary	--	--	--	(840,845,960)	(19,679,942)	--	--	--	--	--	(860,525,902)
Recorded as assets transactions											
- Interest	--	--	--	--	--	--	--	--	--	11,170,050	11,170,050
- Raw materials used	--	--	--	30,040,010	--	--	--	--	--	--	30,040,010
Transfer in/(transfer out)	--	74,222,507	--	71,305,295	--	--	--	--	--	(145,527,802)	--
Transferred to expenses	--	--	--	--	--	--	--	--	--	(245,960)	(245,960)
Transferred from prepaid assets	--	17,089,264	--	17,012,945	3,553,502	--	--	--	--	188,932,996	226,588,707
December 31, 2022	364,101,194	1,168,695,788	21,079,731	8,996,382,888	197,496,687	17,248,250	16,261,910	59,916,926	9,761,900	1,434,321,916	12,285,267,190
Purchase	--	182,635,975	--	293,870,336	11,595,394	--	3,234,362	2,795,314	--	29,755,283	523,886,664
Recorded as assets transactions											
- Interest	--	--	--	--	--	--	--	--	--	35,924,652	35,924,652
- Raw materials used	--	--	--	--	--	--	--	--	--	80,234,773	80,234,773
Transfer in/(transfer out)	--	247,888,448	--	294,536,439	202,911	--	--	--	--	(542,627,798)	--
Transferred to expenses	--	--	--	--	--	--	--	--	--	(1,186,800)	(1,186,800)
Transferred to non - current assets classified as held for sale	--	--	--	(586,481,607)	--	--	--	--	--	--	(586,481,607)
Condominiums increased from other income	--	--	1,470,000	--	--	--	--	--	--	--	1,470,000
Transferred from advance payment											
- Prepaid assets	--	--	--	1,568,092	1,524,007	--	--	--	--	22,677,428	25,769,527
- Spare parts	--	--	--	--	465,081	--	--	--	--	1,042,860	1,507,941
December 31, 2023	364,101,194	1,599,220,211	22,549,731	8,999,876,148	211,284,080	17,248,250	19,496,272	62,712,240	9,761,900	1,060,142,314	12,366,392,340

NOTES TO THE FINANCIAL STATEMENTS

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS (BAHT)										
	Land	Plant and factory	Condominium and improvement	Machinery	Factory tools and equipment	Vehicle	Computer accessories	Office furniture and equipment	Natural gas system	Assets under construction and installation	Total
<b>Accumulated depreciation</b>											
January 1, 2022	--	305,115,286	6,172,408	3,431,488,159	104,043,567	14,836,664	5,574,499	31,121,662	7,880,990	--	3,906,233,235
Depreciation for the year 2022	--	18,490,201	820,717	217,643,509	26,849,166	254,000	3,622,030	7,827,451	46,378	--	275,553,452
Disposal/unused	--	--	--	--	--	(3,593,798)	--	--	--	--	(3,593,798)
Disposal machinery and equipment to subsidiary	--	--	--	(486,009,367)	(7,668,206)	--	--	--	--	--	(493,677,573)
December 31, 2022	--	323,605,487	6,993,125	3,163,122,301	123,224,527	11,496,866	9,196,529	38,949,113	7,927,368	--	3,684,515,316
Depreciation for the year 2023	--	26,871,258	551,953	226,803,787	24,550,346	232,650	4,352,711	7,684,242	376,180	--	291,423,127
Transferred to non - current assets classified as held for sale	--	--	--	(467,230,423)	--	--	--	--	--	--	(467,230,423)
December 31, 2023	--	350,476,745	7,545,078	2,922,695,665	147,774,873	11,729,516	13,549,240	46,633,355	8,303,548	--	3,508,708,020
<b>Net Book value</b>											
December 31, 2022	364,101,194	845,090,301	14,086,606	5,833,260,587	74,272,160	5,751,384	7,065,381	20,967,813	1,834,532	1,434,321,916	8,600,751,874
December 31, 2023	364,101,194	1,248,743,466	15,004,653	6,077,180,483	63,509,207	5,518,734	5,947,032	16,078,885	1,458,352	1,060,142,314	8,857,684,320

As at December 31, 2023 and 2022, the Company mortgaged some machineries with the bank for guarantee long-term loans from financial institutions. (See also Note 14 to the financial statements).

The Company and its subsidiary have depreciation of plant and equipment presented in the statements of comprehensive income for the years ended 2023 and 2022, as follows:

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Cost of sales	283,426,333	247,151,333	274,587,149	247,151,333
Administrative expenses	17,499,193	28,412,893	16,835,978	28,402,119
Total	300,925,526	275,564,226	291,423,127	275,553,452

In 2023, the Company has revised the useful life and residual value to the machinery and equipment which affected to the depreciation of machinery as follow:

(AMOUNT IN BAHT)

Cost of machinery and equipment to be reviewed useful life and residual values	Depreciation for the year 2023		
	Reviewed	Previously used	Decrease
371,614,862	8,367,944	21,798,453	13,430,509

Changes in estimation of the useful life and residual values in year 2023, effect to depreciation of machineries decreased by 13.43 million baht, resulting in increase net profit of 13.43 million baht and increase in earnings per share at 0.03 baht.

#### 10. RIGHT-OF-USE ASSETS

As at December 31, 2023 and 2022, the Company and its subsidiary have right-of-use assets as follows :

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		
	Land Leases	Vehicle	Total
Net book value as at January 1, 2022	835,047,777	1,717,623	836,765,400
<u>Add</u> Adjust during the year	3,447,994	--	3,447,994
<u>Add</u> Increase during the year	--	3,113,635	3,113,635
<u>Less</u> Depreciation for the year	(31,019,389)	(471,820)	(31,491,209)
Net book value as at December 31, 2022	807,476,382	4,359,438	811,835,820
<u>Add</u> Adjust during the year	2,271,379	--	2,271,379
<u>Less</u> Depreciation for the year	(31,122,945)	(746,284)	(31,869,229)
Net book value as at December 31, 2023	778,624,816	3,613,154	782,237,970



(AMOUNT IN BAHT)

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS		
	Land Leases	Vehicle	Total
Net book value as at January 1, 2022	627,173,714	1,717,623	628,891,337
<u>Add</u> Increase during the year	--	3,113,635	3,113,635
<u>Less</u> Depreciation for the year	(26,236,074)	(471,820)	(26,707,894)
Net book value as at December 31, 2022	600,937,640	4,359,438	605,297,078
<u>Add</u> Adjust during the year	2,271,379	--	2,271,379
<u>Less</u> Depreciation for the year	(26,358,272)	(746,284)	(27,104,556)
Net book value as at December 31, 2023	576,850,747	3,613,154	580,463,901

The Company and its subsidiary have depreciation right-of-use assets presented in the statements of comprehensive income for the years ended 2023 and 2022 as follows :

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Cost of sales	22,772,948	22,011,381	22,772,947	22,011,381
Administrative expenses	9,096,281	9,479,828	4,331,609	4,696,513
Total	31,869,229	31,491,209	27,104,556	26,707,894

The Company and its subsidiary have leasing expenses recognized in the statements of comprehensive income for the years ended 2023 and 2022 as follows :

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Depreciation of right-of-use assets	31,869,229	31,491,209	27,104,556	26,707,894
Interest expenses from leases liabilities	13,614,925	1,308,228	12,461,525	154,828
Expenses related to leases of low-value assets	61,230	52,300	61,230	52,300

11. INTANGIBLE ASSETS

PARTICULARS	CONSOLIDATED (BAHT)			
	Computer softwares	Product development assets	Computer softwares installation	Total
<b><u>At cost</u></b>				
As at January 1, 2022	4,469,164	--	1,007,500	5,476,664
Purchase	230,508	--	19,945,076	20,175,584
As at December 31, 2022	4,699,672	--	20,952,576	25,652,248
Purchase	4,345,288	171,522,264	--	175,867,552
Transfer in/(transfer out)	19,945,076	--	(19,945,076)	--
As at December 31, 2023	28,990,036	171,522,264	1,007,500	201,519,800
<b><u>Accumulated amortization</u></b>				
As at January 1, 2022	3,910,284	--	--	3,910,284
Amortization for the year 2022	387,507	--	--	387,507
As at December 31, 2022	4,297,791	--	--	4,297,791
Amortization for the year 2023	608,197	10,139,567	--	10,747,764
As at December 31, 2023	4,905,988	10,139,567	--	15,045,555
<b><u>Net book value</u></b>				
As at December 31, 2022	401,881	--	20,952,576	21,354,457
As at December 31, 2023	24,084,048	161,382,697	1,007,500	186,474,245

NOTES TO THE FINANCIAL STATEMENTS

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS (BAHT)			
	Computer softwares	Product development assets	Computer softwares installation	Total
<b><u>At cost</u></b>				
As at January 1, 2022	4,469,164	--	1,007,500	5,476,664
Purchase	230,508	--	--	230,508
As at December 31, 2022	4,699,672	--	1,007,500	5,707,172
Purchase	--	171,522,264	--	171,522,264
As at December 31, 2023	4,699,672	171,522,264	1,007,500	177,229,436
<b><u>Accumulated amortization</u></b>				
As at January 1, 2022	3,910,284	--	--	3,910,284
Amortization for the year 2022	387,507	--	--	387,507
As at December 31, 2022	4,297,791	--	--	4,297,791
Amortization for the year 2023	211,308	10,139,567	--	10,350,875
As at December 31, 2023	4,509,099	10,139,567	--	14,648,666
<b><u>Net book value</u></b>				
As at December 31, 2022	401,881	--	1,007,500	1,409,381
As at December 31, 2023	190,573	161,382,697	1,007,500	162,580,770

The Company and its subsidiary have amortization intangible assets presented in the statements of comprehensive income for the years ended 2023 and 2022, as follows :

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Administrative expenses	10,747,764	387,507	10,350,875	387,507

## 12. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Bank overdrafts	193,790,110	1,940,651	193,790,110	1,940,651
Trust receipt	878,597,102	505,330,153	878,597,102	505,330,153
Domestic letters of credit	1,114,755,413	1,523,043,405	1,114,755,413	1,523,043,405
Short-term loans from financial institutions	1,091,920,438	--	955,000,000	--
Total	3,279,063,063	2,030,314,209	3,142,142,625	2,030,314,209

The Company has entered into agreement with the financial institutions (see also Note 24 to the financial statements).

## 13. TRADE AND OTHER CURRENT PAYABLES

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Trade accounts payables	1,664,437,002	1,465,059,860	1,587,094,041	1,465,059,860
Other current payables				
Assets acquisition payables	79,328,038	149,181,296	79,328,038	133,113,298
Accrued interest	9,078,879	5,561,885	3,549,462	1,179,845
Others	225,033,128	273,273,308	219,586,105	270,135,379
Total other current payables	313,440,045	428,016,489	302,463,605	404,428,522
Total	1,977,877,047	1,893,076,349	1,889,557,646	1,869,488,382

## 14. LONG-TERM LOANS

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Beginning balances as at January 1,	3,676,050,359	1,091,140,000	3,300,361,538	1,091,140,000
<u>Add</u> Increase during the years	458,730,812	2,800,688,821	412,973,550	2,425,000,000
<u>Less</u> Repayment during the years	(389,263,133)	(215,778,462)	(369,719,560)	(215,778,462)
Ending balances as at December 31,	3,745,518,038	3,676,050,359	3,343,615,528	3,300,361,538
<u>Less</u> Current portion of long - term loans	(492,176,674)	(419,713,733)	(407,795,275)	(383,933,846)
Long - term loans-net	3,253,341,364	3,256,336,626	2,935,820,253	2,916,427,692

The portion of long-term loans due within one year was shown under current liabilities.

The details of long-term loans as at December 31, 2023 are as follows :

Loans per Agreement	Repayment Condition	Collateral	Principal Balances (AMOUNT IN MILLION BAHT)
Baht 100 million (Agreement dated on June 22, 2018)	<ul style="list-style-type: none"> <li>- The principal will be repaid by quarterly at Baht 6.25 million with the first installment in the twenty-first month from the month of withdrawal. (March 2019) and will be finished within August 2024.</li> <li>- Monthly payment of interest at interest rate of 3 month of the juristic person fixed deposit plus the rate as specified in the agreement.</li> </ul>	No collateral	19
Baht 800 million (Agreement dated on June 22, 2018)	<ul style="list-style-type: none"> <li>- The principal will be repaid by quarterly at Baht 33.50 million with the first installment in the twenty-seven month from the month of withdrawal. (April 2019) and will be finished within March 2027.</li> <li>- Monthly payment of interest at interest rate of 3 month of the juristic person fixed deposit plus the rate as specified in the agreement.</li> </ul>	2 Machineries	465
Baht 250 million (Agreement dated on September 23, 2019)	<ul style="list-style-type: none"> <li>- The principal will be repaid by quarterly at Baht 15.62 million with the first installment in the fifteen months from the month of withdrawal. (November 2019) and will be finished within October 2024</li> <li>- Monthly payment of interest at interest rate of 3 month of the juristic person fixed deposit plus the rate as specified in the agreement.</li> </ul>	No collateral	63
Baht 136 million (Agreement dated on March 4, 2021)	<ul style="list-style-type: none"> <li>- The principal will be repaid by quarterly at Baht 11.33 million with the first installment in June 2021 and will be finished within 3 years from the month of withdrawal. (March 2021)</li> <li>- Monthly payment of interest at interest rate of 3 month of the juristic person fixed deposit plus the rate as specified in the agreement.</li> </ul>	No collateral	11

Loans per Agreement	Repayment Condition	Collateral	Principal Balances (AMOUNT IN MILLION BAHT)
Baht 150 million (Agreement dated on April 22, 2021)	<ul style="list-style-type: none"> <li>- The principal will be repaid by quarterly at Baht 12.50 million with the first installment in August 2021 and will be finished within 3 years from the month of withdrawal. (April 2021)</li> <li>- Monthly payment of interest at interest rate of MLR minus the rate as specified in the agreement.</li> </ul>	No collateral	25
Baht 150 million (Agreement dated on September 10, 2021)	<ul style="list-style-type: none"> <li>- The principal will be repaid by quarterly at Baht 11.54 million with the first installment in November 2022 and will be finished within 3 years 6 months from the month of withdrawal. (May 2022)</li> <li>- Monthly payment of interest at interest rate of MLR minus the rate as specified in the agreement.</li> </ul>	No collateral	92
Baht 1,175 million (Agreement dated on May 30, 2022)	<ul style="list-style-type: none"> <li>- The principal will be repaid by quarterly at Baht 49 million with the first installment in the twenty-seven month from the month of withdrawal. (December 2022) and will be finished within 8 years.</li> <li>- Monthly payment of interest at interest rate of MLR minus the rate as specified in the agreement.</li> </ul>	3 Machineries	1,175
Baht 1,100 million (Agreement dated on September 17, 2021)	<ul style="list-style-type: none"> <li>- The principal will be repaid by quarterly at Baht 45.83 million with the first installment in the twenty-seven month from the month of withdrawal. (November 2022) and will be finished within 8 years</li> <li>- Monthly payment of interest at interest rate of 3 month of the juristic person fixed deposit plus the rate as specified in the agreement.</li> </ul>	3 Machineries	1,100
Baht 135 million (Agreement dated on March 22, 2023)	<ul style="list-style-type: none"> <li>- The principal will be repaid by quarterly at Baht 9.64 million with the first installment in July 2023 and will be finished within 3 years 6 months.</li> <li>- Monthly payment of interest at interest rate of BBL's MLR minus the rate as specified in the agreement.</li> </ul>	No collateral	116

Loans per Agreement	Repayment Condition	Collateral	Principal Balances (AMOUNT IN MILLION BAHT)
Baht 200 million (Agreement dated on April 24, 2023)	- The principal will be repaid by quarterly at Baht 14.29 million with the first installment in the eight month from the month of withdrawal. (April 2023) and will be finished within 4 years  - Monthly payment of interest at interest rate of 3 month of the juristic person fixed deposit plus the rate as specified in the agreement.	No collateral	200
Baht 1,100 million (Agreement dated on September 8, 2023)	- The principal will be repaid by quarterly at Baht 45.85 million with the first installment in 36 months from the first withdrawal of the loan. (September 2023) and will be finished within 105 months.  - Monthly payment of interest at interest rate of 3 month of the juristic person fixed deposit plus the rate as specified in the agreement.	No collateral	78
<b>THE SEPARATE FINANCIAL STATEMENTS</b>			<b>3,344</b>
VND 446,500 million (about Baht 710 million) (Agreement dated on August 9, 2022)	- The principal will be repaid by quarterly at VND 12,224 million (about Baht 19 million) with the first installment in 12 months from the first withdrawal of the loan and will be finished within 6 years.  - Quarterly payment of interest from the first withdrawal of the loan at interest rate of VND Cost of Fund + 1.75% per annum.	No collateral	402
<b>CONSOLIDATED</b>			<b>3,746</b>

The Company must comply according to the following conditions;

1. To maintain the ratio of debt to shareholders' equity as specified in the agreement.
2. To insure all collateral assets which are legally mortgaged, whereas the amount of insurance must not be less than amount of loans obtained from the bank. And to specify that the bank will be the sole beneficiary and the Company has to pay its own insurance premium until the repayment of debt is finished.



15. LEASE LIABILITIES

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED					
	2023			2022		
	Land Leasing	Vehicle	Total	Land Leasing	Vehicle	Total
Liabilities under the lease agreement as at January 1,	994,074,506	4,364,823	998,439,329	995,248,001	1,632,094	996,880,095
<u>Add</u> Adjust during the years	--	--	--	10,869,924	--	10,869,924
<u>Add</u> Increase during the years	--	--	--	--	3,394,127	3,394,127
<u>Add</u> Increase from rental rates changing	9,146,377	--	9,146,377	--	--	--
<u>Less</u> Payment during the years	(22,678,171)	(1,155,134)	(23,833,305)	(12,043,419)	(661,398)	(12,704,817)
<b>Liabilities under lease agreement as at December 31,</b>	<b>980,542,712</b>	<b>3,209,689</b>	<b>983,752,401</b>	<b>994,074,506</b>	<b>4,364,823</b>	<b>998,439,329</b>
Deferred interest as at January 1,	312,524,228	295,487	312,819,715	306,328,862	96,659	306,425,521
<u>Add</u> Adjust during the years	6,823,365	--	6,823,365	7,421,930	--	7,421,930
<u>Add</u> Increase during the years	--	--	--	--	280,492	280,492
<u>Less</u> Interest expenses during the years	(13,492,592)	(122,333)	(13,614,925)	(1,226,564)	(81,664)	(1,308,228)
<b>Deferred interest as at December 31,</b>	<b>305,855,001</b>	<b>173,154</b>	<b>306,028,155</b>	<b>312,524,228</b>	<b>295,487</b>	<b>312,819,715</b>
Lease liabilities - net	674,687,711	3,036,535	677,724,246	681,550,278	4,069,336	685,619,614
<u>Less</u> Current portion of financial leases	(8,493,305)	(1,068,838)	(9,562,143)	(9,059,067)	(1,032,801)	(10,091,868)
<b>Lease liabilities - net from current portion of lease liabilities</b>	<b>666,194,406</b>	<b>1,967,697</b>	<b>668,162,103</b>	<b>672,491,211</b>	<b>3,036,535</b>	<b>675,527,746</b>

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS					
	2023			2022		
	Land Leasing	Vehicle	Total	Land Leasing	Vehicle	Total
Liabilities under the lease agreement as at January 1,	875,658,740	4,364,823	880,023,563	886,548,759	1,632,094	888,180,853
<u>Add</u> Increase during the years	--	--	--	--	3,394,127	3,394,127
<u>Add</u> Increase from rental rates changing	9,146,377	--	9,146,377	--	--	--
<u>Less</u> Payment during the years	(21,524,771)	(1,155,134)	(22,679,905)	(10,890,019)	(661,398)	(11,551,417)
<b>Liabilities under lease agreement as at December 31,</b>	<b>863,280,346</b>	<b>3,209,689</b>	<b>866,490,035</b>	<b>875,658,740</b>	<b>4,364,823</b>	<b>880,023,563</b>
Deferred interest as at January 1,	232,036,397	295,487	232,331,884	232,109,561	96,659	232,206,220
<u>Add</u> Increase during the years	--	--	--	--	280,492	280,492
<u>Add</u> Adjust during the years	6,823,365	--	6,823,365	--	--	--
<u>Less</u> Interest expenses during the years	(12,339,192)	(122,333)	(12,461,525)	(73,164)	(81,664)	(154,828)
<b>Deferred interest as at December 31,</b>	<b>226,520,570</b>	<b>173,154</b>	<b>226,693,724</b>	<b>232,036,397</b>	<b>295,487</b>	<b>232,331,884</b>
Lease liabilities - net	636,759,776	3,036,535	639,796,311	643,622,343	4,069,336	647,691,679
<u>Less</u> Current portion of financial leases	(8,493,305)	(1,068,838)	(9,562,143)	(9,059,067)	(1,032,801)	(10,091,868)
<b>Lease liabilities - net from current portion of lease liabilities</b>	<b>628,266,471</b>	<b>1,967,697</b>	<b>630,234,168</b>	<b>634,563,276</b>	<b>3,036,535</b>	<b>637,599,811</b>

The Company and its subsidiary have lease expenses recognized in the statements of comprehensive income for the years 2023 and 2022 as follows :

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Interest expenses on lease liabilities	13,614,925	1,308,228	12,461,525	154,828

The portion of liabilities under financial leases due within one year was shown under current liabilities.

The Company has entered into Land Leasing Agreement at Tambol Nong Kham, Sriracha, Chonburi Province with the other person which renew from old agreement as follow:

Title deed	Total area	The term of lease	Annual Rental (Million Baht)
69315	5 Rai 96 Square Wah	3 years (January 1, 2024 - December 31, 2026)	1.15

The Company has entered into Land Leasing Agreement at the Industrial Estate Project and Laemchabang Exporting Zone at Sriracha, Chonburi Province with the Industrial Estate of Thailand as follows :

The plot of land Nos.	Total area	The term of lease	The period	Annual Rental (Million Baht)
12G - 1 and 12G - 4	25 Rai 3 Ngan 42.17 Square Wah	30 Years (March 16, 2011 - March 15, 2041)	The 1 <sup>st</sup> - 5 <sup>th</sup> years	4.13
			The 6 <sup>th</sup> - 10 <sup>th</sup> years	4.54
			The 11 <sup>th</sup> - 15 <sup>th</sup> years	5.00
			The 16 <sup>th</sup> - 20 <sup>th</sup> years	5.50
			The 21 <sup>th</sup> - 25 <sup>th</sup> years	6.05
			The 26 <sup>th</sup> - 30 <sup>th</sup> years	6.65

NOTES TO THE FINANCIAL STATEMENTS

The plot of land Nos.	Total area	The term of lease	The period	Annual Rental (Million Baht)
CP 27 (March 16, 2021, Announcement of Laem Chabang Industrial Estate No.7/2021 changed the rental rate which, effective for year 2021 - 2025)	1 Rai 1 Ngan 19.63 Square Wah	3 Years (August 1, 2019 - July 31, 2022)	The 1 <sup>st</sup> year	0.21
			The 2 <sup>nd</sup> year	0.23
			The 3 <sup>rd</sup> year	0.23
		3 Years (August 1, 2022 - July 31, 2025)	The 1 <sup>st</sup> year	0.24
			The 2 <sup>nd</sup> year	0.26
			The 3 <sup>rd</sup> year	0.26
B5-2	6 Rai 2 Ngan 76.53 Square Wah	30 Years (November 1, 2013 - October 31, 2043) <i>Note: Rental rate possibly to change as according to the lessor setting</i>	The 1 <sup>st</sup> - 8 <sup>th</sup> years	1.18
			The 9 <sup>th</sup> - 10 <sup>th</sup> years	1.29
			The 11 <sup>th</sup> - 15 <sup>th</sup> years	1.42
			The 16 <sup>th</sup> - 20 <sup>th</sup> years	1.56
			The 21 <sup>th</sup> - 25 <sup>th</sup> years	1.72
			The 26 <sup>th</sup> - 30 <sup>th</sup> years	1.89
12G-1/1, 12G-2, 12G-3, and 12G-4/1 (March 16, 2021, Announcement of Laem Chabang Industrial Estate No.7/2021 changed the rental rate which effective for year 2021 - 2025)	48 Rai 2 Ngan 85.83 Square Wah	30 Years (August 31, 2020 - August 30, 2050)	The 1 <sup>st</sup> year	12.17
			The 2 <sup>nd</sup> year	12.67
			The 3 <sup>rd</sup> year	12.92
			The 4 <sup>th</sup> year	13.18
			The 5 <sup>th</sup> year	13.44
			The 6 <sup>th</sup> - 30 <sup>th</sup> years	The rental rate will increase 10% from the former rental every 3 years.

The Company has entered into vehicle lease agreements as follows :

Vehicle lease agreements Nos.	The term of lease	Start from - Ending	Monthly Rental (Including VAT) (Baht)
L15 - 00722	5 years	May 20, 2020 - May 22, 2025	39,728
FL22 - 000964	5 years	August 22, 2022 - August 28, 2027	30,680
FL22 - 001414	5 years	September 14, 2022 - September 20, 2027	25,853

The subsidiary has entered into Land Leasing Agreement including the infrastructure maintenance and management fee at the Bau Bang Expansion Industrial Estate with a company in Socialist Republic of Vietnam as follows :

The plot of land Nos.	Lease Agreement	Total area	The term of lease	The period	Annual Rental (Million VND)
C-12B-CN	Land	70,673 Square Meter	45 Years (January 1, 2021 - April 26, 2066)	As at December 31, 2021 the subsidiary has fully paid for right of use of the land under the contract.	
	Maintenance and management fees (monthly charge)	70,673 Square Meter	45 Years (January 1, 2021 - April 26, 2066)	The 1 <sup>st</sup> - 5 <sup>th</sup> years	3,836.13
				The 6 <sup>th</sup> - 10 <sup>th</sup> years	4,681.38
				The 11 <sup>th</sup> - 15 <sup>th</sup> years	5,656.67
				The 16 <sup>th</sup> - 20 <sup>th</sup> years	6,827.01
				The 21 <sup>th</sup> - 25 <sup>th</sup> years	8,192.41
				The 26 <sup>th</sup> - 30 <sup>th</sup> years	9,850.40
				The 31 <sup>th</sup> - 35 <sup>th</sup> years	11,898.51
				The 36 <sup>th</sup> - 40 <sup>th</sup> years	14,336.72
				The 41 <sup>th</sup> - 45 <sup>th</sup> years	15,734.64

16. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022
<b><u>Commitments under the defined benefit plan</u></b>		
Liabilities value as at January 1,	81,661,631	79,921,979
<u>Add</u> Current service cost	6,136,508	4,826,274
Interest cost	1,424,402	785,711
<u>Add</u> Actuarial loss from employee benefit plans (recognized in other comprehensive income)	3,347,629	--
<u>Less</u> Employee benefits paid during the years	(2,517,630)	(3,872,333)
Ending balances as at December 31	90,052,540	81,661,631

The Company has provision for long-term employee benefits presented in the statements of comprehensive income for the years ended 2023 and 2022, as follows :

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022
Cost of sales	4,214,409	3,147,790
Distribution cost	662,939	548,849
Administrative expenses	2,683,562	1,915,346
Total	7,560,910	5,611,985

The key assumptions used in determining the employee benefit liabilities are shown as follows:

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022
Discount rate	2.75 % per annum	1.50 % per annum
Salary increase rate	4.50 % per annum	4.50 % per annum
Staff turnover rate (depends on the age)	2.39 - 28.65 % per annum	2.39 - 28.65 % per annum

Sensitivity analysis for each key assumption used is as follows :

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022
Discount rate		
Decrease in percentage 0.50	58,238,654	58,289,744
Increase in percentage 0.50	(53,628,661)	(53,890,262)
Salary growth rate		
Decrease in percentage 0.50	(53,470,709)	(53,207,665)
Increase in percentage 0.50	58,548,412	59,208,184

## 17. LEGAL RESERVE

In compliance with the Public Company Act, B.E. 2535 (1992), the Company has to set aside a portion of annual net profit for legal reserve not less than 5% of annual net profit less deficits brought forward (if any) until this reserve is not less than 10% of authorized capital. Such reserve is not allowed to pay for dividend. The Company has allocation legal reserve which duly met 10% of authorized share capital.

## 18. DIVIDEND PAYMENT AND DIRECTORS' REMUNERATION

The meeting	Month/Day/Year		Dividend payment		Number of shares (million)	The dividend payment		Directors' Remuneration (million Baht)	Directors' meeting allowance for each time (Baht)
	Resolution	Dividend payment	Dividend	Year		Per share (Baht)	Total dividend payment (million Baht)		
The Ordinary General Shareholders	April 28, 2022	May 20, 2022	Annual	2021	440.00	0.25	110.00	5.40	10,000 per person
The Board of Directors	August 11, 2022	September 9, 2022	Interim	2022	440.00	0.38	167.20	--	--
The Ordinary General Shareholders	April 28, 2023	--	--	--	440.00	--	--	5.40	10,000 per person

## 19. FINANCE COST

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
Interest expenses	158,968,070	73,741,177	149,142,311	71,925,336
Bank charges	10,826,213	12,154,225	10,826,213	12,154,225
Total	169,794,283	85,895,402	159,968,524	84,079,561

## 20. INCOME TAXES

The Company's income taxes are calculated from the accounting profit or loss adjusted with other revenues and some expenses which are exempted from income tax or being disallowable expenses in income tax computation purposes and adjusted with net loss brought forward under Revenue Code not exceeding 5 accounting years prior to the current year.

The BOI business without the exemption privilege from income tax and the non-BOI business, the income tax computation is calculated at the rate of 20% in 2023 and 2022.

The BOI business with the exemption privilege from income tax, the Company calculated according to the promotional privileges which are granted.

Corporate income taxes of the overseas subsidiary have been calculated by applying those statutory rates.



Income taxes expenses (revenues) recognized in the statements of comprehensive income consist :

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022
Corporate income tax for the years	--	--
Amortization and reversal of temporary differences assets/liabilities on temporary differences	(89,678,734)	--
Income tax revenues	(89,678,734)	--

As at December 31, 2023 and 2022 the deferred tax assets/liabilities arose from the following temporary differences :

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022
Income tax rate 20%		
Accumulated temporary differences in the statements of comprehensive income		
Allowance for expected credit loss of trade and other current receivables	340,395	--
Receivable of the selling forward exchange contracts	18,781	--
Payables of the selling exchange contracts forward	(272,796)	--
Right-of-use assets	(61,141,305)	--
Lease liabilities	67,420,729	--
Provision for deteriorated inventories	90,455	--
Provision for diminution inventories	2,022,139	--
Other non-current financial assets	(206,546,051)	--
Depreciation rate different from tax rates	(25,998,468)	--
Provision for long-term employee benefits	6,757,337	--
Unused tax losses	297,638,123	--
Total	80,329,339	--
Temporary differences in other comprehensive income Recognized in other component of shareholders' equity		
Provision for long-term employee benefits	289,905	--
Total	80,619,244	--

NOTES TO THE FINANCIAL STATEMENTS

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022
Income tax rate 10% (BOI-exemption tax 100%)		
Accumulated temporary differences in the statements of comprehensive income		
Allowance for expected credit loss of trade and other current receivables	2,249,849	--
Receivable of the selling forward exchange contracts	124,134	--
Payables of the selling exchange contracts forward	(1,805,731)	--
Right-of-use assets	(404,715,297)	--
Lease liabilities	446,280,965	--
Provision for deteriorated inventories	334,327	--
Provision for diminution inventories	5,693,596	--
Depreciation rate different from tax rates	(81,030,177)	--
Provision for long-term employee benefits	44,907,678	--
Unused tax losses	724,089,316	--
Total	736,128,660	--
Temporary differences in other comprehensive income Recognized in other component of shareholders' equity		
Provision for long-term benefits	1,740,432	--
Total	737,869,092	--
Deferred tax assets calculated		
From income tax rate 20%	16,123,849	--
From income tax rate 10% (BOI-50% of normal tax rate)	73,786,909	--
Total deferred tax assets	89,910,758	--

## 21. PROMOTIONAL PRIVILEGES

A.J. Plast Public Company Limited was granted the promotional certificates from the Board of Investment 15 promotional certificates as follows :

1.Promotional certificates Nos. (Date)	2. Effective dates of Promotional Certificates	3. The promotional privileges for manufacturing of	4. Expiry dates according to items 5.1 and 5.2
1048(1)/2545 January 22, 2002	May 23, 2003	BOPP FILM, category of plastic products or plastic coated	May 22, 2011
1674(2)/2548 July 29, 2005	April 1, 2006	BOPA FILM, category of plastic products or plastic coated	March 31, 2014
1804(2)/2552 October 14, 2009	February 2, 2010	Metal coated or ANODIZE (SURFACE TREATMENT)	February 1, 2018
1919(2)/2553 August 27, 2010	March 16, 2011	BOPA FILM, category of plastic products or plastic coated	March 15, 2019
1291(2)/2554 March 11, 2011	April 26, 2012	BOPET FILM, category of plastic products or plastic coated	April 25, 2020
1008(2)/2555 January 12, 2012	April 26, 2013	BOPP FILM, category of plastic products or plastic coated	April 25, 2021
1358(2)/2555 March 22, 2012	November 26, 2013	BOPET FILM, category of plastic products or plastic coated	November 25, 2021
2897(2)/2555 December 18, 2012	October 24, 2014	BOPP FILM, category of plastic products or plastic coated	October 23, 2022
1649(2)/2556 May 16, 2013	December 24, 2015	CPP and LLDPE FILM, category of plastic products or plastic coated and/or metal coated	December 23, 2023
1372(2)/2557 March 25, 2014	July 1, 2014	Plating or coating or ANODIZE	June 30, 2022
2368(2)/2557 October 29, 2014	March 3, 2015	Plating or coating or ANODIZE	March 2, 2023
58-1874-0-00-1-0 July 8, 2015	October 15, 2015	Plating or coating or ANODIZE	October 14, 2023
61-0320-1-18-1-0 March 21, 2018	June 25, 2019	BOPA FILM, category of plastic products or multi-layer plastic	June 24, 2025
65-0587-1-00-1-0 May 25, 2022	November 28, 2022	BOPP FILM, category of plastic products of not less than 3 layers (film) that form CO - EXTRUSION	November 27, 2028
65-0336-1-00-1-0 March 23, 2022	October 27, 2023	BOPET FILM, category of plastic products of not less than 3 layers (film) that form CO - EXTRUSION	October 26, 2029

5. Important privileges which are granted :

5.1 Exemption from corporate income tax on net profit of promotional operations as follows :

5.1.1 Exemption from corporate income tax on net profit of promotional operations for 8 years.

Whereby the promotional certificates 2897(2)/2555, 1649(2)/2556, 1372(2)/2557, 2368(2)/2557 and 58-1874-0-00-1-0 have limited amount for corporate income tax exemption maximum of Baht 843 million, Baht 420 million, Baht 97 million, Baht 230 million and Baht 112 million, respectively.

5.1.2 Exemption from corporate income tax on net profit of promotional operations for 6 years.

Whereby the promotional certificates 61-0320-1-18-1-0, 65-0587-1-00-1-0 and 65-0336-1-00-1-0 have limited amount for corporate income tax exemption maximum of Baht 845 million, Baht 1,103 million and Baht 1,422 million, respectively.

These will be varied according to the amount of investment excluding land and effective working capital on the opening date of operation according to the promotional project.

5.2 Exemption from income tax on dividend from promoted business which was exempted from income tax as 5.1, Income tax is calculated during the exemption income tax period of each card.

5.3 Allowance for reduction the corporate income tax from promotional net profit at 50% of normal rate since the exemption of 5.1 expired of the promotional certificates No.1804(2)/2552, 1919(2)/2553, 1291(2)/2554, 1008(2)/2555 and 1358(2)/2555 for 5 years.

5.4 Exemption from import duty on raw materials and necessary supplies imported from overseas for export production, commencing from the first date of importation for 5 years.

5.5 Allowance to deduct the annual loss incurred during the income tax exemption period as 5.1 from the net profit incurred since the exemption from corporate income tax was expired within 5 years, by which can be deducted from net profit of any year or several years.

As a promoted industry, the Company must strictly comply with certain terms and conditions stipulated in the promotional certificates.

The Company has sales both local and export for the years ended 2023 and 2022, respectively according to Note 26 to the financial statements.

22. EXPENSES BY NATURE

(AMOUNT IN BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
(Increase) decrease in finished goods and work in process	48,768,639	(120,514,891)	(27,773,131)	(120,514,891)
Raw materials and consumables used	6,358,772,932	6,920,789,154	6,060,083,023	6,920,789,154
Management benefit expenses	63,587,049	52,335,397	56,679,250	52,335,397
Employee benefit expenses	616,446,660	528,806,693	564,433,611	521,718,705
Depreciation and amortization expenses	343,542,519	307,442,942	328,878,558	302,648,853

23. FOREIGN CURRENCY TRANSACTIONS

23.1 As at December 31, 2023 and 2022, the Company and its subsidiary have outstanding assets and liabilities denominated in foreign currencies as follows :

(AMOUNT IN MILLION)

PARTICULARS	CONSOLIDATED				THE SEPARATE FINANCIAL STATEMENTS			
	2023		2022		2023		2022	
	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht
<b>Assets</b>								
USD	5.285	179.53	7.412	254.19	4.965	168.65	3.159	108.33
JPY	32.418	7.71	38.459	9.86	32.418	7.71	38.459	9.86
Total Assets		187.24		264.05		176.36		118.19
<b>Liabilities</b>								
- Portion due within on year								
EUR	0.113	4.34	1.105	41.11	0.113	4.34	1.105	41.11
USD	1.742	59.89	5.918	205.56	1.742	59.89	5.918	205.56
JPY	4.635	1.14	14.873	3.93	4.635	1.14	14.873	3.93
GBP	--	--	0.004	0.16	--	--	0.004	0.16
Total Liabilities		65.37		250.76		65.37		250.76

23.2 The Company has entered into Buying and Selling Forward Exchange Contracts with the local commercial bank for hedging against the fluctuation in exchange rates. It can be summarized as follows :

As at December 31, 2023, as follows :

(AMOUNT IN MILLION)

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	Foreign currency	Fair value (Baht)	Exchange rates on the delivery date	Delivery dates
Buying Forward Exchange Contracts USD	1.065	36.69	Baht 34.1700 - 34.7700 to USD 1	January 2024

(AMOUNT IN MILLION)

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	Foreign currencies	Fair value (Baht)	Exchange rates on the delivery date	Delivery dates
Selling Forward Exchange Contracts JPY	637.812	155.58	Baht 0.2493 - 0.2543 Baht 0.2510 - 0.2521 Baht 0.2495 - 0.2535 Baht 0.2464 Baht 0.2405 - 0.2520 to JPY 1	January 2024 March 2024 April 2024 May 2024 June 2024

As at December 31, 2022, as follows :

(AMOUNT IN MILLION)

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	Foreign currency	Fair value		Exchange rates on the delivery date	Delivery dates
		USD	BAHT		
Buying Forward Exchange Contracts EUR	0.222	0.237	8.18	USD 1.0506 to EUR 1	January 2023

(AMOUNT IN MILLION)

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	Foreign currencies	Fair value (Baht)	Exchange rates on the delivery date	Delivery dates
<b>Buying Forward Exchange Contracts</b>				
USD	3,487	119.51	Baht 37.6100	January 2023
			Baht 35.4600 - 37.4100	February 2023
			Baht 34.7642 - 35.2500	March 2023
			Baht 36.4301 - 37.0200	May 2023
			to USD 1	

(AMOUNT IN MILLION)

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	Foreign currencies	Fair value (Baht)	Exchange rates on the delivery date	Delivery dates
<b>Selling Forward Exchange Contracts</b>				
USD	2,000	72.21	Baht 34.5876 – 34.6476	January 2023
			to USD 1	
JPY	506,245	132.77	Baht 0.2640 - 0.2661	March 2023
			Baht 0.2617 - 0.2668	April 2023
			Baht 0.2608 - 0.2652	May 2023
			Baht 0.2608 - 0.2668	June 2023
			Baht 0.2638	July 2023
			to JPY 1	
Total		204.98		

24. COMMITMENT AND CONTINGENT LIABILITIES

The Company has commitment and contingent liabilities as follows :

(AMOUNT IN MILLION)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022
Letters of guarantee issued by commercial banks (Baht)	65.54	65.74
Letters of credit		
EUR	17.94	4.39
USD	10.84	1.79

The Company has entered into agreement with the financial institutions as follows :  
(see also Note 12 to the financial statements).

(AMOUNT IN MILLION BAHT)

PARTICULARS	CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022
Bank overdrafts facilities	200	200
Short-term loans agreement	950	690
Letters of credit and trust receipts facilities	4,950	4,950

The subsidiary company has entered into an agreement with a financial institution. There are letter of credit, trust receipt and short-term loan agreement sum amount of USD 10 million.



25. TRANSACTIONS WITH RELATED PARTIES

The Company and its subsidiary have accounting transactions with their related parties, with the relationship as follows :

RELATED PARTIES	RELATIONSHIP
1. Subsidiary	See also Note 8 to the interim financial statements
2. Related companies	
United Foods Public Co., Ltd.	See also Note 7 to the interim financial statements
All Marketing Co., Ltd.	Directors are shareholders of the company
United Rice Co., Ltd.	Directors are shareholders of the company
Thai Polyethylene Co., Ltd.	Co-directors
SCG Chemicals Public Company Limited	Shareholder of subsidiary
The Siam Cement Public Co., Ltd	Co-directors
SCG INTERNATIONAL Viet Nam Limited	Co-directors
Tin Thanh Packing JSC	Co-directors

The significant related accounting transactions with related parties in the financial statements are as follows :

(AMOUNT IN BAHT)

TRANSACTIONS IN STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
<b>Trade and other current receivables</b>				
Other current receivables - subsidiary	--	--	1,970,783	374,980
<b>Trade and other current payables</b>				
Trade payables - related parties	47,211,075	--	47,211,075	--
Other current payables - related parties	4,528,632	--	--	--
<b>Total</b>	<b>51,739,707</b>	<b>--</b>	<b>47,211,075</b>	<b>--</b>

(AMOUNT IN BAHT)

TRANSACTIONS IN STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
<b>Sales</b>				
Related parties (Price is in accordance with the mutual agreement)	18,092,512	--	--	--
<b>Other incomes</b>				
Related parties (Price is in accordance with the mutual agreement)	--	--	22,745,152	1,155,352
<b>Purchase raw material</b>				
Related parties (Price is in accordance with the mutual agreement)	322,615	--	322,615	--
<b>Administrative expenses</b>				
Related parties (Price is in accordance with the mutual agreement)	10,629,680	1,349,242	69,250	1,349,242

## 26. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiary operate in one industrial segment that is packaging.

The financial information by segment of the Company and its subsidiary for the years ended 2023 and 2022 are as follows :

(AMOUNT IN MILLION BAHT)

CONSOLIDATED	2023			2022		
	Local	Export	Total	Local	Export	Total
Sales	3,575.86	4,051.62	7,627.48	4,112.15	4,949.51	9,061.66
Cost of sales	(3,530.60)	(3,954.61)	(7,485.21)	(3,917.25)	(4,462.88)	(8,380.13)
Distribution costs	(110.83)	(174.57)	(285.40)	(78.73)	(300.84)	(379.57)
Segment profit (loss)	(65.57)	(77.56)	(143.13)	116.17	185.79	301.96
Profit (loss) for the years			(402.30)			23.72
Property, plant and equipment			9,806.13			9,212.76

## 27. PROVIDENT FUND

The Company has set up and registered Provident Fund in accordance with the Provident Fund Act, B.E. 2530 (1987), in order to be the savings and welfare promotion, as well as the fringe benefits upon resignation or retirement to its employees according to the Company's regulation. The fund is partly contributed by the employees and another part by the Company at the rate 3% of their basic salaries. Hereby, the Company has appointed the TISCO Asset Management Company Limited to be the fund manager.

Provident fund contributions made by the Company for the employees and recorded as expenses in the statements of comprehensive income for the years ended December 31, 2023 and 2022 are Baht 6.44 million and Baht 6.25 million, respectively.

## 28. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Company has information relating to financial instruments both in and off statements of financial position as follows :

### 28.1 Accounting policies

- Accounting policies are disclosed in Note 3 to the financial statements.

### 28.2 Risk from breach of contracts

- Due to the contracting party does not follow the requirement in the contract which caused damage to the Group
- For the financial assets shown in the statements of financial position, the book value of such assets is net from various provisions to be estimated fair value. Such provisions are assumed to be the highest value of risk incurred from breach of contracts.

### 28.3 Risk relating to interest rate of financial assets and liabilities

Risk from the fluctuation in interest rate may have negative effect to the Company for the current and the following years. The Company expects that it can manage the contingent risk, due to the Company has set up a plan and follow up the situation closely.

### 28.4 Hedging against risk from foreign currency transactions

The Group has bought and sold some forward exchange contracts for hedging against risk arising from the fluctuation in exchange rates of foreign currencies.

### 28.5 Determination of fair values

The following methods and assumptions are used to estimate the fair value of financial instruments:

- Financial assets shown at book value which equal to estimated fair value.
- Financial liabilities shown at book value which equal to estimated fair value. Loans carrying interest rates close to the market rates.

The Company and its subsidiary have assets and liabilities that were measured at fair value disclosed using different levels of inputs as follows :

(AMOUNT IN BAHT)

	CONSOLIDATED AND THE SEPARATE			
	FINANCIAL STATEMENTS			
	Level 1	Level 2	Level 3	Total
<b>2023</b>				
<b>Assets measured at fair value</b>				
Financial assets measured at				
fair value through profit or loss				
- Receivables from Buying and Selling				
Forward Exchange Contracts	--	3,485,900	--	3,485,900
- Investments in related party	--	--	230,498,051	230,498,051
<b>Liabilities measured at fair value</b>				
Financial liabilities measured at				
fair value through profit or loss				
- Payables from Buying and Selling				
Forward Exchange Contracts	--	574,260	--	574,260
<b>2022</b>				
<b>Assets measured at fair value</b>				
Financial assets measured at				
fair value through profit or loss				
- Receivables from Buying and Selling				
Forward Exchange Contracts	--	914,504	--	914,504
- Investments in related party	--	--	159,480,400	159,480,400
<b>Liabilities measured at fair value</b>				
Financial liabilities measured at				
fair value through profit or loss				
- Payables from Buying and Selling				
Forward Exchange Contracts	--	10,852,767	--	10,852,767

29. CAPITAL MANAGEMENT

The objectives of the Company in capital management are to maintain its ability to continue as a going concern and to maintain appropriate capital structure. In addition, it has to maintain debt to equity ratio as stipulated in loan agreement.

The Company and its subsidiary have the ratio of debt to shareholders' equity as follows:

PARTICULAR	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
The ratio of debt to shareholders' equity	2.18 : 1	1.73 : 1	2.16 : 1	1.75 : 1

30. EVENTS AFTER THE REPORTING PERIOD

30.1 The Company has made Buying and Selling Forward Exchange Contracts with the local commercial bank after the reporting period to the date of independent auditor's report for hedging against the fluctuation in exchange rates, as follow:

- 1) The new Buying and Selling Forward Exchange Contracts.

(AMOUNT IN MILLION)

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	EXCHANGE RATES	DELIVERY DATES
<b>Buying Forward Exchange Contracts</b>		
USD		
2.816	Baht 34.2540 - 35.8200	January 2024
	Baht 35.4250 - 35.6150	February 2024
	to USD 1	
<b>Selling Forward Exchange Contracts</b>		
USD		
0.087	Baht 34.6200 - 34.6500	January 2024
	to USD 1	
JPY		
100.000	Baht 0.2445 - 0.2455	July 2024
	Baht 0.2435 - 0.2445	August 2024
	to JPY 1	

2) The Buying and Selling Forward Exchange contracts which renew from old Contracts.

(AMOUNT IN MILLION)

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	EXCHANGE RATES	DELIVERY DATES
Selling Forward Exchange Contracts JPY 168.013	Baht 0.2474 - 0.2478 to JPY 1	July 2024

**30.2** On January 12, 2024, the Company has entered into a contract selling machinery to subsidiary in Socialist Republic of Vietnam amount of Baht 515.71 million.

**30.3** On January 17, 2024, the Company paid for capital increase in a subsidiary in the Socialist Republic of Vietnam amount of Baht 105,531,629.75 (USD 2,962,707.18) with the same investment proportion of 55%.

**30.4** On February 27, 2024, the Company's Board of Directors Meeting No. 1/2024 passed the following significant resolutions: to propose to a meeting of shareholders for consideration and approval the increase of its registered share capital under specific purposes in the amount of Baht 920,259,200 by issuing 156,800,000 new ordinary shares with a par value of Baht 1 each from the existing registered share capital of 440,000,000 ordinary shares to 596,800,000 ordinary shares for

1. Offering 85,000,000 new ordinary shares to the existing shareholders (Rights Offering).
2. Offering 71,800,000 new ordinary shares to the private placement.

However, the increase of registered share capital remains uncertain as it is subject to the approval of the Annual General Shareholders' Meeting.

### 31. FINANCIAL STATEMENTS APPROVAL

These financial statements are duly approved by the Company's directors on February 27, 2024.

# Attachments



# Attachment 1

## Details of Directors and Executives and Company Secretary as of December 31, 2023

### Directors' Biography

Name/ Position <sup>1</sup>	Age	Education/Training	Ratio of share-holding <sup>2</sup>	Relationship among managements	Work Experiences in the last five years		
					Period	Positioning	Organization
Mr. Narong Suthisamphat - President	81	<b>Education</b> M.A. Economic, USC, California, U.S.A. <b>Training</b> DCP Class 143/2011 - IOD	29,880,000 shares or 6.79% Spouse or dependents 222,222 shares or 0.05%	Father of Mr. Kittiphat Suthisamphat	<b>Relevant Important Positions in Listed Companies</b>		
					1987 - Present	President	A.J. Plast PLC
					<b>Relevant Important Positions in Non-Listed Companies</b>		
					1975 - Present	President	United Food PLC (Snack Industry)
					1986 - Present	Director	International foods Limited
					2006 - Present	Director	All Suwan Co., Ltd.
					2010 - Present	Director	Japonica Rice Co., Ltd.
					2013 - Present	Director	United Rice Co., Ltd.
					2013 - Present	Director	All Marketing Co., Ltd.
					April 25, 2019 - Present	Director	Sawasdee Holding Co., Ltd.
Mrs. Napaporn Suthipongchai - Vice President - Risk Management Director	79	<b>Education</b> MBA, St. Mary's University, Texas, U.S.A. <b>Training</b> DCP Class 44/2004-IOD	Shares -None- Spouse or dependents shares -None-	Spouse of brother of Mr. Narong Suthisamphat's spouse	<b>Relevant Important Positions in Listed Companies</b>		
					2000 - Present	Vice President	A.J. Plast PLC
					<b>Relevant Important Positions in Non-Listed Companies</b>		
2012 - Present	Director	Convenience Supply Co., Ltd.					
Mr. Kittiphat Suthisamphat - Vice President - Chairman of Risk Management Committee - Managing Director	52	<b>Education</b> - MBA Sloan School of Management Massachusetts Institute of Technology, Boston, U.S.A. - Bachelor of Engineering (B.Eng) Industrial Engineering Chulalongkorn University <b>Training</b> DCP Class 72/2006-IOD	115,447,842 shares or 26.24% Spouse and child under 20-year old's 5,611,111 shares or 1.28%	Son of Mr. Narong Suthisamphat	<b>Relevant Important Positions in Listed Companies</b>		
					2000 - Present	Vice President & Managing Director	A.J. Plast PLC
					October, 2015 - Present	Director	Thai Plaspac PLC
					April 2016 - Present	Director	National Power Supply PLC
					<b>Relevant Important Positions in Non-Listed Companies</b>		
					2000 - Present	Director	Suthiland Co., Ltd.
					November, 2021 - Present	President	A.J. Plast (Vietnam) Company Limited
					2020 - Present	Associate Judge	The Federation of Thai Industries
					March, 2017 - 2021	Associate Judge	Intellectual Property and International Trade Court



Name/ Position <sup>1</sup>	Age	Education/Training	Ratio of share-holding <sup>2</sup>	Relationship among managements	Work Experiences in the last five years		
					Period	Positioning	Organization
Mr. Ninnat Olanvoravuth - Chairman of Audit Committee - Chairman of Corporate Governance and Sustainability management - Risk Management Director - Independent Director	77	<b>Education</b> Ph.D., Leadership and Organization Behavior U.S. International University <b>Training</b> DCP Class 121/2009-IOD	Shares -None- Spouse or dependents shares -None-	-	Relevant Important Positions in Listed Companies		
					1994 - Present	Director	A.J. Plast PLC
					Relevant Important Positions in Non-Listed Companies		
					1981 - Present	Secretary General	Association of Southeast Asian Institute of Higher Education
					2014-Present	Chairman of the University Council	Chalermkarnchana University
Mrs. Chavida Srisangnam - Audit Director - Nomination and Remuneration Director - Independent Director	79	<b>Education</b> B.A. Economics Thammasat University <b>Training</b> DCP Class 72/2006-IOD	15,555 shares or 0.0035% Spouse or dependents shares -None-	-	Relevant Important Positions in Listed Companies		
					2000 - Present	Director	A.J. Plast PLC
Mr. Supote Tonurat - Corporate Governance and Sustainability Management Director - Nomination and Remuneration Director - Independent Director	87	<b>Education</b> BSC, Chulalongkorn University <b>Training</b> DAP Class 48/2005-IOD	10,000 shares or 0.0023% Spouse or dependents shares -None-	-	Relevant Important Positions in Listed Companies		
					1991 - Present	Director	A.J. Plast PLC

Name/ Position <sup>1</sup>	Age	Education/Training	Ratio of share-holding <sup>2</sup>	Relationship among managements	Work Experiences in the last five years		
					Period	Positioning	Organization
Mr. Surasak Gosayachinda - Chairman of Nomination and Remuneration - Audit Director - Independent Director	81	<b>Education</b> B.A. Law Thammasat University <b>Training</b> DAP Class 48/2005-IOD	18,000 shares or 0.0041% Spouse or dependents shares -None-	-	<b>Relevant Important Positions in Listed Companies</b>		
					2002 - Present	Director	A.J. Plast PLC
					1998 - Present	Director and Audit director	Dynasty Ceramic PLC (Ceramic Industry)
					<b>Relevant Important Positions in Non-Listed Companies</b>		
1999 - Present	Director	United Food PLC (Snack Industry)					
Mr. Sakchai Patiparnpreechavud - Corporate Governance and Sustainability Management Director	56	<b>Education</b> - Bachelor of Engineering chemical engineering Chulalongkorn University - Master of Business Administration, Thammasat University - Advanced Management Program (AMP) Harvard Business School USA <b>Training</b> DAP 148/2018-IOD DCP Class 312/2021- IOD	Shares -None- Spouse or dependents shares -None-	-	<b>Relevant Important Positions in Listed Companies</b>		
					2021 - Present	Director	A.J. Plast PLC
					<b>Relevant Important Positions in Non-Listed Companies</b>		
					Present	Director and Vice President	SCG Chemical Co., Ltd. and Subsidiaries
					2022 - Present	Director	Thailand-Vietnam Business Council
					2020 - Present	Representative of the Engineering University Alumni Association	Chulalongkorn University
2019 - 2022	Consultant	Thai Chamber of Commerce					
2015 - 2019	Director	Plastic Institute					

Name/ Position <sup>1</sup>	Age	Education/Training	Ratio of share-holding <sup>2</sup>	Relationship among managements	Work Experiences in the last five years		
					Period	Positioning	Organization
Mr. Kasemsit Pathomsak - Independent Director	53	<b>Education</b> - Bachelor's degree in Business Administration at Northeastern University, Massachusetts, USA - Owner/President Management Executive Program Harvard Business School, Massachusetts, USA - Master Degree of Financial Management at Bentley College, Massachusetts, USA	Shares -None- Spouse or dependents shares -None-	-	<b>Relevant Important Positions in Listed Companies</b>		
					2021 - Present	Director	A.J. Plast PLC
					Jun 2018 - Present	Director	WP Energy Public Company Limited
					<b>Relevant Important Positions in Non-Listed Companies</b>		
					Oct 2019 - Present	Commissioner of Civil Aviation	Civil Aviation Authority of Thailand
					Oct 2019 - Present	Subcommittee on Air Transport Policy and Strategy	Civil Aviation Commission, Ministry of Transport
					Oct 2019 - Present	Advisor to the Subcommittee on Education and Monitoring the Implementation of the Foreign Relations Strategy of the Foreign Affairs Commission	House of Representatives
					Sep 2018 - Present	President	Thai-Singapore Business Council
					Sep 2018 - Present	Committee	Asia-Pacific Economic Cooperation Framework Business Advisory Council
					2021 - Present	Vice President	Federation of Thai Chambers of Commerce
2005 - Present	Executive Chairman	Merchant Partners Securities Public Company Limited					
2014 - Present	Executive Chairman	Merchant Partners Assets Management Limited					

Name/ Position <sup>1</sup>	Age	Education/Training	Ratio of share-holding <sup>2</sup>	Relationship among managements	Work Experiences in the last five years		
					Period	Positioning	Organization
Mr. Thosphol Chinandej - Deputy Managing Director and Company Secretary	55	<b>Education</b> - Bachelor's degree Faculty of Political Science, International Relations, Chulalongkorn University - M.A., Organization Development U.S. International University <b>Training</b> DCP Class 208/2015-IOD	68,200 Shares or 0.0155% Spouse or dependents 4,000 shares	-	Relevant Important Positions in Listed Companies		
					2006 - Present	Deputy Managing Director and Company Secretary	A.J. Plast PLC
Ms. Sonnattanan Srijundee - Assistant Managing Director	40	<b>Education</b> - Bachelor of Science program Chulalongkorn University - International Masters of Business Administration Thammasat University	31,100 shares or 0.007 % Spouse or dependents shares -None-	-	Relevant Important Positions in Listed Companies		
					2010 - Present	Assistant Managing Director	A.J. Plast PLC
Mr. Chanchai Kissaneepaiboon - Assistant Managing Director and Factory Manager	57	<b>Education</b> - Master's Degree: Master of Public Administration National Institute of Development Administration - Bachelor's degree, Bachelor of Science (Industrial Chemistry) King Mongkut's Institute of Technology Ladkrabang	Shares -None- Spouse or dependents shares -None-	-	Relevant Important Positions in Listed Companies		
					2020 - Present	Factory Manager	A.J. Plast PLC

Name/ Position <sup>1</sup>	Age	Education/Training	Ratio of share-holding <sup>2</sup>	Relationship among managements	Work Experiences in the last five years		
					Period	Positioning	Organization
Mr. Anupan Tangphanitannan - Chief Financial Officer	45	<b>Education</b> - Bachelor's degree Faculty of Commerce and Accountancy, Thammasat University - Master's degree Faculty of Commerce and Accountancy, Thammasat University	Shares -None- Spouse or dependents shares -None-	-	Relevant Important Positions in Listed Companies		
					2023 - Present	Accounting and Financial Manager	A.J. Plast PLC
					Relevant Important Positions in Non-Listed Companies		
					2020 - 2023	Financial Controller	Thai AirAsia Company Limited
					2018 - 2020	Financial Controller	Thai AirAsia X Company Limited
Mr. Peter Barnes - Research and Development	63	<b>Education</b> Diploma (DMS) Operation Management	Shares -None- Spouse or dependents shares -None-	-	Relevant Important Positions in Listed Companies		
					2006 - Present	R&D Manager	A.J. Plast PLC
Mr. Fritz Friedrich Schanzer - General Manager Consultant	77	<b>Education</b> Mechanical Engineer Major: Special Machine Building for Biaxially Oriented Polypropylene Film	Shares -None- Spouse or dependents shares -None-	-	Relevant Important Positions in Listed Companies		
					2008 - Present	General Manager Consultant	A.J. Plast PLC
Ms. Pacharaporn Suebsantiwong - Planning Manager	60	<b>Education</b> B.Sc. Kasetsart University	Shares -None- Spouse or dependents shares -None-	-	Relevant Important Positions in Listed Companies		
					1990 - Present	Planning Manager	A.J. Plast PLC
Mr. Pannasak Charoennet - Procurment Manager	36	<b>Education</b> Bachelor of Business Administration (English Program), Rajamangala University Phranakhon Commercial Campus	Shares -None- Spouse or dependents shares -None-	-	Relevant Important Positions in Listed Companies		
					2022 - Present	Procurment Manager	A.J. Plast PLC
					Relevant Important Positions in Non-Listed Companies		
					2019 - 2022	Senior Procurement Specialist	Dockweiler Asia Co., Ltd.
					2017 - 2019	International Manager	Sevenfive Distributor Co., Ltd.

Name/ Position <sup>1</sup>	Age	Education/Training	Ratio of share-holding <sup>2</sup>	Relationship among managements	Work Experiences in the last five years		
					Period	Positioning	Organization
Mr. Sarawut Nusati - IT Manager	40	<b>Education</b> Bachelor of Science in Information Technology, King Mongkut's University of Technology Thonburi	Shares -None- Spouse or dependents shares -None-	-	Relevant Important Positions in Listed Companies		
					2021 - Present	IT Manager	A.J. Plast PLC
					2015 - 2021	Digital & Data Processing Manager	Shera Public Company Limited
Mr. Pongkan Pongwirat - Human Resources and Administrative Assistant Manager	59	<b>Education</b> Bachelor's degree, Faculty of Human Resources Management Sripatum University	Shares -None- Spouse or dependents shares -None -	-	Relevant Important Positions in Listed Companies		
					1992 - Present	Human Resources and Administrative Assistant Manager	A.J. Plast PLC

**Notes:** <sup>1</sup> Authorized person with legally bound signatures are Mr. Narong Suthisamphat or Mrs. Napaporn Suthipongchai, Vice President or Mr. Kittiphath Suthisamphat, Vice President sign and affix the Company's seal on or two other directors jointly signed and affix the Company's seal on.

<sup>2</sup> Including shares of spouse or dependents

## Attachment 2

### Details of Directors of Subsidiaries and Associated Companies

Name	A.J. Plast PLC.	A.J. Plast (Vietnam) Co., Ltd. <sup>1</sup>	United Food PLC. <sup>2</sup>
Mr. Narong Suthisamphat	President		President
Mrs. Napaporn Suthipongchai	Vice President		
Mr. Kittiphat Suthisamphat	Vice President and Managing Director	President	
Mr. Sakchai Patiparnpreechavud	Director	Director	
Mr. Surasak Gosiyachinda	Independent Director		Director
Mr. Ninnat Olanvoravuth	Independent Director		
Mrs. Chavida Srisangnam	Independent Director		
Mr. Supote Tonurat	Independent Director		
Mr. Kasemsit Pathomsak	Independent Director		
Mr. Prasan Onwong	Assistant Managing Director	Director	
Mr. Thosphol Chinandej	Deputy Managing Director and Company Secretary	Director	
Mr. Nawee Butsunorn		Deputy Managing Director and Company Secretary	

**Note** <sup>1</sup> Subsidiary

<sup>2</sup> Related companies

# Attachment 3

## Report of the Audit Committee

### Audit Committee Report

The Audit Committee composed of three independent directors who possess the required qualifications set by the Stock Exchange of Thailand: Mr. Ninnat Olanvoravuth, Chairman, Mrs. Chavida Srisangnam and Mr. Surasak Gosiyachinda as members, and Mrs. Sarinthip Thanawadee served as the secretary to the Audit Committee.

The Audit Committee has performed duties within the scope and responsibility as assigned by the Board of Directors for the conformity of regulations set by the Stock Exchange of Thailand. The Audit Committee held 4 meetings in 2023 and once since 2023 till now or a total of 5 meetings. There were joint meetings with the external and internal auditors, which can be summarized as follows:

1. The Audit Committee reviewed quarterly and annual financial statements for 2023 and agreed with the external auditors that the audited financial statements were prepared in accordance with Thai Accounting Standards and Financial Reporting Standards.
2. The internal control system was reviewed in terms of adequacy, appropriateness, and efficiency. The consideration of the internal control reports and the completed assessment form found no important deficiencies relating to the upkeep and safeguarding of assets with adequate revelation of reliable information. It is the opinion of the Audit Committee that the Company has a proper and effective control system.
3. The Company has a policy on related party transactions to prevent conflict of interest including the full disclosure of information according to regulations set by the Stock Exchange of Thailand and the Securities and Exchange Commission. The external auditor has properly disclosed related information pertaining to financial statements and notes to financial statements. The Audit Committee has the same opinion as the external auditor that the said transactions are reasonable and fully disclosed.
4. In 2024, the Audit Committee has recommended the nomination of Dr. Virach Apimeteetamrong, Certified Public Accountant (Thailand) No. 1378 or Mr. Chaiyakorn Ounpitipongsa, Certified Public Accountant (Thailand) No. 3196 or Mr. Apiruk Ati-anuwat, Certified Public Accountant (Thailand) No. 5202 or Miss Ratcharin Charoenkijpailert Certified Public Accountant (Thailand) No. 7037 of Dr. Virach and Associated as the Company's auditors to be the external auditors with the auditing fee for 2024 not more than baht 2,695,000 which can breakdown as follow – audit fee for separate financial statement baht 980,000 and audit fee for consolidate financial statement baht 120,000 the reviewing fee for separate financial statement baht 300,000 per quarter and reviewing fee for consolidate financial statement baht 80,000 per quarter the auditing fee on compliance with BOI terms and conditions at 35,000 baht for each BOI promotion certificate. The Audit Committee submits to the Board of Directors for consideration and for approval at the shareholders' meeting the appointment of an external auditor as follows:



- The external auditor has performed duties that require knowledge and professional skill including recommendations for ensuring the effectiveness of internal control.
- In complying with regulations set by the Stock Exchange of Thailand, public Company must rotate the authorized public accountants every five years.
- The external auditor is independent and has no relationship with the Company in performing duty with professional competence.

In summary, the Audit Committee has fulfilled the responsibility in compliance with the Audit Committee Charter that was approved by the Board of Directors and the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Audit Committee is of the opinion that the Company has a proper financial reporting system to disclose its financial and operational information sufficiently, correctly and consistently. The Board of Directors has the ultimate responsibility for an effective internal control and the adequacy of risk management system for ensuring compliance with laws and regulations and disclosure of related party transactions with transparency under the good corporate governance principles.



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Ninnat Olanvoravuth  
Chairman of Audit Committee

# Attachment 4

## Details of Head of Internal Audit

**Name** Miss Sarinthip Thanawadee

**Education**

Bachelor of Accountancy, University of the Thai Chamber of Commerce

**Experience**

2016 – Present Internal Audit Manager – A.J. Plast Public Company Limited

2015 – 2016 Assistant Internal Audit Manager – Index Living Mall Company Limited

2008 – 2015 Assistant Internal Audit Manager – Advanced Research Group Company Limited

**Training**

Internal Audit Procedure – The Institute of Internal Auditors of Thailand

CPIAT – The Institute of Internal Auditors of Thailand

# Attachment 5

## Business Assets and Details on Asset Valuation

-None-



บริษัท เอ.เจ. พลาส จำกัด (มหาชน)  
A.J. Plast Public Company Limited

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