TVO

Form 56-1 One Report / Annual Report 2021

Thai Vegetable Oil Public Company Limited

How to indentify authenic 100%

"Agnoon" Soybean Oil

Plastic Cap:

Fully sealed with TVO logo printed

Label:

Must be nicely enclosed and undamaged

Where to buy:

All department store, Supermarket and reliable online channels

Type of Oil:

- Crystal clear golden color with no sediment
- Non-rancid and slimy when frying
- Heat resistent up to 230 degrees

Bottle:

- Newly-launched bottle design
- Clear and unfaded BBE (2 years from MFD)
- MFD and BBE must be the same date when purchase in box

The Rewards of our Pride

The Company was evaluated from the corporate governance report of Thai listed companies 2021 at an excellent level (5 stars)

The Company was selected to be in the 2021 Thailand Sustainability Investment (THSI)

The Company has been evaluated the quality of Annual General Meeting of Shareholders (AGM Checklist) with a score of 100 points categorized in the "excellent" level.

The Company received CSR-DIW Continuous Award 2021 (Standard of Corporate Social Responsibility)

The Company has been selected to be ranked in the ESG100

The Company received the "ASEAN Asset Class Publicly Listed Companies" award from the 2019 ACGS ASEAN Corporate Governance Scorecard

The Company received Best of the Best Award from the FDA Quality Award 2021

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Message from the Chairman

In 2021, the entire world reeling from the effects of the economic downturn and the risk of uncertainty caused by consequence of the COVID-19 pandemic. TVO is confronted by global pandemic impact while the spread of the African Swine Fever (ASF) in Thailand has suppressed the number of hogs, which negatively affects the domestic feed industry which is the one of our core business.

"TVO is striving to operate the business by considering the environmental, social, and governance (ESG) and **driving the organization by adopting the philosophy of balanced coexistence based on sustainability,** to create positive impacts for all stakeholders."

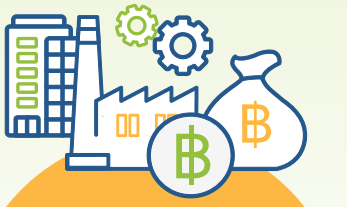
Faced with such dire challenges, we continue to focus on production process and work flow improvement as TVO's risk management and mitigation plans particularly during these challenging times. As a result, the annual turnover was up by 26.88 percent from 2020; the annual revenue was Baht 31,800 million; the net profit was Baht 2,067 million, representing a Baht 2.56 profit per share.

TVO is striving to operate the business by considering the **environmental, social, and governance (ESG)** and driving the organization by adopting the philosophy of balanced coexistence based on sustainability, to create positive impacts for all stakeholders. This is apparent from the accolades that TVO has received the 2021 **FDA Quality Award for "Best of the Best" category**, is a testament for food manufacturer who operates business honestly and ethically by focusing on the well-being of consumers, and consistently maintaining the quality and standard together with taking care of society and community. In addition, for the second year straight, TVO received the noteworthy award **"CSR-DIW Continuous"** the certificate and commendation plaque from participating in the project to promote sustainable social and community responsibility among manufacturers. **TVO's corporate governance (CG) score was evaluated as Excellent or 5 stars**. TVO also received the ASEAN Asset Class Publicly Listed Companies award from the 2019 ACGS ASEAN Corporate Governance Scorecard, which is indicative of corporate governance recognition at the ASEAN level. TVO's social and environmental responsibility has been recognized by the Securities and Exchange Commission (SEC) and the Thai Institute of Directors (IOD). TVO was listed among the **ESG100** companies for the 6th consecutive year and received **the 2021 Sustainability Disclosure Award**. Lastly, TVO was also classified as **"Thailand Sustainability Investment" (THSI)** in 2021, for the 5th consecutive year.

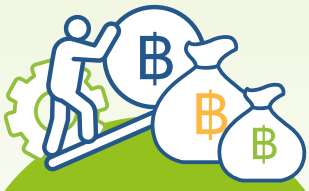
On behalf of the Company's Board of Directors, I would like to take this opportunity to thank the shareholders, customers, trading partners, financial institutions, business partners, government agencies, consumers, general public and media, for placing your trust in the Company's Board of Directors and Executives. TVO pledges to you our commitment to always working towards achieving a decent return for our shareholders and society in a continued and sustainable manner.

Dr. Suvit Maesincee
Chairman of the Board

Financial Highlights



Total Assets
13,343
Million Baht



Total Revenue
31,800
Million Baht

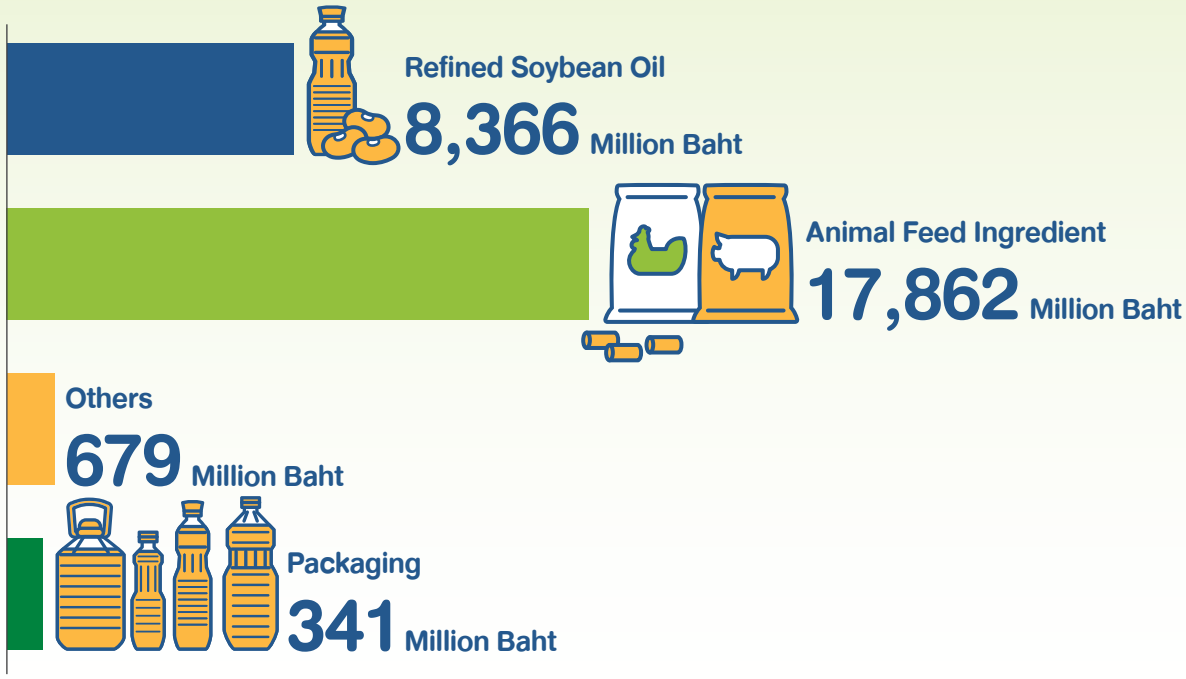
Value Per Share
11.76
Baht

Unit : Million Baht

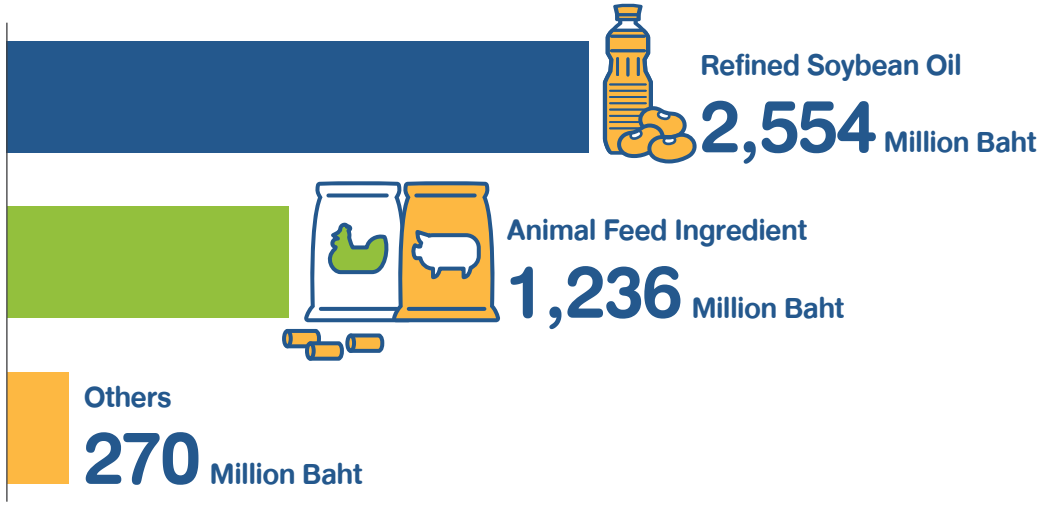
	2021	2020	2019	2018
Financial Status				
Total Assets	13,342.68	13,908.11	11,765.55	11,038.00
Total Liabilities	3,437.70	4,373.39	2,716.25	2,192.57
Shareholders' Equity	9,904.98	9,534.72	9,049.30	8,845.43
Operational Performance				
Total Revenue	31,800.04	25,064.76	23,800.04	25,118.91
Total Expense	29,170.58	22,925.87	21,989.70	22,811.33
Earnings before Income Tax	2,625.27	2,135.46	1,807.22	2,304.09
Net Earning	2,067.61	1,655.80	1,410.53	1,867.44
Per Share Data				
Earning Per Share (Baht)	2.56	2.05	1.74	2.31
Value Per Share (Baht)	11.76	11.28	10.72	10.47

Revenue Structure

Revenue from Domestic Sales



Revenue from International Sales



TVO

Thai Vegetable Oil Public Company Limited

Part 1
Business overview and performance

1 Business Structure and Operation

1.1 Policy and Business Overview

The Board of Directors values the importance of the Company's operations, therefore, The Board of Directors requires to review the vision, mission and long-term goals and operational strategy of the Company annually to define the directions of the business operations and adjust its strategy to be in accordance with the situation of the current business and the future business in all aspects in order to add value to soybean meal and soybean oil products, maintain leadership and create sustainability for all stakeholders. During the year 2021, the Board of Directors considered and reviewed the vision, mission, long-term goals and strategy with the Executives at the Board of Directors' Meeting No. 15/2021 on December 17, 2021 with a resolution to maintain the vision and mission because the Company has been studying in the future business and other key issues related to sustainable leadership in the current business.

Vision, Objective and Long-Term Goal

Vision

TVO will sustain its leadership in the vegetable oil and animal feed ingredients business.

Mission

- Strives to develop personal excellence
- Improves production efficiency in order to raise the quality of products and services that win the hearts of consumers
- Creates new products through innovative initiation with objective to grow business and reaffirm position as an industry leader that concern about the community, society and environment.

Corporate values: (TVO Way)

T: Trust & Teamwork
Self-improvement and team work to achieve business excellence

V: Value Creation
Create corporate value to be leadership in the vegetable oil and animal feed ingredients business.

O: Operational Excellenc
Increase efficiency through innovation in order to sustain TVO's leadership

Objective and Long-Term Goal

The Company is confident in the potential growth of the agricultural and food industry. The Company, therefore, has a follow-up plan to expand its business into regional markets in Southeast Asia, to strive our product quality improvement continually with modern technology in accordance with international standards based on the use of resources properly and environmentally friendly and to create innovation that creates value for the business and reduces environment impacts, and also to increase the potential of our employees at all levels in order to enhance our competitiveness along with caring for society and communities, and to generate appropriate return for shareholders. By conducting business that takes into account all interested parties, it will lead to the Company's sustainable growth.

To ensure that the Company's operations are in line with the objectives and goals of achieving net profit at rate 6-8 percent per year by 2024, the Board of Directors, therefore, considers to determine the core strategy annually in order to adjust the strategy to be in line with the changing situations along with extensive risk management and sufficient internal control in accordance with the principle of good corporate governance by considering the environmental factors of the business and the analysis of the potential impacts on the related stakeholders. In the year 2021, the Board of Directors together with the management reviewed the past year's performance coupled with changing internal and external environments to determine the strategies linked to the operation plan and annual budget as follows;

Sustainable Development Strategy

The Company has established a sustainability framework as a norm with development to create a balance in three dimensions to accelerate the creation of values for the organization as follows:

Economic dimension:
Social and environmental returns can generate sustainable financial income.

Social dimension:
Enhancing the quality of management as well as taking care of employees, community and society.

Environment dimension:
Build on environmental strategy implementation by establishing a system for operation and monitoring.

With sub-strategies and operational goals as follows:

- **Emphasize on production that preserves environmental quality.**
  The Company has developed a proactive environmental management plan by applying technology to improve the production process and reduce the use of resources in production in order to achieve the most efficient environmental management and reduce the impact on society, community and environment.

- **Continuously create a good quality of life for the community and society.**
  The Company has a goal in terms of social responsibility in continuing to build and strengthen a good quality of life for the community and the society by extending and expanding the concept of the creating shared value (CSV) model and create participation in various social responsibility activities.

Strategic Striving for Excellence

- **Increase operational efficiency throughout the organization**

  The Company has established a project plan. It includes setting challenging goals to drive concrete success with a focus on production efficiency, production stability, management to reduce costs, placing importance heavily on safety and the environment.

- **Deliver quality products and services**

  The Company uses bio-security system measures and an action plan to improve the production area and production procedures such as establishing a restricted area prohibiting outsiders entering without permission, screening outsiders, shipping vehicles, as well as spraying disinfectants on cars entering and leaving the factory to prevent cross contamination and deliver quality and safe food products to customers.

Continuous Business Growth

▶ Expand refined soybean oil business in the ASEAN region

The Company has expanded the soybean oil market to support business growth. It will focus on expanding the market to the CLMV countries.

▶ Innovative products and services

The Company will set a systematic process for developing new products with an integration of relevant units to collaborate in the development, creating innovative products and services for future business expansion.

Strengthening the Strategy Driver

▶ Human resources

The Company established a human resource management strategy to support the aim of being a High-Performance Organization within five years as well as enhancing the Company's competitiveness, efficient work processes, employee competence development, building leadership, and fostering values and corporate culture adjustment.

▶ Information Technology System (MIS)

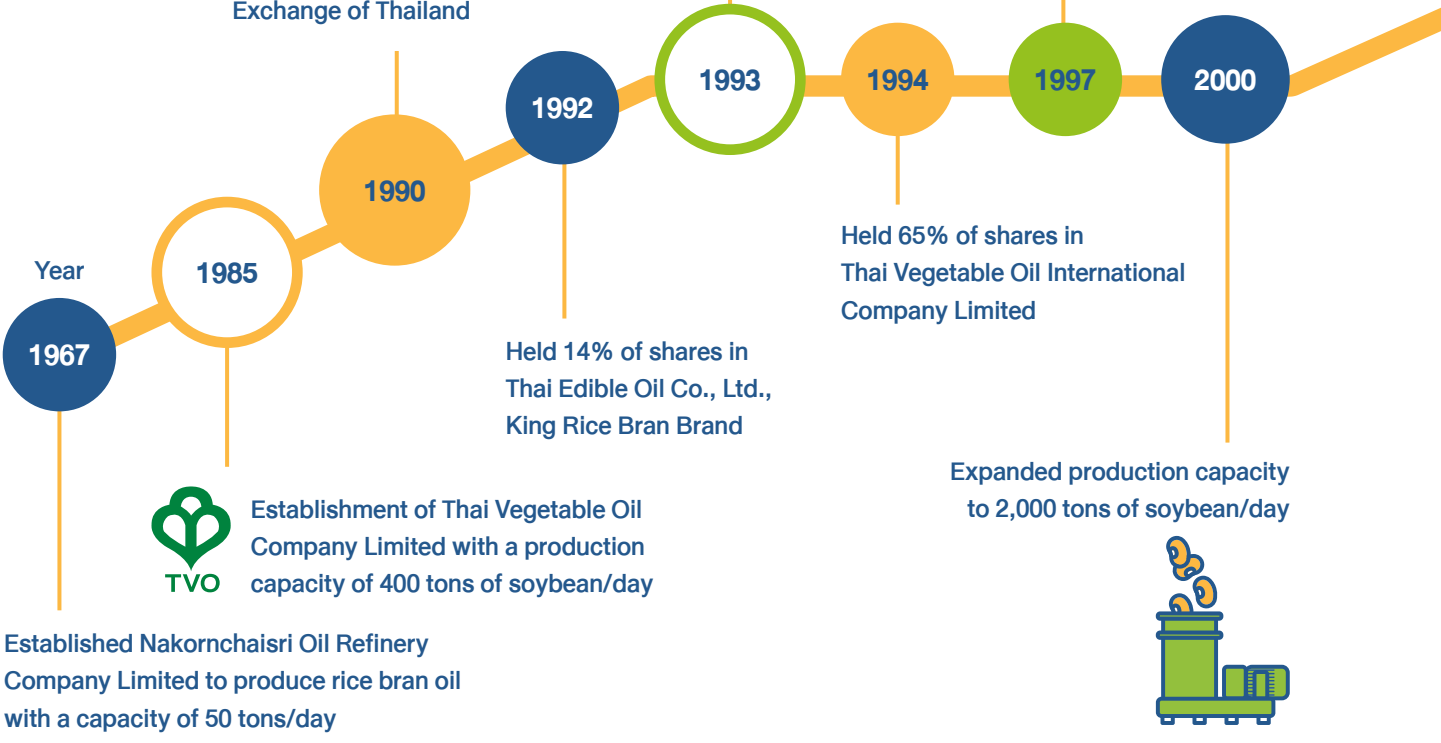
Improve work processes along with modifications of ideas, work attitude and empowerment by bringing technology to support and develop a database system, including the enhancement of the Company's data analysis to support the measurement of performance at the enterprise level.

Major Development

- **Enterprise control in the previous year.**
  Detail shows in Topic 1.3.4 "Shareholder" on page 34

- **Nature of Business Operations in the previous year.**
  The Company was established in 1967 under the name of Nakornchaisri Oil Refinery Company Limited, a manufacturer and distributor of rice bran oil. Then, in 1985, the Company was registered as Thai Vegetable Oil Company Limited to operate and produce cooking vegetable oil and animal feed ingredients and was listed on the Stock Exchange of Thailand on November 14, 1990 as a Thai Vegetable Oil Public Company Limited or TVO. Over the past 55 years, the Company is committed to conduct business in accordance with the principles of corporate governance with regard to responsibility to all stakeholders to make the Company grow sustainably and maintain leadership in the vegetable oil industry as well as create appropriate returns for shareholders regularly. In the year 2021, the situation of Covid-19 continued to spread, the Company operated its business as usual but adjusted the prevention measures so that the situation did not affect the Company's operations and the welfare of its personnel in any way.

  There was no change in the shareholding structure managing and business operation in past 3 years.



2021

Launched the product "TVO MuikMeal", a special protein supplement to be replace dairy products.

2020

Launched new oil bottle design to be more comfortable for holding, opening and pouring

2019

- Improving oil quality with ICE Condensing system
- Launching new product – Canola oil
- Expanding production capacity by installing Expander machine

2018

Adjusted the production technology of Full Fat Soy / Innovation Project – Nano Neutralization

2017

Exported soybean meal to other countries

2015

Launched Healthy Chef and Queen products for the CLMV market

2014

Prodigy Public Company Limited has increased capital causing the Company's shareholding was adjusted to be 31.85%

2010

Expanded production capacity to 6,000 tons of soybean/day and withdrew investment in Thai Vegetable Oil International Company Limited

2001

Expanded production capacity to 3,500 tons of soybean/day

General information

Name	Thai Vegetable Oil Public Company Limited.
Head Office	149 Ratchadapisek Road (Thapra-Taksin) Bukkhalow Thonburi Bangkok 10600
Factory	81/7 Moo 1, Tambon Thaiyawas Nakorn Chaisri District, Nakorn Pathom Province 73120
Type of business	Producer and distributor of soybean meal and soybean oil.
Registration number	0107537001536
Authorized Capital	808,610,985.00 Baht Par value 1 Baht/share Totaling 808,610,985 Baht
Paid-up Capital	Common Shares 808,610,985.00 Units Par value 1 Baht/share Totaling 808,610,985 Baht
Telephone number	Head Office: 02 477 9020 Factory: 034 265 620-29
Fax number	Head Office: 02 477 8022 Faxtory : 034 265 610
Website	www.tvothai.com
Securities Registrar	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400, Thailand Telephone: 02 009 9000 Fax: 02 009 9991
Auditor	Mrs. Chonlaros Suntiasvaraporn CPA No.4523 EY OFFICE LIMITED 33 rd Floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110 Telephone: 02 264 0777 Fax : 02 264 0789
Legal advisor	BAKER & MCKENZIE LTD. 990 Abdulrahim Place, 22nd-25th Floors, Rama IV Road, Silom, Bangrak, Bangkok 10500 Telephone: 02 636 2000 Fax : 02 636 2111

1.2
Nature of Business

Revenue Structure

(Unit : Million Baht)

Products	Operated by	% Shares	2021	%	2020	%	2019	%	2018	%
Revenue from domestic sales										
Soybean Oil	TVO	100	8,366	26.72	6,830	27.36	5,646	23.94	5,991	24.09
Animal Feed Industry	TVO	100	17,862	57.05	14,811	59.34	14,425	61.16	15,324	61.62
Others	TVO	100	679	2.17	820	3.28	1,156	4.90	1,099	4.42
Packaging	พรอดดิจิ	31.85	341	1.09	254	1.02	362	1.53	373	1.50
Revenue from international sales										
Soybean Oil	TVO	100	2,554	8.16	1,376	5.51	1,178	4.99	1,141	4.59
Animal Feed Industry	TVO	100	1,236	3.95	714	2.86	721	3.06	655	2.63
Others	TVO	100	270	0.86	158	0.63	99	0.42	286	1.15
Total			**31,308**	**100**	**24,963**	**100**	**23,587**	**100**	**24,869**	**100**

Products

Characteristics of products and services

Thai Vegetable Oil Public Company Limited is an agricultural food industry, manufacture and distributor of edible vegetable oil and raw material of animal feed. There are 14 products as follows;

1		**Soybean oil "A-NGOON"** is a vegetable oil produced from 100% quality soybean, having unsaturated fat which is necessary for the body, used for household cooking. Soybean oil is a primary ingredient for other processed food manufacturing industries, such as the canned fish industry, the chili paste industry and other businesses. "A-NGOON" are trust by consumers and industry users alike, owing to its unsaturated and healthy nutritional value.
2		**Corn Oil "A-NGOON"** is extracted from 100% quality corn seeds with highly unsaturated oil containing high level of linoleic acid including high phytosterols which lower Low Density Lipoprotein Cholesterol (LDL) by inhabiting cholesterol absorption thus reduce the levels of LDL cholesterol.
3		**Sunflower Oil "A-NGOON"** is a 100% sunflower oil with high unsaturated fat and rich in linoleic acid which is scientifically proved to be safe for the human consumption and provides the great health benefit to the consumers. Sunflower Oil's commonly used in the canned food export industry, e.g. canned tuna in sunflower oil.
4		**Canola oil "A-NGOON"** contains a lower level of the saturated fatty acids which is less than 10% and high level of the monounsaturated fat or oleic acid which is to reduce LDL cholesterol and does not cause accumulated fat in the blood, thereby, it reduces the risk of Cardiovascular disease and High Blood Pressure.

5		**Classico Extra Virgin Olive Oil (MONINI)** is the pure fresh olive oil extracted from olive without heat and chemicals. It contains high level of the monounsaturated fatty acids which lower LDL cholesterol and riches in vitamin E and high Antioxidants; Pholyphenols, provides intense flavor and aroma of the olive oil. We are the only distributor in Thailand. This Classico Extra Virgin Olive Oil is the number 1 bestselling in Italy.
6		**Anfora Olive oil (MONINI)** is a blend of refined good quality Olive oil, obtaining the most advanced refined techniques, the light gold color oil is good for cooking in high temperature without any change of delicate taste, especially deep-frying and pan frying.
7		**Mild & Light Olive Oil (MONINI)** is obtained through the most advanced refining process with good quality of Olive oil. It has a special gentle and mild taste which makes it perfect for light taste cooking, baking and deep-frying and suitable for use as a substitute for butter and vegetable oil in high temperature cooking without any change of the delicate taste of food.
8		**Soybean Meal** is a key raw material for animal feed distributed under brand **"TVO Hipro - Meal"** and widely accepted by the livestock industries due to their consistently high quality and standard.
9		**Dehulled Soymeal**, under brand **"TVO Dehulled Soymeal"**, is produced from the husked soybean. It provides higher protein and nutritional benefits, appropriated for animal which requires high quality feed for growth and maximum yield.

10		**Full Fat Soy**, a high protein meal under brand **"TVO Full Fat Soy"**, is an ingredient mixed for animal feed used in piglet and poultry farming industries. It has the benefits of easy digestion, high protein and energy content, and rich in unsaturated fat essential for various types of raised livestock. It is particularly suited as a quality growth enhancer for younger livestock and especially for ensuring a higher proportion of lean meat.
11		**Dehulled Full Fat Soy**, the products under the **"TVO Dehulled Full Fat Soy"**, is the cooking of high quality of soybean, edible standard quality, extruded by thermal treatment process at proper heated to deactivate anti-nutrition factors without destroying its nutrient quality. It is for early stage animal such as wean pigs, egg laying hen, other poultry and aquatic animal such as shrimp and fish. It helps them absorb nutritional value, contribute its health and enhance its growth, including animal that needs high energy. TVO Dehulled Full Fat Soy is a best quality product that precisely response the demand of meal industry with high productivity at lowest cost.
12		**Lecithin** is an important ingredient for animal feed production such as shrimp, chicken and pig feed. It's containing phospholipids and a source of choline which is an important nutrient for the compound feed for shrimp and early-stage animal which helps to increase the fat utilization efficiently, resulting in better nutrients absorption.
13		**TVO Soy Hull** is product that produced from soybean hull. It's a good source of fiber particularly ruminant feed and animal feed needed high fiber in some stage of ages
14		**TVO MuikMeal** is a special protein supplement to replace dairy products, containing of high quality soybean and spray dried dairy products to ensure consistent quality. "TVO MuikMeal" is all in one product which balanced with amino acids that helps to improve digestion and enhances growth rate. It has been tested by the leading institutes in Thailand and proof that can be used to replace all dairy products without affecting animal growth.

Market and its competitiveness

Products and service Marketing

Marketing Policy

To be a Southeast Asia leading soybean-processing company in the production and distribution of soybean oil and soybean meal, the Company has a marketing strategic plan as follows;

- Producing high quality products with high nutritional quality, due to soybean, the raw material is full of high protein with linoleic acid which helps reducing cholesterol and unsaturated fat that does not cause fat in the blood and good for heart. The difference of quality makes our products acceptable by consumers.
- Focusing on product research and development to improve product quality continuously in offering the best products to meet the needs of stakeholders and be ready for changes in economy, society and environment that may increase opportunities and competitiveness
- Develop new products to expand new market.
- Established good and long relationship with customers with accountability policy to gain their trustworthy.
- Manage risk from raw material supply to control the cost in order to keep competitive edge and maintain profit ratio at good level.
- Improving technology and the production efficiency corresponding to market demand to obtain high quality product.
- Establish new brands for market expansion.
- High respond to customer satisfaction.
- On time delivery policy to provide customers fresh products.

Customers and Distribution Channels

The Company's sales revenue mainly comes from domestic sales, approximately 97% of total sales revenue while the remaining sales revenue comes from exporting to neighbor countries such as Cambodia, Laos, Myanmar, Vietnam, Singapore, Hong Kong, South Korea, Japan, Philippines, Indonesia and Malaysia. For all exports, the Company operates itself directly to all importers.

Customers and distribution channels can be divided as follows;

Animal feed ingredients:

Soybean meal, dehulled soymeal, full fat soy, dehulled full fat soy, lecithin and TVO soy-hulled are directly sold to feed meal manufacturer and livestock famer in domestic. The Company starts to expand the market into CLMV countries with the proportion of domestic and international sales at 90:10

Cooking oil

- **Brand "A-Ngoon"**
  A vegetable oil for health-conscious consumers, is distributed locally by the Company through wholesalers, discount stores, supermarkets, hypermarkets, convenience stores, and retail shops with 62%* of market share. (*Source: Kantar Worldpanel)

- **Brand "Healthy Chef" and "Queen"**
  Export brands, are vegetable oils that consumers in the international market who are interested in health choose. The Company has appointed an Exclusive Distributor in both Cambodia and Myanmar to distribute products throughout Cambodia and Myanmar through the channel of Sub-distributor, Wholesaler, Supermarket, Hypermarket, Convenience Store and general retail stores in the market. Presently, "Healthy Chef" has 68% of market share as No. 1 in Cambodia.

- **Olive Oil - Brand "Monini"**
  The Company is the only sale distributor in Thailand importing Extra Virgin Olive Oil (Brand Monini) which is number 1 bestselling brand from Italy. The Company has a marketing plan and distribution plan through all distribution channels for target group.

Industrial oil:

our customers are canned food industry, painting industry and others. The Company sells directly to clients and dealers.

In addition, the Company has built good relationship with customer and do customer satisfaction surveys in every year getting to know their expectations and continuously monitoring their customer satisfaction levels which help to create an innovation. In 2021 customer satisfaction surveys though the company's customers survey questionnaire. The company got customer satisfaction score of 90.87%

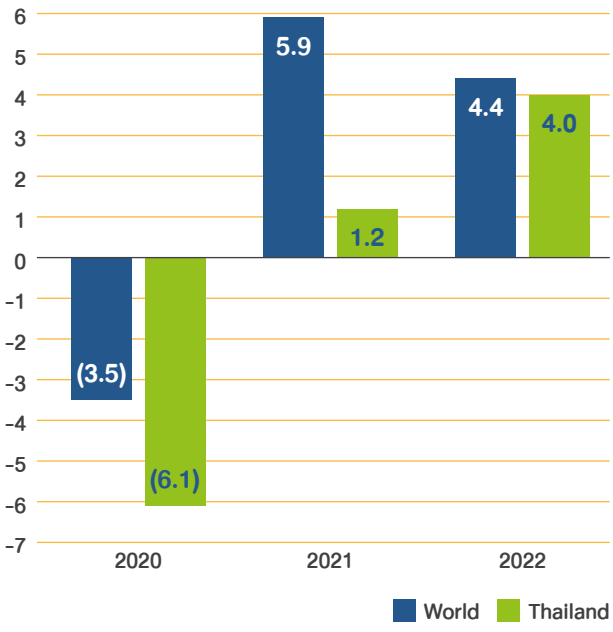
Industry and Competitive Situation

Industrial conditions and outlook

Economic situation in 2021 and outlook in 2022

- **Global economy**
  In 2021, the global economy began to recover from the impact of the COVID-19 crisis, which grounded economic activities of countries around the world to a halt. Growth came from economic expansion in developed countries. Global trade in 2021 experienced a significant rebound despite the problem of supply chain disruption caused by the spread of COVID-19 in various developing countries, even though the COVID-19 vaccine rollout had progressed well. Thus, there was a risk of high inflation, not seen in several years. In January 2022, the International Monetary Fund (IMF) forecast that the global economy would grow by 5.9 percent (Figure 1).

Figure 1
Global and Thailand's economic growth rates from 2020-2022



Source: 1. IMF, as of January 2022
2. The Office of the National Economic and Social Development Board, as of November 2021

- ## Thailand's economy

  The Office of the National Economic and Social Development Board (NESDB) had forecast that the Thai economy in 2021 would grow by 1.2 percent, recovering from a 6.1 percent contraction in 2020 (Figure 1). Thailand's export value increased by 16.8 percent. Private consumption and investment increased by 1.2 and 2.3 percent respectively.

  The average exchange rate of the Baht in 2021 was 33.20, representing a 10 percent depreciation compared to the year end 2020 exchange rate. This was due to Thailand's current account deficit of USD 11 billion in 2021.

- ## Global economic outlook

  The global economic outlook for 2022 is projected to continue its recovery trajectory. While growth will likely be lower compared to the previous year, it would still represent a decent recovery, contributed by several factors, including a higher global vaccination rate, especially in developing countries. Better prepared healthcare systems around the world would no doubt prop up consumption recovery and growth in the industrial sector in 2022. However, the uncertainty caused by the spread of the Omicron variant of COVID-19 may subdue global economic recovery in the first two quarters of 2022.

  The commodity supply and demand imbalance, in conjunction with labor shortage and accelerated house price increase in certain countries (e.g. the United States), resulted in higher inflation rate in 2021. The inflation rate in 2022 will remain high, driven by changing labor market structure and high commodity prices, thus affecting business profitability and suppressing consumption recovery.

  In January 2022, the International Monetary Fund forecast that the global economy in 2022 would grow by 4.4 percent, down from the earlier forecast of 4.9 percent in October 2021.

- ## Thailand's economic outlook

  The Office of the National Economic and Social Development Board (NESDB) forecasts that the Thai economy in 2022 would grow by 3.5-4.5 percent, compared to a 1.2 percent growth in 2021.

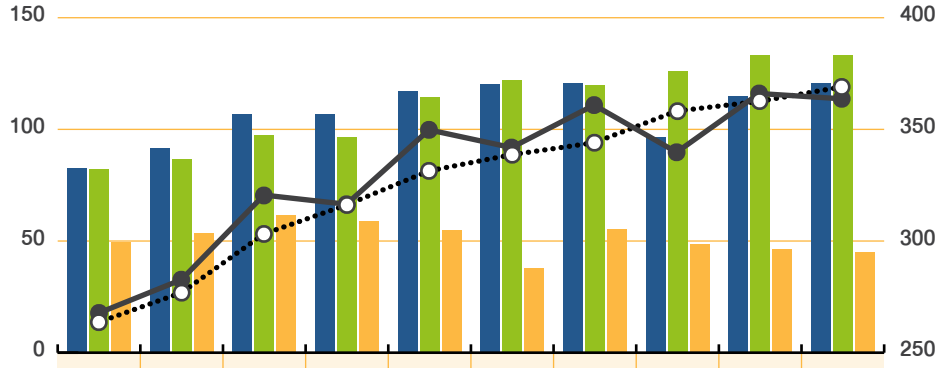
  The spread of the Omicron variant of COVID-19 is a risk factor that will affect the economic recovery following the reopening of the economy, especially in Q1. However, the Thai economy is forecast to gradually recover, driven by (1) higher vaccination rate in Thailand and the world, (2) continued growth of exports, (3) tourism recovery in the second half of 2022, and (4) government stimulus package.

Soybeans and products outlook

The United States Department of Agriculture (USDA) forecasts the global soybean demand in 2021/22 to be at 369 million tons, more than the global soybean supplies at 363 million tons (down 3 million tons from the previous year). The shortfall is caused by the La Nina phenomenon resulting in droughts across the soybean growing areas in southern Brazil, northern Argentina, and Paraguay.

Figure 2

Global soybean demands and supplies from 2012 to 2021



Unit: Million Tons	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22p
United States	82.56	91.39	106.88	106.87	116.93	120.07	120.52	96.67	114.75	120.71
Brazil	82.00	86.70	97.20	96.50	114.60	122.00	119.70	126.00	133.00	133.00
Argentina	49.30	53.40	61.45	58.80	55.00	37.80	55.30	48.80	46.20	45.00
Total Production (RHS)	267.83	282.75	320.69	316.57	349.94	341.99	361.04	339.88	366.23	363.86
Total Consumption (RHS)	263.7	276.92	303.26	316.25	331.54	338.78	344.16	358.36	362.7	369.17

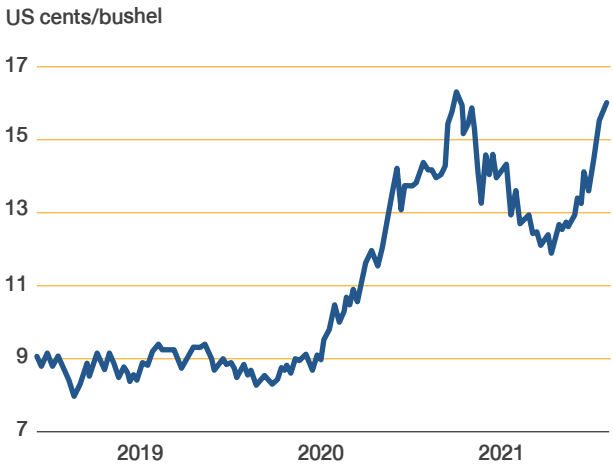
Source: United States Department of Agriculture (USDA)

The increased demand of soybean for crushing in countries like the United States and China has caused the global soybean stocks-to-use ratio to fall from 28 percent in 2020/21 to 25 percent in the current year, the lowest level in 7 years. The average CBOT soybean price for 2021 was USD 13.8 per bushel, up from USD 9.7 per bushel in 2020 (Figure 3).

The average CBOT soybean meal price for 2021 was USD 382 per short ton, up from USD 291 per short ton in 2020. The average CBOT soybean oil price in 2021 was 58.75 cents per pound, up from 29.94 cents per pound in 2020.

Figure 3

CBOT soybean price movement from 2019 to 2022



Source: Reuters

Overview of Thailand's livestock industry

Based on the report on key agricultural product situations and outlook for 2022, produced by the Bureau of Agricultural Economic Research (Dec 2021).

Thailand's poultry industry

In 2021, Thailand produced 1,553 million broilers or 2.29 million tons, down 1 percent from 1,574 million broilers or 2.32 million tons in 2019. This was in line with the demand for chicken meat at 1.36 million tons, down 4.8 percent from 1.43 million tons in 2020. The reduced consumption demand was caused by measures introduced to control the spread of COVID-19. In 2021, Thailand exported a total of 0.93 million tons of chicken meat, up 4.2 percent from 0.90 tons in the previous year. In 2021, the average farm gate price of broilers was 34.22 Baht per kilogram, down 3.4 percent from 35.44 Baht per kilogram in 2020.

For 2022, Thailand's export of broilers is forecast at 1.37 million tons, up 0.90 percent from 1.36 million tons in 2021. The much higher price of pork has caused some consumers to switch to chicken meat as it is a reasonably cheap source of protein compared to other meats. Thailand's export of broilers is expected to increase, in line with increased demand in the Japanese, United Kingdom, Chinese and EU markets, which will likely import more broilers from Thailand as the economy recovers from the COVID-19 pandemic.

Thailand's swine industry

Turning to the swine industry, the second biggest of Thailand's livestock business, in 2021, Thailand produced 18.6 million hogs, down 6.5 percent from 19.9 million hogs in 2020. The reduction was due to swine diseases and floods in several areas, causing damage to swine production and farmers to sell their hogs before they are fully grown. Such factors, in conjunction with the closure of borders resulting from the COVID-19 pandemic, caused swine farmers to delay production, resulting in Thailand's overall decrease in swine production. In 2021, the domestic consumption of pork was 1.3 million tons, similar to the figure in 2020. The lockdown measures to prevent the spread of COVID-19 has affected the tourism and service industry. The overall export reduction was largely due to the economic downturn caused by the spread of COVID-19, especially the closure of border checkpoints to control the spread of COVID-19, which has severely impacted the export of breeding and live pigs. The average farm gate price of hogs sold by farmers in 2021 was 72.71 Baht/Kg, up 1 percent from 71.87 Baht/Kg in 2020.

The forecast of swine production in 2022 is 18.5 million hogs, slightly down by 0.7 percent from 2021. This is due to the flood and disease situations in 2021, which had killed several breeding pigs Therefore, hog farmers need more time to bring in enough breeding pigs to satisfy the consumption demand in 2022. Domestic pork consumption in 2022 is forecast at 1.27 million tons, down 0.9 percent from 1.28 million tons in 2021. The reduction of swine production has led to higher pork price, which in turn has led to reduced demand for pork consumption.

Overview of the global vegetable oil industry

Production

Although the production of palm oil had increased 2.6 percent annually during 2016/17 – 2020/21, measures introduced to prevent the spread of COVID-19 resulted in labor shortage in the palm oil industry in Malaysia, as well as severe floods there, affected the overall global palm oil production. In 2020/21, the global palm oil production was 72.9 million tons, down from 74.1 million tons during the pre-COVID-19 pandemic in 2018/19. In 2020/21, Indonesia produced 43.50 million tons of palm oil, up 2.35 percent from 42.50 million tons in 2019/20. Malaysia produced 17.8 million tons of palm oil, down 7.28 percent from 19.2 million tons in 2019/20. The combined production of two countries accounts for 84 percent of the global palm oil production. Their combined exports account for 89 percent of the global palm oil exports. As for Thailand, world 3rd largest producer, produced 2.9 million tons of palm oil or 3.8 percent of the global palm oil production.

The canola oil production in 2021/22 is forecast at 28.3 million tons, down 3 percent from 29.1 million tons in 2020/21 because of droughts in Canada, a major canola oil exporter. The sunflower oil production in 2021/22 is forecast at 22.1 million tons, up 16 percent from 19.1 million tons in 2020/21. The increase can be attributed to the recovery of sunflower seed production following the droughts in Europe in 2020/21.

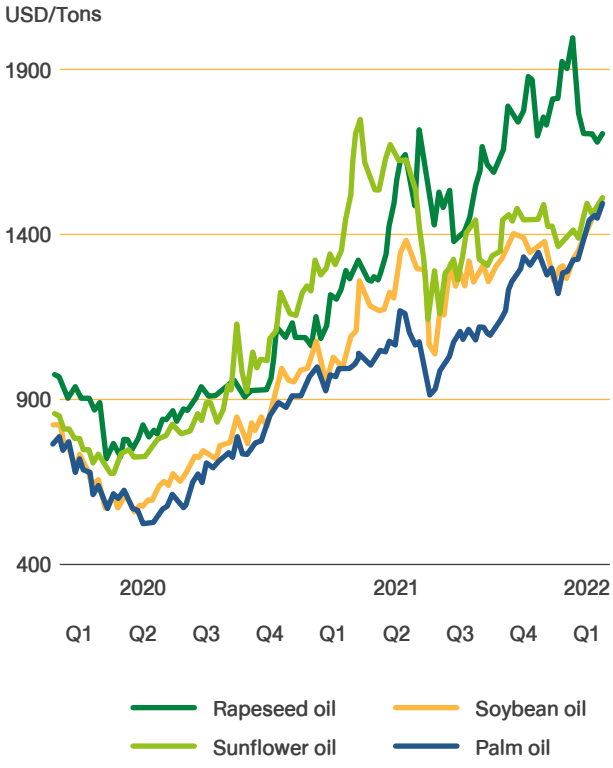
Demand

Between 2016/17 – 2020/21 the global demand for palm oil had increased 4.4 percent annually. In 2021/22, the demand for palm oil is forecast at 73.9 million tons, up 1.0 percent from 73.2 million tons in 2020/21 because India's reduction of import tax on palm oil has led to increased import volume. China has also increased palm oil import volume in response to the shortage of soybean oil. The global demand for soybean oil in 2021/22 is forecast at 60.2 million tons, up 2.2 percent from 58.9 million tons in 2020/21, due to the United States policy of increasing the ratio of soybean oil in the production of biodiesel.

Severe droughts in the past 1-2 years had damaged oilseeds crop, while the demand for vegetable oils has recovered from the impact of the COVID-19 pandemic. As a result, the global vegetable oils stocks-to-use ratio was at lowest level since 2008, causing the price of vegetable oils to reach a record high in the past twelve months (Figure 4).

Figure 4

Vegetable oils price movement (excluding transportation cost) from 2020–2022



Source: Reuters

Overview of the soybean oil crushing industry in Thailand

The following is an overview of the industry related to soybean meal, full-fat soy and soybean oil in 2021.

The price of soybean oil went up, consistent with the upward trend of the domestic price of palm oil which had risen since mid-2021. The demand of major palm oil importing countries, such as India and China, took up a significant amount of the crude palm oil stocks of major palm oil exporting countries, such as Malaysia, since the early months. This, together with the government policy to promote the use of biodiesel has kept the domestic palm oil stock level low since Q3 of 2021. At the same time, the retail sales volume of soybean oil has benefited from the policy of reopening of the country to foreign visitors, raising the demand for soybean oil for household consumption, restaurants, and hotels.

In 2022, there remain several risk factors to which close attention should be paid, including the prices of raw materials and products, and the exchange rates. The industry faces such issues all the time and must constantly adapt itself, monitor them more closely, and be prepared to respond promptly. In order to compete with imported soybean meal, the Company has closely monitored concerning situations and adopted a careful and cautious management approach to reduce the Company's risk exposure. Moreover, the Company is constantly adapting to new contexts and creating new marketing opportunities by adjusting our strategies accordingly as well as developing new innovations to add more value to the products. Furthermore, our products remain the market leaders in their respective segments due to the competitive advantage in terms of quality, product freshness, and satisfying the needs of customers, thus earning their trust and confidence. These are the strategies employed by the Company to prepare for all possible scenarios.

Market competition

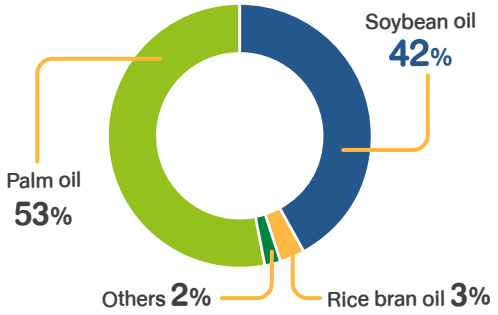
Vegetable oil market in Thailand

The market share of palm oil for consumption continued its downward trend from the previous year to 53 percent, while the market share of soybean oil for consumption went up to 42 percent. This phenomenon can be explained by the following two reasons:

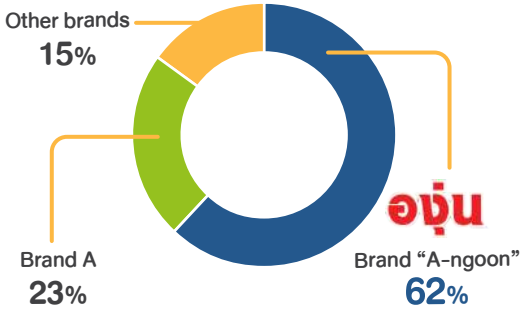
1. The global price of palm oil went up due to reduced crude palm oil production in Malaysia caused by labor shortage during COVID-19 pandemic. This pushed the global price of palm oil higher than the domestic price of palm oil in Thailand and led to a record volume of palm oil exports for Thailand in 2021.

2. The persisting problems of low domestic palm oil production during the past 1-2 years and low domestic palm oil stocks for the past several years have driven up the domestic price of palm oil near the domestic price of soybean oil. Therefore, more consumers have switched to soybean oil.

Vegetable oil for consumption market in Thailand in 2021



Soybean oil for consumption market in Thailand in 2021



Source: Kantar Worldpanel

At the same time, the domestic stock level of soybean oil had remained low throughout 2021. Thus, there was no competition in the vegetable oil market in 2021 like in the previous year. The Company has managed the sales volume of soybean oil for each sales channel to ensure sufficient amount of soybean oil for domestic consumption at a reasonable price. The Company has also prioritized the sales channel of bottled soybean oil for consumption under the Angoon brands. The domestic market for soybean meal has experienced intense price competition because of an outbreak of swine disease. Therefore, the Company needed to manage the sales price of soybean oil since soybean oil must also shoulder the cost of soybean meal.

Domestic soybean meal market

Soybean meal is produced from soybean residue left after the process of oil extraction. It is a source of high-quality protein suitable for use in animal feed formulars. Soybean meal alternatives are limited, quantity-fluctuated, and high-priced.

Not only the African Swine Fever (ASF) that has affected swine producers at all levels, but also the spread of COVID-19 have affected the domestic demand for soybean meal. In 2021, the total demand for soybean meal was 4.85 million tons (total demand for animal feeds was 20.21 million tons; approximately 24 percent of animal feed formular is soybean meal), decreased by 1.5 percent from the previous year. The domestic production capacity of soybean meal is approximately 2 million tons/year. Therefore, Thailand imports soybean meal approximately 2.8 million tons/year.

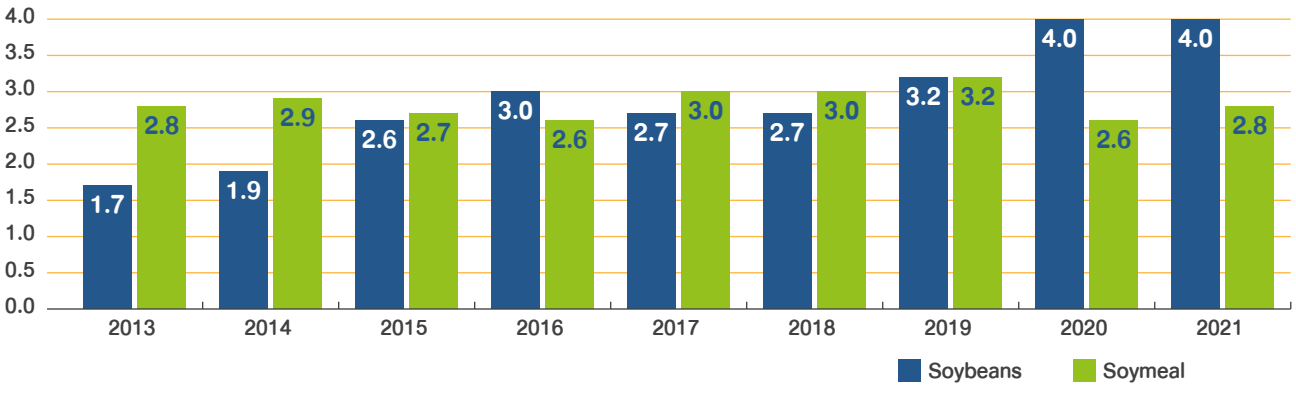
In 2022, the Thai livestock industry faces multiple challenges, including higher raw material price and higher cost of animal feed as well as slow recovery of the swine industry. As such the domestic demand for soybean meal in 2022 is forecast at 4.57 million tons, down 0.28 million tons or 6 percent from the previous year
(source: Thai Feed Mill Association)

Sources of information

- Bank of Thailand
- Office of the National Economic and Social Development Board
- Bureau of Agricultural Economics
- Thai Customs
- Department of Internal Trade
- United States Department of Agriculture (USDA)
- International Monetary Fund (IMF)
- Kantar Worldpanel
- Reuters
- Research Division, Thai Vegetable Oil PCL

Figure 5

Thailand's soybean and soybean meal import quantity



Source: Thai Customs

Unit: mMT

Products Supply

Thai Vegetable Oil Public Company Limited

has a total production capacity of 6,500 tons per day with more than 90 percent capacity utilization.

Production Policy:

Made-to-Order in according to current market situation and trends.

Detail of factories and headquarter as follows;

Head Office	149 Ratchadapisek Road, (Thapra-Taksin) Bukkhalow Thonburi Bangkok 10600
Factory 1	101/2 Moo 1, Tambon Khunkaew, Nakorn Chaisri District, Nakorn Pathom Province 73120
Factory 2	36 Moo 3, Nakorn Chaisri District, Nakorn Pathom Province 73120
Factory 3 (Zone 1)	81/7, 81/8, 82 Moo 1, Tambon Thaiyawas, Nakorn Chaisri District, Nakorn Pathom Province 73120
Factory 3 (Zone 2)	89 Moo 1, Tambon Thaiyawas, Nakorn Chaisri District, Nakorn Pathom Province 73120

Raw Material Supply

Soybean is our major raw material. The Company shall buy domestic soybeans as first priority. However, due to the inadequate supply of domestic soybean, the Company must therefore import more than 90% of total soybean from Brazil and the United State of America, which import price of soybean depends on soybean price in the world market with an exemption from import duty on soybean import policy according to the agreement of World Trade Organization (WTO). For the purchase of domestic soybeans, the Company shall buy domestic soybeans from famers and traders. The major plantations are around Sukothai, Kampaengpetcn, Autaradit, Petchaboon, Chiangmai and Khonkaen. In addition, the Company also complies with government policy that stipulates the conditions for soybean importers to buy all domestic soybeans in proportion to the amount of imports among all importers at price and conditions specified in the contract determined by the Oil Vegetable and Vegetable Oil Committee.

The World average soybean production over the past ten years tended to increase according to the demand of soybean consumptions. Soybean is a commodity product which is widely traded over the world market and can be easily provided and has never suffered from shortage of soybeans until unable to buy soybeans but there might be some periods when soybean price went higher than normal according to demand and supply of the World market in that year. The trade war between the United States of America and China are still key factor that have both positive and negative impacts on the World soybean prices continuously. However, the Company has closely always monitored the soybean price situation to take advantage of the opportunities to purchase soybeans at a competitive cost and to obtain good quality soybeans.

In general, the Company shall purchase soybeans approximately 3-4 months in advance according to sales and production plan by making forward contracts with various suppliers and agree to purchase from supplier offering the best condition to avoid risk of managements and delivery of raw material. The Company does not have a policy or obligation to buy from specified supplier. In addition, the price of soybean traded in the World market is in US dollars, in order to avoid risk of exchange rate, the Company therefore has a policy to make forward contract to manage the cost of raw materials in Thai Baht to be most effective.

Assets used in business operations

The Company and its subsidy's assets

The main types of the Company and its subsidy assets are land, building and machines

- **Land and land improvements** Total Value of Baht 678 Million as of 31 December 2021.

Location	Size Rai- Ngan- Square Wa	Proprietary Right
Office Building 149 Ratchadapisek Road, (Thapra-Taksin) Bukkhalow Thonburi Bangkok	3-1-49	Thai Vegetable Oil Public Company Limited is ownership.
Factory 1 101/2 Moo 1, Tambon Khunkaew, Nakorn Chaisri District, Nakorn Pathom Province	47-1-30	Thai Vegetable Oil Public Company Limited is ownership.
Factory 2 36 Moo 3, Nakorn Chaisri District, Nakorn Pathom Province	14-2-82	Thai Vegetable Oil Public Company Limited is ownership.
Factory 3 Zone 1 81/7, 81/8, 82 Moo 1, Tambon Thaiyawas, Nakorn Chaisri District, Nakorn Pathom Province **Factory 3 Zone 2** 89 Moo 1, Tambon Thaiyawas, Nakorn Pathom District, Nakorn Pathom Province	422-2-48	Thai Vegetable Oil Public Company Limited is ownership.
Land Tambon Pakjan, Nakorn District Phra Nakhon Si Ayutthaya Province	19-3-24	Thai Vegetable Oil Public Company Limited is ownership.
Prodigy Public Company Limited 7/3 Moo 3 Tambon Bang Krabao, Nakhon Chai Si District, Nakhon Pathom Province	17-0-93	Prodigy Public Company Limited is ownership.
Prodigy Public Company Limited Tambon Bu Ruesi, Mueang Surin District, Surin Province	15-3-4	Prodigy Public Company Limited is ownership.

- **Building and Factory** Total Value of Baht 813 Million as of 31 December 2021.

Location	Size square metres	Proprietary Right
Head Office Building 149 Ratchadapisek Road, (Thapra-Taksin) Bukkhalow Thonburi Bangkok	4,553	Thai Vegetable Oil Public Company Limited is ownership.
Factory 1 101/2 Moo 1, Tambon Khunkaew, Nakorn Chaisri District, Nakorn Pathom Province	41,249.63	Thai Vegetable Oil Public Company Limited is ownership.
Factory 2 36 Moo 3, Nakorn Chaisri District, Nakorn Pathom Province	8,571.50	Thai Vegetable Oil Public Company Limited is ownership.
Factory 3 Zone 1 81/7, 81/8, 82 Moo 1, Tambon Thaiyawas, Nakorn Chaisri District, Nakorn Pathom Province **Factory 3 Zone 2** 89 Moo 1, Tambon Thaiyawas, Nakorn Pathom District, Nakorn Pathom Province	129,731.42	Thai Vegetable Oil Public Company Limited is ownership.
Prodigy Public Company Limited 7/3 Moo 3 Tambon Bang Krabao, Nakhon Chai Si District, Nakhon Pathom Province	11,801	Prodigy Public Company Limited is ownership.
Prodigy Public Company Limited 55 Moo 1, Tambon Bu Ruesi, Mueang Surin District, Surin Province	2,408	Prodigy Public Company Limited is ownership.

- **เครื่องจักร** Total Value of Baht 1,157 Million as of 31 December 2021.

- Thai Vegetable Oil Public Company Limited
- Prodigy Public Company Limited

- **The Company and its subsidy's assets** with no obligation guarantee

Intangible assets

The total financial value of the Company and its subsidy's intangible assets was Baht 32 Million as of 31 December 2021.

1.3
Group's Shareholding

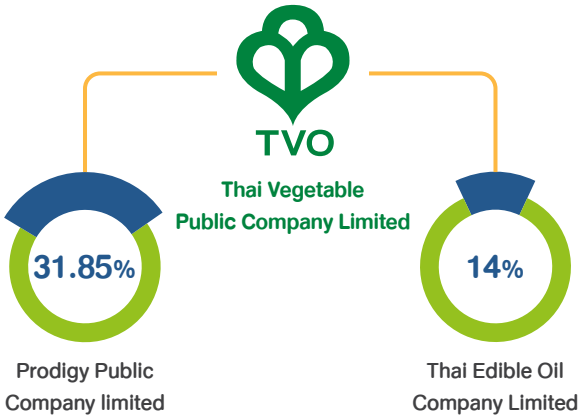
Operational Policy for subsidiary and associated company

The Company has a policy to invest in the related businesses that have potential to support both domestics and international earnings, which should be a business that has potential and can generate long-term profitability for the Company in order to increase share values for Shareholders. The Company invested in Prodigy Public Company Limited, a manufacturer of PET bottles, and also invested in Thai Edible Oil Company Limited, a manufacture of Rice bran oil, branded KING.

The subsidiary and its associated companies operate their business according to their management policy. Their management team adhere to the good governance principles. For the year 2021, the Company restructured its organization in line with vision and business strategy in the midst of various crises and has been currently considering a suitable executive to be appointed as the Company's representatives in the subsidiary and associated companies at proportion of shares held in order to control and participate in any significant management policy formulation affecting to the Company's operations.

Company Shareholding Structure

The Company holds 31.85% of shares in Prodigy Public Company Limited and 14% of shares in Thai Edible Oil Company Limited.



Prodigy Public Company Limited

Prodigy Public Company Limited produces and distributes PET plastic bottle for foods and beverages, including packaging for the Company's vegetable oil. Prodigy sells its products to both the Company and external customers. PET plastic bottle is durable, transparent, acid and base resistant and air-tight, making it suitable for preserving taste and quality of foods and beverages.

As the accounting period ending December 31, 2021, the Company's sales revenue was Baht 684.097 Million with net profit Baht 55.242 Million which increased from the previous year due to the gradual adjustment of product prices in accordance with the increased cost of sales and the revenue recognition of Surin Branch's operations in which net profit was lower when compared to the previous year due to rising raw material costs since the end of 2020 and continuing to 2021, which was in line with an uptrend World crude oil price.

Thai Edible Oil Company Limited

Thai Edible Oil Company Limited is rice bran oil manufacturer and distributor under the "King" brand which is distributed to many countries worldwide.

The juristic person that the Company holding more than 10% of voting shares

	Prodigy Public Company Limited	Thai Edible Oil Company Limited
	Head Office 7/3 Soi Sukhaphiban, Tambon Bangkraboa, Amphor Nakornchaisri, Nakornpathom Tel. (034) 332-611-2 Fax. (034) 332-613	Head Office 3366/6-8 Soi Manorom, Rama 4 Road, Klongton, Klongtoey, Bangkok 10100 Tel. (02) 249-9351-2 Fax. (02) 249-4914
Type of Business	Production Industry	Manufacture and Distribution of Vegetable Oil
No. of Shares	Common Shares 270,000,000 Units	Common Shares 13,980,000 Units
No. of Shares Held	86,000,000 Shares	2,000,000 Shares
Ratio Shareholding	31.85%	14%

Shareholders

Top 10 Major Shareholders

(as of last Record date on March 14, 2022)

	Name of Shareholders	Number of Shares	%
1.	Vitayatanagorn's Family	396,928,300	49.09
2.	Thai NVDR Co., Ltd./1	39,226,448	4.85
3.	Cheer Group Holding Co., Ltd /2	33,100,093	4.09
4.	Mr.Taweelarp Jamsai	32,620,000	4.03
5.	South East Asia UK (Type C) Nominees Limited/3	10,489,680	1.30
6.	Ms.Suparat Sakwararat	7,440,750	0.92
7.	Mrs.Nalinee Wongjunpen	7,200,825	0.89
8.	Mr.Chaisith Vitiyamettakul	7,100,000	0.88
9.	Mr. Chaipong Vechmamontien	5,654,000	0.70
10.	State Street Europe Limited/3	4,448,076	0.55
	Top Ten Major Shareholders	**544,208,172**	**67.30**
	Other Shareholders	**264,402,813**	**32.70**
	Total	**808,610,985**	**100**

Note :
/1 Listed Company in Thailand, contact address at 62 Ratchadapisek Road, Khlong Toei 10110 Bangkok. Thailand Thai NVDR Co.,Ltd issued non-voting depository receipt. It is a valid security as specified by SEC and is automatically regarded as a listed security by SET.
/2 The Company invests in securities listed on the SET / invests in other companies and real estate. Contact address: 305 Ratchadapisek Road (Thapra-Taksin), Bukkhalow, Thonburi, Bangkok.
/3 Listed Company in Foreign country, contact address at Standard Chartered Bank (Thai) Public Company Limited, Securities Services, Zone B Sathorn nakorn tower 14th floor North Sathorn Rd., Silom Bangrak, Bangkok Thailand 10500

	Name of Shareholders		Number of Shares	%
	Vitayatanagorn's Family			
1.	Miss Sudarath	Vitayatanagorn	61,428,900	7.60
2.	Mr.Vichai	Vitayathanagorn	58,767,228	7.27
3.	Mrs.Ratana	Chanpitaksa	46,615,600	5.76
4.	Nakornchaisri Oil Industrial Co., Ltd.[/1]		19,744,740	2.44
5.	Miss Aranya	Vitayatanagorn	18,384,869	2.27
6.	Miss Voronud	Vitayatanagorn	13,829,010	1.71
7.	Mrs.Sararath	Vitayatanagorn	12,612,996	1.56
8.	Mr.Jakarin	Vitayatanagorn	12,246,275	1.51
9.	Mrs.Benyapa	Vitayatanagorn	12,240,000	1.51
10.	Mr.Ekarat	Wongsupbhasatigul	12,131,837	1.50
11.	Mr.Chaiyong	Vitayatanagorn	12,050,000	1.49
12.	Mr.Vachara	Vitayatanagorn	12,000,000	1.48
13.	Mr.Supachai	Vitayatanagorn	11,632,280	1.44
14.	Mr.Vichit	Vitayatanagorn	11,005,800	1.36
15.	Mr.Apisit	Vitayatanagorn	10,703,992	1.32
16.	Mrs.Pattama	Tangpiroonthum	8,725,771	1.08
17.	Mr.Vorravuth	Tangpiroonthum	8,000,000	0.99
18.	Mr. Chanvit	Vitayatanagorn	7,874,850	0.97
19.	Miss Aticha	Vitayatanagorn	5,762,308	0.71
20.	Miss Parinda	Tangpiroonthum	5,756,000	0.71
21.	Mr.Kuna	Vitayatanagorn	4,850,000	0.60
22.	Miss Patama	Vitayatanagorn	3,670,800	0.45
23.	Miss Sapinya	Vitayatanagorn	3,150,000	0.39
24.	Mr.Somroek	Tangpiroonthum	3,052,000	0.38
25.	Mr. Wich	Vitayatanagorn	3,000,000	0.37
26.	Mr.Pachai	Chanpitaksa	2,896,000	0.36
27.	Miss Pachun	Chanpitaksa	2,508,000	0.31
28.	Mr.Pachoke	Chanpitaksa	2,496,000	0.31
29.	Miss Vilai	Tangsin	2,261,850	0.28
30.	Mrs. Danuporn	Vitayatanagorn	1,500,000	0.19
31.	Miss Sitsiri	Vitayatanagorn	1,500,000	0.19
32.	Mr.Poompipat	Vitayatanagorn	1,290,000	0.16
33.	Miss Wasina	Vitayatanagorn	1,052,859	0.13
34.	Miss Sasiprapha	Vitayatanagorn	1,000,000	0.12
35.	Miss Variwan	Vitayatanagorn	826,428	0.10
36.	Miss Vichayasuda	Hemakul	305,757	0.04
37.	Miss Issara	Vitayatanagorn	56,150	0.01
	Total		**396,928,300**	**49.09**

Remarks: [/1] The Company has long-term investments in other entities. All shares held by the Vitayatanagorn's family

Registered Capital and Paid-Up Capital

The Company registered capital is Baht 808,610,985 with paid up capital 808,610,985 shares, with par value Baht 1 per share

Distribution of Shareholders by Nationality (as of March 14, 2022)	Number of Shares	%
Thai Shareholders		
Ordinary Person	640,171,823	79.17
Juristic Person	130,683,431	16.16
Foreign Shareholders		
Ordinary Person	904,118	0.11
Juristic Person	36,851,613	4.56

Free Float (As of March 14, 2022)

Number of shares	Number of Shareholders	%	Number of Shares	%
1-999	7,745	38.39	2,328,128	0.29
1,000-10,000	9,741	48.28	34,079,718	4.21
10,001-100,000	2,275	11.28	68,233,134	8.44
100,001-Less than 5 percent of paid-up stock	411	2.04	538,079,677	66.54
More than 5 percent of paid-up stock	3	0.01	165,890,328	20.52
Total	**20,175**	**100**	**808,610,985**	**100**

หมายเหตุ : ผู้ถือหลักทรัพย์ที่ไม่เป็นไปตามระเบียบวิธีปฏิบัติของศูนย์รับฝากหลักทรัพย์ และไม่มีสิทธิได้รับเงินปันผล จำนวน 5,300 หุ้น

Other securities

-None-

Dividend Policy

The dividend policy is not less than 60% of net profit after income tax deduction if there is no necessary reason not to do so. The Company shall propose to the Annual General Meeting of Shareholders to consider and approve. The annual dividend payment which will depend on the investment plan, necessity and other appropriateness as the Board of Directors deems appropriate. For the year 2021, the Board of Directors resolved to propose to the Annual General Meeting of Shareholders on April 22, 2022 to approve the annual dividend payment at the rate of 2.20 Baht per share or equivalent to 86.04% of net profit after income tax deduction.

Dividend Payment	2019	2020	2021
Earnings per Share	1.74	2.05	2.56
Dividend per Share (Baht/Share)	1.45	1.70	2.20
Dividend Payout Ratio on net profit (%)	83.12	83.02	86.40

The subsidiary has a policy to pay dividend to Shareholders every year, depending on the Board of Directors of the subsidiary to consider and propose to the Shareholders' meeting of each subsidiary to consider and approve. The dividend payment is subject to the operating results, financial status and other key factors of each subsidiary without designated dividend payout ratio.

In 2021, the Company received dividend payment from its subsidiary in the amount of Baht 27,520,000.

2 Risk Management

2.1 Risk management policy and plan

Risk Management

The company recognizes the importance of managing the risks emanating from internal and external changes which may have both short-term and long-term effects on the business. The company is committed to integrated enterprise risk management and strategic management as well as identifying and revising the risk appetite in order to frame available options and select appropriate strategies. It also promotes actions that lead to achieving the strategic targets in accordance with the business objective as well as fostering enterprise sustainability in accordance with the Enterprise Risk Management – Integrated Framework. In parallel, the company also applies the Internal Control – Integrated Framework of COSO, appropriately adapting it to our business operations.

Risk management structure

The company systematically manages its risks through various committees and in an integrated manner, to ensure that the risk management plan is efficient, effective, and consistent with the enterprise targets and strategies. Operational risks are under the supervision of the executive responsible for that operation. It is the responsibility of each work unit to manage and control the concerned risks to be below the acceptable level of risk. This responsibility is clearly specified in the job description of every work unit.

The company established the Environmental, Social, Risk Management and Compliance Policy Committee (ESRC) with the tasks of formulating policies and an operational framework and reviewing and improving various work systems to be in line with the policies, business plans, as well as providing relevant comments and recommendations. In addition, there is the ESRC-E (management committee) comprising the executives from different divisions which closely monitors the management of enterprise risks and managerial risks. Everyone in the organization is constantly aware of the risks and how to mitigate the impact of such risks until it becomes organizational culture, in accordance with the policies and operational framework. The policies and framework are determined by the ESRC through the working group on risk management which gathers and produces risk management plans and supervises the implementation of the risk management plans both at the managerial and organizational levels. The working group also monitors the process of identifying and assessing key risks across the organization and communicates risk management information to everyone in the organization, ensuring correct and uniform implementation, thus fostering integration of risk management both in terms of policy and practice. Continuous and comprehensive exchange of information throughout the company will ensure efficient risk management as key risks are regularly reported to the company's board of directors.

Risk management tools

The company has studied and adopted different risk management tools, such as risk appetite, risk map, mitigation plan, and key risk indicator (KRI). Moreover, the company closely monitor key external changes, including emerging risks, to be in a position to proactively manage them before they could impact the company's business operations.

The company has analyzed both internal and external circumstances, including economic, social, political, technological and industrial trends, competitors, and other relevant factors, to identify enterprise risks which may significantly affect the company and/or the investors in 2022. According to the ESRC, such risks can be summarized as follows:

2.2
Business Risk Factors

Strategic risks

Strategic directional risk

Everchanging technological advancement has disrupted existing business models and affected the needs of customers and business operations. The company recognizes the importance of setting a business strategic direction in preparation for changes in economic, social and consumer behavior dynamics.

The company has revised its vision, direction and strategy for future business operations annually through the brainstorming meeting of the top management. The direction and strategy are then used to formulate a risk management plan and a business plan.

Successor planning risk

To be ready for new business opportunities, the company needs to have suitable personnel and develop their expertise and experience in a timely manner as well as taking into consideration the company's strategy and direction and external risk factors. The company adopted a successor plan and has worked towards ensuring that the successors are well-equipped in terms of skills and conduct suitable for taking up a critical position.

In addition, to implement the enterprise strategic direction, the company has put in place a work support structure, including assigning personnel in accordance with the demand of each division. The company's human resource management focuses on developing professionals in different lines of work, consisting of manpower planning, identification of critical positions, and individual development plans. The approach aims to develop expertise for the personnel in each line of work, fostering leadership and a process of learning about the overall company, in preparation of becoming a future executive. This is to ensure that the company will have capable and enough executives and employees to effectively sustain the company's future business growth.

Operational and business risks

Risk associated with soybean procurement

Climate Variability or natural disasters may result in soybean output not meeting the targeted volume, and the harvested soybeans arriving later at the beginning of the season due to domestic logistical issues in producing and exporting countries causing insufficient soybeans for the company's production. Since soybeans are the main raw material for the company's production, the issue mentioned leads to delays in terms of transporting final products to customers. The shortage of a crucial raw material in the production is one of the key risks of the company. In order to efficiently obtain raw materials, the company works closely with the suppliers in planning to procure raw materials to ensure business continuity. The company closely monitors the balance between the demand and supply of world soybean by gathering information through the survey of actual soybean plantations in countries of origin and the anticipation of surrounding factors that may affect the procurement of raw materials. Such factors include the change of seasons, harvest periods, volume, prices, and quality. Moreover, the company buys raw materials from trustworthy suppliers whose raw materials' origin can be traced back. Thus, the company has been able to plan its production activities in accordance with circumstances and adjust the inventory volume in line with the trend and price levels as well as ensuring that there are sufficient raw materials for the business to continue uninterrupted. At the same time, the government has promoted soybean production in Thailand by encouraging farmers to grow soybeans in the dry season instead of growing rice in order to improve the soil quality and enhance soybean quality in order to meet the market's demands. In addition to this, public and private sectors have cooperated to promote soybean planting after rice paddy season to increase productivity through programs such as Pracharat Soybeans After Rice Program which aims to create food security in the north and northeast of Thailand. The program is expected to result in lower production costs, greater productivity per Rai of soybeans, and higher quality.

Risk of significant changes in price of raw materials

The volatility of soybeans price, which varies according to the global market price, affects the company's production costs and profitability. Since raw materials cost are approximately 90 percent of the company's cost of sales, the procurement of raw materials is therefore an important factor for the company's cost of sales and profits.

Factors affecting soybean demand in addition to the demand for food production It also includes the need for use in the production of renewable energy, speculation in the commodity futures market. The demand for soybeans is also affected by the government's soybean promotion policies and intervention. While the climate change or natural disasters may cause the soybeans' yield to be unpredictable.

To mitigate the impact of soybean price volatility, the company has identified the effective price risk management to deal with the impact of price fluctuation, has appointed supply & trading team to closely monitor and analyze the price of soybean complex movement and manage the risks with pricing strategy by analyzing data carefully and using appropriate risk management tools promptly and consistent with the business plan. A risk status summary report is regularly submitted to the management, to control and monitor the company's price risk within an acceptable level. It has been a longstanding policy of the company that it does not buy raw materials for speculation. The company manages our raw material inventory carefully and considers adjusting the sale prices to follow the market situation, thus reducing the effects of the abovementioned volatilities. The company also manages the risk through commodity futures whereby the increase of acceptable loss limit that may occur throughout the year is reviewed to prevent the risks of raw material and product price volatilities on the company's performance.

Production and business continuity management

At present, a crisis or an emergency may occur at any time, be it damage caused by a natural disaster or an epidemic, human errors, machine malfunction, and the company's main information system going offline. Such occurrences will likely disrupt the company's production and business operations.

To reduce the likelihood and mitigate the impact of such threats, the company has proceeded a response plan for the risks that may affect business operations both in the short and long terms. To mitigate the impact of such risks, the company has prepared a business continuity management (BCM) plan or an emergency response plan in the event of a natural disaster and an epidemic. The company continuously monitor news and information to be ready for such incidents should they occur while ensuring that activities or key operations of the company can continue uninterrupted. All measures also increase the confidence among all relevant stakeholders.

Risks arising from COVID-19

Since 2020, the COVID-19 pandemic, which prompted lockdown and other COVID-19 response measures, has severely affected the Thai economy. To mitigate the impact of such risk, the company has closely monitored the situation to manage the risk and has introduced several measures to mitigate the possible impact on the company. The company has always adopted a prudent approach for its financial policy, by maintaining a low debt-equity ratio and building positive relationship with banks and our business partners.

Risks from work-related accidents

The company has put in place measures to reduce accidents and mitigate their impact. They consist of an awareness raising campaign for employees and contractors to make safety an integral aspect of work and a safety assessment to identify high-risk and dangerous spots. Once identified, preventive actions would be taken under various aspects of the safety management system, such as production safety and transport safety, which is fundamental to an organization-wide implementation and is subject to regular revision.

Financial risk

Volatility of the Baht

Fluctuation of the Baht-to-USD exchange rate has directly affected the company's turnover because the cost of soybeans, the main raw material in the production process, is denominated in US Dollar, while the company's revenue is primarily in Thai Baht. However, the company has adopted a clear policy on financial management and financial risk management, with an objective of managing all financial risks, including the foreign exchange rate risk, that may affect business operations. The goal is to determine and stabilize future turnovers, not for speculative purpose. The company has appointed team to closely monitor and analyze news and situations concerning foreign exchange rates. It also adopts a policy to prevent the risk associated with foreign exchange rates by concluding, typically less than 1-year forward contract with domestic financial institutions to mitigate the risk associated with the volatility of foreign exchange rates. At the same time, it enables the company to know the exact costs and sale prices in Baht.

Regulatory risks

Risk associated with business conducts which are inconsistent with anti-corruption policies

With a commitment to conduct its business transparently and fairly while emphasizing the principles of corporate governance, accountability and prudence in compliance with relevant laws, regulations and standards, the company has adopted anti-corruption policies and measures, an internal control system as well as monitoring implementation, sanction and strict adherence to the business ethics code. Regulations and procedures are in place to ensure that the company's conducts are in line with the law to prevent corruption. Examples include the inspection of weight of freight trucks is being carried out to ensure that the weight does not exceed the freight threshold as stipulated by law before trucks leaving the production plants. The company also ensures the implementation of anti-corruption policies and regulations, and establishes channels for whistleblowers to submit tips of wrongdoing and complaints. The company has set up procedures to respond to complaints, protect whistleblowers, and inform whistleblowers of the next steps in a systematic and just manner, in line with the company's regulation on complaint handling.

Emerging Risks

Cybersecurity risks

Computer systems and networks as well as the internet have been a tool for business operations. They are used to store data, transfer data both within the organization and externally, and communicate with stakeholders for a number of purposes, e.g., customer communication, advertisement, sales channel, and communication with the society to inform the public of the company's business approaches. As such, Ill-intended individuals may attempt to invade the systems and networks for their own benefits. At present, we are facing cybercrime in various forms, including system disruption or reducing the system efficiency, phishing and scamming, theft, and fraud. Such threats may affect company's business operations. The company is fully aware that cybersecurity threats are on the rise and will affect business continuity as well as the company's confidence and image as perceived by the stakeholders.

A number of steps have been taken to mitigate the impact starting from the implementation of policies and operational standards on information security among the company's personnel. In terms of the work system, the company has installed a firewall system/equipment to prevent all external intrusions, prepared a Solution Firewall backup, installed an anti-virus program on every computer of the company to prevent data damage/loss as a result of computer viruses, and connected computer networks to the central system to ensure that issues arising in any computers can be dealt with correctly and promptly. Moreover, with these measures, it is possible to identify the causes of intrusion to ensure that the root causes are being addressed while preventing any reoccurrence. Regular review or inspection is carried out by the company's information technology personnel and external consultants.

3 Driving Business for Sustainability

3.1 Sustainability Policies and Sustainability Management Objectives

The Company aims to operate the businesses under good governance for sustainable growth. TVO has applied the concept of sustainable development and integrated it into every step of the operation to deliver a good quality of life to all stakeholders. TVO adopts the international standard guidelines for social responsibility and Sustainable Development Goals (SDGs) as a development framework. We set up the Sustainable Development Policy by assessing relevant sustainability context both inside and outside, covering all three dimensions: Economic, Social, and Environmental.

Sustainability Policies

"TVO aims to conduct operation for the purpose of stable growths, deliver good quality of life to consumers, employees, communities and society; bring the highest satisfaction to all stakeholders, starting from raw material procurement, production and deliver to consumers; adhere to good governance and look after the environment, leading to the joint sustainability."

Sustainability strategies in 4 areas

are as follows:

1. Create economic values with quality products within the good governance
2. Quality personnel
3. Social responsibility
4. Environmental conservation for sustainable and harmonious living

Long-term Sustainability Management Goals by 2024

Economic Sustainability

Corporate Governance

Maintain the CGR assessment results as "Excellent" and disclose the corporate governance of listed companies according to ASEAN regional standards by 2024.

Anti-corruption

Support and advise at least one Supplier to participate in the self-assessment until they receive certification as a member of Thailand's Private Sector Anti-Corruption Coalition (CAC) by 2024.

Value Chain Management and Sustainable Procurement

100% of the main suppliers acknowledge and fully sign in to the Supplier Code of Conduct by 2024.

Environmental Sustainability

Water management

The Company's target of long-term water usage reduction remains to be at 0.71 cubic meters per tonne of beans by 2024.

Usage of electricity in the production process

Refinery - reduce the electricity consumption to meet the target of 30 units per tonne of crude oil by 2024.

Extraction plant - reduce the electricity consumption to meet the target of 30 units per tonne of beans by 2024.

Environmental Sustainability

Usage of steam in the production process

Refinery - reduce the steam consumption of the RF-1 plant at 195 kg steam per tonne of crude oil / RF-3 plant at 145 kg steam per tonne of crude oil by 2024.

Extraction plant - reduce the steam consumption by 294 kg steam per tonne of beans by 2024.

Reducing Waste from Production Processes

The amount of waste uses for the total waste not be less than 90% in 2027

Reducing Carbon Footprint

Reduce the carbon footprint at the product level Not less than 2% by 2024

Social Sustainability

Personnel Potential Enhancement

Increase the training hours of all employees at least 18 hours / person / year by 2024

Safety and Occupational Health

Reach a safety goal to avoid accidents from work at 3,000,000 consecutive hours of work by 2024.

Contributing a career for people in the community

More than 80% of the factory's employees are residents of Nakhon Pathom.

Note: Long-term goals in each dimension are calculated from 2019 as the base year.

The company discloses details of sustainability policy, strategy, and long-term sustainability management goals included in the Sustainability Report 2021 on the TVO Sustainability Operations Section, page 10, and the company's website at https://www.tvothai.com/en/sustainability/policy-strategy-goal. In Addition, TVO has prepared The Sustainability Report 2021 under the GRI Standards: Core option", along with reports on corporate performance that support the Sustainable Development Goals (SDGs), disclosed on the company's website at https://www.tvothai.com/en/sustainability/report

3.2
Managing stakeholder impacts in the business value chain

Value Chain Management

The Company emphasizes management throughout the value chain from upstream to downstream to create value for products and services that meet the stakeholders' expectations from purchasing and sourcing raw material from domestic and international suppliers. The production process will consider the impact on the community and the environment along with the standardized marketing and distribution to respond to various needs of customers and consumers.

Moreover, the Company aims for suppliers to operate in an ethical manner, respect for human rights, social responsibility with good governance principles as well as a management on occupational health and safety. At the same time, the Company expects its suppliers to pay more attention to related environmental management in order to develop the mutual potential enhancement of the competitiveness in the future. The Company therefore determines "Supplier Code of Conduct" and communicate with suppliers both in the country and abroad, disclosed this policy on the Company's website for all stakeholders to acknowledge. In addition, the other related operations are also disclosed in The Sustainability Report 2021 on Value Chain Management **page 12-13** and Sustainable Sourcing Section on **page 26-27**

Supplier Code of Conduct

Stakeholder Analysis in the Business Value Chain

The company addresses the value of stakeholder engagement through communication and work procedures to receive any suggestion to meet stakeholder needs and expectations. The stakeholders can be classified into seven groups, namely 1) Employees, 2) Customers, 3) Suppliers, 4) Shareholders, 5) Community & Society, 6) Competitors, and 7) Government Agencies. The company disclosed the analysis of expectations related to the company's operations and guidelines for the participation of all groups of stakeholders listed in the Sustainability Report 2021 on the Stakeholder Engagement sector **page 14-16**

3.3
Environmental Sustainability

Environmental Policies and Practices

The company importantly realizes the prevention. TVO is responsible for the possible impacts from its operations' workplace both inside and outside. Therefore, TVO has established the **"Environmental Policy"** published on the company's website **https://www.tvothai.com/en/corporate-governance** to encourage the development of environmentally friendly processes, create innovations that reduce the impact that may occur, as well as aim for the most efficient usage of resources, reduce greenhouse gas emissions, manage water systematically, including protect the ecosystems and biodiversity.

In addition, the company has established the **"Energy Policy"** to serve as an energy conservation guideline for efficient and best benefits to the business by implementing the energy conservation aspect into the operations and improving the efficiency of resource utilization constantly and in line with the company. This effort is the responsibility of executives and employees at every level.

Environmental Policy

Energy Policy

Environmental performance

Environmental management and operations are under the "Environmental and Social Working Group" or "ES Group" supervision. It consists of representatives from the relevant departments to integrate environmental information into the work process, including energy consumption, water management, waste management, carbon footprint reduction. It leads to set goals to reduce short-term and long-term resource usage, reduce the impact arising from the production process, and resolve problems and complaints. The Company disclosed the environmental performance in the Sustainability Report 2020 on the Environmental Sustainability sector, **page 32-40** and in the Appendix, Sustainability performance – Environmental information **page 54-56**

In terms of reducing Carbon Footprint and Greenhouse Gas Emissions, the Company has joined the Carbon Footprint Program with the Thailand Greenhouse Gas Management Organization (Public Organization) or TGO and received a carbon footprint reduction label (Global Warming Reduction Label – the blue label), a total of 46 products. The registration for reducing carbon footprint since 2020, TVO has consulted with a team of advisors from Kasetsart University and a team of auditors from Thammasat University. The Company also collects additional information to prepare for the subsequent corporate-level carbon footprint reduction for registration in the year 2022.

Advisory team
Kasetsart University

- Asst.Prof. Rattanawan Mungkung
- Mr. Supachok Tapananont

http://thaicarbonlabel.tgo.or.th/index.php?lang=EN&mod=WTI5dWMzVnNkR0Z1ZEE9PQ&action=Y0hKdlpIVmpkSE09

Verification team
Thammasat University

- Asst.Prof. Dr. Hanphol Pungrassamee
- Mr. Monchai Jittipanyakul
- Ms. Nisha Sukhodonchoti

http://thaicarbonlabel.tgo.or.th/index.php?lang=EN&mod=ZG1WeWFXWnBaWEk9&action=Y0hKdlpIVmpkSE09

3.4
Social Sustainability

Social Policies and Practices

Sustainability operations in the social dimension, TVO focuses on engaging and listening to realize the needs of our stakeholders, employees, communities, society, customers, and business partners in the supply chain. The key policies related to social operations are set on the Company's website as follows:

Human Rights Policy

Personal Data Protection Policy

Quality, Occupational health, Safety and Working environment Policy

Food & Feed Safety Policy

Social performance

Social operations are also under the "Environmental and Social Working Group" supervision by combining them into two main parts: firstly, the internal procedures that involve taking care of employees and the outside operations concerned with caring for the community and society. The social performance consists of Human Rights, Employee Stewardship and Development, Employee recruitment policy that helps create jobs for people in the community, Safety and Occupational Health, participation in the community, and social development, which disclosed in the Sustainability Report 2021 on Social Sustainability sector, page 41-51 and Social performance under Sustainability Report under Global Reporting Initiative (GRI) in the Appendix, Personnel Information and Safety and Occupational Health page 57-61

4 Management Discussion and Analysis (MD&A)

4.1 Analysis of Operating Performance

Operating results of the Company and its subsidiary for the year ended December 31, 2021 and 2020 were as follows;

Unit: Million Baht	2021	2020	Increase / (Decrease)	
			Amount	%
Sales	30,967	24,709	6,258	25.33
Sale of packing materials	341	254	87	34.25
Total sales	**31,308**	**24,963**	**6,345**	**25.42**
Cost of sales	28,349	22,107	6,242	28.24
Gross profit	**2,959**	**2,856**	**103**	**3.61**
Profit on exchange rate	170	17	153	900.00
Other income	322	83	239	287.95
Selling expenses	532	549	(17)	(3.10)
Administrative expenses	264	249	15	6.02
Reversal of impairment loss on financial assets	9	10	(1)	(10.00)
Reduction of inventory to net realizable value (reversal)	17	10	7	70.00
Financial cost	(4)	(3)	(1)	33.33
Profit before income tax expenses	**2,625**	**2,135**	**490**	**22.95**
Income tax expenses	(520)	(413)	(107)	25.91
Net profit attributable to equity holders of the Company	**2,068**	**1,656**	**412**	**24.88**
Non-controlling interests of the subsidiaries	37	67	(30)	(44.78)

In 2021, the Company and its subsidiary had a net profit Baht 2,068 million, increased by Baht 412 million or up by 24.88% from Baht 1,656 million when compared to 2020. The Company had a total sales revenue from selling products of Baht 31,308 million, increased by Baht 6,345 million or up by 25.42% from Baht 24,963 million when compared to 2020. The Company's subsidiary had a total revenue from sales of packaging materials of Baht 341 million, increased by Baht 87 million or up by 34.25% from Baht 254 million when compared to 2020. The Company and its subsidiary's cost of sales was Baht 28,349 million, increased by Baht 6,242 million or 28.24% from Baht 22,107 million when compared to 2020. This is resulting in the Company and its subsidiary has a gross profit of Baht 2,959 million, increased by Baht 103 million or 3.61% from Baht 2,856 million when compared to 2020

Analysis of Operating Performance

For management purposes, the Company and its subsidiary are organized into business unit based on its products and services and have three reportable segments as follows;

1. The manufacture and distribution of products from soybean segment; soybean meal and soybean oil.
2. The manufacture and distribution of packaging products.
3. Other segment, which is a distribution of consumer products.

Unit : Million Baht	2021	2020	Increase / (Decrease)	
			Amount	%
Revenue from sales of soy products and others	**30,018**	**23,731**	**6,287**	**26.49**
- Animal feed industry	19,098	15,525	3,573	23.01
- Refined Soybean Oil	10,920	8,206	2,714	33.07
Revenue from sales of other products	**949**	**978**	**(29)**	**(2.97)**
Total revenue from sales of the Company	**30,967**	**24,709**	**6,258**	**25.33**
Revenue from sales of packaging materials	**341**	**254**	**87**	**34.25**
Total revenue from sales of the Company and its subsidiary	**31,308**	**24,963**	**6,345**	**25.42**

Sales Revenues

The Company and its subsidiary had total sales revenue of Baht 31,308 million, increased by Baht 6,345 million or 25.42% from Baht 24,963 million when compared to 2020. The revenue from sales of products was Baht 30,967 million, increased by Baht 6,258 million or 25.33% from Baht 24,709 million when compared to 2020, and the revenue from sales of packaging materials was Baht 341 million, increased by Baht 87 million or 34.25% from Baht 254 million when compared to 2020. The details were as follows;

- **Sales of soybean meal and other animal feed ingredients:** The volume decreased when compared to the year 2020 mainly due to the situation of pig farming that has been facing with wide spread outbreak of African Swine Fever (ASF) in many countries including Thailand. As a result, the animal farmers reduced their purchase volume of feed ingredients as the number of pigs in the system has decreased. However, the sales of soybean meal and feed ingredients increased due to the rise in soybean meal selling prices which in line with the rise in global soybean meal prices. In addition, the soybean meal import volume of Thailand in 2021 also decreased from the previous year due to the epidemic situation of COVID-19 and the upswing of soybean meal price in the market causing importers to slow down the import of soybean meal for domestic distribution.

- **Sales and selling price of refined soybean oil:** The volume increased when compared to 2020 especially in domestic soybean oil customers since the sharp increase in domestic crude palm oil price situation because of increasing of domestic consumption and demand for biodiesel after the easing of lockdown measures. The domestic crude palm oil inventories have remained in low level for almost all of the year 2021. As a result, the domestic palm oil prices have increased close to soybean oil prices and even higher than soybean oil prices in the fourth quarter of 2021. Consequently, consumers have switched to buy soybean oil instead of palm oil. Modern Trade customers, therefore, increased soybean oil orders, as a result of price factors and changes in consumer behavior. In terms of foreign customers, the export of soybean oil benefited from the relatively tight vegetable oil inventories globally, causing the global vegetable oil price to rise and the company can adjust the selling price and sales volume to increase especially in the second half of 2021.

- **Sales of packaging materials:** The Company's subsidiary revenue increased when compared to 2020, mainly due to the gradual adjustment of product prices according to the increased cost of sales.

Cost of Sales and Gross Profits

The Company and its subsidiary's cost of sales was Baht 28,349 million, increased by Baht 6,242 million or 28.24% from Baht 22,107 million when compared to 2020. The main reasons were;

- **Cost of Sales and Gross Profits of the Company:** The cost of sales of the Company increased when compared to 2020 mainly due to the price of soybeans, the company's main raw material, increased from the previous year. This is in line with global soybean prices that have risen since the beginning of 2021, as the losses of US soybean production in late 2020, causing US soybean ending stocks stayed low. Moreover, the uncertainty of the climate in South America due to the La Niña phenomenon causing the world's soybean production to be unpredictable. While in the beginning of 2021, China has accelerated imports of soybeans from the United States and the world demand for soybeans remained high. As a result, the soybean prices rose sharply in the first half of 2021 before starting to decline in the second half of the year because soybean harvest in the United States for season 2021/22 shown to have a better direction. Overall, the average soybean price in 2021 increased by more than 40% from 2020. Nevertheless, the sales revenue of the company had increased at a higher rate compared to the increase in cost of sales, as a result the gross profit of the Company was Baht 2,959 million, increased by Baht 103 million or 3.61% from Baht 2,856 million when compared to 2020.

- **Cost of Sales and Gross Profits of the Company's subsidiary:** The cost of sales of the Company's subsidiary increased when compared to 2020, mainly due to the rising price of plastic pellets that were in the same direction as the crude oil price. As a result, the cost of raw material for packaging production has increased. Although the selling price was gradually adjusted but the cost of sales has increased at a higher rate, therefore the subsidiary's gross profit has decreased when compared to 2020.

Gain on Exchange Rate

Despite of fluctuations in the exchange rate, the Company was able to manage and hedge against exchange rate risk, which resulted in a net profit in exchange rate totaling Baht 170 million increased by Baht 153 million or 900% from Baht 17 million when compared to year 2020.

Other Income

The Company and its subsidiary generated other incomes of Baht 322 million, increased by Baht 239 million or 287.95% from Baht 83 million when compared to 2020, mainly due to the recognition of gains on commodity price hedging contracts, dividend income and the reversal of promotional expenses.

Selling and Administrative Expenses

The Company and its subsidiary's selling expenses was Baht 532 million, decreased by Baht 17 million or 3.10% from Baht 549 million when compared to 2020 due to the decrease in the cost of sales promotion and advertising expenses.

Administrative expenses were Baht 264 million, increased by Baht 15 million or 6.02% from Baht 249 million when compared to 2020, due to the expenses of salaries, wages and employee benefits.

Reduction of inventory to net realizable value

In 2021, the Company recorded a reduction of inventory to net realizable value received Baht 17 million in some products items.

Analysis of Financial Position

An analysis of the financial position of the Company and its subsidiary as of December 31, 2021 and 2020, was as follows;

Unit : Million Baht	Dec 31, 2021	Dec 31, 2020	Increase / (Decrease)	
			Amount	%
Assets				
Current Assets	9,852	10,438	(586)	(5.61)
Non-Current Assets	3,491	3,470	21	0.61
Total Assets	**13,343**	**13,908**	**(565)**	**(4.06)**
Liabilities				
Current Liabilities	3,251	4,195	(944)	(22.50)
Non-Current Liabilities	186	178	8	4.49
Total Liabilities	**3,438**	**4,373**	**(935)**	**(21.38)**
Shareholders' Equity				
Equity attributable to owner of the Company	9,512	9,123	389	4.26
Non-Controlling Interest	393	412	(19)	(4.61)
Total Shareholders' Equity	**9,905**	**9,535**	**370**	**3.88**
Total Liabilities and Shareholders' Equity	**13,343**	**13,908**	**(565)**	**(4.06)**

Assets

As of December 31, 2021, the Company and its subsidiary had total assets valued at Baht 13,343 million, decreased by Baht 565 million, or 4.06%, from Baht 13,908 million when compared to 2020. The major reasons for this decrease were;

- Current assets decreased by Baht 586 million or 5.61% when compared to year end 2020. This was mainly due to the decrease in the Company's investment in fixed income fund of Baht 1,259 million and the increase in trade and other receivables Baht 444 million due to an increase in sales revenue.

- Non-current assets increased by Baht 21 million or 0.61%, primarily as a result of the investments in equity securities increased by Baht 32 million and investments in debt securities decreased by Baht 5 million.

Liabilities

As of December 31, 2021, the Company and its subsidiary has combined liabilities valued at Baht 3,438 million, decreased by Baht 935 million, or 21.38%, from Baht 4,373 million when compared to the year 2020. The primary reasons for this were:

- Current liabilities decreased by Baht 944 million, or 22.50% due to trade and other payables decreased by Baht 809 million which is mainly related to the purchase of raw materials.

- Non-current liabilities increased by Baht 8 million, or 4.49%, as a result of an increase in the provision for long-term employee benefits of Baht 14 million and a decrease in liabilities under the lease liabilities, net of current portion due within one year decreased by Baht 5 million.

Shareholder Equity

As of December 31, 2021, shareholder equity in the Company and its subsidiary totaled Baht 9,905 million, increased by Baht 370 million, or 3.88%, from Baht 9,535 million when compared to 2020. This was the result of total net profit in 2021 of Baht 2,105 million. The Company and its subsidiary also paid interim dividends for the second half of 2020 and the first half of 20221 amounting to Baht 1,698 million.

Liquidity

Liquidity for the Company and its subsidiary for the years ending December 31, 2021 and 2020 was as follows

Unit : Million Baht	2021	2020	Increase / (Decrease)	
			Amount	%
Net cash flows from operating activities	814	2,343	(1,529)	(65.26)
Net cash flows from in investing activities	960	(1,840)	2,800	(152.17)
Net cash flows used in financing activities	(1,761)	(369)	(1,392)	377.24
Net increase (decrease) in cash and cash equivalent	13	134	(121)	(90.30)
Cash and cash equivalents at the beginning of year	390	255	135	52.94
Cash and cash equivalents at the end of year	403	390	13	3.33

In 2021, the Company and its subsidiary had cash and cash equivalents at the end of the year totaling Baht 403 million, which compared to the year 2020, there were changes as follows;

- Net cash flow from operating activities totaled Baht 814 million, decreased by Baht 1,529 million, or 65.26% from Baht 2,343 million when compared to the year 2020. Net cash flow from operating activities was from earnings before income tax of Baht 2,625 million for both the Company and its subsidiary, which included the portion for non-controlling interest in the Company's subsidiary and adjustments in reconciliation of net profits as net cash receive (paid) from operating activities. The main items were depreciation and amortization totaling Baht 343 million. Moreover, an increase of trade and other receivables resulted in a decrease in cash flows in the amount of Baht 453 million, and a decrease in trade and others payables caused a decrease in cash flow totaling Baht 809 million. Lastly, cash paid for corporate income tax was Baht 636 million.
- Net cash spending in investment activities totaled Baht 960 million. The net cash paid for investment in mutual funds totaling Baht 1,265 million while the net payment of additional and replacement assets totaling Baht 340 million.
- Net cash flow used in financing activities totaled Baht 1,761 million as in 2021 the Company and its subsidiary paid interim dividends for the second half of 2020 and the first half of 2021. There was also a payment of principal portion of lease liabilities.

4.2
Financial Ratios

Financial ratios for the Company and its subsidiary in the years ending December 31, 2021, 2020, and 2019 were as follows;

Key Financial Ratios	2021	2020	2019
Liquidity Ratio			
Current Ratio (time)	3.03	2.49	3.35
Quick Ratio (time)	0.84	0.84	0.76
Cash Flow Liquidity Ratio (time)	0.22	0.69	0.57
Accounts receivable turnover (time)	21.49	20.71	20.15
Collection period (days)	16.99	17.62	18.11
Finished Goods turnover (time)	20.80	17.93	15.78
Average Days Sales (days)	17.54	20.35	23.14
Account Payables Turnover (time)	9.63	8.67	13.19
Payment period (days)	37.89	42.11	27.68
Cash Cycle (days)	(3.36)	(4.13)	13.57
Profitability Ratio			
Gross Profit Margin (%)	9.45	11.44	9.99
Net Profit Margin (%)	6.50	6.61	5.93
Return on Equity (%)	22.19	18.62	16.47
Efficiency Ratio			
Return on Assets (%)	19.30	16.66	15.88
Return on Fixed Assets (%)	75.85	64.43	60.59
Assets Turnover (time)	2.33	1.95	2.09
Financial Policy Ratio			
Debt to Equity Ratio (time)	0.35	0.46	0.30
Interest coverage ratio (time)	4,198.98	15,116.31	624,807.49
Commitment Coverage Ratio (time)	0.98	0.72	1.01
Dividend Payout (%)	86.04	83.02	83.12

Liquidity Ratio

As of the December 31, 2021, the current ratio of the Company and its subsidiary stood at 3.03x, increased by 0.54x from the ratio of 2.49x when compared to 2020. The liquidity ratio greater than 1 would imply that the Company still has good liquidity. The quick ratio was 0.84x, average debt collection was 16.99 days, the average days sales was 17.54 days and the cash cycle was -3.36 days. These figures imply that the Company has a strong financial position, appropriate liquidity ratio and good cash on hand from selling products, getting paid faster and have good cash management efficiency.

Profitability Ratio

In 2021, the profitability ratios consisted of the gross profit margin, net profit margin, and return on equity, were at 9.45%, 6.50%, and 22.19%, respectively. All of these ratios decreased when compared to 2020 due to an increase in Company's raw material costs. However, the Company has adjusted product price to be in line with the rising global soybean price since the beginning of 2021, but the increase in cost of sales is higher than the increase in revenue from sales of products. Therefore the Company's gross profit margin decreased.

Operating Efficiency Ratio

In 2021, the return on assets and return on fixed assets stood at 19.30% and 75.85%, respectively which increased from 2020. This was due to the additional net profits of the Company and its subsidiary. Meanwhile, the asset turnover rate record was 2.33x increased when compared to 2020 mainly due to an increase in total revenue for 2021.

Financial Policy

As of December 31, 2021, the Company and its subsidiary had a total liabilities of Baht 3,438 million and total shareholder's equity of Baht 9,905 million, represented a debt to equity ratio of 0.35x, increased from the figure of 0.11x when compared to 2020. The dividend payout ratio in 2021 was 86.04%, increased from the rate of 83.02% in 2020.

5

General Information and Other Importance Information

5.1 General Information

Company's Name:	Thai Vegetable Oil Public Company Limited
Head Office:	Producer and distributor of soybean meal and soybean oil
Corporate Registration Number:	0107537001536
Head Office Location:	149 Ratchadapisek Road (Thapra-Taksin), Bukkhalow, Thonburi, Bangkok 10600
Factory Location:	81/7 Moo 1, Thaiyawat, Nakornchaisri, Nakorn Pathom 73120
Tel (Head Office):	(02)-477-9020
Fax (Head Office):	(02)-477-8022
Tel (Factory):	(034) 265 620-29
Fax (Factory):	(034) 265 610
Website:	www.tvothai.com
Authorized Capital:	Common Shares 808,610,985.00 Units Par value 1 Baht/share Totaling 808,610,985 Baht
Paid-up Capital:	Common Shares 808,610,985.00 Units Par value 1 Baht/share Totaling 808,610,985 Baht
Securities Registrar:	Thailand Securities Depository Co., Ltd. (TSD) 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400, Thailand Tel (02) 009-9000 Fax (02) 009-9991
Auditor:	Mrs. Chonlaros Suntiasvaraporn EY OFFICE LIMITED 33rd Floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110 Tel (02) 264-0777 Fax (02) 264-0789
Legal advisor:	BAKER & MCKENZIE LTD. 990 Abdulrahim Place, 5th Floor, 22nd-25th Floors, Rama IV Road Silom, Bangrak, Bangkok 10500 Tel (02) 636-2000 Fax (02) 636-2111

5.2
Other Importance Information

The juristic person that the Company holding more than 10% of voting shares

Thai Edible Oil Company Limited

Head Office:	3366/6-8 Soi Manorom, Rama 4 Road, Klongton, Klongtoey, Bangkok 10100 Tel. (02) 249-9351-2 Fax. (02) 249-4914
Type of Business:	Manufacture and Distribution of Vegetable Oil
No. of Shares:	Common Shares 13,980,000 Units
No. of Shares Held:	2,000,000 Shares
Ratio Shareholding:	14%

Prodigy Public Company Limited

Head Office:	7/3 Soi Sukhaphiban, Tambon Bangkraboa, Amphor Nakornchaisri, Nakornpathom Tel. (034) 332-611-2 Fax. (034) 332-613
Type of Business:	Production Industry
No. of Shares:	Common Shares 270,000,000 Units
No. of Shares Held:	86,000,000 Shares
Ratio Shareholding:	31.85%

5.3
Legal dispute

The Company has only legal disputes from normal business operations without a lawsuit in which the Company is a disputant or a litigant in the nature of a lawsuit filed as a defendant with capital value exceeding 5% of the shareholders' equity, as of December 31, 2021, the Company has no lawsuits that significantly affect business operations that cannot calculate the amount of money or a case that does not arise from normal business operations of the Company.

TVO

Thai Vegetable Oil Public Company Limited

Part 2
Corporate Governance

6 Corporate Governance Policy

6.1 Corporate Governance Policy and Practice Overview

Thai Vegetable Oil Public Company Limited conducts business by adhering to the principles of good corporate governance and the business code of conduct in order to ensure that the operations of the Company are efficient, transparent, fair, creating confidence for all Stakeholders, supporting and promoting the competitiveness of the Company which leads to creating value for sustainable business.

In order to ensure that the Company operates it business substantially in accordance with good corporate governance, the Board of Directors approved "Corporate Governance Policy" as proposed by the Corporate Governance, Nomination and Remuneration Committee. The Corporate Governance Policy is based on the principles of good corporate governance for listed companies in 2017 in accordance with the guidelines set by the Securities and Exchange Commission as a practice guideline for the Board of Directors, who is the most responsible person in the organization, to be applied in the business to have good performance results in the long-term operation and to build credibility for shareholders and all stakeholders as well as to raise up the Company's competitiveness in order to create value for the business to grow sustainably.

The Corporate Governance Policy covers the structure and guidelines for good corporate governance related to the Board of Directors, nomination, remuneration, roles and responsibilities of directors and independence of the Board of Directors from the Management, the Board of Directors' performance evaluation and development, the Company's subsidiary governance, including the Shareholder Policy covering rights and equality of Shareholders and Stakeholders, adequate disclosure of the information, internal control and risk management, prevention of insider trading and conflicts of interest, effective internal audit, operating business with honesty and transparency, compliance with the relevant laws, rules and regulation as well as business ethic, compensation for human rights violations, anti-corruption as well as penalties against those who do not comply with the aforementioned policies and guidelines. These are all key factors that enable the business sustainable and be recognized by all concerned parties. The Corporate Governance Nomination and Remuneration Committee reviews policy once a year to be suitable for the current situation and to comply with good governance of the Stock Exchange of Thailand. There is a monitoring system to ensure that the implementation shall be done in accordance with the principle strictly and covered all 8 principles of practice in accordance with the CG Code set by the Securities and Exchange Commission. In addition, the Board of Directors has approved "Compliance Policy" as guidelines for the Executives and employees to comply with the laws, rules and regulations related to business operations in order to increase the efficiency of management and to level up the Company's corporate governance, which results in the Company achieving its goals and building confidence among shareholders, investors and all interested parties as well. The Board of Directors and management as well as employees at all levels must adhere to the Corporate Governance Policy and Compliance policy as their operational standards.

In 2021, the Board of Directors has governed the Company to comply with the principles of good corporate governance for listed companies 2017 (CG Code) set by the Securities and Exchange Commission as a guideline for the Board of Directors, who is the leader or the most responsible person of the organization, to apply with the Company appropriately and to practice along with the 5 main categories for good corporate governance guidelines as follows:

Chapter 1
Rights of Shareholders

The Board of Directors values and respects the rights of all Shareholders equally and encourage Shareholders to fully exercise their rights especially the fundamental rights of Shareholders namely; the right to sell, buy or transfer shares, the right to receive the profit sharing, the right to receive sufficient information, the right to propose agenda and nominate a person to be a director of the Company, the right to attend Shareholders' meeting to vote for appointing and removing directors, the right to freely express opinions in the Shareholders' meeting, the right to approve the remuneration of directors, the right to appoint the auditor and any other significant matters that may impact the Company such as dividend payment, the amendment of the Article of Association and the Memorandum of Association, capital reduction or capital increase including approval of any transactions that may impact the Company's business direction. The Company shall not involve in any activities that violate or deprive the Shareholders' rights. The Company sets the policy on Shareholders' rights as follows;

Right of sharing profit

The Company has a dividend payout policy to Shareholders not less than 60% of net profit after tax if there is no necessary reason not to do so. The interim dividend of 2021 operational performance was paid at Baht 1.30 per share or 65.35% of net profit of the first half year 2021. The remaining dividend at the rate of Baht 0.90 per share or must be approved by the 2022 Annual General Meeting of Shareholders.

Right to have information

In 2021, the Company disclosed essential, accurate, adequate, reliable information to Shareholders in timely manner and ignored any actions that limited the right of Shareholders to access the Company's information.

- In 2021, the Company provided essential information to Shareholders and general investors according to the laws and regulations set by the Stock Exchange of Thailand through SET Portal. In addition, the Company also disclosed other important information on the Company's website (**www.tvothai.com**) which was a channel that shareholders could access easily and conveniently.

- The Company regularly presented the performance results, financial and non-financial information to analysts, investors, and shareholders every quarter and also provided the opportunity to have a meeting with the Executives to ask questions related to the business to create better understanding and strengthen the relationship between the Company and analysts, investors and shareholders throughout the year. (Further details are in Chapter 4: Disclosure and Transparency)

- The Company participated in the activities organized by the Stock Exchange of Thailand such as "SET Opportunity Day" to disseminate the Company's information and answer questions. (Further details are in Chapter 4: Disclosure and Transparency)

Shareholders and general investors can contact the Company for more information from the relevant department as follows;

Finance and Accounting Department:
Ms.Sunanta Tritepapirak
Tel: 66 2 477 9020 Ext 266
email: sunanta@tvothai.com

Investor Relation Department:
Mr. Angkoon Imerbthum
Tel: 66 2 477 9020 Ext 530
email: ir@tvothai.com

Company Secretary:
Ms.Kanutsorn Bunditnate
Tel: 66 2 477 9020 Ext 122
email: kanutsorn@tvothai.com

Right to attend the meeting and vote

The Company has the policy for all shareholders, including institutional investors, to exercise their right to attend the meeting and vote in each agenda as conveniently as possible and strictly avoid any activities that restrict shareholders to attend the meeting. The Company has set the guideline for organizing and conducting the Shareholders' meeting as follows;

- The Board of Directors oversees that the information of date, time, venue, agenda of the meeting including explanations with reasons of each agenda is indicated in the invitation letter completely and the meeting venue is convenient for shareholders.

- The Board of Directors recognizes and respects the rights of Shareholders and shall not do anything that violates or deprive the rights of Shareholders by taking care of their interests fairly as well as supports and encourages all groups of Shareholders; Thai Shareholders, Foreign Shareholders, Individual Shareholders, Major Shareholders or Institutional investors, to exercise their rights; fundamental rights of Shareholders, the right to access to information sufficiently and timely and the right to attend the Shareholders' meeting to participate in determining the operational direction and to consider on significant matters that impact the Company.

- The Board of Directors shall not add any additional agendas or change any significant information without prior notice, particularly, important agenda that Shareholders need to study carefully before making decision.

- The Board of Directors invites Shareholders to propose agenda for Annual General Meeting, submit question in advance and nominate persons to be elected as the Company's directors before the meeting date through the Company's website and SET Portal.

- Each shareholder has the right to vote in the meeting as 1 share per 1 vote. The resolution of the meeting on general matters is based on the majority vote of the Shareholders who attend the meeting and have the right to vote such as Approval of the annual financial statements, Annual dividend payment, Appointment of Directors, Directors' remuneration, Appointment of an auditor, etc. Some matters that may affect the rights of Shareholders will be subject to different votes, for example, the agenda of the Remuneration for directors must be supported by not less than two-thirds of the total number of votes of Shareholders who attend the meeting and have voting rights and the agenda of the Amendments to the Company's Articles of Association, Related Party Transaction, Capital increase / decrease, Acquisition and Disposition of Assets must be supported by not less than three-fourths of the total number of votes of Shareholders who attend the meeting and have voting rights.

- During the Shareholders' meeting, Shareholders shall have the right to ask questions and express their opinions in the meeting freely. The Chairman of the meeting shall allocate time for questions and inquiries appropriately.

- The Board of Directors promotes the implementation of technology in the Shareholders' meeting in order to ensure that the voting on each agenda is performed accurately, quickly and transparently. Shareholders shall have the right to vote by agenda separately. For the agenda of election of directors, Shareholders shall vote for election of directors individually.

- The Board of Directors provides Shareholders the right to approve the remuneration of directors every year. Policy and criteria for remuneration of each committee are clearly defined by considering their responsibilities, revenue and profit of the Company including the number of directors as well as comparing the remuneration of directors in other companies, which are the same or similar size in the same industry.

- The Board of Directors disclosed the resolutions of the 2021 Annual General Meeting of Shareholders for the public to be informed about the voting results in each agenda in both Thai and English through the SET Portal system of the Stock Exchange of Thailand and published on the Company website on the meeting date, after the meeting was over.

In 2021, the Company organized Annual General Meeting of Shareholder to allow Shareholders to exercise their rights as follows;

Annual General Meeting of Shareholders

The Board of Directors requires that the Annual General Meeting of Shareholders shall be held every year within 4 months from the end of the Company's fiscal year and if there is a need to consider the special agenda related to rights and benefits of Shareholders, the Board of Directors shall call an Extraordinary General Meeting of Shareholders as necessary and appropriate. In addition, the Company has strictly complied with the requirements and laws along with following the best practices according to the AGM Checklist of the Thai Investors Association as well as the rights of Shareholders and equitable treatment of Shareholders in accordance with Good Corporate Governance Principles.

Although the situation of the coronavirus disease (COVID-19) in early 2021 was likely to improve compared with the previous year when the outbreak was severe and the government has announced the Adjustment of Controlled Area Zoning and Relaxation Measures in the later period but continued the Extension of Duration of the Declaration of an Emergency Situation until May 31, 2021. Therefore, the Board of Directors considered convening the 2021 Annual General Meeting of Shareholders under measures and guidelines for the Shareholders attending the meeting to prevent and reduce the risk of spreading the COVID-19.

Before the date of Annual General Meeting

- The Company provided an opportunity to Shareholders to propose agenda of the meeting and nominate qualified persons to be considered as directors from October 28, 2020 – January 27, 2021 prior to the meeting date. The Company announced the criteria and procedures on the Company's website and informed via SET Portal of the Stock Exchange of Thailand. None of the Shareholders proposed any agenda in advance for consideration but there was a proposal from some Shareholders to nominate Mrs. Suvimol Chrityakierne to be elected as the Company's director. The Board of Directors therefore considered her profile, knowledge, ability and experience including the expertise according to Board Skills Matrix and Board diversity, therefore, deemed appropriate to propose Mrs. Suvimol Chrityakierne to the 2021 Annual General Meeting of Shareholders to consider and appoint as the Company's directors in place of the director who retired by rotation.

- The Company published the notice of the Annual General Meeting of Shareholders and the Proxy form A, B, C on the Company's website since March 24, 2021, 30 days prior to the meeting date so that Shareholders would have time to study information and submit inquiries to the Company in advance. In the event that Shareholders couldn't attend the meeting by themselves, they could appoint an independent director or other person to attend the meeting on their behalf. In this regard, the Company also announced the dissemination of such information via the SET Portal system of the Stock Exchange of Thailand for the Shareholders to acknowledge.

- The Company invited Shareholders to submit questions in advance before the meeting date to inquire information related to the meeting agenda or other important information of the Company during October 28, 2020 - March 31, 2021, the Company had clearly defined the criteria for sending questions in advance and published on the Company's website and announced via the SET Portal of the Stock Exchange of Thailand, none of Shareholder submitted questions in advance to the Company.

- The invitation letter and supporting documents were prepared in Thai for Thai Shareholders and English for foreign Shareholders. Thailand Securities Depository Co., Ltd., a Company's registrar, was responsible for sending the invitation letter by registered mail to Shareholders on April 1, 2021, 22 days prior to the meeting date. The invitation letter was enclosed with meeting details regarding; the meeting agenda, registration process, documents and evidence, proxy method, proxy form and measures and guidelines under the circumstance of Coronavirus (COVID-19). Each meeting agenda contained relevant information along with the Board of Directors' opinion on such matter as appropriate. The invitation letter was published on Kaohoon, daily newspaper, on April 5-8, 2021, 3 consecutive days prior to the meeting date

- The Company facilitated Institutional investors and Custodian to submit the details of securities holdings for verification and to send proxy to the Company in advance. Institutional investors or Custodians who granted independent director as proxy, the Company would return a copy of the proxy form signed by the independent director, who had been appointed as a proxy, after the meeting.

On the date of Annual General Meeting

- The 2021 Annual General Meeting of Shareholders was held on April 23, 2021 at 10.00 a.m. – 12.00 p.m., at 3rd floor, TVO Building, at 149 Ratchadapisek Road (Thapra-Taksin), Bukkhalow, Thonburi, Bangkok, where was the headquarters of the Company. The time of meeting was proper and the meeting place was convenient for attending. There were 1,120 Shareholders and proxies attended the meeting, representing a total of 523,662,955 shares or 64.76 % of total shares.

- The Company allowed Shareholders to register to attend the meeting 2 hours in advance before meeting starts, which had been informed the Shareholders in the invitation letter already. The Company used barcode system for registration and vote counting for accuracy, fast and accurate and also prepare staffs, copier and stamp duties in order to facilitate the Shareholders who appointed proxies. However, before registration, the Company requested all Shareholders and staffs to be screened at the screening point for history taking, body temperature checking and hand cleaning with alcohol gel according to the guidelines from the Department of Disease Control. In the 2021 Annual General Meeting of Shareholders, the Company did not find any people with risks or respiratory symptoms in any way.

- The seating arrangement in the meeting room was allocated with appropriate social distancing at the minimum of 1 meter from each other, therefore, the number of seats in the meeting room was limited. All attendees were required to wear a surgical mask during the meeting. The Company also arranged additional seating areas on the ground floor with display broadcasting from the meeting room.

- The Company facilitated Shareholders who were unable to attend the meeting by themselves by sending the Proxy Form B together with the invitation letter. Shareholders could appoint any person to attend the meeting and vote on their behalf. The Company proposed a list of independent directors of the Company, at least one independent director, as an alternative for proxy. Shareholders were requested to grant an independent director as proxy instead of attending the meeting in person in order to prevent and reduce the risk of spreading the COVID-19 by sending the proxy form in advance to the Company before the meeting date. In this regard, the Company proposed 3 independent directors, namely, Mr. Sompol Kiatphaibool, Dr. Suvit Maesincee and Dr. Chaipat Sahasakul as proxies to attend the meeting and vote on behalf of Shareholders. The Company also attached the information of all 3 independent directors in the meeting invitation letter to the Shareholders.

- The Chairman of the Board, Chairman of the Audit Committee, Chairman of the Corporate Governance Nomination and Remuneration Committee, Acting Chief Executive Officer and Managing Director, Chief Financial Officer, Auditor and Independent Legal Consultant attended the meeting to answer various questions. At the 2021 Annual General Meeting of Shareholders, there were 11 directors from the total of 11 directors attending the Annual General Meeting (representing 100%).

- The Chairman of the Board acted as the Chairman of the meeting and conducted the meeting according to the Company's regulations. The 2021 Annual General Meeting of Shareholders considered various matters according to the agenda as specified in the invitation letter. There was no addition or amendment of the meeting agenda other than those specified in the meeting invitation.

- The Company Secretary notified the quorum, the number and proportion of Shareholders who came by themselves and proxies as well as informed the participants about voting method, vote counting method and vote processing with barcode system. Shareholder was required to vote in order of the meeting agenda.

- The Company used voting ballots for every agenda for consideration and counted votes by barcode system for convenience, rapidity, and accuracy in accordance with the guidelines set by the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC). Vote counting would be counted at the end of each agenda. However, Shareholders would be requested to vote individually in the agenda for the appointment of directors.

- The Company invited the representative from an independent legal advisors, Baker & Mackenzie Company Limited to audit a vote counting for transparency according to good governance principles. Voting procedures for each agenda, the Chairman of the meeting invited the Shareholders or proxies who disapproved and abstained to vote and sign on their ballot and then TVO Staffs collected ballots and recorded the votes of disapproval and abstention. Shareholders, who agreed, also signed the ballot and then the TVO Staffs should collect all the voting ballots after the meeting ended.

- The Chairman of the meeting provided opportunity for Shareholders to express their opinions, suggestions or ask questions in each agenda as well as allocated time for Shareholders appropriately and equally on each agenda before voting. The Company Secretary recorded issues, questions, answers, suggestions and comments in the meeting minutes.

- The voting results of each agenda was notified to the meeting after the voting process on each agenda completed. In the event that the vote counting took time longer than usual in any agenda, the Chairman of the meeting might ask the meeting to consider the next agenda in order to continue the meeting. When the vote counting was finished, the meeting secretary notified the meeting of the voting results immediately. The resolution of each agenda was divided into agreed, disagreed, abstained and voided ballots. No Shareholders objected or disagreed with the said resolution.

- The Company granted the rights to Shareholders, who attended the meeting after the Chairman of the meeting had started the meeting, to be able to vote on an agenda being considered which had not yet been resolved and would be counted as a quorum starting from the agenda being attended, therefore, it might resulted in unequal votes in each agenda.

After the date of Annual General Meeting

- The Company Secretary recorded the resolution of the Shareholders' meeting and disclosed it together with voting results of each agenda in both Thai and English via the SET Portal system of the Stock Exchange of Thailand within the meeting date and published on the Company's website on the next business day. The Company stored voting ballots systematically that Shareholders could be able to verify.

- The Company provided VDO recording and photo taking during the meeting and published on the Company's website for Shareholders who did not attend the meeting to acknowledge.

- The Company Secretary prepared the minutes of the Shareholders' meeting correctly with complete details and important notes such as the list of directors who attended / did not attend the meeting including the cause of leave and clarification, voting procedures and voting methods, questions and answers or comments, details of each agenda in accordance with the facts that occurred at the meeting. The resolution of each agenda was divided into agreed, disagreed and abstained according to the principles of good corporate governance set by the Stock Exchange of Thailand. The aforementioned minutes was signed by the Chairman of the Board, who was the Chairman of the meeting, and submitted to the Stock Exchange of Thailand and the Ministry of Commerce on May 7, 2021 (14 days from the meeting date according to the time required by law). Meeting information and photos taken during the Shareholders' meeting were disclosed on the Company's website both in Thai and English for Shareholders to acknowledge and verify information without waiting for the next Shareholders' meeting.

Chapter 2
Equitable Treatment of Shareholders

The Board of Directors has a policy to ensure that all groups of Shareholders were treated equally and protected their fundamental rights and benefits equitably and fairly which the Company took action in such matters as follows;

- At present, the Company has only ordinary shares, so the voting rights shall be in accordance with the rights of ordinary shares. Each shareholder has one vote per share.

- The Company invited Shareholders to propose agenda for the 2021 Annual General Meeting, and nominate qualified person to be elected as the Company's director. The criteria and procedure was published on the Company's website as well as disclosed via SET Portal of the Stock Exchange of Thailand 3 months in advance. Shareholders could also submit any inquiry in advance via the Company's website.

  The Company set the criteria for Shareholders who would like to nominate persons to be elected as the Company's directors in advance. The guideline was determined by granting the rights to one or several Shareholders who held shares of not less than 1 percent of the number of shares issued and paid up as well as held shares for not less than 1 year on the date of nominating persons to be elected as the Company's director.

  For the 2021 Annual General Meeting of Shareholders, the Company published the criteria on the website, **www.tvothai.com**, under the topic **"Shareholders Meeting"** between October 28, 2020 to January 27, 2021 by notifying Shareholders through SET Portal of the Stock Exchange of Thailand on October 28, 2020. It appeared during such period, there was 1 person nominated by some Shareholders to be elected as the Company's directors. Meanwhile, no Shareholders proposed the meeting agenda and submitted questions in advance within March 31, 2021. The Company Secretary reported to the Board of Directors for acknowledgment.

- To comply with good corporate governance principles, the Company published the invitation letter for the 2021 Annual General Meeting of Shareholders which contained supplementary information on each agenda on the Company's website, **www.tvothai.com**, in advance from March 24, 2021, 30 days before the meeting date, and sent the invitation letter both in Thai and English to Shareholders 22 days before the meeting date via registered mail. In addition, the Company announced in the newspaper for 3 consecutive days, 18 days before the meeting date.

- The Company treated and facilitated all Shareholders equally. The Company allowed the Shareholders, who were unable to attend the 2021 Annual General Meeting of Shareholders, to be able to exercise their voting rights by granting other person as proxy to attend and vote on their behalf. The Company sent proxy form B along with the invitation letter and nominated 3 independent directors who had no interest in the meeting as an option for Shareholders to appoint proxy. There was clearly specified on the supporting documents required for granting the proxy to facilitate Shareholders who did not attend the meeting by themselves.

  Shareholders could select any proxy form A, form B or form C (Form C was designed for foreign shareholders who appointed custodians in Thailand to act as a depository and trustee) which published on the Company's website, **www.tvothai.com**, for Shareholders to download. The Company also facilitated Shareholders by providing stamp duties for attaching the proxy form without any charge.

- At the 2021 Annual General Meeting of Shareholders, the Company Secretary informed the meeting regarding the rules and procedures for voting clearly. The Chairman of the Board presided over the meeting and conducted the meeting according to the agenda specified in the meeting invitation. There was no addition or amendment of the agenda other than those specified in the meeting invitation for fairness to Shareholders who did not attend the meeting. Voting ballot was provided for every agenda for transparency and verification.

- In 2021, there were 11 directors of the Board from the total of 11 directors attending the Shareholders' meetings (representing 100 percent of all directors). Directors and executives attending the meeting were the Board of Directors, Acting Chief Executive Officer and Managing Director and all executives from various departments including the sub-committee, namely the Audit Committee, the Corporate Governance Nomination and Remuneration Committee, the ESRC Policy Committee to announce performance results and answer questions raised by Shareholders. Shareholders could ask for any questions, inquired information and freely suggested on various matters at the appropriate time. The Chairman of the meeting allocated appropriate time and encouraged Shareholders to express their opinions and ask questions at the meeting on any matters related to the Company.

- The Company prepared the minutes of the 2021 Annual General Meeting of Shareholders within 14 days according to the time required by law and sent a copy of the minutes to the Stock Exchange of Thailand and the Ministry of Commerce and published via the Company's website. The minutes was recorded correctly and completely and was systematically stored for easy finding.

- The Board of Directors established a rule and regulation regarding the acquisition or disposal of securities of the Company's directors, the Executives and Auditors. They were required to report their securities holdings and changes in the securities holding of the Company to the Securities and Exchange Commission within 30 days after the date of appointing or within 3 working days from the date of purchase, sale, transfer or accept the transfer of securities under Section 59 of the Securities and Exchange Act BE 2535 and with amendments. The Company Secretary reported the changes in securities holdings of directors and the executives to the Board of Directors' meeting every time before considering the meeting agenda in order to acknowledge as a regular agenda in the Board of Directors meeting. The policy / regulation regarding this matter was stated in the Business Code of Conduct. In 2021, there was no the Company's directors or the Executives violating the rules and regulations. The Company disclosed a report on the securities holding of Directors and the Executives for the year 2021 in an **Attachment 1**.

- The Company established the preventive measures and penalties for misuse of insider information (Insider Trading) by relevant persons, including the Company's directors, the Executives and employees, who were aware of material nonpublic information about the Company (including spouses and underage children of such persons) as well as prohibiting such persons from trading the Company's securities during the 1-month period (Blackout Period) before disclosing quarterly financial statements and annual financial statements or other information that might affect the stock price of the Company and until 24 hours after the disclosure of such information to the public. The Company declared this policy in the Code of Conduct. The Company Secretary notified the said period to all relevant persons via letter or email. The Company's directors and the Executives were required to notify the Company Secretary 1 day in advance before trading the Company's securities in order to report to the Board of Directors' meeting for acknowledgement. In 2021, the Board of Directors and the Executives did not trade the Company's securities by using inside information.

- The Board of Directors established a policy on connected transactions between the Company, its subsidiary and related persons according to Section 89 of the Securities and Exchange Act BE 2535 and additional amendments. The Company's directors, the executives and those who involved were required to report their own interests within 30 days after the date of appointing or within 14 working days from the date of change. The Company Secretary summarized the transaction and report to the Board of Directors and the Audit Committee at least twice a year to verify and control the interest of Company's directors and the executives in order to achieve good corporate governance of the Company.

- To prevent conflicts of interest, the Board of Directors established a policy on connected transactions and related party transaction for overseeing transactions that might cause conflicts of interest by designating a written approval process for such transactions. The Internal Audit Office provided opinions on the necessity and reasonableness of such transactions and proposed to the Audit Committee to consider that such transactions were done fairly according to the market price and in accordance with the normal business and to propose to the Board of Directors and/or the Shareholders' meeting (As the case may be) to consider approving those transactions. The Company's directors or the Executives who had conflicts of interest should not participate in the approval of such transactions. The Company disclosed the policy on the Company's website under the topic "Corporate Governance" and also disclosed details of the connected transactions and related party transaction occurred in 2021 in the Form 56-1 One Report under the topic "Internal Control and Connected Transactions" on **page 134**
In the year 2021, the Company did not violate the rules of connected transactions and related party transaction and there was no financial assistance to other companies that were not the Company's subsidiary.

Chapter 3
Role of Stakeholders

The Board of Directors realizes that successfulness of business and its sustainable growth depends on all stakeholders. Therefore, the Board of Directors encourages the cooperation with all stakeholders and preserves their right and benefit fairly according to relevant laws and agreement as well as protects their rights from any infringement caused by the Company's business of which compensation will be considered not lower than the rate specified by law. The Company will not take any action to violate stakeholder's right and intellectual property but will treat stakeholders honestly. The Company has a guideline for anti-corruption which has been set as practice policy in Business Code of Conduct and announced to the Company's directors, the Executives and employees to adhere to the guideline for treating stakeholders to ensure that the Company is responsible for Stakeholders and treats them fairly. The Company has disclosed "Business Code of Conduct" under the "Corporate Governance" on the Company's website.

In 2021, the Company strictly followed the policy and did not violate the relevant laws such as Labor law, Employment law, Consumer Protection law, Competition law or Environmental law. The Company had done various activities related to Stakeholders, detail was summarized as follows;

Shareholders

The Company respects the fundamental rights of Shareholders, equitable treatment of Shareholders to maximize Shareholders' satisfaction such as the right to attend the Annual General Meeting of Shareholders, the right to vote, the right to propose the agenda and nominate persons to be elected as the Company's directors, the right to express their opinions and suggestions. The Company provides channels for Shareholders to contact via the website and email as disclosed in the section entitled Rights of Shareholders and Equitable Treatment of Shareholders.

The Company values Shareholders as business owners, therefore, the Board of Directors as the representative of the Shareholders including the Executives and employees are required to conduct business in accordance with the principle of good corporate governance to maximize the benefit and to add value for the business in the long-term. The Company respects the fundamental rights of the Shareholders as specified by laws, regulations, the Code of Conduct and relevant rules. All Shareholders are treated equally. The Company, as Shareholders' representative, aims to create the greatest satisfaction for Shareholders by taking into consideration the long-term sustainable growth with consistent and fair returns as well as provides a transparent management system and a reliable accounting system. The Company maintains its assets, controls related transactions, prevents the conflict of interest and misuse of internal information for personal benefit. The Company also ensures that Shareholders are provided with accurate information regarding Shareholders' rights as shown in Chapter 1; Rights of Shareholder and Chapter 2; Equitable Treatment of Shareholders.

In 2021, the Company approved to pay an annual dividend at the rate of Baht 2.20 per share, totaling Baht 1,778,944,167 or 86.04% dividend payout from the consolidated financial statement, in which the Company paid from its net profit. The Company had already paid an interim dividends for the first-half-year of 2021 Performance Result to Shareholders on September 10, 2021 at a rate of Baht 1.30 per share. The remaining dividend at the rate of Baht 0.90 per share must be approved by the 2022 Annual General Meeting of Shareholders. (Meeting resolution will be disclosed at **www.tvothai.com/en/investor/shareholders-meeting** after the 2022 Annual General Meeting of Shareholders)

Throughout the year 2021, the Company reported the quarterly performance results accurately, completely and disclosed the transaction with the connected person in the same conditions as the third party through the SET Portal of the Stock Exchange and the Company's website.

Employees

The Company always realizes that personnel are invaluable assets of the Company and being a key factor driving the Company's success, therefore, the Board of Directors has established various policies to improve working environment, welfare and quality of their life based on the guidelines prescribed by law, human rights and in accordance with the corporate direction and strategy. The Company has a policy to encourage employees to have unity and solidarity among colleagues. The Board of Directors' Meeting no. 10/2020 considered approving personnel regulations to comply with the organizational structure and new labor law.

Remuneration Policy:

The Company has a policy to compensate employees at all levels for both short-term and long-term appropriately and fairly. The short-term compensation is based on knowledge and competence as appropriate, labor market conditions and practices in the same industry together with the Company's yearly performance that is linked to the Key Performance Indicators according to the Balanced Scorecard principles, by considering four main aspects of a business consisting of finance, customer, internal process and learning and growth. The long-term compensation is based on annual performance evaluation and potential of each employee along with the Company's performance in accordance with the long-term business plan and career development path as stated in the Company's succession plan. In addition, the Company established and contributed a provident fund to ensures that employees receive welfare appropriately in order to motivate them and to retain valuable personnel. The Company evaluates performance once a year to consider compensation and bonuses.

Safety Policy:

The Company has established Safety, Occupational Health and Working Environment Policy that encourages employees to work safely and to have good hygiene by providing the necessary facilities to perform the duties in order for all employees and workers get safe and have good health under good working environment conditions. The Company pays attention to the prevention of accidents and provides knowledge training for employees, therefore, the Safety, Occupational Health and Working Environment Committee was appointed with its policy as follows;

- To produce standardized products for customer satisfactions
- To maintain the quality of environment and prevent the pollution caused by raw materials and production process including other related activities
- To comply with laws and regulations related to the business strictly
- Use of energy and resources efficiency is the duty of every employee
- To support and provide resources sufficient and appropriate; human resource, budget, tools and equipment which is necessary for improving and problem resolving in regard to the quality, safety, health, environment and security.
- Commit to prevent injuries and disease from work and develop health and safety management system continuity
- Quality, safety, health, environment and society policy is distributed to employees and stakeholders
- Encourage all employees to participate in activities or projects regarding occupational health, safety and environment of the Company and to make suggestion on how to improve their working condition and safety.
- Review and update policy continually to be suitable for the current situation by considering the impacts of employees and stakeholders

The Company always adheres to the policy of Quality, Occupational Health, Safety and Work Environment and disclosed its policy on website under the topic "Corporate Governance". In 2021, Time Injury Frequency Rate (LTIFR) of employees was 0. There was not any violation of labor law or any labor dispute cases.

Welfare Policy:

The Company attaches great importance to the welfare and safety of employees by providing welfare and basic benefits as required by law such as working days and hours, holidays, annual vacation leave and other type of leave for employee including social security and compensation fund. The Company continually promotes benefits to employees and established the provident fund for employees' long-term benefits to encourage employees to save money for the future as well as motivate employees to have loyalty to the Company for a long time. Members of the Provident Fund will receive monthly contributions from the Company at different rate depending on years of membership (contribution rate of 3-5 percent), and they must also pay the same amount deducting from their wages for their accumulated fund. When the employment is terminated, the employees will receive accumulated fund, contribution and the average net profit of the fund.

The Company provides welfare and basic benefits for employees as follows:

- Provident fund
- Funeral benefit for employees in case of death and the funeral of employee's family
- Gift basket in case of sickness
- Annual health checkup by leading hospital. The examination program is arranged individually to suit the job characteristics and the age of each employee with special price
- Accident insurance for risky job such as driver
- Medical and dental expenses other than social security
- Uniform
- Annual Company Trip

The Company has appointed a welfare committee in the workplace with a 2-year term as employee representative in liaising with the Company in providing assistance and relief to employees' troubles other than welfare benefits provided by the Company. The welfare committee also provides consult and listens to employees' opinion.

Human Resource Development Policy:

The Company realizes that building a sustainable business growth requires the support from efficient personnel. Personnel is an invaluable resource and being success factor driving the business success, therefore, the Company has set the strategy and policy on human resources by focusing on the efficiency of human resource management and development to be more suitable for the environment, technology and innovation in business operations as well as in accordance with its goals, policies and directions both in the short term and long term. The Company starts from analyzing manpower requirement to support business expansion, strengthening competitiveness and preparing an action plan as well as evaluating performance, potential and the ability of personnel at all levels continuously in order to promote and develop personnel to create qualified person through training and seminar. The Company has set an annual training plan for employees at all levels especially the skills required for each position to continually develop the capabilities of the Company's executives and employees in order to be ready for the future business challenges driven by both internal and external factors. (Details are disclosed in "Sustainability Report 2020" **www.tvothai.com/en/sustainability/report**)

In 2021, the Company conducted and reviewed to ensure that human resource management has been implemented in accordance with the policy, regulations regarding the work and the guidelines addressed in the welfare manual completely and regularly. There was 53.18% of employees who attended both in house training and other external courses.

Financial Literacy Policy:

The Company has a policy to encourage employees to develop their financial planning and investment skills. The objective is to provide financial knowledge and training to employees to be able to manage their own finances and investments to achieve financial goals effectively and gain stability for their life after retirement. In 2022, the Company is planning to participate in the project "Happy Money" organized by the Stock Exchange of Thailand to provide knowledge on financial management and good financial discipline to employees.

Human rights policy:

The Board of Directors attaches great importance and fully respects Human Rights strictly and has established Human Right policy and disclosed on website under the topic "Corporate Governance" in order to be a guideline for treating labor fairly, equitably and promoting equality throughout organization without discrimination on reasons of nationality, religious, gender, skin color, language, and against child labor and sexual harassment. The Company realizes that human resource is a key factor for business in adding value and increasing productivity. Thus, the Company frequently provides environmental and working condition suitable for employees to improve their quality of life. Employees have the opportunity to prove their potential and been given training to enhance working skills and understand about human right and how to implement properly. In the past, the Company never violated human right. In 2021, the Company employed 13 handicap labor living in Nakhon Pathom province, which is approximately 1% of the total of 1,318 employees in the Company, in which the employment of those handicap reached as required by Empowerment of Persons With Disabilities Act, B.E. 2550 (2007), (2nd ed) B.E. 2556 (2013).

In this regard, the performance result of human resource management was shown in the content of Part 1, Topic 3, "Driving Business for Sustainability" on **page 41** in the 2021 sustainability report (separate report) together with detail of projects and activities on social, community and environment. The 2021 sustainability report was also published on the Company's website. (**www.tvothai.com/en/sustainability/report**)

Customers and Consumers

The Company operates its business under the philosophy: **We will be a quality, sustainable and stable growth Company who produces high quality products for better quality of life of people and will generate value added to shareholders, with responsibility to society and environment**. The Company focuses on quality of product starting from purchase of raw material, production process until delivery to customers and consumers as well as having research and development to improve product quality. In addition, the Company is committed to maintain good relations with customers by organizing various activities such as meeting arrangement with customers to provide information about products and services and discuss on product development according to customer requirements including establishing whistleblowing and complaints channel through the Company's website. Currently, the Company was certified by international production standards, e.g., GMP, HACCP, ISO 9001, ISO 22000, ISO/TS 22002-1, FSSC 22000, ISO/IEC17025, ISO 50001, ISO 14001, Halal, Kosher, Carbon Footprint of Products, Carbon Footprint Reduction etc.

The Company treats our customers and consumers fairly by conducting business with integrity and focusing on the best interests of business partners, customers and consumers equitably so that they can get the best thing as deserved. The policy regarding customers and consumers as follows;

- Commit itself to develop and delivery products with high quality produced by modern and high efficiency production technology in order to meet customers' requirement and having quality control system at each step with fair conditions.
- Provide product and services information accurately, sufficiently and timely manner in order for customers to have useful information to make decision. Ignore any actions that cause misunderstandings in product quality exaggeratedly.
- Keep customer information confidentially including not using their information for own or other related parties' benefits.
- Respond to customer's demand quickly and punctually to maximize customers satisfaction.

- Provide a channel to receive problems and complaints from customers and solve problems quickly as best as possible including creating customer satisfaction evaluation form to further improve and develop products and services.

- Do not pay any benefit to customers for the purpose of acquiring or hijacking such customer by corruption or violation of the law.

In 2021, there was no any case that the Company violated the interests of consumer and there was no significant complaints from customers. As for other complaints, the Company analyzed, improved, prevented, followed-up and applied through the entire organization so that such complaints will not occur again.

In addition, the Company has a process to build good relationships with customers by conducting annual customer satisfaction surveys in each product group in order to be aware of expectations and satisfaction of customers and to get the survey results analyzed to develop and create further new innovations. The satisfaction assessment criteria must not be less than 80% per product group. In 2021, the satisfaction survey result of all product groups was averaged at 90.87%, which was a customer satisfaction survey of products, transportation and sales department service.

Business Partners, Creditors and Competitors

The Company operates its business in accordance with the competitive framework transparently, fairly and honestly subject to legal requirements and other related conditions by adhering to business Code of Conduct, trade terms and business contracts strictly. In addition, the Company has established a policy on intellectual property to clearly specify preventive guidelines for non-infringement of intellectual property. The Executives and employees are responsible directly to comply with the policy. Therefore, the Company has never violated any laws related to business partners, creditors and competitors with the following guidelines;

Business Partners Policy:

The Board of Directors treats business partners equally and considers mutual benefits to maintain a long-lasting relationship and reliability. The policy and guideline for dealing with business partners are as follows;

- Treat business partners equally, transparently and fairly based on fair returns to both parties.

- Comply with business contracts, agreements or conditions with partners strictly. In the case that it is not possible to do so, the Company must notify the partners in advance to jointly consider finding solutions and prevent damage.

- Shall not claim or receive any offers and benefits that are unethical trade in business negotiations with business partners.

- Comply with the procurement policy with clearly defined procedures along with the standards criteria for selecting partners such as having the business code of conduct, standard quality system certificate, financial liquidity. The Company will evaluate partners every 6 months in order to conduct business with partners efficiency, appropriateness and fairness in accordance with good corporate governance principles.

- Do not support any person or organization that do illegal business.

- Announce Anti-corruption policy to partners for acknowledgement.

With awareness of the importance of sustainable business, the Board of Directors intends to encourage business partners to conduct their business in line with the Company's business direction. In 2021, the Company communicated the Supplier Code of Conduct covering human rights, labor, environment, and anti-corruption including legal and related regulation in order for business partners to adhere as guideline for being sustainable business partnership.

Creditors Policy:

The Company has a policy to treat all creditors equally and fairly by strictly complying with the contract and conditions made with the creditors as well as building a good relationship with creditors. The financial status is disclosed to the creditors accurately on time to create confidence and trust. Creditors Policy is as follows;

- Follow the agreement, requirement, terms or conditions to creditors strictly especially regarding the conditions of guarantees and capital management to have an appropriate structure.
- Repay the loan with interest to all creditors completely and in accordance with the agreed deadline. In the case that it is unable to comply or causes a default, the creditors will be informed in advance to work together to find solution and prevent damage.
- Shall not call or receive any benefits dishonestly in business negotiations with creditors.
- Report accuracy and completed financial information to the creditors regularly and shall not concealing any important information or facts that may cause damage to creditors.

Competitor Policy:

The Company has a policy to treat competitors fairly according to the competition law framework by adhering to business operations under ethics with transparency and without violating the confidentiality or knowing the competitor's trade secrets with dishonest way, therefore, the Company set competitor policy as follows;

- Follow the rules of fair competition
- Do not seek confidential information of competitor through dishonest or inappropriate manner
- Do not ruin the reputation of competitor with malicious accusations without truth
- Do not do anything to violate the intellectual property of competitor

In 2021, there was no any violation on the competition law and no any disputes or lawsuits from business partners, creditors and competitors.

Regulator

The Company commits to comply with the rules, regulations, and practices prescribed by law. The Company operates business with transparency and discloses complete and accurate information as prescribed by the regulators.

Regulator Policy is as follows:

- Practice and follow strictly in accordance with the intent of the laws and regulations issued by regulators
- Refrain from any action that helps or supports to avoid laws or regulations
- Collaborate with regulators and report information about violation or non-observance of any law or regulation

In 2021, the Company strictly complied with the requirements of the Regulator.

Society Community and Environment

Cooperation with society and community in the preservation of the environment is very important.
The Company established a working group on "Environmental and Social" aspect or the ES working group acting as the main unit to drive efficient operations and achieve the goals by making an action plan on environment and social responsibility in line with its policy and business plan. Environmental work covers the reduction of environmental impact on air, water, odor, noise and resource. Social work covers both internal engagement with employees and external engagement with the community. The ES working group is also responsible for evaluating, reviewing and improving the action plan to suit the situation and reporting the performance results to the "Environmental, Social, Risk Management and Compliance - Enterprise (ESRC-E)".

The performance results on society, community and environment was shown in the content of Part 1, Topic 3, "Driving Business for Sustainability" on page 41 in the 2021 annual sustainability report (separate report) with project details and various activities on social, community and environment and published on the Company's website (www.tvothai.com/en/sustainability/report)

Innovation Management

The Board of Directors supports and promotes the innovative creation in order to create business value along with being responsible to all stakeholders. The Company has determined innovation strategy to be in line with the corporate direction and the rapidly-evolving digital age by initiating and developing innovation in both production processes and new products to upgrade the business competitiveness. The Company has a research and product development department responsible for researching and developing products in order to be in line with the changing consumer needs, with a focus on reducing the impacts on society and the environment as well as researching new innovations to increase the production efficiency and develop production processes with modern technology that helps to reduce work procedures and production costs. Meanwhile, the business development department is responsible for planning and determining corporate strategies in order to create a competitive advantage for the business. To enable the Company to adapt itself to industry change properly and to support the business operation in 2021, the Company continued to develop animal feed products to increase the growth rate of animals and reduce the feed cost for farmers. In addition, the Company has been improving work processes with regard to environmental issues along with taking care of society and the surrounding community together.

Non-infringement of Intellectual Property

The Company has a policy and practice on non-infringement of intellectual property. The policy and guidelines for this matter have been stated in the Business Code of Conduct for all executives and employees to abide as a working practice covering non-infringement, respect the rights of the intellectual property owners, legal compliance, non-copyright infringement, non-trademark infringement or non-infringement of other people's work for the Company's benefit and own benefit which may cause damage to the Company.

Fraud Prevention

The Board of Directors is committed to conducting business with transparency and fairness in accordance with the principles of good corporate governance and prioritize in all forms of anti-corruption with confidence that it will be supporting the business growth sustainably. Risk management process and audit are provided to prevent and suppress corruption and misconduct as well as supporting the creation of corporate culture that adheres to honesty and integrity.

Anti-corruption Policy

The Board of Directors approved and announced anti-corruption policy and its manual since 2016 for the Executives and employees to comply strictly in accordance with the business intent by prohibiting the Company's directors, the Executives and employees from demanding, executing or accepting corruption in any forms either directly and indirectly for the benefit of the Company, themselves, their family, friends and acquaintances which covers all business units and all related agencies. The Board regularly reviews the compliance with the anti-corruption policy, guidelines and operational requirements to be consistent with the changes of business, rules, regulations and legal requirements. All Executives and employees must sign and acknowledge in the anti-corruption measures manual. The Board of Directors has now reviewed and approved the Anti-Corruption Policy and Manual on February 25, 2022. The Company has published an Anti-corruption Policy under the topic "Corporate Governance" on the Company's website. (www.tvothai.com/en/corporate-governance)

No Gift Policy

The Board of Directors set guidelines for receiving - giving gifts, reception or any other benefits to comply with the anti-corruption policy and announced throughout the organization. All Executives and employees must strictly follow to avoid actions that may affect decisions making on duty and also communicated to outsiders who are involved in the business. No Gift Policy was published on the Company's website. (www.tvothai.com/en/corporate-governance)

Measures to take on those who do not comply with policies and guidelines

The Company has an appropriate and fair punishment measures for employees who fail to comply with Anti-Corruption Policy. In the case that the Company's directors, the Executives or employees violates the anti-corruption policy, disciplinary action will be taken according to the Company's regulations and legal punishment, as the case may be. The Company will appoint an investigation committee as appropriate.

Whistleblowing and Complaints

The Board of Directors attaches importance to good corporate governance and provides opportunity to stakeholders to provide information and complaints about illegal actions, ethics, financial reports, internal control system and anti-corruption policy. The complaint regulation is announced as guidelines for implementation and published on the Company's website by receiving complaints through the Office of Internal Audit or the Chairman of the Audit Committee via the following channel. The Company will appoint an investigation committee on a case-by-case basis.

Post: Office of Internal Audit
Thai Vegetable Oil
Public Company Limited
149 Ratchadapisek road
(Thapra-Taksin), Bukkhalow,
Thonburi, Bangkok 10600
Telephone: 02-477-9020
E-mail: ac@tvothai.com

Or through the Audit Committee

Post: Chairman of the Audit Committee
Thai Vegetable Oil
Public Company Limited
149 Ratchadapisek road
(Thapra-Taksin), Bukkhalow,
Thonburi, Bangkok 10600
E-mail: acchairman.tvo@gmail.com

The actions upon receiving complaints

The Company has a process for handling complaints by considering whether such matter is considered an offense or in any level of offense in order that the Company can impose a penalty for such wrongdoing fairly and correctly.

- **Collecting facts and screening information:** Recipients of complaints and whistleblowers conducts factual gathering of the information received, processing and screening to consider the proper procedure and management in each matter which can be done by themselves or assign the Office of Internal Audit to process on behalf and report to the Managing Director.

  After investigation, if it is found that the defendant is not guilty or that it is a misunderstanding or the complaint is unfounded, the complaint will be dropped. The complaint recipient shall submit the matter to the Managing Director for approval to close the investigation and inform the facts to the complainant.

  In addition, if the complaint is alluded to any person in the Fact Investigation Committee, the person who is alluded to or involved will not be able to participate in any investigation process.

- **Investigation:** In case of the complaint recipient investigates and finds that the complaint is truthful and should be submitted to the Chief Executive Officer or the Audit Committee to consider and appoint an investigation committee to investigate facts and consider disciplinary action by requesting consultation from other relevant agencies such as the Legal Department or the Human Resources Department in order to ensure that the investigation process complies with the Company's laws and regulations.

- **Measures:** The investigation committee will propose measures to take action against those who violate or fail to comply with the Company's regulations, Code of Conduct, Supplier Code of Conduct, Anti-corruption Policy, Human rights policy including other related policies etc., and offer mitigation measures to all affected persons by considering the overall damage. Penalties are subject to the Company's regulations and/or may be subject to legal penalties if the action is illegal.

- **Reporting:** The complaint recipient is responsible for reporting the results to the complainant within 7 working days from the date of the investigation conclusion. In the case of critical matter, it should be reported to the Managing Director or Chief Executive Officer, as the case may be, and report to the Audit Committee and/or the Board of Directors on a quarterly or annual basis

Measures to protect complainants and informers

Complainant, whistleblower or those who cooperate in the investigation and those who reject corruption will be protected according to the following criteria;

- Complainant, whistleblower or those who cooperate in the investigation will be protected fairly and appropriately. The Company will not disclose the name-surname, address, photo or any other information that can identify such person.

- Complaint recipient and relevant parties who has been informed of the matter or information relating to the complaint must keep the information and documents provided confidential and will disclose as necessary by considering the safety and damage of the complainant, whistleblower or those who cooperate in the investigation without any request if it is deemed to be likely to cause damage or insecure. For information about the offense, record of phrasing, documentary evidence will be kept confidential and do not forward to another person unless it is a disclosure required by law.

- Complainant, whistleblower, those who cooperate in the investigation or those who reject corruption or bribery will be protected from harassment, intimidation, punishment or any other act of unfair treatment or giving any negative results that affects work duties even if the wrongdoing will negatively affect business opportunities of the Company.

- Those who have suffered damage will be mitigated by appropriate and fair procedures.

Chapter 4
Disclosure and Transparency

The Board of Directors shall disclose essential information of the Company such as financial and non-financial information and other significant information in both Thai and English accurately, adequately and transparency timely manner, and follow strictly in accordance with rules and regulations regarding disclosure of Securities and Exchange Commission and Stock Exchange of Thailand. Investors and all stakeholders, both domestically and internationally, can access information equally, which is reliable and sufficient, for making decisions through SET Portal of the Stock Exchange of Thailand and the Company's website under the investor relations section (**www.tvothai.com/en/investor/at-a-glance**). In 2021, the Company disclosed the significant information as follows;

- Disclosure of Financial Statements and Form 56-1 One Report / Annual Report 2021, through SET Portal of the Stock Exchange of Thailand and on the Company's website in both Thai and English, the information always keeps updated.

  The management is responsible for the financial statements, financial information and financial reports which was prepared in accordance with accounting standard including the internal control system and asset safeguard system. The Audit Committee is responsible for quality of financial report and suitability of the internal control environment managed by the Company's management which is an effective system. Hence, the Management ensured that its internal control environment and current internal control system was making the financial report and corporate property management as of December 31, 2021 reliable one.

  The Board of Directors is responsible for the consolidated financial statement of the Company and its subsidiary and financial information disclosed in the annual report by providing financial report and the reports of the Board's Responsibility to financial reports so that the information presented in the financial statements is accurate and in accordance with accounting standards and is reviewed by independent auditor. In 2021, the Company submitted the Quarterly and Annual Financial Statements accurately, completely, and timely as required by laws and regulation.

- Disclosure of Corporate Governance Policy, Compliance Policy, Business Code of Conduct Manual, Supplier Code of Conduct, the Company's Regulation, Board Charter, Sustainability Policy, Human Right Policy, Disclosure Policy, Anti-Corruptions Manual, Complaints Regulation, Tax Policy, Quality Safety Health and Environmental Policy, Environmental Social Risk Management and Compliance Policy. The Company also reported its implementation results including the reason for not being able to comply with said policy in Form 56-1 One Report / Annual Report 2021, Sustainability report and corporate website (**www.tvothai.com/en/corporate-governance**).

- Disclosure of Shareholding Structure and Report of Securities Holdings of Directors and Executives including spouses and underage children. The reports was arranged in accordance with laws relating to the Company's directors and the Executives, and reported to SEC as follows;

- Report of Holdings of the Company's Securities when being appointed as director or executive for the first time. The report (Form 59-1) must be submitted within 30 working days from holding the position.
- Report of Changes in the Holding of the Company's Securities every time when buying, selling, transferring or receiving transfers. The report (Form 59-2) must be submitted within 3 working days from transaction date.
- Information with Representation and Warranty of the Company's Director and Executive and their Consent. The report (35E-1) must be submitted within 7 working days from holding the position.

In 2021, the Directors and Executives including spouse and underage children are requested to report the Company's Securities Holdings before every meeting of the Board of Directors' meeting and summarizes reports to the Board of Directors twice a year for acknowledgement. The report was disclosed in Form 56-1 One Report / Annual Report 2021 in the appendix and on the Company's website (**www.tvothai.com/en/investor/downloads**).

- Disclosure of Role and Responsibility of the Board of Directors and Subcommittee, number of meeting, the 2021 attendance record of each person including professional training and development for the Board is shown in the topic "Corporate Governance Report" on **page 114** in Form 56-1 One Report / Annual Report 2021.4

- The Board of Directors and Executives are required to submit the report on the interests of themselves and related persons who have interests in the Company's business with measures and policy to comply with the criteria defined as follows;

- Report when being appointed as director or executive for the first time
- Report every time when there is a change of interest
- Report every year-end
- In case of termination and reappointment as the Director in a consecutive way, the Director shall not submit new report if there is no change of interests.
- The Directors and Executives should present report of interests to the Company Secretary within 1 month after being elected/ appointed, changes and keep the information updated every year.

In 2021, the Directors and the Executives have not traded their securities and have completed their report of changes of interests.

- Disclosure of Auditing fees and other services fee provided by the Auditor is in the Form 56-1 One Report / Annual Report 2021 on **page 113**

- Directors Remuneration and the form or nature of the compensation has matched with the industry' standard and also reflect the responsibilities and responsibilities of each person. The amount of remuneration shall be approved by Shareholders and disclosed in the Form 56-1 One Report / Annual Report 2021 on **page 126**

- Executives Remuneration and the form or nature of the compensation such as salary, bonus and others depends on responsibility and accountability according to corporate performance, and comparison with other companies in the same industry is disclosed in the Form 56-1 One Report / Annual Report 2021 on **page 111**

- The Company has a policy on related party transactions as required for business efficiency and cost management, which has been done fairly according to the market price and in the normal business. Such transactions must be considered by the Audit Committee and approved by the Board of Directors to eliminate conflicts of interest carefully, reasonably and for the best interest of the Company and Shareholders. The approved transactions are disclosed in details in the annual report and form 56-1 which is in accordance with the rules of the Stock Exchange of Thailand and the Securities and Exchange Commission. The Company has disclosed the details in the Form 56-1 One Report / Annual Report 2021 on **page 137**

  In 2021, all connected transactions were approved by the Board of Directors in compliance with the prescribed rules and all transactions did not exceed the approved credit line. Details are provided in "Connected Transaction" on **page 139**

- The Board of Directors approves the disclosure policy as a guideline for disclosing the Company's information to the third parties, and determines the authorized executives to disclose information as well as ensures the Company to establish Investor Relations function to represent the Company in communicating information and activities according to the policy and guideline for information disclosure, which is useful in making decisions to Shareholders, Investor, Analysts and those interested in the Company to acknowledge and shall treat all investors equally and fairly. The Company discloses information in accordance with relevant laws and regulations accurately, adequately, timely, reliably and in accordance with the regulations of the Stock Exchange of Thailand to create confidence and correct understanding of the business operations of the Company for investors.

  The top management who was authorized to be a spokesperson shall allocate time to participate in investor relations activities and meet with investors in order to announce policies and business directions, exchange comment and answer various questions usually. The Company organizes activities to promote relationship between investors, analysts such as Company visit, Management discussion panel, Analyst meeting to disclose Company's information as well as news and activities.

The Company has set a period to refrain from communicating with analyst and investors to provide information regarding the Company's performance (Silent Period) for 30 days before the date of the Company's Quarterly and Annual Operating Results Announcement to the Stock Exchange of Thailand to avoid giving unfair information which may affect the price of the Company's securities.

In 2021, the Executives had opportunity to meet Shareholders, Analysts, Investors and Media through various activities to present the operating results regularly which summarized as follows;

- Quarterly Analyst Meeting, 4 times on March 2, 2021 / May 19, 2021 / August 17, 2021 and November 16, 2021
- Opportunity Day: to report the 2020 performance results organized by the Stock Exchange of Thailand on March 10, 2021
- Organized meetings with executives according to the appointment of institutional investors and analysts in total 17 times
- Participated at TISCO Exclusive Talk 2021 organized by Tisco Securities Co.,LTD on January 31, 2020 to meet institutional investors
- Online Company Visit to meet retail investors (Value Investors) via Micorsoft Team system on August 27, 2021.
- Participated at the Finansia Online investment conference organized by Finansia Securities Public Company Limited to meet institutional investors
- Thailand Corporate Virtual Conference Event: CLSA Thailand Access Day organized by CLSA Securities (Thailand) Co., Ltd. on June 1, 2021.
- Conference call (virtual meeting) in Commodities Theme organized by Maybank Kim Eng Securities (Thailand) Co., Ltd. on May 31, 2021.
- Provided information and had meeting with media throughout the year, total 3 times (Bangkok Biz newspaper, Thunhoon newspaper, Kaohoon newspaper)

In addition to the information disclosure via the channel of the Stock Exchange of Thailand, the Board of Directors has encouraged to apply technology to disseminate information by preparing documents in both Thai and English for disclosure to the public via the Company's website. Shareholders and general investors can contact the Investor Relations Unit at;

Investor Relations:
149 Ratchadapisek road (Thapra-Taksin),
Bukkhalow, Thonburi, Bangkok 10600
Telephone : 02-477-9020 Fax : 02-477-8022
E-mail : ir@tvothai.com

Information Technology Governance

The Company established the regulatory framework and corporate information technology management that is in line with the business requirement and ensured that information technology is used to increase business opportunities and to develop operations as well as risk management is provided by covering risks of information technology so that the business can achieve its objectives and main goals.

In order to use computers and computer networks appropriately and efficiently, the Company therefore has established a working regulation to be a guideline for all employees to follow in the same direction and to prevent problems that may occur from incorrect use. Guidelines for information technology governance are as follows;

- Ensuring and inspecting the use of information technology in accordance with the law, regulations, related standards and term of use on computers and computer networks to ensure that computers and computer networks are used correctly, completely in accordance with the policy and procedure and within the authority and responsibility framework as specified.

- Maintaining data security and information technology systems by having intrusion prevention system (Firewall) from external network, Authentication system, Authorization system, Audit Log system. The Company has set security measures in accordance with the security policy of the Company's information technology.

- Backing up data on a daily basis and testing the accuracy and completeness of the information as well as formulating plans for emergency situations and testing the said plan to be confident that it can be implemented effectively.

- Ensuring that the computer reporting and auditing system has clear procedures and can be audited.

In addition, the Company foresees the importance of the information technology control and governance, therefore, has established an audit plan and conducting audits in the area of information technology management and the information technology systems security management and specified in the annual audit plan.

Chapter 5

Board of Director Responsibility

The Board of Directors should assume a leadership role in creating a good corporate governance for the Company, therefore, the appropriateness and clarity of the Board Structure and the authority and responsibility are essential to performance effectively. The person to be appointed as the Company's director must be visionary, competent, experienced, independent and must devote time to perform their duties completely for the best interest of the Company and shareholders as a whole. In addition, the Board of Directors should appoint the sub-committees to assist in supervising and screening the work as necessary in order to ensure that the Board Structure is suitable for business conditions and enhances the efficiency of the Board of Directors' performance. The Board of Directors has established policies and guidelines regarding the Board's responsibilities in various matters as follows;

Strategy, Policy and Business Directions

The Board of Directors is responsible for formulating policies, strategies, business plans, short-term and long-term goals and reviewing the vision and mission at least once a year in accordance with the business situation including promoting innovation and supporting the technology implementation in business operations to enhance the business's value. The Board of Directors should agree on the Key Performance Indicators (KPIs) proposed by the management and oversee their performance to achieve the goals and plans as specified. Details are disclosed in the topic "Business Structure and Operation" on page 11

Good Corporate Governance and Business Code of Conduct

The Board of Directors is responsible for governing the Company to have a good corporate governance policy, Code of Conduct, Compliance Policy in accordance with the laws and regulations in order for the directors, executives and employees to adhere to their works with standards, ethics, transparency and accountability and to maintain the rights of the Stakeholders according to their fundamental rights equally including prioritizing to anti-corruption throughout the business operations. The Corporate Governance Nomination and Remuneration Committee is assigned to govern the Company's operations in accordance with the aforementioned policies, laws, objectives, regulations and the resolution of the Shareholders' meeting strictly. Details are disclosed in the topic "Corporate Governance" on page 60

Internal Control and Internal Audit

In order to provide the Company and its subsidiary with an efficient and standardized internal control system and acceptable risk management by taking into account the appropriate control environment. The Board of Directors therefore assigns the Audit Committee and the Internal Audit to regularly review and monitor the results of the internal control, communicate sufficient and reliable information both inside and outside as well as regularly monitor and evaluate so as to optimize operations, reporting and compliance with applicable laws and regulations and to build confidence among the executives, investors and stakeholders as disclosed in the topic "Internal control" on page 134

Risk Management

The Board of Directors oversees the Company to establish an effective and reliable risk management policy and system. The Board of Directors approved to appoint the Environmental, Social, Risk Management and Compliance Policy Committee (ESRC) to ensure that the supervision covers responsibilities to the community, society, environment, and relevant regulations. The ESRC Policy Committee is responsible for formulating policy and risk management framework to be appropriate and consistent with the business plan policy as well as providing relevant comments and suggestions. The ESRC Policy Committee appointed the Management Committee (ESRC-E) consisting of executives from various departments responsible for overseeing the Company's risk management throughout the organization to enable risk management to be efficient and effective. The ESRC-E analyzes and assesses the surrounding risks both external and internal factors that may affect the business goals and prepares a risk management plan that specifies risk management measures with the acceptable risk levels as disclosed in the topic "Risk Management" on page 38 and then reports to the ESRC Policy Committee. The Company has organized risk management meetings regularly. The ESRC Policy Committee shall report to the Board of Directors at least 2 times a year.

Conflict of interest

The Board of Directors has established a policy on related transactions and connected transactions as well as guidelines on such transactions for directors, executives and employees to comply with caution in order to prevent any transactions that violate the rules set by the SEC and the SET. The Directors and Executives as defined by the SEC are responsible to report their interests and personal interests to the Company. In addition, the Company has gathered all information and prepared as a database for other departments to be used as a guideline in considering the Company's transactions so as not to make an error. Details are disclosed in the topic "Corporate Governance Report" on page 127

Nomination of Directors and Top management

Nomination of New Directors:

The Board of Directors has assigned the Corporate Governance Nomination and Remuneration Committee, which consists of only independent directors, to consider recruiting and screening persons to be appointed as directors and propose a qualified persons along with opinions to the Board of Directors and propose the list of the aforementioned persons to the Shareholders' meeting for election.

The policy and selection criteria are considered from the appropriateness of the number of directors and Board Diversity in accordance with the business strategy in order to specify the qualifications of the directors required by the Company and with consideration from the Director Pool Database from a credible institutions such as the Thai Institute of Directors (IOD) or consulting companies, as the case may be, by taking into account the missing skills of necessary experience, specialized knowledge and expertise that is beneficial to the Company in order for the Board Composition is complete absolutely and is in the best interest of the Company. Meanwhile, the appointment of retiring director, the Corporate Governance Nomination and Remuneration Committee will consider the past performance and dedication to the Company of each director as well.

Nomination and Appointment of Independent Directors:

Corporate Governance Nomination and Remuneration Committee will consider the number of independent directors against the Board composition to be consistent and in accordance with the requirements of the SEC, whereby the number of independent directors must not be less than one-third of the total number of directors. An Independent director must be qualified and independent in accordance with the regulations set by the Capital Market Supervisory Board. Details are disclosed in the topic "Selection Criteria" on page 116

Appointment of an advisor to the Board of Directors:

The Board of Directors may appoint a qualified person with knowledge, capability and experience as advisor to the Board of Directors to provide advices in various areas related to the Company's business operations.

Nomination and Appointment of Top Executives:

The Board of Directors assigned the Corporate Governance Nomination and Remuneration Committee to be responsible for selecting qualified persons with knowledgeable and experiences that is beneficial to the Company's operation to be the Chief Executive Officer and senior executives from the level of the Assistant Managing Director upwards and proposing to the Board of Directors for approval. The Corporate Governance Nomination and Remuneration Committee has considered and screened qualified persons with suitable qualifications, knowledge and abilities, skills and experience that is beneficial to the Company's operation. However, such person must have good understanding of the business and the ability of management to achieve the objectives and goals set by the Board. The Corporate Governance Nomination and Remuneration Committee has also considered succession plans with Chief Executive Officer by considering the experts from inside and outside the organization in order to conduct business continuously and strengthen personnel to be ready according to succession plan.

Recruitment of top executives in other positions except from the level of the Assistant Managing Director upwards, the Chief Executive Officer is responsible for selecting and appointing persons who are qualified for the position and responsibilities including knowledge, ability, business understanding and experiences that are beneficial to the Company's operation. The selection is in accordance with the recruitment rules of the Human Resources Department.

Remuneration for Directors and Executives

The Company has a remuneration policy to pay for directors and executives at an appropriate level and consistent with the Company's strategy, short-term and long-term goal, operation results and comparable with the same business or industry and according to their duties and responsibility. The directors who are assigned to be sub-committees, which has increased duties and responsibilities, should receive appropriate remuneration according to the duties and responsibilities assigned to them. To comply with good corporate governance principles, the Company should have a clear policy and remuneration criteria. The Board of Directors considered and approved the remuneration policy for Directors and the Chief Executive Officer to be a guideline in determining remuneration fairly and reasonably. Director remuneration should consist of monthly remuneration, meeting allowance and bonus. The Corporate Governance Nomination and Remuneration Committee will consider Directors' remuneration for the past year and present to the Shareholders' meeting for approval. The detail of Directors' remuneration is disclosed in the Form 56-1 One Report / Annual Report 2021 in the topic "Director Remuneration" on page 125.

The remuneration for Chief Executive Officer and other executives is in accordance with the principles and policies set forth by the Corporate Governance Nomination and Remuneration Committee in the form of salary, provident funds and bonus which are considered based on the Company's performance in line with its vision, mission and strategy as well as guidelines and standards of other companies which has similar size of business by having an annual performance evaluation based on roles, duties and responsibilities of each executive. The Corporate Governance Nomination and Remuneration Committee is responsible for consideration the suitability of both short-term and long-term remuneration and annual salary adjustment for the Chief Executive Officer and present to the Board of Directors for approval whereas the Chief Executive Officer will consider the suitability of the remuneration and annual salary adjustment reflecting the individual performance of each executive. Remuneration for the Executive is disclosed in the Form 56-1 One Report / Annual Report 2021 in the topic "Remuneration Policy for the Executive" on page 111.

Board Independence

The Board of Directors is independent from the management in conducting overall business governance and providing opinions on the strategic direction to be used as a guideline for business plans and action plans as well as regularly monitoring the performance results of the Company and the sub-committees to ensure that the Company can achieve its goals. Details are disclosed in the topic "Roles and Duties of the Board" on page 93

Directors and Executives Development

In order to obtain the Board of Director's efficiency in the operation, the Board of Directors has a policy to encourage the Directors and Executives to have received training courses that are beneficial to the performance of duties continuously with both in-house training and external training in other organizations such as Thai Institute of Director (IOD) and overseas trainings by assigning the Corporate Governance Nomination and Remuneration Committee together with the Company Secretary to consider the necessary training courses for each director involved in the duties and responsibilities of each director continuously in order to bring knowledge and experience to develop the organization towards. For executive development, Human Resource Department has policies and development plans for the Executives individually to develop personnel in the organization to have potential and readiness for work in accordance with the Company's succession plan and expansion plan. The Board of Directors also has policy and plans to develop Top Executive's potential.

Performance Evaluation

The Board of Directors shall oversee the performance assessment of the Board of Directors and sub-committees and Chief Executive Officer annually at least once a year. The Board assessments is divided into 2 parts which are Board as a whole evaluation and Board self-assessment. The Corporate Governance Nomination and Remuneration Committee is assigned to be responsible for reviewing evaluation form of the Board, sub-committees and Chief Executive Officer. The Company Secretary is responsible for submitting all assessment forms to the Board in order to evaluate their own performance as the Board of Directors and as member in the sub-committees as well as evaluating the performance of Chief Executive Officer, then the Company Secretary will gather back to assess and propose to the Corporate Governance Nomination and Remuneration Committee for consideration to report the results to the Board of Directors, which the Board of Directors will analyze the results and find conclusions in order to determine measures to improve the performance of the Board of Directors, sub-committees and Chief Executive Officer.

For the evaluation criteria, the percentage is calculated from the full score of each item as follows;

Score	Meaning
From 90 percent or more	Excellent
From 70 percent or more	Very Good
From 50 percent or more	Good
Less than 50 percent	Need Improvement

Governance of Subsidiaries and Associate Companies

The Company has a policy to assign qualified directors or executives to be as a director in subsidiary company to enable the overall management to be in the same direction. This is an agreement between the Company, its subsidiary and associate companies to participate in formulating an important policy and supervise its subsidiaries to have proper internal control system and mechanisms of governance in various aspects under the same criteria as the Company. The subsidiary company is responsible for submitting financial statement to the Company for the consolidated financial statement.

6.2
Business Code of Conduct

The Board of Directors ensures that the executives and all employees understand the ethical standards that the Company adheres in conducting the business in order to achieve objectives, goals, vision and to create value for the organization. Manual of Business Code of Conduct has been made in writing and regularly reviewed every 2 years as well as announced and communicated to everyone for acknowledgement and adherence to business operation. It is in the Company's orientation program and published on website. The Company also organizes activities on this issue regularly to instill employees to have conscience in this regard.

The Board of Directors Meeting reviews the Business Code of Conduct regularly in order to be suitable for the current business situation and environment that may be changed. The Company organized a training for employees on Friday, December 10, 2021 in order to encourage all employees to adhere to the same guidelines. In addition, the Company hopes that the business partners would operate their business in a sustainable manner and in line with the Company's operation practices, thus, the Company communicated the Supplier Code of Conduct; covering human rights, labor, environment and anti-corruption issues including the related laws and regulations, as a way of conducting business together. The Company has published Corporate Governance policy, Business Code of Conduct and Supplier Code of Conduct including the complaint channels through the Company's website in the topic "Corporate Governance" for the best benefit of all stakeholders.

6.3
Major Changes and Developments of Policy, Practices and Corporate Governance in the past year

The Board of Directors' Meeting No. 6/2021 on March 9, 2021, reviewed the Corporate Governance policy and considered the results of the CG Code implementation proposed by the Corporate Governance Nomination and Remuneration Committee in order to ensure that the operations is in line with the said practice appropriately to the business. For practices that are not suitable for the current business context, the Board of Directors considered the appropriate alternative measures which was recorded as a part of the Board's resolution in order for the Corporate Governance Nomination and Remuneration Committee to review and present to the Board of Directors for review annually. In the year 2021, there are issues that the Company has not implemented according to the principles of good corporate governance into business operations as follows:

Principles	The Company's Explanation
An independent director should not exceed accumulative term of nine years from the first day of service.	The Board has established the policy of holding independent positions for not more than 3 consecutive terms. In 2021, there was 1 independent directors holding the position of independent director for more than 9consecutive years, namely Dr. Chaipat Sahasakul. The Board of Directors considered and opined that such independent directors had knowledge, ability and experience that was required for the Company and was able to perform duties as independent directors very well and provided his opinions independently and also supported the business to achieve the corporate goals and growth continuously. The Company therefore was confident that such independent director was qualified. In this regard, at the Board of Directors Meeting No. 1/2022, Dr. Chaiyapat Sahasakul expressed his intention not to extend the director's term. This will be effective on the date of the Annual General Meeting of Shareholders for the year 2022.
The Board should consider that shareholder agreements or other agreements are in place to enable the Company's performance monitoring and participation in the subsidiary's management.	In 2021, the Company restructured its organization in line with vision and business strategy in the midst of various crises. The Company is currently considering a suitable executive to be appointed as the Company's representatives in the subsidiary according to the proportion of shareholding in subsidiary in order to manage and participate in formulating management policies that are important to the Company's business.
The Board should appoint an external consultant to assist in setting guidelines and providing recommendations for a board assessment at least once every three years.	The Board has assigned the management to conduct the study and consider as appropriate.
The Audit Committee has at least 1 committee member who graduated in accounting.	The Board of Directors Meeting No. 8/2021, held on April 23, 2021, resolved to appoint Mrs. Suwimol Crityakierne as the Audit Committee Member. She graduated in accounting directly and had sufficient knowledge and experience to perform the duty of reviewing the credibility of the financial statements. However, she submitted a resignation letter from the position of the Company's director, effective from July 16, 2021 due to other business engagement causing her to be unable to perform duties effectively. Therefore, the Board of Directors Meeting No. 13/2021, held on October 15, 2021, resolved to appoint Mr. Vipoota Trakulhoon, who graduated in Accounting and Finance, as the Audit Committee Member instead of the resigned director.

Principles	The Company's Explanation
At least one of the independent directors should be a woman.	The Company has a policy to consider on board diversity regarding professional, skills, expertise and gender. The 2021 Annual General Meeting of Shareholders on April 23, 2021 resolved to appoint Mrs. Suwimol Chrityakierne as an independent director in place of the directors who retired by rotation. As a result, the Company had 1 female independent director in accordance with the principles of good corporate governance. However, she submitted a resignation letter from the position of the Company's director, effective from July 16, 2021 due to other business engagement causing her to be unable to perform duties effectively. Therefore, the Board of Directors Meeting No. 13/2021, held on October 15, 2021, resolved to appoint Mr. Vipoota Trakulhoon, as independent director instead of the resigned director. Currently, the Board of Directors consists of 12 members, 11 male directors and 1 female director, which is appropriate for the size, type and business complexity. However, in case that the Company has an opportunity to find more independent directors, the Company is ready to apply the principles of good corporate governance definitely. In this regard, the Board of Directors has considered and screened according to the opinion of the Corporate Governance Nomination and Remuneration Committee and deemed appropriate to propose to the 2022 Annual General Meeting of Shareholders on April 22, 2022 to consider and appoint Miss Patrawan Manutsathit to be the Company's director (independent) in place of the retiring director.
The Board should consist of more than 50% independent directors.	The Company is currently studying the reengineering of the Board Structure and considering the suitability for the Company's business. Currently, the Company has 5 independent directors out of a total of 12 directors, accounting for 41.67%.

In addition, the Board of Directors Meeting No. 14/2021, held on November 12, 2021, reviewed and improved the corporate governance policy presented by the Corporate Governance, Nomination and Remuneration Committee in order to update the policy to be in line with international standards, laws, rules, and regulations set by regulators. However, the Board of Directors has a plan to bring the principles of good corporate governance that have not yet been implemented to review and implement completely within the year 2022.

With strong determination to comply the principles of good corporate governance and the business code of conduct into the Company's operation continuously, the corporate governance has being always developed to be more efficient and suitable for the Company, therefore, the Company has been evaluated by organizations as follows;

The Company was evaluated from **the corporate governance report of Thai listed companies 2021 at an excellent level (5 stars)** and was ranked as one of the 37 Top Quartile Companies in the Listed Companies that have market capitalization (Market Cap.) Baht 10,000-30,000 million.

The Company received **the "ASEAN Asset Class Publicly Listed Companies" award from the 2019 ACGS ASEAN Corporate Governance Scorecard**. The award was given to 135 listed companies in ASEAN with a score of 97.50 or more, of which 42 were Thai listed companies.

ASEAN CORPORATE GOVERNANCE
2019 AWARDS

The Company received **CSR-DIW Continuous Award 2021 (Standard of Corporate Social Responsibility)** from the Department of Industrial Works, Ministry of Industry, which is the 2nd consecutive year.

The Company was selected to be in **the 2021 Thailand Sustainability Investment (THSI)** organized by the Stock Exchange of Thailand for the 5th year.

สมาคมส่งเสริมผู้ลงทุนไทย
THAI INVESTORS ASSOCIATION

The Company has been evaluated **the quality of Annual General Meeting of Shareholders (AGM Checklist)** by the Thai Investors Association with a score of 100 points categorized in the "excellent" level.

The Company has been selected to be **ranked in the ESG100**, which is the 6th consecutive year and received the Sustainability Disclosure Award for the year 2021 from Thaipat Institute for the outstanding contribution to sustainable development and the disclosure of information to the public and relevant stakeholders transparently under the reporting framework according to the GRI Standard.

ESG100 2021
Environmental • Social • Governance

The Company received **Best of the Best Award from the FDA Quality Award 2021** in the food manufacturer category, type of business- Agro-industrial entrepreneurs, who operate with quality, ethics and social responsibility. In addition, the Company received FDA Quality Award for the past 3 years.

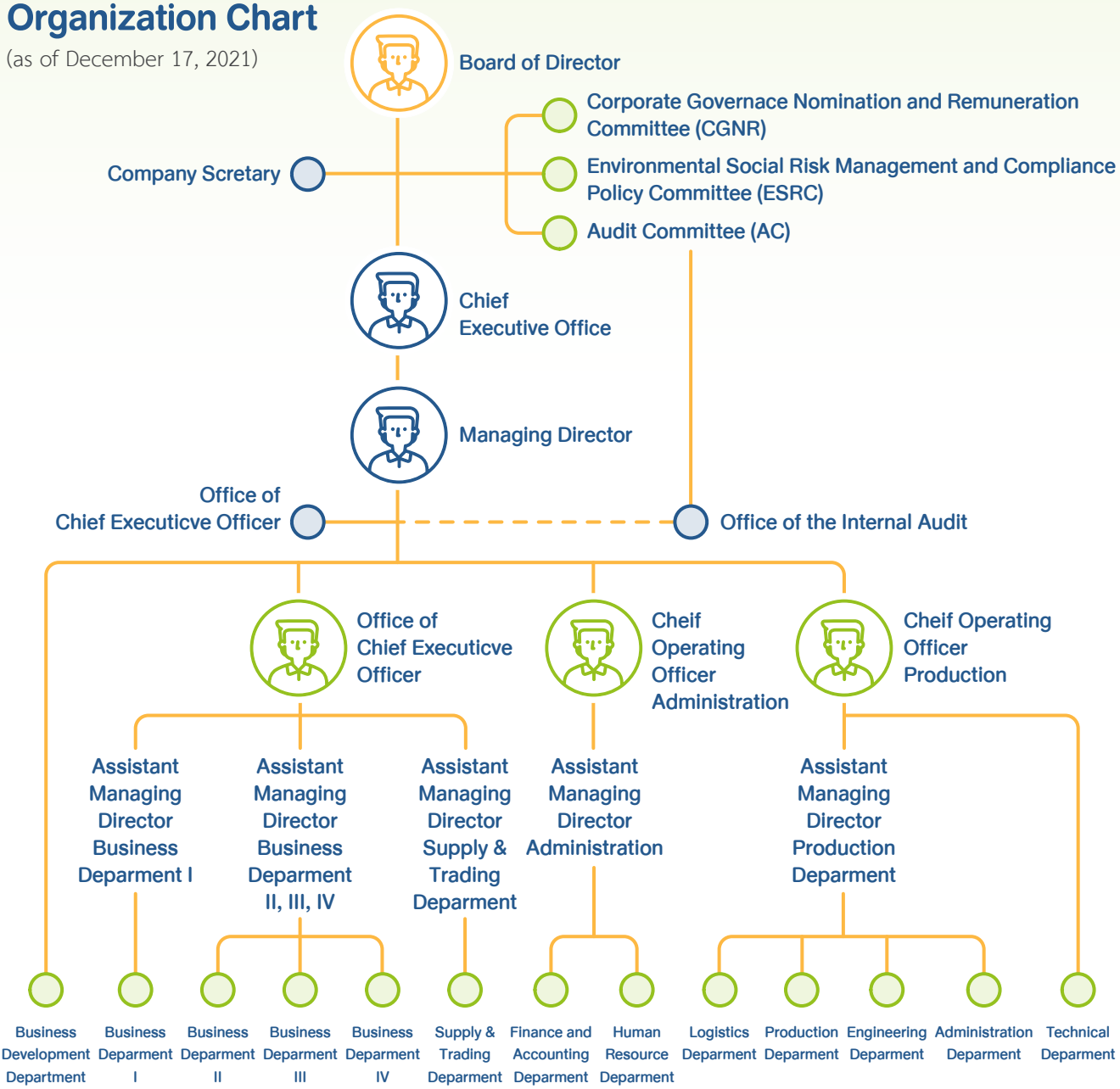
7

Corporate Governance Structure and Importance Information about the Board Structure, Sub-committee, Management Team, Human Resource and Other Information

7.1 Corporate Governance Structure

Organization Chart

(as of December 17, 2021)



7.2
The Board Structure

The Board Structure consists of the Board of Directors and Sub-Committee; the Audit Committee, the Corporate Governance Nomination and Remuneration (CGNR) Committee, the Environmental Social Risk Management and Compliance (ESRC) Policy Committee, which enhance the corporate governance to be appropriate, auditable and counterbalanced.

The Board Composition

The Board of Directors consists of qualified members from professional fields with the skills, expertise and experience in vegetable oil industry and other areas which are helpful to the Board's function and beneficial to the business. They devote time and effort on their duties. The Board of Directors is responsible to set up policies and corporate overview both short-term and long-term with the Top Executives, and to monitor, supervise and evaluate corporate performance in order to achieve the corporate goal.

According to the Company's Articles of Association, at least 5 directors must be appointed, not less than half of which must reside in Thailand. As of December 31, 2021, there were 12 members of the Board of Directors consisting of 11 male directors, 1 female director according to good corporate governance principles for listed companies which the number of directors is appropriate for the size, type and business complexity. In addition, the Board of Directors consisted of independent directors with a proportion of not less than one-third out of total number of directors in accordance with the regulations set by the Capital Market Supervisory Board and the Stock Exchange of Thailand. The independent directors were responsible for auditing the operation of management team, expressing the opinion, supporting policy that benefit to Shareholders or opposing the unfair or ambiguous that may effect to benefit of Shareholders and other Stakeholders. The independent directors also monitored on dissemination of related transaction to ensure that such transaction was performed in the best interest of the Company and Shareholders.

For non-executive directors, they had experience in the Company's main business or business industry. All directors were qualified with skills and useful expertise in accordance with the Company's business.

The current Board Composition is as follows;

- 11 Non-executive directors (representing 91.67% of the total number of directors)
  - 5 independent directors (not less than one-third, representing 41.67%, of the total number of directors)
  - 6 other directors who are not involved in the routine management of the Company (representing 50% of the total number of directors)
- 1 Executive directors (equivalent to 8.33% of the total number of directors)

As of December 31, 2021, the Board of Directors was composed of 12 persons, which were 5 independent directors (equivalent to 1/3 of the total number of directors), 1 executive director and 6 non-executive directors. The list of the Board of Directors was as follows:

No.	Name	Surname	Position
1.	Dr. Suvit	Maesincee	Chairman of the Board (Independent) / Chairman of the CGNR Committee / Chairman of the ESRC Policy Committee
2.	Mr. Apichart	Chirabandhu	Vice Chairman of the Board (Independent) / Chairman of the Audit Committee / Member of the CGNR Committee
3.	Dr. Chaipat	Sahasakul	Director (Independent) / Member of the Audit Committee / Member of the ESRC Policy Committee
4.	Assoc. Prof. Dr. Kitcha	Urairong	Director (Independent) / Member of the CGNR Committee
5.	Mr. Vipoota	Trakulhoon	Director (Independent) / Member of the Audit Committee / Member of the ESRC Policy Committee
6.	Miss Aranya	Vitayatanagorn/1	Director / Member of the ESRC Policy Committee
7.	Mr. Vichai	Vitayathanagorn	Director
8.	Mr. Vachara	Vitayatanagorn/1	Director
9.	Mr. Pachai	Chanpitaksa/1	Director
10.	Mr. Ekarat	Wongsupbhasatigul	Director
11.	Mr. Vorravuth	Tangpiroonthum/1	Director
12.	Mr. Kuna	Vitayatanagorn/1	Director

Remark : /1 Authorized Director by requiring two authorized directors to sign together and affix with the Company's seal

Roles and Duties of the Board of Directors

The Board of Directors plays an important role in overseeing the setting of the corporate objectives and its main goals as well as supervising on strategies, policies, operational plans and monitoring the management's work for the best interest of the Company and fairness to stakeholders and society as a whole with consideration to good corporate governance principles.

In the year 2021, the following cases had never happened to the Company; Severe violation against stipulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, Corruption action or violation of ethics, Resignation of a non-executive director due to the corporate governance issues, Loss of creditability due to the Board of Director's failure in monitoring the business.

Scope of Duties and Responsibilities of the Board of Directors

The Board of Directors is responsible for directing the Company's policy and direction and to monitoring and supervising the management to be in compliance with policy efficiently and effectively with care and honesty to achieve the maximize value of business and to generate good profit to Shareholders with responsibility and accountability in the business operation by taking into account the interests of all Shareholders equally to preserve benefit for Shareholders. The information was disclosed to the investors accurately, completely, standardized and transparent. The Board of Directors has approved the Board of Directors Charter as proposed by the Corporate Governance Nomination and Remuneration Committee and scheduled to be reviewed annually.

In 2021, the Corporate Governance Nomination and Remuneration Committee has reviewed the current Board of Directors Charter and considered that it is appropriate and consistent with the 2017 good corporate governance principles (CG Code) and the Securities and Exchange Act (No. 5 2016, Section 225). The Company publishes the Board of Directors Charter on the Company's website under the topic "Corporate Governance" (**www.tvothai.com/en/corporate-governance**).

The details of Duties and Responsibilities of the Board of Directors Important are covered below;

- Members of the Board must perform their duties with responsibility, caution, honesty (Duty of Care and Duty of Loyalty) and ensure that the Company's operations in compliance with the law, regulation, objective, the Article of Associations of the Company, resolutions of Shareholders' meeting and protection of Corporate and Shareholders' best interests carefully.

- Member of the Board has authorization to consider and approve all matters about Company operation with major responsibilities as follows:

  - Establishing business policies, vision, missions, strategies, long-term goals and reviewing every year in accordance with the business environment in order for the executives and employees to have the same direction.

    At the Board of Directors Meeting no. 13/2021, the Board of Directors considered approving the budget and business plan for year 2022 and reviewed the vision, mission, strategies, goals and business directions of the Company to be suitable and in line with the current business environment. However, the Board of Directors was aware of the impact of doing business under the rapidly changing economic environment, therefore, assigned to consider reviewing the vision and strategic direction in the Board of Directors Meeting No. 14/2021 and No. 15/2021 in order to enable businesses to adapt to the changing world trends.

- Defining and reviewing the structure of the Board of Directors and approval authority to be suitable for the Company's business as well as supervising the process of nomination and election of directors in a transparent manner and determining the appropriate remuneration for directors.

  In the Board of Directors Meeting no. 5/2021, the Board considered persons who had been approved by the Corporate Governance Nomination and Remuneration Committee in order to propose to the 2021 Annual General Meeting of Shareholders to consider appointing as a director of the Company in replacement of those who retired by rotation. In addition, the Board of Directors Meeting no. 9/2021 reviewed and approved the regulations on remuneration for directors, advisor and experts including top executives in order for the Company to compensate clearly and transparently covering all positions of advisors and experts of the Company and in accordance with good corporate governance principles.

- Defining organizational structure or management structure suitable for business operations and ensuring that the Company's operations are in accordance with the law, manuals and business policies set by the Company of which are consistent with the good corporate governance principles. Corporate culture is encouraged to adhere to ethics and morality. Being a role model to ensure that the current structure and practices paves the way for appropriate corporate governance and good ethical operations.

  In 2021, the Board of Directors considered and reviewed policies regarding good corporate governance to be appropriate and consistent with business operations in accordance with good corporate governance principles.

- Approving strategies, significant policies, operation plan and the annual budget of the Company as well as monitoring the implementation of the Company's strategy to comply with the plan and supervising the management to report the performance to the Board of Directors regularly.

  In 2021, the Board of Directors assigned the management to report the Company's performance, operating results and work plans according to the approved strategy on a quarterly basis as well as ensured that the first half performance result was evaluated and the second half business plan was reviewed accordingly. The Board approved the business plan for the year 2022 at the Board of Directors' Meeting no. 13/2021.

- Defining the structure of approval authority and the authority of the management appropriate to the responsibility.

  The Board of Directors ensures that the current organization structure is suitable according to job and business type which is similar to other listed companies in the same industry group and enhances the leadership role of the Board as well as has clearly divided roles and responsibilities between the Board and management. The current Delegation of Authority (DOA) was approved by the Board of Directors' Meeting no. 11/2020.

- Establishing investment policy for financial management including policy and creditlimit for financial instrument trading (Option). As well as approving significant items such as credit limits from financial institutions, loan, guarantees, new investment projects in accordance with the rules and regulations of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand and related laws.

  In 2021, the Board of Directors considered approving the credit facilities from financial institutions as working capital and preventing foreign exchange risk, approving the policy as a framework for trading financial instruments (Option) as well as tools for managing risk from price fluctuations in raw material in order to reduce the impact on the price which affected the Company's performance result, approving the Forward FX transaction policy to manage foreign exchange (FX) risk for forward selling products, and approving the adjustment criteria of the SWAP & Option transaction to be in line with the current market conditions where soybean prices, soybean meal and soybean oil had increased.

- Monitoring to ensure that accounting system, financial report and accounting audit are reliable, including disclosure of important information accurately, adequately, timely, in accordance with relevant rules and practices as well as ensuring that the assessment of internal control and internal audit are adequacy and monitoring the implementation to be effective.

  In 2021, the Board of Directors agreed with the proposal from the Audit Committee to propose to the Annual General Meeting of Shareholders to consider the appointment of the auditor for the year 2021 to oversee the quality of financial information so that the disclosed financial information to the public was accurate, transparent, beneficial to investors and in line with international standards.

- Ensuring that the management is responsible for monitoring and assessing the Company's financial status, financial liquidity and debt servicing ability, establishing a mechanism to support operations under tight financial constraints in the event that the business encounters financial problems and to report the Board of Directors regularly.

- Overseeing to ensure that the effective risk management policy is covering the entire organization with reviewing and assessing the system regularly.

  The Board of Directors appointed the Environmental Social Risk Management and Compliance (ESRC) Policy Committee to ensure that the corporate governance covered responsibilities to the community, society, environment, and relevant rules. In 2021, the ESRC Policy Committee reported its performance on Environmental, Social, Risk management and Compliance to the Board of Directors Meeting No. 11/2021 and No. 15/2021

- Overseeing and promoting innovations that create value for the business together with benefits for all stakeholders.

  The Board of Directors has promoted and supported innovation that creates value to the business and supervised the managements to conduct research and development in order to expand the product and improve production efficiency. In 2021, the Company developed an animal feed ingredient under the product name "TVO MuikMeal", special protein supplement to replace dairy products to increase the growth rate and reduce the feed cost for farmer.

- Ensuring that IT management, IT security policy and procedure are in place.

  Due to the COVID-19 situation in 2021, the Board of Directors governed the management to use tools or information technology that was compatible with the business and flexible enough to implement under the epidemic situations.

- Approving the appointment of sub-committees and its charter such as the Audit Committee, the Corporate Governance Nomination and Remuneration Committee and the Environmental Social Risk Management and Compliance Policy Committee to consider specific issues, information verification and propose guidelines for consideration.

  In 2021, the Board of Directors reviewed and approved the Sub-Committee Composition and its Charter such as the Corporate Governance Nomination and Remuneration Committee in order to be appropriate and consistent with the business operation according to the principles of good corporate governance.

- Appointing advisors, advisory board and senior management or as the Board of Directors deems necessary or appropriate.

  At the Board of Directors Meeting No. 3/2021, the Board of Directors appointed Ms. Wiboonluck Ruamraksa as an advisor to the Board of Directors and Honorary member of the Corporate Governance Nomination and Remuneration Committee to provide advice, opinions and recommendations to the Board of Directors and the Corporate Governance and Compensation Committee. In addition, the Board of Directors' Meeting No. 9/2021, considered appointing Mr. Vipoota Trakulhoon as an advisor to the Board of Directors to provide advices and recommendations on finance and investment aspect.

- Encouraging the Company to comply with all forms of anti-corruption to promote good governance principles and ensuring the Company to have a receiving complaints system and action plans in case of whistleblowing.

  In 2021, the Board of Directors governed the management to consider and review the complaints procedure in order for the complainants or whistleblowers to have more convenient access to the complaint channels. The complaints procedure was published on the website. In addition, the Company also invited business partners to join the Thai Private Sector Collective Action Against Corruption (CAC) and asked for cooperation from customers, business partners and related agencies to refrain from giving gifts to the Executives and staff of the Company during the New Year and any other occasions.

- Monitoring and managing potential conflict of interest among the management, directors, and shareholders, including the improperly use of assets and other transactions of connected person by focusing on the best interests for shareholders and stakeholders.

  The Board of Directors governed the management to review the policy of connected transactions and related party transaction every 2 years in accordance with good corporate governance principles to be appropriate and in line with the changing business environment. The current policy on connected transactions and related party transactions was approved by the Board of Directors Meeting No. 14/2020.

- Evaluating the performance of the Board of Directors annually by performing as a whole and self-assessment including overseeing to have the performance assessment of Sub-committee, the results of assessments and the review of the performance assessment form every year.

  In 2021, the Corporate Governance Nomination and Remuneration Committee reviewed the Board's evaluation form and presented to the Board of Directors to consider evaluating the performance of the Board of Directors as a whole and individually including the evaluation of sub-committees and then reported the evaluation results to the Board of Directors' Meeting No. 1/2022.

- Ensuring that the Chief Executive Officer's performance is evaluated annually, and the remuneration of the Chief Executive Officer is in line with the Company's operating results.

  The Corporate Governance Nomination and Remuneration Committee reviewed the evaluation form and presented to the Board of Directors to consider evaluating the Chief Executive Officer's performance and reported the evaluation results to the Board of Directors Meeting No. 1/2022 to determine the annual remuneration for the Chief Executive Officer.

- Overseeing to ensure that top executives have been remunerated appropriately and consistent with the Company's performance to create motivation both in the short and long term.

  The Board of Directors assigned the Corporate Governance Nomination and Remuneration Committee to consider and determine the remuneration policy and criteria for the senior executives as appropriate that linked to the Company's performance by assigning the Chief Executive Officer to consider the appropriateness that reflects the performance of each executive.

- Ensuring that the development program and the succession plans of senior managements has been established for continuity of management.

  The Board of Directors assigned the Corporate Governance Nomination and Remuneration Committee to prepare succession plans for the Chief Executive Officer and senior executives from the Deputy Managing Director upwards and propose to the Board of Directors for consideration as well as monitoring the progress according to the action plan.

- Ensuring that the Company's governance framework and policy extend to its subsidiaries and considering the appropriateness of the representative from the Company to be a director in its subsidiary.

- Setting up framework for resource management together with development and budget.

- Supervising and encouraging employees to have knowledge and understanding of money management and provident funds.

- Considering the appointment of the Company Secretary to be responsible for the works relating to the Board and to manage the important tasks of the Company in accordance with relevant laws and regulations.

The Board of Directors' Authority

- Approving vision, strategy, policies, short-term and long-term business plan
- Appointing advisory and management team from Executive Vice President and above
- Considering the meeting allowance and directors' remuneration in order to propose to the Shareholders
- Approving budget with credit limit of over Baht 25 million or more
- Approving annual budget plan including goals and criteria for finance and investment
- Approving the loan to other companies or other persons for corporate business objective
- Approving the loan and issued Bank of guarantee and its credit line
- Approving to open and close bank account with financial institution and setting credit line and authorizing person for account payment
- Approving the criteria for connected and related transactions
- Approving the interim dividend payment to Shareholders
- Performing any other duties according to laws and Company Articles of Association

Roles and Responsibilities between the Board of Directors and the Management

The Board of Directors and the management have clearly separated roles, duties and responsibilities in order to counterbalance and review the business management. The Board of Directors will consider and approve the overall policy, corporate governance strategy while the management is responsible for operating daily works in accordance with the policies set by the Board of Directors.

The Chairman of the Board is not the same person of Chief Executive Officer. The authority and function are separated to counterbalance between the Board and the Management team. No one has absolute power. The Chairman of the Board shall be an independent director, non-executive director and shall not be associated with management, and shall not hold any corporate shares. Role and Responsibility of the Chairman of the Board are as follows;

- Advising on the Corporate policy and strategy
- Governing the structure of the Board of Directors to be suitable for business according to good corporate governance
- Overseeing the Board and Sub-committee to participate in creating an ethical corporate culture and good corporate governance to achieve the objectives and main goals of the organization according to the plan effectively and effectiveness
- Supervising all directors to participate in promoting a corporate culture with ethics and good corporate governance.

- Being the leader of the Board and presiding over the meeting of Board of Directors including approving matters to be included in the agenda of the Board of Directors' meeting together with the Chief Executive Officer with measures to ensure that a) important matters are included in the meeting agenda and b) directors receive complete and sufficient information prior to the date of Board's meeting as well as allocating sufficient time for discussion of important issues and encouraging directors to exercise discretion carefully and express opinion independently.

- Strengthening good relations between executive directors and non-executive directors and between the Board and management.

- Being a casting vote at the Board of Directors' meeting in the case that the votes are equally.

- Presiding over the Shareholders' meeting and conducting the meeting toward agendas, which is according to the Company's Article of Associations and relevant laws.

Chief Executive Officer is responsible for day-to-day operation of the Company under the policies set forth by the Board of Director. The scope of authority of the Chief Executive Officer is clearly defined as follows;

- Ensuring the Company's operation is in line with policies set forth by the Board of Directors, under the laws, conditions, the Company's rules and regulations

- Setting the guideline for business operation, development and expansion according to the Board of Directors' policy

- Appointing the executives as necessary and appropriate, except the position of Executive Vice President and above and setting the scope of duties and responsibilities to perform duties efficiently

- Being authorized to approve the expenses related to investment and procurement within the limit not exceeding Baht 25 million per time except in the case of contracts as follows: packaging within the limit of not more than Baht 400 million per year and hexane within the limit of not more than Baht 100 million per year

- Being authorized to approve the raw material procurement as follows:

  - Raw material purchase budget – within USD 50 million per time
  - Loan or credit procurement – within Baht 2,000 million time
  - Financial tools for risk management of foreign exchange rates – within the limit of no more than 5 ships (USD 50 million per ship)

- Hiring talented personnel and preparing the executive development and succession plans t for the Board of Directors' consideration

- Ensuring that the organization has proper system and policies for on-time accurate information disclosure, as well as the financial report is prepared and presented correctly, with necessary information for investors

- Being authorized to approve any action necessary to the Company's normal business operation, the details of which are as follows:

  - Being authorized to approve the orders, rules, announcements and notes for the operation consistent to the Company's policy and interests and to maintain the organizational disciplines
  - Approving the appointment of advisors as necessary to the operations
  - Performing any other duties as assigned by the Board of Directors

Advisor to the Board of Directors is responsible for attending the Board of Directors' meetings or other sub-committees meeting to provide advice, opinions and suggestions to the directors.

The management team is responsible for managing the Company in various fields. The Chief Executive Officer is as the head and the leader of the management team to operate business according to the policy by covering the following matters;

- Controlling and managing the general work of the Company including having the authority to act as a boundary under the approved scope of authority in order to comply with the objectives, policies and regulations of the Company
- Considering investment plans and presenting to the Board of Directors for approval
- Performing any actions as assigned by the resolution of the Board of Directors' meeting and the resolution of the Shareholders' meeting

7.3 Sub-committee

In accordance with good corporate governance principles, the Board of Directors has appointed 3 sub-committees consisting of the Audit Committee, the Corporate Governance Nomination and Remuneration Committee and the Environmental Social Risk Management and Compliance (ESRC) Policy Committee in order to consider screening important operations specifically with discretion and efficiency and to provide opinions to the Board of Directors including disclosing operation performance in the annual report for Shareholders to acknowledge as well as having the authority to consider and decide on some important matters authorized by the Board of Directors as specified in the charter, which is to define the duties and responsibilities of each sub-committee. The Company has published the sub-committees' charter on the Company's website under the topic "Corporate Governance". In order to ensure that the Company's operations are in accordance with the principles of good corporate governance, the Board of Directors shall review the composition of the sub-committees annually. Names and roles of sub-committees as of December 31, 2021 are as follows;

Audit Committee

The Board of Directors appoints the Audit Committee, which consists of at least one-third of the total number of independent directors, but must not be less than 3 persons, with qualifications and duties in accordance with the rules prescribed by the Capital Market Supervisory Board by having at least 1 director with sufficient knowledge and experience to be able to perform the duty of reviewing the reliability of financial statements.

The Audit Committee has a 3-year term. The members who are due to retire by rotation may be re-appointed as the Board of Directors deems appropriate. The Audit Committee is responsible for overseeing the Company's operations by using the method of auditing and reviewing the management of the Company for the benefit of the shareholders as a whole. The Audit Committee Meeting is scheduled to be held at least 1 time per quarter. The written minutes of the meeting is recorded and the certified minutes is stored perfectly for verification.

The Audit Committee, presently consisting of 3 independent directors; who are knowledgeable, expertise and adequate experience in reviewing the reliability of financial statements, was appointed according to the Board of Directors' Meeting No. 14/2021 on November 25, 2021.

	Name		Position
1.	Mr.Apichart	Chirabandhu/1	Chairman (Independent)
2.	Dr.Chaipat	Sahasakul	Member (Independent)
3.	Mr. Vipoota	Trakulhoon/2	Member (Independent)

Remark: /1 Audit Committee with legal knowledge and experience
/2 Audit Committee with financial accounting knowledge and experience

Scope and Authority of the Audit Committee

- Verifying the accuracy and adequate disclosure of the financial statement in coordinate with external auditor and management who is responsible of financial report quarterly and yearly.
- Verifying the efficient and appropriateness of internal control system and internal audit system, as well as considering the independence of the internal audit department in performing duties as responsible for reviewing the effectiveness of the risk management system and internal control, and considering the appointment, rotation and termination of the internal auditor and whom may be responsible for internal audit work.
- Verifying the Company's operations to comply accurately and appropriately with relevant standard and laws on securities and stock exchange and regulation of Stock Exchange of Thailand and relevant laws related to the business.
- Nominating, appointing, re-appointing and terminating the independent person with qualifications that have been accepted and approved by the SEC to act as the Company's auditor and setting their fees also attending the meeting with auditor without management team at least once a year.
- Verifying the connected and related transactions to prevent a conflict of interest according to the rules and regulations of the Stock Exchange of Thailand to ensure that transactions are reasonable and for the best interest to the Company.
- Preparing an Audit Committee Report, signed by Chairman of the Audit Committee, which is disclosed in annual report with following necessary contents;

- The accuracy, adequacy and reliability of corporate financial statements
- The adequacy of risk management and internal audit control system
- The compliance of rules and regulations of Stock Exchange of Thailand and relevant business laws
- The suitability of the Auditor
- The conflict of interest transactions
- Number of the audit committee meeting and attendance of each member of the Audit Committee
- Overall opinion and observations that audit committee has received from performing their duties according to the Audit Committee Charter
- Other transactions that shareholders and investors may acknowledge under responsibility assigned by the Board of Directors.

- During performing duty, if there are any suspicious transactions which may significantly affect to financial status and operational performance, the Audit Committee shall have the authority to invite the management, executives or relevant staff to provide opinions, attend meetings or submit documents as deemed necessary and report to the Board of Directors to improve within proper time as deemed appropriate by the Audit Committee

- Conflict of interest transaction
- Fraud, corruption or any other essential flaw from internal audit system
- Violation against Securities and Exchange Act, regulations of the Stock Exchange of Thailand or other laws related to the business.

If any above-mentioned transaction is not rectified by the Board or Executives as scheduled, the Audit committee shall report to the Securities and Exchange Commission and Stock Exchange of Thailand in that case.

- Supporting and monitoring the Efficiency and adequacy of Risk Management system,
- Reviewing Audit Committee Charter annually to propose to the Board of Directors for approval as well as approving the annual internal audit plan.
- Audit committee shall consult any professional advisors if necessary, the Company is responsible for the costs incurred.
- Reviewing the Company's anti-corruption process to be in line with the guidelines of regulatory agencies effectively and verifying the accuracy of the reference documents and the self-assessment form of anti-corruption measures of the Company in accordance with the Thailand's Private Sector Collective Action Coalition Against Corruption.
- Reviewing to ensure that the Company has internal process of whistleblowing and complaint that has investigation system independently, properly pursuing, confidentially concerning in order to protect those who complain,
- Any other duties assigned by the Board of Directors with consent of Audit Committee.

Corporate Governance Nomination and Remuneration Committee

The Corporate Governance Nomination and Remuneration Committee is appointed by the Board of Directors, consisting of at least 3 independent directors and the Chairman is an independent director. The Corporate Governance Nomination and Remuneration Committee has a 3-year term. The retired directors may be re-appointed. The Corporate Governance Nomination and Remuneration Committee is responsible for proposing, reviewing and supervising on corporate governance, considering and nominating qualified person for the position of the Company's directors and top executives and performing other duties as assigned by the Board of Directors with the scope of duties and responsibilities as specified in the Corporate Governance Nomination and Remuneration Committee Charter.

The Corporate Governance Nomination and Remuneration Committee requires to hold a meeting at least once a quarter to get the good corporate governance policy improved up-to-date, to consider criteria and methods for recruiting people and to review the performance evaluation system of the Board of Directors and executives including recruiting top executives if necessary.

As of December 31, 2021, the Corporate Governance Nomination and Remuneration Committee consists of 3 independent directors and 1 honorary director as follows;

	Name		Position
1.	Dr.Suvit	Marsincee	Chairman (Independent)
2.	Mr.Apicahrt	Chirabandhu	Member (Independent)
3.	Assoc.Prof.Dr. Kitcha	Urairong	Member (Independent)
4.	Ms. Wiboonluck	Ruamraksa	Honorary Director

Scope and Authority of Corporate Governance Nomination and Remuneration Committee

Corporate Governance

- Defining the scope and policy of Corporate Governance to propose to the Board of Directors as well as always consider improving it up-to-date continuously
- Providing Corporate Governance guideline and supervising the Company to comply with the corporate governance policy including reviewing the Company's corporate governance policy annually
- Formulating criteria and process of recruiting directors and executive
- Reviewing and revising the Charter of the Corporate Governance Nomination and Remuneration Committee in accordance with the business situation in order to propose to the Board of Directors for approval

Nomination

- Defining criteria, policies and procedures for recruiting directors and top executives and reviewing the criteria and methods of nomination of directors as well as considering the structure of the Board of Directors to propose to the Board of Directors prior to the nomination of directors whose term has expired including considering the results of the performance assessment of the directors who completed the term in the case that the retired director is nominated for re-election.

- Determining qualification, considering the background and selecting the appropriate person to be a director of the Company in accordance with the business strategy by considering the Board Diversity in order to propose opinions to the Board of Directors and / or the Shareholders' meeting to approve the appointment.

- Working with Chief Executive Officer to determine qualification and selection of person(s) who is suitable for senior management positions from Managing Director and above and approving the person(s) who is proposed by Chief Executive Officer.

- Working with Chief Executive Officer to prepare a succession plan for the position of Chief Executive Officer and senior management in order to propose to the Board of Directors for consideration annually.

Remuneration

- Defining criteria and policies for monetary and non-monetary compensation of the Board of Directors and Sub-Committees to be suitable for their responsibilities and in accordance with the Company's strategy and long-term goals as well as considering meeting allowances and reward for directors by comparing with the compensation rates of other companies in the same industry in order to propose to the Board of Directors and / or the Shareholders' meeting for approval (as the case may be)

- Formulating policies and criteria for consideration of remuneration to be in line with the operating results of the Company and the performance of individual executives

- Considering the performance assessment in order to determine compensation, annual bonus and annual salary adjustment of senior executives from the level of the Managing Director and above.

Environmental Social Risk Management and Compliance Policy Committee (ESRC)

The Board of Directors realizes the importance of corporate management towards sustainability, beginning with corporate governance, regulatory compliance, and risk management including supply chain management that integrates environmental, social and governance issues into the business operations to enhance the business sustainable in the long term and create a positive impact on society, environment and stakeholders systematically and continuously.

The Board of Directors appoints the ESRC Policy Committee with the objective of assisting the Board of Directors in formulating governance policy regarding environment, social responsibility, risk management and regulatory compliance as well as monitoring the implementation, evaluation, review and improvement of working systems to be suitable in accordance with the policy, business plan and good corporate governance which is the basis of sustainable development.

The ESRC Policy Committee is responsible for establishing risk management policies and procedures that are in line with the objectives, goals, business plans and acceptable risk to be a framework for risk management for everyone in the organization. Compliance with risk management processes is under control and monitor in accordance with laws and relevant standards. The process is reviewed and improved regularly to be suitable for business operations with the scope of authority, duties and responsibilities specified in the ESRC Policy Committee Charter

The ESRC Policy Committee consists of at least 3 directors with a 3-years term. The directors who are retired by rotation may be re-appointed to the position. The meeting shall be called at least twice a year. In 2021, the ESRC Policy Committee conducted 2 meetings.

As of December 31, 2021, the ESRC Policy Committee consists of 4 directors as follows:

	Name		Position
1.	Dr.Suvit	Marsincee	Chairman (Independent)
2.	Dr.Chaipat	Sahasakul	Member (Independent)
3.	Ms.Aranya	Vitayatanagorn	Member
4.	Mr. Vipoota	Trakulhoon	Member (Independent)

Scope and Authority of the ESRC Policy Committee

- Inviting the management team or related employees to join the Board of Directors' meeting and/or request any of its unit to explain and/or clarify the information in written to the ESRC Policy Committee, regarding Environmental and Social responsibility, Business Risk, Compliance and their own duties and responsibilities and other matters that the Committee deems necessary and appropriate to perform their duties.
- Assigning any units of the Company to action or operate as the Committee deems necessary in order for its targets, strategies and procedures according to the ESRC Committee Charter are always reached or to allow the Committee to be able to accomplish any other duties assigned by the Board of Directors.
- Considering and providing opinions on the draft policy and the scope of work on environmental and social responsibility, organizational risk management and compliance.
- Being acknowledged, considering and providing opinions on the operational results of environmental and social responsibility, regulatory compliance, risk assessment, risk management guideline and measures and action plan for the residual risk management, in order to ensure that the Company has adequate and appropriate operations regarding environment and social responsibility, regulatory compliance and risk management.
- Considering and providing opinions on the determination of the organization's risk appetite and risk tolerance.
- Providing suggestions and supporting the ESRC-E Committee and top management regarding environment and social responsibility, organizational risk management and regulatory compliance along with encouraging and supporting the improvement and development of the related operations continuously and consistently.

- Communicating and reporting the operational results to the Board of Directors and the related parties.

- Performing other duties as assigned by the Board of Directors.

In the case of necessity and appropriateness in order to accomplish the duties and responsibilities successfully, the ESRC Policy Committee may request opinions from independent consultants and receive trainings and educations concerning the environmental and social responsibility, risk management and compliance

In addition, the ESRC Policy Committee has appointed the ESRC-E Management Committee, consisting of the management team from many departments, whether from the headquarter or plants, to support the performance of the ESRC Committee and closely monitor the procedures of environment and social responsibility, organizational risk management and regulatory compliance.

Scope of Duties and Responsibilities of the ESRC Management Committee

- Being responsible for establishing policy regarding Environment, Society, Risk management and Compliance in order to present to the ESRC Committee.

- Monitoring operations in environment, social responsibility, risk management and regulatory compliance aspects as well as following up on evaluating, reviewing, and improving a working systems to be in accordance with the policies, business plans and good corporate governance, which serve as the foundation of sustainable development.

- Being in charge of risk assessment, and preparing and monitoring the execution of functional risk management and corporate risk management plan to ascertain that appropriate risk management measures are put in place and consistent with the strategies and business plans of the Company.

- Following up the identification process and company-wide critical risk assessment. Identifying external and internal risks factors that may derail operations. Evaluating the aftermaths and opportunities of identified risks and analyzing key risk factors that could affect the Company to ensure that a risk management plan and risk management measure are active so that the Company is able to respond to changes and several uncertainties properly and in line with the strategies and business plans of the organization.

- Promoting, supporting and dispensing necessary resources for operations on environmental, social, risk management and compliance aspects sufficiently.

- Communicating and advocating for policy on environmental, social, risk management and compliance to be applied on a company-wide scale and to become a part of the corporate culture.

- Preparing a meeting to review and monitor performances and proposing corporate risk management plans including reporting performance regarding environment, society and compliance matters to the ESRC Policy Committee for acknowledgment and consideration regularly and consistently.

- Performing other duties as assigned by the ESRC Policy Committee.

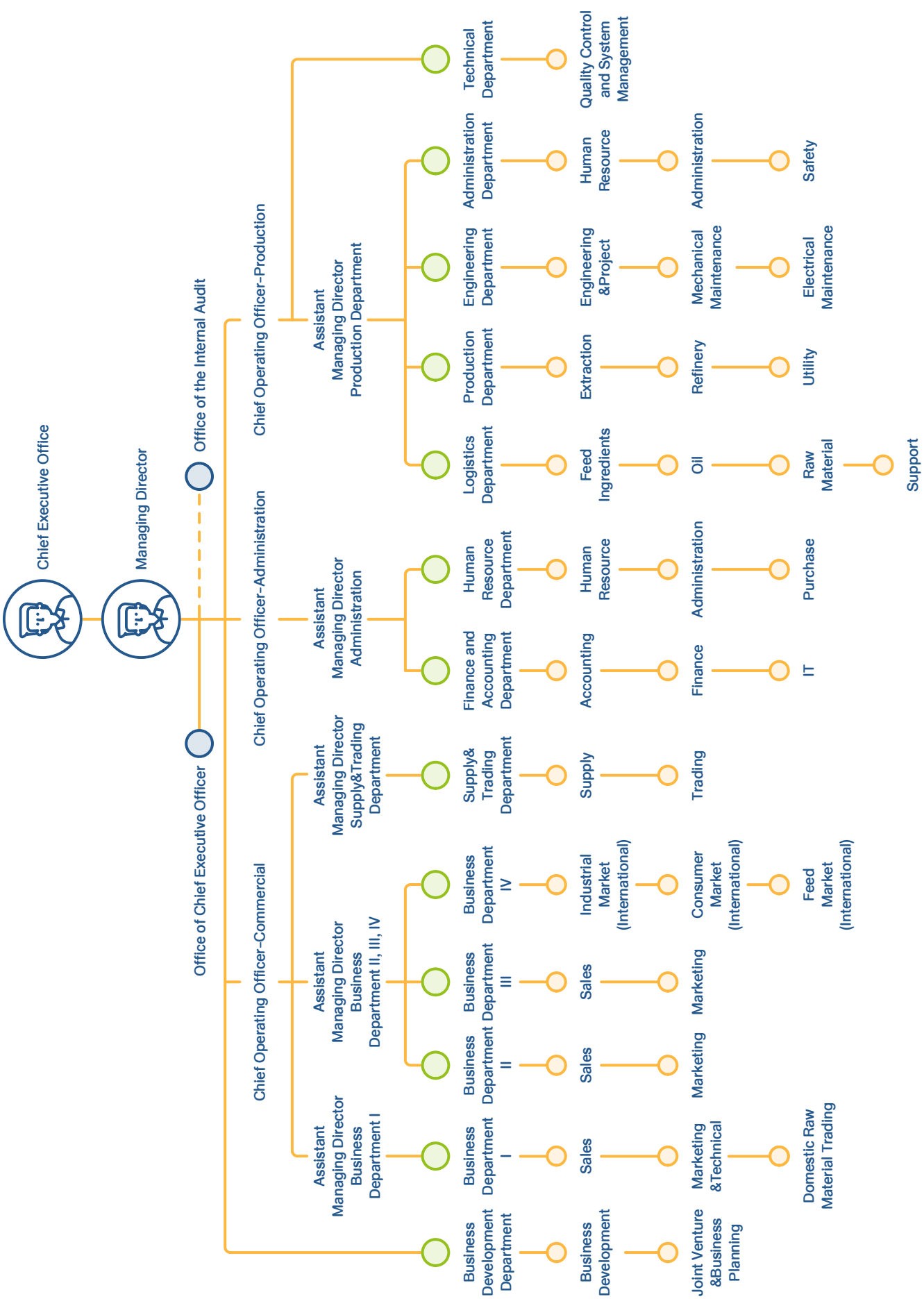
7.4
Management Team

As of December 31, 2021, there was 7 top executives of the Company as follows;

	Name		Position
1.	Mr. Charuphot	Neesanant	Acting Chief Executive Officer / Acting Chief Operating Officer – Commercial
2.	Mr. Pachai	Chanpitaksa	Managing Director / Chief Operating Officer – Production
3.	Miss Sunanta	Tritepapiruk/1	Chief Operating Officer – Administration
4.	Mr. Suchai	Visesleela	Assistant Managing Director – Supply and Trading
5.	Mr. Kamtorn	Ekmetipunt/2	Assistant Managing Director, Production Department
6.	Miss Teerada	Korsrilabutr	Assistant Managing Director, Business Department II III IV
7.	Mr. Suranat	Khemadham	Assistant Managing Director, Business Department I

Remarks: Details on the expertise, skills and experience of management are shown in Attachment 1.
/1 Be responsible for accounting and finance, hence, she is considered as the chief executive of the accounting and finance department.
/2 Retired on December 13, 2021

The Board of Directors Meeting no. 15/2021 on December 17, 2021 resolved to adjust the management structure as follows:


Chief Executive Office
Managing Director
Office of the Internal Audit
Office of Chief Executive Officer
Chief Operating Officer-Commercial
Chief Operating Officer-Administration
Chief Operating Officer-Production
Assistant Managing Director Business Department I
Assistant Managing Director Business Department II, III, IV
Assistant Managing Director Supply&Trading Department
Assistant Managing Director Administration
Assistant Managing Director Production Department
Business Development Department
Business Department I
Business Department II
Business Department III
Business Department IV
Supply& Trading Department
Finance and Accounting Department
Human Resource Department
Logistics Department
Production Department
Engineering Department
Administration Department
Technical Department
Business Development
Sales
Sales
Sales
Supply
Accounting
Human Resource
Feed Ingredients
Extraction
Engineering &Project
Quality Control and System Management
Joint Venture &Business Planning
Marketing &Technical
Marketing
Marketing
Trading
Finance
Administration
Oil
Refinery
Mechanical Maintenance
Human Resource
Administration
Domestic Raw Material Trading
Industrial Market (International)
Consumer Market (International)
Feed Market (International)
IT
Purchase
Raw Material
Utility
Electrical Maintenance
Safety
Support

As of February 28, 2022, there are 7 top executives according to the definition of the SEC Office as follows;

	Name		Position
1.	Mr. Charuphot	Neesanant	Acting Chief Executive Officer
2.	Mr. Pachai	Chanpitaksa	Managing Director / Chief Operating Officer – Production
3.	Miss Sunanta	Tritepapiruk/1	Chief Operating Officer – Administration
4.	Mr. Suchai	Visesleela/2	Chief Operating Officer – Commercial
5.	Miss Teerada	Korsrilabutr	Assistant Managing Director, Business Department II III IV
6.	Mr. Suranat	Khemadham	Assistant Managing Director, Business Department I
7.	Mr. Surat	Jewpraditkul/3	Assistant Managing Director, Production Department

Remark: Details on the expertise, skills and experience of management are shown in Attachment 1.
/1 Be responsible for accounting and finance, hence, she is considered as the chief executive of the accounting and finance department.
/2 Appointed on January 1, 2022
/3 Appointed on January 10, 2022

Remuneration Policy for Top Executives

The Company has a policy and criteria for determining remuneration which is relevant to the Company's performance in the form of Key Performance Indicators as well as evaluating the performance of the executives every year. The Chief Executive Officer and President shall consider the appropriateness in determining the remuneration and annual wage adjustment that reflects the performance management of each executive according to the work which is in line with the vision, mission and strategy of the Company as well as the guidelines and standards of other listed companies with similar size of business.

The remuneration of Chief Executive Officer and President has been defined appropriately. The guidelines are clear, transparent, fair and reasonable, taking into account the responsibilities and performance. The remuneration is considered on both short-term and long-term basis by considering the operating results of the Company compared to the business plan in each year for the short-term evaluation. The long-term consideration will be based on the ability to formulate strategies and operational direction to achieve the goal and mission according to the vision of the organization including the results of the performance evaluation of the Chief Executive Officer and President. The Board of Directors has assigned the Corporate Governance Nomination and Remuneration Committee to determine the annual remuneration of the Chief Executive Officer and President and present to the Board of Directors for consideration. The Chief Executive Officer and President also receives remuneration and benefits as the highest top management of the Company besides receiving as a director.

In 2021, 10 top executives, including the Chief Executive Officer and President, according to the criteria of the SEC Office were paid in the form of salary, provident fund and bonus in the total amount of Baht 44 million (Representing 7% of the total compensation of the business). In addition to the monetary remuneration as aforementioned, the Company does not pay any other non-monetary remuneration to top executives.

7.5 Human Resource

Personnel

The Company has a recruitment policy that focuses on equality, no restrictions or discrimination based on sex, race, religion, culture, and realize that employees are valuable resources in driving the Company's business. As of December 31, 2021, there were 1,318 employees working for TVO, a increase of 18 employees from 2020 or increased by 1.38%, which is divided into 151 employees working at Head office while 1,167 employees were working at the product plants with variety of the age, gender and education level, classified by work field as follows;

Work Field	Number of employees
Work directly to the Chief Executive Officer	8
Internal Audit	4
Finance and Accounting	41
Marketing and Commerce	61
Centralized Management (Human Resources, Administrative, Purchasing, Law)	37
Production	1,167
Total	**1,318**

Remuneration for employees

The Company has a remuneration policy for employees that is in line with the short-term and long-term performance of the Company to provide remuneration to employees fairly. The remuneration structure for each position is determined appropriately by considering from the performance and the level of responsibility responsible for the knowledge, ability and individual performance of each employee. Employees shall receive remuneration equally and fairly when compared within the organization, parallelly, the remuneration payment is also in accordance with the economic conditions, inflation, consumer price index and remuneration guideline of other companies in the same industry, however, remuneration for employees must be suitable for business expansion and the Company's growth rate. Employees shall receive remuneration in the form of salary, wages, bonuses and provident fund etc.

Provident Fund

The Company has set up a provident fund to provide benefits to employees and to promote savings in another way as well as being a motivation for employees to work with the Company for a long time. Employees who are members of the provident fund will receive monthly contribution to the fund from the Company at different rates depending on years of membership, concurrently, employees must accumulate money to the fund at the same rate. In case of the termination, employees will receive contributions including the average net benefit of the fund.

Membership	Contribution Rate
From 1 Year to 5 Years	3%
From 5 Years to 10 Years	4%
From 10 Years onward	5%

The Company has a policy to select Low-Risk Fund in order to secure members' money. In 2021, there were 879 employees who joined the provident fund, representing 66.69% of total number of employees.

In 2021, the Company paid remuneration to employee as follows: 1) Short-term remuneration that is consistent with the Company's performance such as salary, which is increased once a year and annual bonus based on the Company's performance and individual assessment totaling Baht 630 Million. 2) Long-term remuneration such as provident fund and retirement benefits, which the Company paid contributions to the provident fund totaling Baht 12 Million and reserved a provision for long-term employee benefits of Baht 17 Million.

7.6
Other Information

The person supervising in finance and accounting

The Company assigned Miss Sunanta Tritepapiruk, Chief Operating Officer – Administration as the person with the highest responsibility in accounting and finance to be responsible for overseeing the preparation of financial reports to be credible and quality in accordance with accounting standards and the guidelines of the SEC. Details of the person supervising in finance and accounting appear in **Attachment 1.**

Company Secretary

The Board of Directors is responsible for the appointment of knowledgeable persons with ability and appropriateness to be a Company Secretary to help and support the Board to perform their duties efficiently and effectively as required by law. The Board of Directors appointed Miss Kanatsorn Bunditnate to be the Company Secretary since August 14, 2018 to perform duties under the Securities and Exchange Act B.E. 2535 and the announcement of the Capital Market Supervisory Board. Details of the roles, duties and responsibilities of the person holding the position of Company Secretary appear in **Attachment 1**.

Internal Audit Supervisor

The Audit Committee appointed Mr. Krit Kongkaew, Manager of the Internal Audit Office as the head of the internal audit department to be responsible for internal auditing and evaluating the Company's activities, reviewing the quality of operations to be in accordance with the audit plan and consistent with the objectives and goals of the Company as well as performing other duties as assigned by the Audit Committee. Details of the person holding the position of Internal Audit Supervisor appear in Attachment 3.

Internal Audit Company

The Audit Committee considered and selected an internal auditor company and then appointed Ascent Advisory Company Limited as an independent internal auditor for the year 2021, effective from February 26, 2021. They were responsible for auditing compliance with policies, organizational regulations and procedures to ensure that the Company has an appropriate and adequate internal control systems to achieve the objectives and goals.

Head of Compliance

The Company established an Environmental, Social, Risk management and Compliance (ESRC) Policy Committee to help monitor operations, process, review and improve work systems. In addition, the ESRC Policy Committee also appointed a working group to oversee the performance by assigning Mr. Krit Kongkaew to be responsible for compliance with laws, rules, regulations, policies and requirements of the Stock Exchange of Thailand, the Securities and Exchange Commission of Thailand and Public Law. Details of the roles, duties and responsibilities of the person holding the position of Head of Compliance appear in Attachment 3.

Investor Relations

The Company established an investor relations unit by assigning Mr. Angkoon Imerbthum as the Company's representative to be responsible for disclosing the Company's information and news to Shareholders, investors, analysts and the general public. Investors can contact the Investor Relations Department according to information as provided below;

Investor Relations:
Thai Vegetable Oil PCL,
149 Ratchadapisek Road (Thapra - Taksin)
Bukkhalow, Thonburi, Bangkok 10600
Telephone: 02-477-9020 Fax: 02-477-8022
Email: ir@tvothai.com

Auditor

The auditor of the Company and its subsidiary for the year 2021 are Mrs. Chonlaros Suntiasvaraporn, Certified Public Accountant No. 4523 from EY Office Company Limited. The audit fees paid by the Company and its subsidiary to EY Office Company Limited are as follows;

- **Audit Fee**

	Baht
The Company	1,840,000
The subsidiary	1,100,000

- **Non-Audit Fee**

-None -

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Corporate Governance Report

8.1
Summary of the Board's Performance in the Past Year

Nomination and Appointment of the Directors

The Corporate Governance Nomination and Remuneration Committee has determined the criteria of directors selection by considering the nature of the business and the strategy of the Company, therefore, has defined the qualifications of the directors to be appropriate and consistent with the business strategy of the Company by considering the necessary skills that are still lacking and the Board Diversity in professional skills, gender, specialized expertise, knowledge including work experience to determine the appropriate person with experience, knowledge and ability that will benefit the Company to become a director or executive.

The Company has established a Board Skill Matrix and reviewed the Board Diversity annually and considered the performance evaluation of the current committee in order to review the structure of the Board which is used as information for consideration of nomination of directors to ensure that the Board of Directors is qualified in accordance with the Company's business direction. The person who is appointed to be the director or executive must be fully qualified according to Section 68 of the Public Company Act B.E. 2535 (including the amendments) and the SEC's announcement and must not have prohibited characteristics as Securities Act (Including additional amendments), other laws and related regulations.

The Board of Directors currently consists of 12 members, which is suitable for the business. All directors have work experience or have ever worked as the top management positions of government agencies and business sectors. Most of directors have experience in the vegetable oil industry and animal feed ingredients that are beneficial to the Company. Most of directors graduated in business administration and have knowledge in commodity markets and agricultural futures markets. There is a director who has graduated in law as well. The current Board of Directors is composed of qualified persons with experience, expertise from a variety of professions.

The Company invites minority Shareholders through website to nominate qualified person who are not possessing any prohibited characteristics as prescribed by the laws on public limited company, the laws on securities and the stock exchange and according to the criteria set by the Company every year to be selected as the Company's director. The Corporate Governance Nomination and Remuneration committee will consider and propose to the Board of Directors or Shareholders' meeting, as the case may be.

Board Skill Matrix

			Directors	1. Dr.Suvit Maesincee	2. Mr.Apichart Chirabandhu	3. Dr.Chaipat Sahasakul	4. Assoc. Prof. Dr.Kitcha Urairong	5. Mr.Vipoota Trakulhoon	6. Miss Aranya Vitayatanagorn	7. Mr. Vichai Vitayatanagorn	8. Mr.Vachara Vitayatanagorn	9. Mr.Pachai Chanpitaksa	10. Mr.Ekarat Wongsupbhasatigul	11. Mr.Vorravuth Tangpiroonthum	12. Mr.Kuna Vitayatanagorn	Total
Corporate Governance Capability	ESG	Training				●			●		●		●	●	●	6
		Experience	●	●	●				●	●				●	●	7
	Risk Management	Training			●		●	●		●			●	●	6
		Experience		●	●		●	●	●		●		●	●	8
	Corporate Governance	Training			●	●	●	●		●	●		●	●	8
		Experience	●	●	●	●		●	●				●	●	8
Industry knowledge and experience	Vegetable Oil	Training						●						●	2
		Experience	●		●	●		●	●		●		●	●	8
	Feed	Training				●		●						●	3
		Experience	●		●	●		●	●	●	●		●	●	9
Specialized knowledge and experience	IT/Digital	Training									●	●	●	●	4
		Experience				●			●				●	●	4
		Education											●	●	2
	Engineering	Training													0
		Experience							●				●		2
		Education									●	●			2
	Law	Training										●	●		2
		Experience					●						●		2
		Education		●											1
	Human Resource Management	Training				●							●	●	3
		Experience	●	●	●	●	●	●	●	●			●	●	10
		Education											●	●	2
	Economics	Training			●			●					●	●	4
		Experience	●		●	●	●	●					●	●	7
		Education			●					●	●	●	●		5
	Accounting and Finance	Training			●		●	●					●	●	5
		Experience		●	●		●						●	●	5
		Education			●		●			●	●	●	●		6
	Business Management	Training					●	●					●	●	4
		Experience	●	●	●		●	●	●	●	●	●	●	●	11
		Education	●				●	●		●		●	●	●	7
	Domestic and International Marketing	Training						●					●	●	3
		Experience	●		●			●	●			●	●	●	7
		Education	●									●	●		3

Selection criteria

Directors Qualifications

- Not being prohibited by the Public Limited Companies Act B.E. 2535 or other related laws as well as the requirements of the SET, the SEC and the Company's regulations.

- Being a qualified person with leadership, visionary, morality and ethics, knowledge, ability, useful experience and understanding of the nature of business and industry in which the Company operates to be consistent with the Company's strategy and the Board Skill Matrix.

- Being responsible and able to fully devote time to perform the duties as the Company's directors. The director can hold a directorship in other businesses, but it must not be an obstacle to perform the duties as the Company's director. In order to encourage the directors to devote sufficient time to perform their duties efficiently, the director is limited to serve as a director in the listed companies in the Stock Exchange of Thailand not more than 5 companies.

Independent Directors Qualifications

The number of independent directors is not less than one-third of the total number of directors.

At present, the Board of Directors consists of 5 independent directors who are fully qualified according to the criteria set by the Capital Market Supervisory Board as follows;

- Shall not hold shares exceeding of one percent of the total number of voting shares of the Company, or the parent company, subsidiary company, associated company, major shareholder, or controlling person, whilst the number of shares held by any related person of such independent director must also be counted.

- Shall not a director participating in management role, or an employee, an officer, an advisor who receives regular salary, or a person having controlling power, of the Company or the parent company, subsidiary company, associated company, a subsidiary company in the same level, major shareholder, or controlling person, unless such an independent director has not possessed the characteristics referred to above for at least two years, provided always that such prohibited characteristics shall not apply to an independent director who used to be a government officer or an advisor to a government authority, which is a major shareholder or the controlling person of the Company.

- Shall not a person related by blood or legal registration as a father, mother, spouse, sibling, and child, including as a spouse of a child of other directors, management person, major shareholder, controlling person, or the person being nominated to be a director, management person or a controlling person of the Company or the subsidiary company.

- Shall neither have and have ever had any business relationship with the Company or the parent company, subsidiary company, associated company, major shareholder, or controlling person in the manner in which his/her independent discretion might be affected, and is not and has not been a significant shareholder or a controlling person of the person that has business relationship with the Company, or the parent company, subsidiary company, associated company, major shareholder, or controlling person, unless such an independent director has not possessed the characteristics referred to above for at least two years.

- Shall not be nor have ever been an auditor of the Company or the parent company, subsidiary company, associated company, major shareholder, or controlling person, and is not a significant shareholder, a controlling person, or a partner of any auditing firm of which the auditor of the Company, or the parent company, subsidiary company, associated company, major shareholder, or controlling person is working, unless such an independent director has not possessed the characteristics referred to above for at least two years.

- Shall not be nor have ever been any professional service provider, including legal or financial advisor who obtains fee of more than Baht two million per year from the Company or the parent company, subsidiary company, associated company, major shareholder, or controlling person, and not be a significant shareholder, or a controlling person, or a partner of any of such professional service provider, unless such an independent director has not possessed the characteristics referred to above for at least two years.

- Shall not be a director appointed as a representative of the Board of Directors, major shareholder, or shareholder who is a related to major shareholder of the Company.

- Shall not undertake any business in the same nature and in competition with the business of the Company or its subsidiary, nor be a significant partner in a partnership or director with management authority, employee, staff member or advisor who receives salary or holds shares exceeding 1% of the total number of shares with voting rights of another company which undertakes business in the same nature and in competition with the business of the Company or its subsidiary.

- Shall not have any other characteristics which may restrict such person from offering independent opinions regarding the Company's operations.

Director's Term of Office

The Company's Articles of Association stipulates the director's term of office in accordance with the Public Limited Companies Act B.E. 2535 that at the Annual General Meeting of Shareholders each year, one-third of directors shall vacate office. If the number of directors cannot be divided exactly into three parts, directors in a number closest to one-third shall vacate office. In the first and the second year, directors to vacate office shall draw lots. In subsequent years, the directors who remained in office for the longest time shall vacate office. However, the Board of Directors has a 3-year term of office and may be re-elected as the Board of Directors deems appropriate. The director vacating office may be re-elected.

The Company established the terms of independent director not to exceed 3 consecutive terms, as indicated in the Charter of the Board of Directors. In the case that there is a suitable director to be appointed longer than the specified period, the Board of Directors will consider the period of such appointment based on the efficiency of the performance, expertise and knowledge and understanding of business and/or specialization that is beneficial to the Company in consideration of the best interests of the Company. In the year that independent director is due to retire by rotation, the Board of Directors will propose the list of such independent director together with the reason for the Annual General Meeting of Shareholders to consider and approve the re-election of such director back to be an independent director.

Directors Appointment

In every Annual General Meeting of Shareholders, one-third of members of the Board shall vacate office, if the number of directors cannot be divided exactly by three, the directors in a number closest to one-third shall vacate office, and then new members shall be elected by Shareholders based on following criterion:

- One shareholder has votes in a number equal to number of shares.
- Each shareholder may use all his/her votes to elect one or more than one director but may not distribute his/her vote varied for persons.
- In voting for the director election, the Company allows Shareholders to use ballot to elect directors individually. In this regard, the Shareholders are required to cast all their votes to elect nominated persons as directors one by one.
- Voting result, the Company uses a simple majority votes of the Shareholders who attend the meeting and cast their votes. Persons equaled to number of directors to be appointed with highest subsequent votes shall be elected as members of the Board of Directors. In cases where the persons elected in descending order are equal vote, exceeding number of directors to be elected at that time, Chairperson shall cast a deciding vote.

In the case of a vacancy of directorship for reason other than expiration of term of office, the Corporate Governance Nomination and Remuneration Committee shall elect a person possessed of qualifications and not possessed of disqualifications according to the law as the replacement director in the Board of Directors' meeting within the period specified by law unless the remaining term of office of the vacating director is less than 2 months. The replacement director may hold only for the remainder of term of office of the director who be replaced. In this regard, the resolution must be supported by votes not less than three-fourths of the number of the remaining directors.

The 2021 Annual General Meeting of Shareholders considered and approved the appointment of 2 directors who retired by rotation, namely: Mr.Apichart Chirabandhu (Independent), Assoc. Prof. Dr.Kitcha Urairong (Independent), to be re-elected as the Company's directors for another term, considered and approved the appointment of Mr. Kuna Vitayatanagorn as the Company's director to replace Mr.Vichit Vitayatanagorn (the passed away director) and considered and approved the appointment of Mrs. Suvimol Chrityakierne as nominated by Shareholders to be the Company's director in place of the director who retired by rotation. All 4 directors had passed the screening process by the Corporate Governance Committee, Nomination and Remuneration Committee and been approved by the Board of Directors that their qualifications were suitable for the business and their past performance had been satisfactory throughout the term of directorship.

However, Mrs. Suwimol Chrityakierne submitted a resignation letter from the position of the Company's director, effective from July 16, 2021 due to other business engagement causing her to be unable to perform duties effectively. Therefore, the Board of Directors Meeting No. 13/2021, held on October 15, 2021, resolved to appoint Mr. Vipoota Trakulhoon, as independent director and the Audit Committee Member instead of the resigned director.

Advisors Appointment

In 2021, the Board of Directors appointed an expert as an advisor to the Board of Directors. The Board of Directors Meeting No. 3/2021 on January 28, 2021 resolved to appoint Ms. Wiboonluck Ruamraksa who had expertise in both domestic and international commerce including the experience in human resource development planning, as an advisor to the Board of Directors and an honorary member of the Corporate Governance Nomination and Remuneration Committee. In addition, the Board of Directors' Meeting No. 9/2021 on May 14, 2021 resolved to appoint Mr. Vipoota Trakulhoon, who had knowledge, expertise and experience in accounting, finance, investment and business risks, as another advisor to the Board of Directors.

Nomination and Appointment of the Directors and Top Executives

The Board of Directors' Meeting No. 16/2020 resolved to appoint Mr. Charuphot Neesanant as Acting Chief Executive Officer effective from January 1, 2021. Throughout the year 2021, the Chief Executive Officer Nomination Committee ("CEO Nomination Committee") conducted a recruitment process by recruiting professional executives with knowledge, abilities and experience through general job postings via print and online media from December 16, 2020 to January 15, 2021. There were a lot of interested applicants, but the applicants who were qualified for the interview process had not met the qualifications specified by the Company. Therefore, the Board of Directors Meeting No. 11/2021 appointed a new CEO Nomination Committee by assigning Mr. Apichart Chirabandhu (Chairman of the Audit Committee) as the chairman of CEO Nomination Committee along with 2 other qualified members. The recruitment reopened in August 2021 through a combination of different recruiting methods but there were no applicants who passed the selection criteria. However, the CEO Nomination Committee has been still working on recruiting qualified people with expertise and experience in the food industry, commodity products including the animal feed or vegetable oil industry, which will be beneficial for the Company's business in the future.

Limitation of Director's positions in other Company

The Board of Directors has a definite policy on a limitation of number of Companies that a director should be holding as a director in other listed companies not exceeding than 5 companies in order for the director to have adequate time to do their own duties. In 2021, there was no director holding any position as a director in more than 5 listed companies.

The Position of Chief Executive Office and Managing Director in other Companies

The Board of Directors has a definite policy on other positions of Chief Executive Office and Managing Director in other companies by considering that the business must be supported by the business of the Company for example; position in the Company's subsidiary in order to control them.

However, being a director in other listed companies of the Chief Executive Officer and Managing Director must not be an obstacle to the performance of the Chief Executive Officer and Managing Director of the Company and that business must not be the same nature as the Company and not in competition with the Company and also bring knowledge and experience from being a director in other companies to help enhance the Company.

In 2021, Acting Chief Executive Officer and Managing Director of the Company were not a director in any other listed companies.

Directors and Executives Development

Current Directors and Executives

The Company is aware of the importance of knowledge development for current directors and supports the directors to attend training courses related to the roles and responsibilities of directors organized by the Thai Institute of Directors (IOD). Presently, 12 directors have passed the preliminary training program with the IOD or out of a total of 12 directors, representing 100% including other courses related to directors' roles and the Company's business. The Company also encourages managements to gain knowledge about the legal, relevant regulations related to executive function as well as seminars that are beneficial to the organization and participants.

In 2021, all 12 directors of the Company participated in an online seminar on the topic of "National Director Conference 2021: Leadership Behind Closed Door" between August 17, 2021 to October 12, 2021, organized by IOD in order to make the Company's directors realize their role as Leaders in driving the organization to achieve its objectives and sustainable growth.

In addition, the Company's directors and the executives passed the training courses organized by the Thai Institute of Directors Association (IOD) and other courses organized by various institutions as follows;

Training Development of Directors and Executives in 2021

Name	Program	Organization / Lecturer
1. Dr.Suvit Maesincee	Role of Chairman Program (RCP 47/2021)	Thai Institute of Directors Association (IOD)
2. Mr.Vipoota Trakulhoon	Advanced Audit Committee Program (AACP 42/2021)	Thai Institute of Directors Association (IOD)
3. Mr.Kuna Vitayatanagorn	Director Certification Program (DCP 305/2021)	Thai Institute of Directors Association (IOD)
4. Ms.Sunanta Tritepapiruk	Basic Course on the Personal Data Protection Act B.E. 2562 (2019)	Baker & McKenzie Ltd.
	Inventory Accounting	Dharmniti Seminar and Training Co., Ltd
	Tips for preparing and presenting a simple cash flow statement	
5. Ms.Kanutsorn Bunditnate	Basic Course on the Personal Data Protection Act B.E. 2562 (2019)	Baker & McKenzie Ltd.
	Preparation for sustainability with One Report	The Securities and Exchange Commission (SEC)
	Guidelines for preparing a stakeholder report and insider information policy	Thai Listed Companies Association (TLCA)
	ESG Disclosure in One Report	
	The process of director nomination according to CG principles	
	CGR Workshop Seminar on the topic of CGR 2023 Survey No. 2/2021	Thai Institute of Directors Association (IOD)

New Directors

The Company has specified guidelines for preparing the duties of the directors for newly elected directors by organizing the orientation program for a new director in order to prepare in performing duties as a director. The Company Secretary is responsible to organize program to visit the plants and its production process, prepare Director's handbook as an introduction to the Company such as vision, goal of the Company, industry overview as well as the Company's regulations, related laws including operation framework, scope of duties and responsibility of the committees including matters under consideration by the Board as references for a new director to be able to search initially. In addition, the Board has assigned the Company Secretary to arrange a meeting with the Chairman of the Company, other directors or managements to inquire and receive in-depth information about the Company's business operations.

In 2021, the Company Secretary prepared a director manual for new directors to introduce the Company's business overall and organized an orientation course for them to meet with the Vice chairman, Acting Chief Executive Officer and Managing Director together with senior executives to discuss and provide important information regarding the Company's business.

Relevant parties in corporate governance

The Company has a policy to encourage those supporting the Board of Directors work, such as Company Secretary, the secretary to the Audit Committee, and those doing relevant jobs, to be developed consistently and continuously by receiving training and seminars in courses related to their duties organized by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), Thai Listed Companies Association, Thai Institute of Directors (IOD) and other institutions continuously.

Succession Plan

In order to be prepared for a continuation of the business, the Board of Directors, therefore, requires the management to have a succession plan of the Chief Executive Officer and senior executives by assigning the Corporate Governance Nomination and Remuneration Committee to be responsible for succession plan for important positions together with Chief Executive Officer and to present to the Board of Directors for consideration including determining the knowledge, ability and experience of positions that are important and affecting the business as well as to prepare assessment plans of knowledge, capabilities, weakness, strengths and readiness of the Executive Vice President and above especially the Chief Executive Officer position in order to find qualified people to participate in individual development programs, which is to develop the knowledge of potential executives to be ready for business management, business expansion and organization restructuring including retirement in the future. The Chief Executive Officer is responsible for reporting the succession plan to the Corporate Governance Nomination and Remuneration Committee to summarize and report to the Board of Directors at least once a year.

In 2021, the Board of Directors assigned the management to implement the succession plan by developing personnel potential and working rotation to prepare them to adapt to the changing situation and business.

Performance Evaluation

Board of Directors

The Corporate Governance Nomination and Remuneration Committee is responsible for assessment process of the Board of Directors by applying the assessment form of the Stock Exchange of Thailand to be adapted to suit the nature and structure of the Board of Directors in which the assessment forms will be reviewed annually in order to be used as a framework for monitoring the performance of the Board of Directors. The assessment results will be further considered for the suitability of the Board composition. In this regard, the performance assessment of the Board of Directors has the following topics as follows;

Topic of the entire Board Assessment

- Structure and Qualification of the Board of Directors
- Role and Responsibility of the Board
- Board Meeting
- Directors' Duties
- Relation with management
- Self-development of directors and executive

Topic of Individual Assessment

- Structure and Qualifications of the Board of Directors
- Meeting
- Roles, duties and responsibilities of the Board of Directors

Sub-committee

The Board of Directors requires that the sub-committees, consisting of the Audit Committee, the Corporate Governance Nomination and Remuneration Committee (CGNR) and the Environmental Social Risk Management Compliance (ESRC) Policy Committee shall have a self-assessment of their performance and shall report the assessment results to the Board of Directors meeting every year to review the performance of the sub-committee. The evaluation form of the sub-committee is prepared in accordance with the scope of authority, duties and responsibilities in accordance with the charter of each sub-committee and reference to the form from the Stock Exchange of Thailand, which has topics about the structure, and qualifications of sub-committees, roles, duties and responsibilities of sub-committees.

In 2021, the Board of Directors and all sub-committees have performed their duties with knowledge, ability, according to the scope of authority and responsibility assigned by the Charter and in accordance with the best practices of the regulatory authorities. The Company Secretary has summarized the evaluation results of the Board of Directors both the entire Board and individual including the evaluation results of each sub-committee and reported to the Corporate Governance Nomination and Remuneration Committee to present to the Board of Directors Meeting No. 1/2022 on February 25, 2022. The assessment results of the Board of Directors are as follows;

Board of Directors	Score (%)
As a whole assessment	91.9
Individual assessment	96.6

Sub-committee	Score (%)
The Audit Committee	96.0
The Corporate Governance Nomination and Remuneration Committee	99.0
The Risk Management Policy Committee	96.6

Chief Executive Officer and President

The Board of Director shall arrange to evaluate the performance of the Chief Executive Officer every year on the topic of leadership, formulation and implementation of strategic plans, financial planning and performance, relationship with the Board, succession plan, risk management, internal control and corporate governance by using the guidelines from the Stock Exchange of Thailand. The said evaluation criteria have been approved by the Corporate Governance Nomination and Remuneration Committee including executive directors and non-executive directors.

The Company Secretary is responsible for submitting the assessment form to all directors including non-executive directors to evaluate the performance of the Chief Executive Officer and compiling the assessment results, reporting to the Corporate Governance Nomination and Remuneration Committee to present to the Board of Directors for determining the annual remuneration of the Chief Executive Officer. A discussion session is provided to give comments on performance improvement. The assessment result of the performance of the Chief Executive Officer and the President for the year 2021 was very good.

Board Meeting

The Board of Directors requires that the meeting shall be not less than 6 meetings per year, with the meeting dates set in advance for the whole year and assigns the Company Secretary to submit the schedule and agenda of each Board meeting in advance. However, the date of the meeting may be changed as appropriate depending on the importance of the agenda to be considered. In 2021, the Board of Directors held totally 15 meetings with the proportion of meeting attendance of the entire Board of Directors was 94.44%.

For the Board of Directors' meeting in 2022, the Board of Directors has scheduled the meeting date in advance throughout the year and notified the said schedule to each director so that the directors can arrange the time and attend the meeting. If there is no Board meeting in any month, the management will report the operational results to the Board of Directors through electronic channels (e-mail) so that the Board is able to monitor, control and supervise the managements' operations continuously and in a timely manner.

The Chairman of the Board and Chief Executive Officer jointly consider the matters into the meeting and set the meeting agenda. Each director is allowed to propose his own agenda to be considered as the meeting agenda. In addition, the Executives who are involved in important matters may be assigned to attend the Board meetings to provide additional necessary information.

The Company Secretary is responsible for sending the meeting invitation together with supporting documents for the meeting agenda to the directors at least 7 days prior to the meeting in order for the directors to have sufficient time to study the information, unless there is an urgent matter.

Board Meeting Quorum

In a meeting of the Board of Directors, the presence of not less than one-half of the total number of directors is required to constitute a quorum. The meeting is conducted in the form of a presentation, and discussion suitable for consideration. The Chairman of the Board, as Chairperson of the meeting, will give an opportunity for the Committee to freely express opinions. Management team will join the meeting in some agenda to present an important information as related persons and acknowledge policy directly from the Board of Directors by themselves in order to have it implemented efficiently.

In the Board meeting with important agenda to be approved, the quorum must consist of not less than two-thirds of the total number of directors presenting at the time of voting to jointly consider important agenda.

The resolution of the Board of Directors' meeting shall be by a majority votes, each director shall have one vote, except the director having interests in any matter who shall have no right to vote in such matter. In the case of an equality of votes, the Chairman of the meeting shall give the casting vote.

The Company Secretary shall attend the meeting to take minutes of meeting which will be certified correctly by the Chairman of the Board and proposed to the next meeting for approval. The Company Secretary is also a data collector regarding certified documents or other all meeting documents for easy reference in searching.

The Board of Directors encourages non-executive directors to convene meeting among themselves without management team attending the meeting. The meeting is independently to discuss business issues, including improvements of the Company. The meeting results shall be reported to the Board of Directors. In 2021, there was 1 meeting of independent directors on December 17, 2021 to discuss the business direction for 2022, in which the meeting was conducted without management participation.

Board Attendance Report

Name	Position	BOD	AC	CGNR	ESRC	AGM	Independent Directors'Meeting Non-Executive Directors' Meeting
1. Mr.Sompol Kiatphaibool	Chairman of the Board (Independent)	7/7/1 (100%)	2/2	6/6	-	1/1	-
2. Dr.Suvit Maesincee	Chairman of the Board (Independent)	14/14/2 (100%)	-	12/12	2/2	1/1	1/1
3. Mr.Apichart Chirabandhu	Vice Chairman (Independent)	15/15 (100%)	5/5	12/12	-	1/1	1/1
4. Dr.Chaipat Sahasakul	Director (Independent)	15/15 (100%)	5/5	-	2/2	1/1	1/1
5. Assoc.Prof. Dr.Kitcha Urairong	Director (Independent)	15/15 (100%)	-	12/12	-	1/1	1/1
6. Mrs. Suvimol Chrityakierne	Director (Independent)	3/3/3 (100%)	1/1	-	-	-	-
7. Mr. Vipoota Trakulhoon	Director (Independent)	3/3/4 (100%)	1/1	-	1/1	-	1/1
8. Mr.Vichit Vitayatanagorn	Director	3/6/5 (50%)	-	-	-	-	-
9. Miss Aranya Vitayatanagorn	Director	14/15/6 (93.33%)	-	-	2/2	1/1	-
10. Mr.Vichai Vitayatanagorn	Director	14/15/6 (93.33%)	-	-	-	1/1	-
11. Mr.Vachara Vitayatanagorn	Director	15/15 (100%)	-	-	-	1/1	-
12. Mr.Pachai Chanpitaksa	Executive Director	15/15 (100%)	-	-	-	1/1	-
13. Mr.Eakarat Wongsupbhasatigul	Director	15/15 (100%)	-	-	-	1/1	-
14. Mr.Vorravuth Tangpiroonthum	Director	12/15/6 (80%)	-	-	-	1/1	-
15. Mr.Kuna Vitayatanagorn	Director	8/8/7 (100%)	-	-	-	-	-
Total		**94.44%**					

Remark:
/1 Completed the director term at the 2021 Annual General Meeting of Shareholders held on April 23, 2021.
/2 Appointed as the Company's director by the Board of Directors Meeting No. 2/2021, on January 13, 2021 and appointed as independent director and a member of the Corporate Governance Nomination and Remuneration Committee by the Board of Directors' Meeting No. 3/2021 on January 28, 2021 and later appointed as a member of the ESRC Policy Committee by the Board of Directors' Meeting No. 6/2021 on March 19, 2021 .
/3 Appointed as an independent director by the 2021 Annual General Meeting of Shareholders held on April 23, 2021 and resigned from the position at the Board of Directors Meeting No. 11/2021, on July 16, 2021.
/4 Appointed as an independent director, a member of the Audit Committee and a member of the ESRC Policy Committee by the Board of Directors Meeting No. 13/2021, on October 15, 2021.
/5 Absent the meeting due to sick leave and then passed away on April 2, 2021.
/6 Absent the meeting due to other engagement.
/7 Appointed as the Company's director by the 2021 Annual General Meeting of Shareholders held on April 23, 2021.

Director Remuneration

The Board of Directors has established the remuneration policy for directors fairly and reasonably according to the principles of good corporate governance. The Corporate Governance Nomination and Remuneration Committee is assigned to be responsible for determining the remuneration to be reasonable and in accordance with the business strategy, long-term goals, the Company's performance and other duties as assigned. To determine the remuneration appropriate and sufficient to motivate and retain qualified directors, the Company uses the Director Compensation Survey Report of the Thai Institute of Directors and the Stock Exchange of Thailand for consideration including comparing with other listed companies in the Stock Exchange that are in the same industry group and similar size. Directors who are assigned to be members of sub-committees will receive additional remuneration based on responsibilities increased and executive directors will receive remuneration from working as employees of the Company. Annual remuneration shall be presented to the Board of Directors' meeting for consideration before proposing for approval from the Shareholders' meeting every year in order to adhere to the principles of good corporate governance. In this regard, the remuneration of directors is determined in the form of monthly remuneration, meeting allowance and special remuneration as follows;

- **Directors' Remuneration**
  The directors are entitled to receive remuneration per meeting allowance and / or receive monthly remuneration in an average of not more than Baht 600,000 per month by considering allocating at the discretion of the Board of Directors.

- **Sub-committee's Remuneration** with details as follows;

Sub-Committee	Position	Meeting Allowance (Baht/Person/ Time)
The Audit Committee	Chairman	50,000
	Member	40,000
The Corporate Governance Numeration and Remuneration Committee	Chairman	40,000
	Member	30,000
The Environmental Social Risk Management and Compliance Policy Committee	Chairman	40,000
	Member	30,000

- **Special Remuneration**
  The directors are entitled to receive an annual special remuneration at the rate of not more than 1% of the net profit according to the consolidated financial statements in the amount not exceeding Baht 20 million by considering allocating at the discretion of the Board of Directors. In the year 2021, the Board of Directors considered determining the annual special remuneration in the amount of Baht 18 million.

- **Other**
  Directors' & Officers' liability insurance (limit of liability: 100 million Baht)

In the year 2021, the monetary remuneration for 15 directors equals to Baht 10.19 Million, consisting of monthly remuneration of Baht 3,416,527, meeting allowance of Baht 4,555,000, remuneration for the Audit Committee of Baht 610,000, remuneration for the Corporate Governance Nomination and Remuneration Committee of Baht 1,380,000 and remuneration for the Environmental Social Risk Management and Compliance Policy Committee of Baht 230,000. The Company does not provide any other benefits to the directors in addition to monetary compensation. The Board of Directors will present the directors' remuneration for the year 2021 to the 2022 Annual General Meeting of Shareholders on Friday, April 22, 2022 with the following details:

Director Remuneration 2021

Name	Monthly Remuneration (12 months)	Board of Directors meeting allowance	Audit Committee Remuneration	Corporate Governance Nomination and Remuneration Committee Remuneration	Environmental Social Risk Management and Compliance Policy Committee Remuneration	Total
1. Mr.Sompol Kiatphaibool	376,667	595,000	80,000	240,000	-	1,291,667
2. Dr.Suvit Maesincee	1,027,441	960,000		420,000	80,000	2,487,441
3. Mr.Apichart Chirabandhu	600,000	600,000	250,000	360,000		1,810,000
4. Dr.Chaipat Sahasakul	600,000	600,000	200,000		60,000	1,460,000
5. Assoc.Prof. Dr.Kitcha Urairong	600,000	600,000		360,000		1,560,000
6. Mrs. Suvimol Chrityakierne	85,000	120,000	40,000			245,000
7. Mr. Vipoota Trakulhoon	127,419	120,000	40,000		30,000	317,419
8. Mr.Vichit Vitayatanagorn		30,000				30,000
9. Miss Aranya Vitayatanagorn		140,000			60,000	200,000
10. Mr.Vichai Vitayatanagorn		140,000				140,000
11. Mr.Vachara Vitayatanagorn		150,000				150,000
12. Mr.Pachai Chanpitaksa		150,000				150,000
13. Mr.Eakarat Wongsupbhasatigul		150,000				150,000
14. Mr.Vorravuth Tangpiroonthum		120,000				120,000
15. Mr.Kuna Vitayatanagorn		80,000				80,000
Total	**3,416,527**	**4,555,000**	**610,000**	**1,380,000**	**230,000**	**10,191,527**

Governance of its Subsidiary and Associated Company

The Company has a policy to assign qualified directors or managements to be as a director in subsidiary company to enable the overall management to be in the same direction. This is an agreement between the Company, its subsidiary and associated company to participate in formulating an important policy and governing its subsidiary to have proper internal control system and corporate governance in various aspects same as the Company. The Board of Directors shall assign the management to consider the suitable person as the Company's representative to be a director or an executive in its subsidiary according to the shareholding proportion in accordance with the term of directorship. Its subsidiary is responsible for submitting financial statement to the Company to make consolidated financial statement.

In 2021, the Company restructured its organization in line with vision and business strategy during crises. The Company is currently considering a suitable executive to be appointed as the Company's representatives in its subsidiary according to the proportion of shareholding in subsidiary in order to manage and participate in formulating management policies that are important to the Company's business.

Compliance with Corporate Governance policy and practices

The Board of Directors attaches great importance to the good corporate governance principles by prescribing related policies and practices in the Corporate Governance policy and business Code of Conduct and promoting practicality to build confidence among all stakeholders. In 2021, the Company has complied with the good corporate governance principles covering the following matters: Shareholder rights protection, Equitable treatment of Shareholders, Responsibility to all stakeholders covering in these areas; Employment, Human Rights, Competition, Health, Safety and Environment, Social Responsibility, Community, and Compliance with the rules and regulations of the governing bodies. The results showed that the Company had completely followed the guidelines for each issue. In addition, the Company has followed to achieve the good corporate governance in the following main areas;

Conflicts of Interest Prevention

The Board of Directors has set the policy regarding conflicts of interest and related transactions between the Company and its subsidiary. Considerations of any transactions including the approval of such transaction must comply with regulations of the Office of the Securities and Exchange Commission according to the announcement of the Capital Market Supervisory Board and are subject to normal business conditions with the best interest of the Company and Shareholders. The Company must avoid any actions that cause conflicts of interest. The Company requires those who have a conflict of interest or connected with the considering transaction to report the Company regarding their relationship or connected person before considering the agenda of the Board of Directors' Meeting and record those transaction in the minutes. Those who have a conflict of interest are not allowed to participate in any meeting of such approval and have no authority to approve such transaction. The Audit Committee is responsible for overseeing any conflicts of interests to be corresponding with the policy by concerning requirements, procedures and disclosure of transactions that may cause conflict of interest properly.

In 2021, the Board of Directors ensured that the Company's directors and the Executives reported their conflict of interests and submit to the Company Secretary every year in order to get the information updated in accordance with good corporate governance principles.

Insider Trading Control

The Board of Directors has established the Insider Trading policy in the Corporate Governance Policy and Business Code of Conduct in order to comply with the securities laws and transparency in the business. The directors, executives and employees are prohibited from using the Company's internal information for personal benefit or disclosing information to the third parties for securities trading. The Company has disclosed the aforementioned policy on the website for Shareholders' reference. Details are summarized as follows;

- Directors and executives, as defined by the SEC, are responsible to report changes in the Company's securities holding to the SEC within 3 working days as required by the SEC. In this regards, the Company requires directors and top executives to notify the Company Secretary 1 day in advance of securities trading in order to inform the Board of Directors meeting.

- Directors, Executives and Employees related to information. (Including spouses and underage children of such persons) are prohibited from securities trading the during the 1-month period (Blackout Period) before disclosing quarterly financial statements and annual financial statements or other information that may affect the stock price of the Company and until 24 hours after the disclosure of such information to the public. The Company Secretary is responsible to notify the concerned person by letter or e-mail during the said period in advance.

- The Company Secretary is responsible to prepare a report on the change in securities holding for the directors to certify and endorse before the Board's meeting on a monthly basis and disclose such report along with details of changes during the year in Appendix in Form 56-1 One Report / Annual Report 2020.

In 2021, the Board of Directors and the Executives had not traded in securities by using inside information. At the Board of Directors Meeting No. 1/2022, the Company Secretary reported the changes in securities holdings of directors and the executives to the meeting for acknowledgement.

Anti-Corruption

In order to be in line with the business intention and as a guideline for Directors, Executives and Employees to strictly adhere to their operations. In 2021, the Company communicated to its business partners and invited them to join the Thai Private Sector Collective Action Against Corruption as well as asking for cooperation from business partners to refrain from giving gifts to the executives and staffs of the Company in every festival. In addition, the Company reviewed and revised the complaints procedures to be appropriate and consistent with current business. The Company published an Anti-Corruption policy and complaints procedures on the topic "Corporate Governance" in Form 56-1 One Report / Annual Report 2021 on **page 75** and on the Company's website (**www.tvothai.com/en/corporate-governance**)

The Company declared its intention to join Thai Private Sector Collective Action Against Corruption on April 19, 2018. With a commitment to prevent an anti-corruption in all forms, both directly and indirectly, the Company has been certified as a member of the Thai Private Sector Collective Action Coalition Against Corruption 2019 from the Private Sector Collective Action Coalition Against Corruption (CAC) on Friday October 18, 2019. In order to comply with the Anti-Corruption policy, the Company took action as follows;

- **Business Risk Assessment**

  In 2021, Enterprise Risk Management Committee (ESRC-E) assessed the potential risk of corruption according to risk management plan and overseen the operation to be in line with risk assessment, then, reported to the Environmental Social Risk Management and Compliance Policy Committee (ESRC) to formulate policies, govern and control risk management and report to the Board of Directors respectively.

- **Practices on governance, prevention and monitoring risk from corruption**

  The Company prescribes anti-corruption practices regarding governance and monitor risk from corruption as follows;

  - Office of Internal Audit provides examination process, the internal control system assessment, risk management covering important work system such as procurement system, sales system, accounting system, payment system etc. These are to prevent and monitor risk from corruption including provide appropriate opinion on solving guidelines.
  - Provide channels for receiving information on clues, complaints, offenses, violations of laws, regulations, or anti-corruption policies. The policy is to protect the whistleblower and keep the information of the whistleblower as confidential including having measure to investigate. The Company also imposes disciplinary action and relevant legal penalties.
  - The head of the relevant department is responsible for monitoring the implementation or improvement of defects (if any) and report to the supervisor.

- **Training and Communication**

  The Company has planned an annual training program to educate employees on anti-corruption policy as well as related policies such as business code of conduct, receiving gifts or customer reception. In 2021, the Company arranged training for executives and employees to provide better understanding of the implementation according to anti-corruption policy on December 10, 2021. Every employee can reach such policy via intranet system and communication board. The Company also communicated anti-corruption policy to its business partners and those who related, and as well as business representatives via appropriate channel for having same practices and acknowledgement.

- **Guidelines for the anti-corruption measures implementation**

  In 2021, the Company did not receive any clues or complaints of wrongdoing or corruption. In this regard, the Company prepared a summary report on the implementation of anti-corruption measures and reported to the Audit Committee and the Corporate Governance Nomination and Remuneration Committee and disclosed to Shareholders in the annual report as well.

- **Review the completeness and sufficiency of the process**

  The Audit Committee reviewed all information and agreed on the completeness and sufficiency of the process and endorsed by the Chairman of the Audit Committee.

Whistleblowing

The Company provides a channel for stakeholders to report whistleblowing and complaints through post, e-mail and telephone. The Internal Audit Office is responsible to screen clues and such complaints and the Audit Committee, who is independent from the management, will consider the case.

In 2021, the Company reviewed and revised the complaints procedures to be appropriate and consistent with current business. However, none of whistleblowing and complaints, related to fraud or violations of the Company's corporate governance policy, was found.

Personal Data Protection

The Board of Directors realizes the importance of Data Privacy in order to comply with the Personal Data Protection Act 2019, the Board of Directors' Meeting no. 14/2020 on November 13, 2020 approved the Personal Data Protection Policy to establish personal data security measures in accordance with the laws, regulations, rules and practices on the personal data protection.

8.2
Audit Committee Performance

In 2021, the Audit Committee, consisting of 3 independent directors, convened 5 meetings and held a meeting with the auditor without the management to request opinions from the auditor on various matters. In addition, the Audit Committee also held a meeting between the Audit Committee and the Internal Audit Department.

Name	Position	Meeting Attendance in 2021
1. Mr.Apichart Chirabandhu	Chairman (Independent)	5/5
2. Mr.Sompol Kiatphaibool/1	Member (Independent)	2/2
3. Dr.Chaipat Sahasakul	Member (Independent)	5/5
4. Mrs. Suvimol Chrityakierne/2	Member (Independent)	1/1
5. Mr. Vipoota Trakulhoon/3	Member (Independent)	1/1

Remarks: /1 Completed the director term at the 2021 Annual General Meeting of Shareholders held on April 23, 2021.
/2 Appointed as member of the Audit Committee by the Board of Directors' Meeting No. 8/2021 on April 23, 2021 and resigned from the position at the Board of Directors Meeting No. 11/2021, on July 16, 2021.
/3 Appointed as a member of the Audit Committee by the Board of Directors Meeting No. 13/2021, on October 15, 2021.

The main aspects of the Audit Committee's performance in 2021 were summarized as follows;

- Considered the Company's financial reports to be accurate, complete, and reliable
- Provided opinions on the Company's internal control system
- Considered the Company's operations to be compliance with the Securities and Exchange Law Stock Exchange's Requirements or laws relating to the Company's business
- Considered selecting and appointing an auditor and audit fees by considering the past performance, independence and reputation including the appropriateness of the auditor and the audit fee. The Audit Committee agreed to appoint Mrs. Chonlaros Suntiaswaraporn and/or Ms. Siraporn Ouaanunkun and/or Mr. Chatchai Kasemsrithanawat of EY Office Limited to be the Company's auditors for the year 2022 and propose to the Board of Directors for consideration and proposing to the Shareholders' meeting to consider appointing auditors and approving audit fees
- Considered the connected transaction or transaction that might have conflicts of interest to comply with the regulations of the Securities and Exchange Commission and the requirements of the Stock Exchange
- Performed duties and responsibilities as specified in the Audit Committee Charter approved by the Board of Directors

8.3
Sub-committees Performance

Corporate Governance Nomination and Remuneration Committee

The Corporate Governance Nomination and Remuneration Committee (CGNR) consists of at least 3 independent directors and holds a meeting at least once a quarter. In 2021, the CGNR Committee held 12 meetings. In order to enhance the corporate governance standards, the Board of Directors Meeting No. 3/2021 on January 28, 2021 resolved to appoint Ms. Wiboonluck Ruamraksa to be an honorary member of the Corporate Governance Nomination and Remuneration Committee to provide advice, suggestions or opinions regarding corporate governance aspects.

As of December 31, 2021, the CGNR Committee consisted of 3 independent directors and 1 honorary member as follows;

Committee	Position	Meeting Attendance in 2021
1. Mr.Sompol Kiatphaibool/1	Chairman (Independent)	6/6
2. Dr.Suvit Maesincee/2	Chairman (Independent)	12/12
3. Mr.Apichart Chirabandhu	Member (Independent)	12/12
4. Assoc. Prof. Dr.Kitcha Urairong	Member (Independent)	12/12
5. Ms. Wiboonluck Ruamraksa/3	Honorary Member	10/10

Remark: /1 Completed the director term at the 2021 Annual General Meeting of Shareholders held on April 23, 2021.
/2 Appointed as Chairman of the Corporate Governance Nomination and Remuneration Committee by the Board of Directors' Meeting No. 8/2021 on April 23, 2021.
/3 Appointed as Honorary Member by the Board of Directors' Meeting No. 3/2021 on January 28, 2021.

The CGNR Committee considered the significant matters in 2021 as follows;

Corporate Governance

- Reviewed the corporate governance policy and personnel policy including operating regulations such as complaints procedure, regulations on compensation and regulations on the management of documents and meeting information to suit the business and comply with the law and guidelines set by the Stock Exchange of Thailand, Securities and Exchange Commission as well as relevant regulatory agencies.
- Reviewed the performance evaluation forms of the Board of Directors and sub-committees and the Chief Executive Officer as well as reviewed the Board Skill Matrix to be aware of the composition, knowledge and expertise to determine which components of the directors were still lacking and used it for further consideration of the nomination of directors.
- Acknowledged the report on compliance with the good corporate governance principles (CG Code) and proposed to the Board of Directors' meeting.

Nomination

In the consideration of the Company's directors to replace the 4 directors who were due to retired by rotation, namely Mr. Sompol Kiatphaibool, Mr. Apichart Chirabandhu, Assoc. Prof. Dr. Kitcha Urairong and Mr. Vichit Vitayatanagorn, the Corporate Governance Nomination and Remuneration Committee did not consider the mentioned directors in order to comply with good Corporate Governance due to all 3 independent directors were members of the Corporate Governance Nomination and Remuneration Committee. In this regard, Mr. Sompol Kiatphaibool expressed his intention not to be nominated for selection as the Company's director.

- The Company invited the Shareholders to nominate qualified persons to be directors via the Company's website and also notified via the SET Portal between October 28, 2020 and January 27, 2021, there was proposal from Shareholders to nominate Mrs. Suvimol Chrityakierne to be elected as the Company's director. The Corporate Governance Nomination and Remuneration Committee considered her profile, knowledge, ability and experience including the expertise according to Board Skills Matrix and Board diversity, therefore, deemed appropriate to propose Mrs. Suvimol Chrityakierne to the Board of Directors for consideration to propose to the Shareholders' meeting to consider and appoint as the Company's directors.

- Mr. Vichit Vitayatanagorn, a director who retired by rotation, passed away. The Corporate Governance Nomination and Remuneration Committee considered the profile, qualification, suitability of the person nominated as director and deemed it appropriate to propose Mr. Kuna Vitayatanagorn in replacement of the passed away director.

- Considered recruiting the Chief Executive Officer according to qualifications, criteria and guidelines to appoint a person as Chief Executive Officer in order to manage the Company's operations continuously.

- Considered appointing advisor, expert and directors in place of the resigned director and presented to the Board of Directors for approval as follows;

  - Appointed Dr. Suvit Maesincee as the Chairman of the Board, and the Chairman of the CGNR Committee and the Chairman of ESRC Policy Committee.
  - Appointed Mr. Vipoota Trakulhoon as Advisor to the Board of Directors, Independent Director and member of the Audit Committee to replace Mrs. Suvimol Chrityakierne.

Remuneration

- Considered the directors' remuneration for the year 2021, consisting of monthly remuneration, bonus and remuneration for sub-committee which consisted of the Audit Committee, the CGNR Committee and the ESRC Policy Committee to present to the Board of Directors' meeting and the Annual General Meeting of Shareholders to consider and approve.

- Considered remuneration for Chief Executive Officer and Managing Director.

- Considered remuneration for Advisors and Honorary Member in sub-committee.

Environmental Social Risk Management and Compliance Policy Committee (ESRC)

The ESRC Policy Committee consists of at least 3 members and holds at least two board meetings a year. In 2021, the ESRC Policy Committee held 2 meetings.

As of December 31, 2021, the ESRC Policy Committee consisted of 4 directors as follows;

Name	Position	Meeting Attendance in 2021
1. Dr. Suvit Maesincee[/1]	Chairman	2/2
2. Dr.Chaipat Sahasakul	Member (Independent)	2/2
3. Miss Aranya Vitayatanagorn	Member	2/2
4. Mr. Vipoota Trakulhoon[/2]	Member (Independent)	1/1

Remark: [/1] Appointed as a member of the ESRC Policy Committee by the Board of Directors' Meeting No. 6/2021 on March 19, 2021.
[/2] Appointed as a member of the ESRC Policy Committee by the Board of Directors Meeting No. 13/2021, on October 15, 2021.

In 2021, the Company maintained a standard of business operations that generated good operating results along with being responsible for the society, communities and environment as well as has complied with the relevant law and developed the operations to be in the same direction efficiently.

The ESRC Policy Committee considered significant matters in 2021 as follows.

- Considered and provided opinions on the draft policy and operational framework for environmental, social responsibility, risk management and compliance.
- Considered and provided opinions on the performance results on environmental, social responsibility, compliance, risk assessment, risk management measures and guidelines, residual risk management action plan.
- Provided advice and supports to the ESRC management team and senior management on environmental issues, social responsibility, risk management and compliance as well as promoted and supported the improvement and development of related work continuously and regularly.
- Performed duties as assigned by the Board of Directors.

9 Internal Control and Related Transaction

9.1 Internal Control

The Board of Directors recognizes the importance of internal control systems according to the international standards - The Committee of Sponsoring Organizations of the Tread way Commission (COSO) in order to achieve the objectives of internal control in all 3 areas, namely operation, reporting, and compliance with the rules and regulations relevant to the Company's business operations. The management is encouraged to establish operational procedures and working structure divided by duties to counterbalance between each other, to set clear written operational authority and to provide a performance tracking system. The Audit Committee has been assigned to monitor and review the internal control system to be effective according to international standards. The internal control system has been reviewed by independent internal auditors, Ascent Advisory Company Limited, together with the internal audit department.

The internal audit office is independent and directly reports to the Audit Committee. The Audit Committee is responsible for approving the appointment, rotation or termination and evaluation the performance of the head of the internal audit department. In this regard, independent internal auditors and the internal audit department are able to freely access the information necessary for the audit, perform inspection and assess the adequacy, appropriateness and efficiency of the internal control systems of various processes and work systems according to the internal audit plan which is prepared according to the risk-based approach approved by the Audit Committee and report the audit results and progress of the management directly to the Audit Committee on a regular basis.

In 2021, the adequacy of the Company's internal control system was assessed by independent internal auditors from Ascent Advisory Company Limited, according to the assessment form of the Office of the Securities and Exchange Commission (SEC). As the management has prepared and the review result of the internal control system assessment, the Audit Committee has considered that the Company's internal control system is sufficient and appropriate without any fault detected. The Company ensures that there are sufficient personnel to operate and manage internal control system. The Company's internal control system consists of 5 components as follows;

- The Board of Directors and executives support an organizational culture that focuses on honesty and ethics, monitor the Company's business operations in accordance with the vision and mission, provide a good internal control environment and facilitate operations, establish an appropriate organizational structure in order to make the management more efficient and operate in the same direction, segregate duties in significant areas in order to create counterbalances between each other as well as assign duties and responsibility, delegate appropriate authority according to the organizational structure, encourage all employees to be aware of their roles, authority and responsibilities, establish policies and procedures covering all operational activities and establish a good Corporate Governance policy, Compliance Policy, Anti-Corruption Guidelines and business Cond of Conduct manual for the Board of Directors, Executives and employees of the Company to adhere as operational guidelines. All personnel are responsible for internal control and maintaining a good internal control system. The Company regularly communicates and publicizes the said policy with all Executives and employees.

- The Board of Directors and Executives attach importance to risk management in order to increase the business value, to build confidence to achieve the Corporate's short and long term goal and to build confidence for all stakeholders and to create value for the organization in the long term. The Board therefore has appointed an Environmental, Social, Risk Management and Compliance Policy Committee (ESRC) to set policies, appropriate risk management framework in accordance with the business plan and policy, and provide related comments and suggestions and propose the ESRC-E management team to be appointed by the Chief Executive Officer to oversee the Company's risk management throughout the organization to be effective and effective. Management guidelines are as follows;

  - Conducting risk management throughout the organization according to the COSO-ERM framework and establishing a risk management policy in order to manage risks that may affect the achievement of the organization's objectives.
  - Managing risks throughout the organization by analyzing and assessing various risks from both internal and external factors including the possibility of fraud and corruption that may affect business goals. Preparing a risk matrix and mitigation management plan that specify measures to cover all processes throughout the organization, in which all departments are responsible for managing risks to an acceptable level. Providing a process of review, follow up the implementation of risk management measures on a regular basis which is considered a part of work that all Executives and employees must be aware of and pay attention to.
  - Applying the Key Risk Indicator (KRI) and systematically recording the statistics of actual risk cases for analysis and monitoring of changes in various risk factors in order to define and review risk management measures to respond to changes effectively and timely manner.
  - Providing a risk communication channel throughout the organization by announcing a communication channel through the Company's network

- The Company has specified controlling activities with due regard to good internal control principles such as separation of duties, determination of approval and operational authorization in order to inspect and counterbalance, policies and guidelines relating to transactions that may have conflicts of interest, transactions and approvals that is transparently, fairly and auditable by taking into account the best interests of the company, etc. The Company's regulations, policies, requirements, operation manual are in written by clearly defining the scope of authority of personnel at each level and procedures to be an operational guide. The operation review is conducted in accordance with the rules, policies, requirements and various operation manual regularly. In addition, the information control is also specified such as Access Control to determine the operational rights in the SAP system in accordance with the principles of good segregation of duties, Firewall systems to prevent an access from external threats from all channels, Solution Firewall backup to install all Anti-Virus programs to prevent data loss or data loss from being infected with viruses, etc.

- Information and Data Communication, the Company has implemented the SAP program in collecting and processing business data in both core and supporting activities in order to reduce data redundancy in the use of many information systems and can summarize the report to the management quickly. The Board of Directors, Executives, employees and stakeholders are provided with appropriate communication such as the delivery of important material relating to the Company's operations and meeting documents to the Board of Directors in advance before the meeting date to allow the Board of Directors to be able to analyze the information adequately before making a decision and information requirement from relevant departments or persons for consideration. During the COVID-19 situation, the Company has increased internal communication channels to support Work From Home to prevent COVID-19 infection. For other communication channels such as internal communication through the organization's intranet, communication via electronic mail, communication for external stakeholders via website, electronic mail, Facebook. In addition, there are guidelines for complaints management and channels for receiving complaints (Whistleblower System) clearly so employees and outsiders can be confident that complaints will be considered transparently, fairly and confidentially within a timely manner.

- The Company has a process for monitoring and evaluating the adequacy of the internal control system, as well as determining the development guidelines to ensure that the Company's internal control systems are efficient and effective. In 2021, the Company has assessed the adequacy of the internal control system by an independent internal auditor. An independent internal auditor together with an internal audit department are responsible for reviewing the audit results to ensure that the existing internal control is sufficient and appropriate and consistent. Various activities were audited in accordance with the internal audit plan approved by the audit committee. The management acknowledged and implemented internal control improvements based on the recommendations received. The audit results will be reported to the Audit Committee on a quarterly basis as well as ongoing compliance monitoring in order to improve the operations in accordance with the rules and regulations related to the Company's business operations. In addition, the Company was certified as a member of the Thai Private Sector Collective Action Coalition Against Corruption (CAC) through a self-assessment process every 3 years, reviewed and signed by the Company's Audit Committee to confirm that the Company has established policy, guidelines, and measures to prevent corruption in accordance with the criteria specified by CAC.

From the 2021 assessment, the Company found no significant defects in the internal control system that may affect the achievement of the Corporate's main objectives, Anti-corruption or violation of laws related to the Company's business operations.

The Board of Directors ensures that the Company has an internal audit unit under the Internal Audit Office. Mr. Krit Kongkaew was appointed to be an Internal Audit Manager, as he has experience in internal auditing and has attended training courses related to the internal audit practice and has understanding of the Company's business that is able to perform his duties properly. The Internal Audit manager is responsible for preparing the internal audit plan and conducting the internal audits and presenting to the Audit Committee including coordinating and monitoring activities regarding environmental, social, risk management and regulatory compliance. The qualification of the Internal Audit manager is shown in **Attachment 3**.

9.2
Related Transaction

Related Transaction Policy between the Company, Subsidiary and its Related Parties

The Company has set Related Transactions Policy that it shall be based on necessity in order to achieve business efficiency goal, cost and expense management which will specify the pricing policy between them clearly. The management can approve related transactions in the normal course of business or supports normal business with general trading conditions that are appropriate and fair, taking into account the best interests of the Company and Shareholders as a whole. Transactions between the Company and / or its subsidiary with their connected persons and related parties must be done with prices and conditions that are not inferior to the market price and trade terms in the nature that any man shall made with his partner in the same situation without asserting influence from one's position as a director, executive, or related person. The Board of Directors Meeting No. 14/2021 reviewed and approved the policy on connected transactions and related party transactions to be appropriate and in accordance with good corporate governance principles.

Approval Procedures of Related Transactions

The Board of Directors recognizes the importance of preventing related party transactions or connected transactions that may have a conflict of interest, and determines the criteria for considering the size of the transaction and conditions as specified in the Notification of Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions of the Board of Governors of the Stock Exchange of Thailand.

Whenever, there is a connected transaction in a business that may cause a conflict of interest, Directors and Executives and all concerned parties must consider the necessity, the reasonableness of the transaction by comparing the prices of products or services with external prices under market price conditions and must inform the Company Secretary to inform the Chief Executive Officer. The Audit Committee will advise on the necessity and reasonableness of such transactions to the Board of Directors and/or Shareholders meeting (as the case may be according to the criteria for calculating the size of transactions as specified by the SEC) so they can consider approving the transactions.

Reviewing connected transactions by providing a summary transactions report between the Company and the connected persons, which shall be reported in the Board meeting every quarter. In the case that the Audit Committee is not qualified to advise on the related transactions, the independent experts or the Company's auditors will advise on those transactions for the decision-making of the Board of Directors or the Shareholders, as the case may be. Anyhow, the conflict of interest person will not partake in the approval process.

During the year 2021, the Company and its subsidiary had significant transactions with related parties, which were in accordance with commercial trade terms and conditions as agreed between the Company and those related parties, which were in the normal business. The Independent Directors did not have different opinions from the directors' resolution and the transactions were disclosed in the notes to the financial statements (No. 7), Form 56-1 One Report / Annual Report 2021.

Policy and Future Trend of Related Transactions

The Company has a policy to enter into related party transactions that are in accordance with normal business operations or to support regular businesses that occur regularly in the future. The Company has a policy to manage such related transactions to be in the best interest of the Company by setting conditions to be in accordance with the normal business operation.

Details of Related Transactions occurred in 2019 and 2020 and 2021

Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2019	December 31, 2020	December 31, 2021	
Prodigy PCL.	● The Company holds 31.85% of shares ● Directors of the Company and their connected persons hold 12.34% of shares in Prodigy PCL. ● There are two common directors. ● The two directors of the Company are authorized persons of Prodigy PCL.	● Purchase of packing material, PET bottle, to contain vegetable oil for sale.	Purchase 311.03 Trade Payable 53.64 Sales - Other Receivable - -	Purchase 372.98 Trade Payable 67.98 Sales 0.01 Other Receivable - -	Purchase 343.38 Trade Payable 59.72 Sales - Other Receivable - -	● In 2018, the Company received rebate from the purchase amount. In 2019 and 2020, there was no agreement on the purchase rebate. ● No long-term contract. One-time order. **Opinion from the Board of Directors / Opinion from the Audit Committee** ● In 2021, The transactions were in accordance with general trade terms whereby the purchasing department compared price with other suppliers.

Details of Related Transactions occurred in 2019 and 2020 and 2021

Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2019	December 31, 2020	December 31, 2021	
Thai Ha PCL.	• Directors of the Company and their connected persons hold 4.20% of shares in Thai Ha PCL. • There are one common director • The one director of the Company is the authorized persons of Thai Ha PCL.	• Sell vegetable oil for Thai Ha PCL to resell	Sales 16.47 Trade Receivable 3.14 Other Receivable -	Sales 11.79 Trade Receivable 1.69 Other Receivable 0.38	Sales 13.69 Trade Receivable 3.84 Other Receivable -	• The Company always treats Thai Ha PCL as a business partner, like other distributors. The Company therefore has defined trade terms with Thai Ha PCL, which is similar to other distributors. • In 2020, the Company had a sales rebate policy with Thai Ha PCL when they sold the products that purchased from the Company to their trading partner. • No long-term contract. One-time order **Opinion from the Board of Directors / Opinion from the Audit Committee** • The transactions were in accordance with general trade terms. The selling price was not lower than the price sold to other customers during the same period.

Details of Related Transactions occurred in 2019 and 2020 and 2021

Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2019	December 31, 2020	December 31, 2021	
Golden Thread Co., Ltd	• Director and management of the Company and their connected persons hold 30.03% of shares. • The director of the Company is the authorized persons of Golden Thread Co.,Ltd.	• Sell vegetable oil to Gloden Thread Co., Ltd as a staff's welfare. • Purchase of some threads to sew sacks of product package.	Sales 0.20 Trade Receivable 0.01 Purchase 0.13 Trade Receivable 0.14	Sales 0.25 Trade Receivable 0.06 Purchase 0.31 Trade Receivable -	Sales 0.25 Trade Receivable 0.06 Purchase - Trade Receivable -	• The selling price to Gloden Thread Co.,Ltd, for staff's welfare, is similar to the price offered to wholesale customers. • No long-term contract. One-time order • In each purchase, the Company has process to review the price and conditions of other threads manufacturers. • The Company will buy threads from Golden Thread Co., Ltd. when price and trade conditions that the Company receives are better and more suitable than other manufacturers. **Opinion from the Board of Directors / Opinion from the Audit Committee** • Sales: The transactions were in accordance with general trade terms. The selling price was not lower than the price sold to other customers during the same period. • Purchase: The transactions were in accordance with general trade term and price comparison with other suppliers.

Details of Related Transactions occurred in 2019 and 2020 and 2021

Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2019	December 31, 2020	December 31, 2021	
Thai Edible Oil Co., Ltd.	● The Company holds 14% of shares.	● Prodigy PCL, a subsidiary of the Company, sells PET bottle to Thai Edible Oil Co., Ltd for vegetable oil packing ● Thai Vegetable Oil PCL bought machines from Thai Edible Oil Co., Ltd. for soybean production process	Sales 29.71 Trade Receivable 3.10	Sales 36.53 Trade Receivable 4.13	Sales 45.39 Trade Receivable 4.66 Purchase 5.36 Trade Receivable -	● No contract for this transaction. Price and trade conditions are according to the market standard. **Opinion from the Board of Directors / Opinion from the Audit Committee** ● Prodigy PCL has confirmed that transaction was in accordance with normal trading conditions as they sold to other customers. ● Thai Vegetable Oil Plc has compared prices with at least 3 other producers. It is found that the transaction was in accordance with general trade term.

Details of Related Transactions occurred in 2019 and 2020 and 2021

Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2019	December 31, 2020	December 31, 2021	
Cheer Group Holdings Co., Ltd.	● Director and management of the Company and their connected persons hold 27.86 % of shares ● There is one common director ● The one director of the Company is the authorized person of Cheer Group Holdings Co., Ltd.	● Sell vegetable oil to Cheer Group Holdings Co., Ltd. to distribute as a gift	Sales 0.01 Trade Receivable 0.01	Sales 0.01 Trade Receivable 0.01	Sales 0.02 Trade Receivable -	● The Company always treats Cheer Group Holdings Co., Ltd. as a business partner, like other distributors. The Company therefore has defined trade terms with Cheer Group Holdings Co., Ltd., which is similar to other distributors. ● No long-term contract. One-time order **Opinion from the Board of Directors / Opinion from the Audit Committee** ● The transactions were in accordance with general trade terms. The selling price was not lower than the price sold to other customers during the same period.

Details of Related Transactions occurred in 2019 and 2020 and 2021

Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2019	December 31, 2020	December 31, 2021	
Fila Plus Co., Ltd	● Director and their connected person hold 92.50% of shares in Fila Plus Co., Ltd. ● There is one common director ● The one director of the Company is the authorized person of Fila Plus Co., Ltd.	● Sell vegetable oil to Fila Plus Co., Ltd to be resold to employees as welfare.	Sales 0.03 Trade Receivable 0.03	Sales - Trade Receivable -	Sales - Trade Receivable -	● The selling price to Fila Plus Co., Ltd is similar to the price offered to wholesale customers for welfare, therefore, no long-term contract and one-time order.

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Thai Vegetable Oil Public Company Limited

Part 3
Financial Statements

Independent Auditor's Report

To the Shareholders of Thai Vegetable Oil Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Thai Vegetable Oil Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Thai Vegetable Oil Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thai Vegetable Oil Public Company Limited and its subsidiary and of Thai Vegetable Oil Public Company Limited as at 31 December 2021, 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 as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond for the matter are describe below.

Revenue recognition from sales of goods

Revenue from sales is considered to be a significant account because the amounts recorded directly impact the Company's annual profit and loss. Moreover, the Company has numerous customers in various industries which have different commercial terms and there are sales promotions and discounts to boost sales. I therefore focused on the Company's recognition of sales revenue.

I have examined the revenue recognition of the Company by assessing and testing the Company's IT system and its internal controls with respect to revenue cycle by making enquiry of responsible executive, gaining an understanding of the controls and selecting representative sample to test the operation of the designed control, and with special consideration given to expanding the scope of the testing of the internal controls which respond to the risk of revenue recognition. On a sampling basis, I also examined supporting documents for sales transactions occurring during the year and near the end of the accounting period to assess whether revenue recognition was consistent with the conditions of commercial terms, and whether it was in compliance with the Company's policy. I reviewed credit notes issued to customers after the reporting period. In addition, I performed analytical review procedures on revenue from sales and reviewed journal vouchers to detect possible irregularities in sales transactions throughout the period.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

Chonlaros Suntiasvaraporn
Certified Public Accountant (Thailand) No. 4523

EY Office Limited
Bangkok: 25 February 2022

Thai Vegetable Oil Public Company Limited and its subsidiary

Statement of financial position

As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	*7*	402,876,393	389,792,036	108,517,837	138,276,623
Trade and other receivables	*8*	1,682,857,565	1,238,381,804	1,638,205,516	1,209,519,771
Inventories	*9*	7,096,434,279	6,873,354,025	7,007,211,829	6,815,102,724
Other current financial assets	*10*	645,041,557	1,904,483,021	645,041,557	1,904,483,021
Derivative assets		6,380,796	-	6,380,796	-
Other current assets		18,429,343	31,537,187	17,216,350	30,460,234
Total current assets		9,852,019,933	10,437,548,073	9,422,573,885	10,097,842,373
Non-current assets					
Other non-current financial assets	*11*	295,450,982	268,891,293	295,450,982	268,891,293
Investment in subsidiary	*12*	-	-	21,500,000	21,500,000
Property, plant and equipment	*13*	3,145,149,325	3,141,366,446	2,894,432,464	2,855,434,411
Intangible assets	*14*	31,947,999	39,530,293	31,902,255	39,468,659
Deferred tax assets	*21*	15,256,389	14,563,195	7,281,686	6,603,104
Other non-current assets		2,852,195	6,212,672	2,145,528	3,211,087
Total non-current assets		3,490,656,890	3,470,563,899	3,252,712,915	3,195,108,554
Total assets		13,342,676,823	13,908,111,972	12,675,286,800	13,292,950,927

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

Thai Vegetable Oil Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Trust receipts	*15*	992,334,266	997,496,016	992,334,266	997,496,016
Trade and other payables	*16*	2,019,571,194	2,828,146,734	1,930,128,618	2,824,838,811
Current portion of lease liabilities	*17*	4,939,611	4,271,306	4,939,611	4,271,306
Income tax payable		97,258,355	207,506,814	91,137,174	198,164,515
Derivative liabilities		9,450,680	1,765,966	9,450,680	1,765,966
Other current liabilities		127,878,189	156,460,818	126,795,965	152,819,470
Total current liabilities		3,251,432,295	4,195,647,654	3,154,786,314	4,179,356,084
Non-current liabilities					
Lease liabilities, net of current portion	*17*	15,019,914	20,067,046	15,019,914	20,067,046
Provision for long-term employee benefits	*18*	171,247,568	157,678,662	151,618,312	137,484,522
Total non-current liabilities		186,267,482	177,745,708	166,638,226	157,551,568
Total liabilities		3,437,699,777	4,373,393,362	3,321,424,540	4,336,907,652
Shareholders' equity					
Share capital					
Registered					
808,610,985 ordinary shares of Baht 1 each		808,610,985	808,610,985	808,610,985	808,610,985
Issued and fully paid up					
808,610,985 ordinary shares of Baht 1 each		808,610,985	808,610,985	808,610,985	808,610,985
Share premium		2,475,091,096	2,475,091,096	2,475,091,096	2,475,091,096
Surplus on changes in the Company's shareholding in the subsidiary		28,377,618	28,377,618	-	-
Retained earnings					
Appropriated-statutory reserve	*19*	94,441,124	94,441,124	80,941,124	80,941,124
Unappropriated		5,917,887,059	5,553,730,655	5,801,156,216	5,428,584,982
Other components of shareholders' equity		188,062,839	162,815,088	188,062,839	162,815,088
Equity attributable to owners of the Company		9,512,470,721	9,123,066,566	9,353,862,260	8,956,043,275
Non-controlling interests of the subsidiary		392,506,325	411,652,044	-	-
Total shareholders' equity		9,904,977,046	9,534,718,610	9,353,862,260	8,956,043,275
Total liabilities and shareholders' equity		13,342,676,823	13,908,111,972	12,675,286,800	13,292,950,927
		-	-	-	-

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

Thai Vegetable Oil Public Company Limited and its subsidiary

Income statement

For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Revenues					
Sales		30,966,727,557	24,708,741,123	30,966,727,557	24,708,741,123
Sales of packing material		340,720,023	253,893,304	-	-
Total sales		31,307,447,580	24,962,634,427	30,966,727,557	24,708,741,123
Other income					
Dividend income	11	23,445,432	15,630,832	50,965,432	32,830,832
Gain on exchange		169,788,788	16,999,274	169,788,788	16,999,274
Gain on derivative		54,576,590	1,327,135	54,576,590	1,327,135
Others		244,070,254	65,729,711	242,917,884	64,932,951
Total other income		491,881,064	99,686,952	518,248,694	116,090,192
Total revenues		31,799,328,644	25,062,321,379	31,484,976,251	24,824,831,315
Expenses					
Cost of sales		28,348,704,318	22,107,135,735	28,137,485,670	22,026,753,877
Selling and distribution expenses		532,234,311	549,444,390	508,965,350	531,609,622
Administrative expenses		263,536,434	249,035,381	226,299,779	215,460,201
Impairment loss on financial assets	8	9,002,085	10,162,131	7,370,194	6,896,077
Reduction cost of inventories to net realisable value	9	17,107,763	10,093,177	18,101,709	8,837,081
Total expenses		29,170,584,911	22,925,870,814	28,898,222,702	22,789,556,858
Operating profit		2,628,743,733	2,136,450,565	2,586,753,549	2,035,274,457
Finance income		711,289	2,435,083	313,267	639,892
Finance cost		(4,189,363)	(3,422,877)	(3,876,204)	(3,143,712)
Profit before income tax expenses		2,625,265,659	2,135,462,771	2,583,190,612	2,032,770,637
Income tax expenses	21	(520,007,381)	(412,701,928)	(506,189,504)	(390,109,486)
Profit for the year		2,105,258,278	1,722,760,843	2,077,001,108	1,642,661,151
Profit attributable to:					
Equity holders of the Company		2,067,610,942	1,655,800,293	2,077,001,108	1,642,661,151
Non-controlling interests of the subsidiary		37,647,336	66,960,550		
		2,105,258,278	1,722,760,843		
Earnings per share	23				
Basic earnings per share					
Profit attributable to equity holders of the Company		2.56	2.05	2.57	2.03

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

Thai Vegetable Oil Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit for the year		2,105,258,278	1,722,760,843	2,077,001,108	1,642,661,151
Other comprehensive income:					
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods					
Gain (Loss) on changes in value of investments					
in equity instruments designated at fair value through					
other comprehensive income		31,559,689	(4,822,111)	31,559,689	(4,822,111)
Actuarial loss	*18*	(4,105,655)	-	(7,933,506)	-
Less: Income tax effect	*21*	(5,490,807)	928,586	(4,725,237)	928,586
Other comprehensive income for the year		21,963,227	(3,893,525)	18,900,946	(3,893,525)
Total comprehensive income for the year		2,127,221,505	1,718,867,318	2,095,902,054	1,638,767,626
		-	-	-	-
Total comprehensive income attributable to:					
Equity holders of the Company		2,087,487,224	1,651,906,768	2,095,902,054	1,638,767,626
Non-controlling interests of the subsidiary		39,734,281	66,960,550		
		2,127,221,505	1,718,867,318		

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

Thai Vegetable Oil Public Company Limited and its subsidiary

Cash flow statement

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	2,625,265,659	2,135,462,771	2,583,190,612	2,032,770,637
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Dividend income	(23,445,432)	(15,630,832)	(50,965,432)	(32,830,832)
Gain on investments in fixed income of open-end funds	(5,366,938)	(12,056,951)	(5,366,938)	(12,056,951)
Allowance for expected credit losses	9,002,086	8,714,937	7,370,194	5,448,883
Write-off bad debts	-	1,447,194	-	1,447,194
Reduction cost of inventories to net realisable value	17,107,763	10,093,177	18,101,709	8,837,081
Depreciation and amortisation	343,562,664	353,709,389	290,698,863	296,818,182
Write-off of plant, machinery and equipment	-	25,207,920	-	25,207,920
Gain on sales of plant, machinery and equipment	(5,733,660)	(10,557,419)	(5,705,626)	(10,557,419)
Provision for long-term employee benefits	20,548,756	19,940,458	17,118,989	16,640,573
Unrealised gain on exchange	(5,370,372)	(3,272,503)	(5,370,372)	(3,272,503)
Unrealised loss from change in fair value of derivatives	1,303,918	1,765,966	1,303,918	1,765,966
Income from operating activities before changes in operating assets and liabilities	2,976,874,444	2,514,824,107	2,850,375,917	2,330,218,731
Operating assets decrease (increase)				
Trade and other receivables	(453,477,847)	(87,797,981)	(436,055,939)	(93,773,492)
Inventories	(240,188,017)	(258,100,740)	(210,210,814)	(257,842,370)
Other current assets	13,107,844	(14,139,205)	13,243,884	(13,987,577)
Other non-current assets	3,360,477	983,030	1,065,559	1,208,064
Operating liabilities increase (decrease)				
Trade and other payables	(809,296,954)	579,230,791	(895,431,607)	586,280,025
Other current liabilities	(28,582,629)	39,785,028	(26,023,503)	38,670,412
Provision for long-term employee benefits	(11,085,506)	(19,212,679)	(10,918,706)	(17,651,567)
Cash flows from operating activities	1,450,711,812	2,755,572,351	1,286,044,791	2,573,122,226
Cash paid for corporate income tax	(636,439,842)	(412,456,256)	(618,620,665)	(387,214,236)
Net cash flows from operating activities	814,271,970	2,343,116,095	667,424,126	2,185,907,990

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

Thai Vegetable Oil Public Company Limited and its subsidiary

Cash flow statement (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Cash paid for investment in fixed income open-end funds	(15,107,100,000)	(17,318,000,000)	(15,107,100,000)	(17,318,000,000)
Cash received from sales of investments				
in fixed income open-end funds	16,371,908,402	15,929,509,338	16,371,908,402	15,929,509,338
Cash received from sales of investment in equity				
instrument of listed company	-	1,072,045	-	1,072,045
Cash received from sales of investment in private debt instrument	5,000,000	-	5,000,000	-
Dividend received	23,445,432	15,630,832	50,965,432	32,830,832
Acquisition of property, plant and equipment	(340,170,907)	(480,835,764)	(322,538,169)	(410,851,063)
Proceeds from disposal of plant, machinery and equipment	7,176,644	13,452,054	7,148,607	13,452,054
Increase in intangible assets	(645,129)	(782,558)	(645,129)	(722,028)
Net cash flows from (used in) investing activities	959,614,442	(1,839,954,053)	1,004,739,143	(1,752,708,822)
Cash flows from financing activities				
Increase in trust receipts	208,622	1,000,768,519	208,622	1,000,768,519
Dividend paid	(1,697,361,655)	(1,333,498,474)	(1,697,361,655)	(1,333,498,474)
Dividend paid to non-controlling interests of the subsidiary	(58,880,000)	(36,114,092)	-	-
Payment of principal portion of lease liabilities	(4,769,022)	-	(4,769,022)	-
Net cash flows used in financing activities	(1,760,802,055)	(368,844,047)	(1,701,922,055)	(332,729,955)
Net increase (decrease) in cash and cash equivalents	13,084,357	134,317,995	(29,758,786)	100,469,213
Cash and cash equivalents at beginning of year	389,792,036	255,474,041	138,276,623	37,807,410
Cash and cash equivalents at end of year	402,876,393	389,792,036	108,517,837	138,276,623
	-	-	-	-
Supplemental cash flow information				
Non-cash items				
Increase in right-of-use assets from lease agreements	1,099,606	24,265,269	1,099,606	24,265,269
Transfer of property, plant and equipment				
to intangible assets	233,418	14,816,736	233,418	14,816,736

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

Thai Vegetable Oil Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company									
						Other components of shareholders' equity				
	Issued and fully paid-up share capital	Share premium	Surplus on changes in the Company's shareholding in the subsidiary	Retained earnings		Other comprehensive income	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity
				Appropriated	Unappropriated	Fair value reserve				
Balance as at 1 January 2020	808,610,985	2,475,091,096	28,377,618	94,441,124	5,232,317,668	166,529,432	166,529,432	8,805,367,923	381,491,494	9,186,859,417
Profit for the year	-	-	-	-	1,655,800,293	-	-	1,655,800,293	66,960,550	1,722,760,843
Other comprehensive income for the year	-	-	-	-	-	(3,893,525)	(3,893,525)	(3,893,525)	-	(3,893,525)
Total comprehensive income for the year	-	-	-	-	1,655,800,293	(3,893,525)	(3,893,525)	1,651,906,768	66,960,550	1,718,867,318
Loss from sales of investment in equity instrument of listed company	-	-	-	-	(179,181)	179,181	179,181	-	-	-
Dividend paid (Note 26)	-	-	-	-	(1,334,208,125)	-	-	(1,334,208,125)	-	(1,334,208,125)
Decrease in equity attributable to non-controlling interests of the subsidiary due to dividend payment	-	-	-	-	-	-	-	-	(36,800,000)	(36,800,000)
Balance as at 31 December 2020	808,610,985	2,475,091,096	28,377,618	94,441,124	5,553,730,655	162,815,088	162,815,088	9,123,066,566	411,652,044	9,534,718,610
										-
Balance as at 1 January 2021	808,610,985	2,475,091,096	28,377,618	94,441,124	5,553,730,655	162,815,088	162,815,088	9,123,066,566	411,652,044	9,534,718,610
Profit for the year	-	-	-	-	2,067,610,942	-	-	2,067,610,942	37,647,336	2,105,258,278
Other comprehensive income for the year	-	-	-	-	(5,371,469)	25,247,751	25,247,751	19,876,282	2,086,945	21,963,227
Total comprehensive income for the year	-	-	-	-	2,062,239,473	25,247,751	25,247,751	2,087,487,224	39,734,281	2,127,221,505
Dividend paid (Note 26)	-	-	-	-	(1,698,083,069)	-	-	(1,698,083,069)	-	(1,698,083,069)
Decrease in equity attributable to non-controlling interests of the subsidiary due to dividend payment	-	-	-	-	-	-	-	-	(58,880,000)	(58,880,000)
Balance as at 31 December 2021	808,610,985	2,475,091,096	28,377,618	94,441,124	5,917,887,059	188,062,839	188,062,839	9,512,470,721	392,506,325	9,904,977,046
										-

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

Thai Vegetable Oil Public Company Limited and its subsidiary

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Separate financial statements						
					Other components of shareholders' equity		
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other comprehensive income	Total other components of shareholders' equity	Total shareholders' equity
			Appropriated	Unappropriated	Fair value reserve		
Balance as at 1 January 2020	808,610,985	2,475,091,096	80,941,124	5,120,311,137	166,529,432	166,529,432	8,651,483,774
Profit for the year	-	-	-	1,642,661,151	-	-	1,642,661,151
Other comprehensive income for the year	-	-	-	-	(3,893,525)	(3,893,525)	(3,893,525)
Total comprehensive income for the year	-	-	-	1,642,661,151	(3,893,525)	(3,893,525)	1,638,767,626
Loss from sales of investment in equity instrument of listed company	-	-	-	(179,181)	179,181	179,181	-
Dividend paid (Note 26)	-	-	-	(1,334,208,125)	-	-	(1,334,208,125)
Balance as at 31 December 2020	808,610,985	2,475,091,096	80,941,124	5,428,584,982	162,815,088	162,815,088	8,956,043,275
							-
Balance as at 1 January 2021	808,610,985	2,475,091,096	80,941,124	5,428,584,982	162,815,088	162,815,088	8,956,043,275
Profit for the year	-	-	-	2,077,001,108	-	-	2,077,001,108
Other comprehensive income for the year	-	-	-	(6,346,805)	25,247,751	25,247,751	18,900,946
Total comprehensive income for the year	-	-	-	2,070,654,303	25,247,751	25,247,751	2,095,902,054
Dividend paid (Note 26)	-	-	-	(1,698,083,069)	-	-	(1,698,083,069)
Balance as at 31 December 2021	808,610,985	2,475,091,096	80,941,124	5,801,156,216	188,062,839	188,062,839	9,353,862,260
							-

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

Thai Vegetable Oil Public Company Limited and its subsidiary
Notes to consolidated financial statements
For the year ended 31 December 2021

1. General information

1.1 Corporate information

Thai Vegetable Oil Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of soy meal and soybean oil. The registered office of the Company is at 149 Ratchadapisek Road (Thapra-Taksin), Bukkhalow, Thonburi, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Thai Vegetable Oil Public Company Limited ("the Company") and the following subsidiary company ("the subsidiary") (collectively as "the Group"):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021	2020
Prodigy Public Company Limited	Manufacture and distribution of packaging products	Thailand	32	32

b) The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

c) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiary are prepared using the same significant policies as the Company.

e) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.

f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

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

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. 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, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

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

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset net of the allowance for expected credit loss (if any).

Dividend income

Dividend income is recognised when the right to receive the dividends is established.

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods are valued at the lower of cost (average cost method) and net realisable value and includes all production costs of raw materials, wages and attributable factory overheads.

Raw materials and other material supplies are valued at the lower of cost (average cost method) and net realisable value and are charged to production costs whenever consumed.

4.4 Investment in subsidiary

Investment in subsidiary is accounted for in the separate financial statements using the cost method.

4.5 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20 years
Building improvement	-	5 years and 20 years
Machinery and equipment	-	2 - 10 years
Factory tools and equipment	-	5 years
Furniture and fixtures	-	3 years and 5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.6 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

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

	Useful lives
Computer software	3, 5, 10 years

4.7 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Motor vehicles	5	years

Right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term, which discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and is remeasured if there is a change in the lease contracts.

Short-term leases and leases of low-value assets

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

4.8 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the operations of the Company.

4.9 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.10 Impairment of assets non-financial assets

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

An impairment loss is recognised in profit or loss.

4.11 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and the subsidiary and their employees have jointly established provident funds. The funds are monthly contributed by employees and by the Company and the subsidiary. The funds' assets are held in separate trust funds and the Company and the subsidiary contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the Projected Unit Credit Method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.12 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.13 Income tax

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

Current income tax

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

Deferred tax

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

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.14 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

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

Classification and measurement of financial liabilities

The Group's financial liabilities (except for derivative liabilities) are initially recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Regular way purchases and sales of financial assets

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

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

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

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group recognises a loss allowance based on lifetime ECLs at each reporting date.

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

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

Offsetting of financial instruments

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

4.15 Derivatives

The Company's derivatives consist of forward exchange contracts and commodity swap agreements.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets or financial liabilities by considering the fair value of derivatives.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Consolidation of subsidiary that the Company holds less than half of shares

The management of the Company determined that the Company has control over Prodigy Public Company Limited, even though the Company holds 32% of shares and voting rights that is less than half of shares and voting rights. This is because the Company is a major shareholder and has the ability to direct the significant activities, while other shareholders

are only minor shareholders. As a result, Prodigy Public Company Limited is deemed to be a subsidiary of the Company and has to be included in the consolidated financial statements from the date on which the Company assumed control.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowance for diminution in value of inventory

The determination of allowances for diminution in the value of inventory, requires management to make judgements and estimates. The allowance for decline in net realisable value is estimated based on the selling price expected in the ordinary course of business less the estimated costs to complete the sales.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses and fair value less cost to sell relating to the assets subject to the review.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2021	2020	2021	2020	
Transactions with subsidiary (eliminated from the consolidated financial statements)					
Purchases of packing materials	-	-	343	373	Normal prices charged to ordinary customers
Transactions with related companies					
Sales of goods by the Company	14	12	14	12	Normal prices charged to ordinary customers
Sales of goods by subsidiary	46	37	-	-	Normal prices charged to ordinary customers
Service income	-	0.4	-	0.4	Agreed between the parties
Purchase of machinery	5	-	5	-	Reference to market price

The balances of the accounts as at 31 December 2021 and 2020 between the Group and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade receivables - related parties (Note 8)				
Related companies (related by common directors or shareholders)	8,586	5,888	3,928	1,755
Total trade receivables - related parties	8,586	5,888	3,928	1,755

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade payables - related parties (Note 16)				
Subsidiary	-	-	59,724	67,978
Related companies (related by common directors or shareholders)	-	381	-	381
Total trade payables - related parties	-	381	59,724	68,359
Other payables - related parties (Note 16)				
Related companies (related by common directors or shareholders)	-	43	-	43
Total other payables - related parties	-	43	-	43

Directors and management's benefits

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	90	91	75	77
Post-employment benefits	3	4	3	3
Total	93	95	78	80

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash	425	448	355	378
Bank deposits	402,451	389,344	108,163	137,899
Total	402,876	389,792	108,518	138,277

As at 31 December 2021, bank deposits in saving accounts and fixed account carried interests between 0.05 and 0.40 percent per annum (2020: between 0.05 and 0.45 percent per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade receivables - related parties				
Aged on the basis of due dates				
Not yet due	8,586	5,888	3,928	1,755
Total trade receivables - related parties (Note 6)	8,586	5,888	3,928	1,755
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	1,423,452	1,060,053	1,410,218	1,048,380
Past due				
Not over 3 months	266,995	180,808	240,918	169,701
3 - 6 months	1,509	600	1,281	1
6 - 12 months	1,479	3,174	464	64
Over 12 months	88,711	88,731	72,587	74,420
Returned cheques	3,099	2,080	-	-
Total	1,785,245	1,335,446	1,725,468	1,292,566
Less: Allowance for expected credit losses	(114,964)	(105,962)	(95,181)	(87,811)
Total trade receivables - unrelated parties, net	1,670,281	1,229,484	1,630,287	1,204,755
Total trade receivables - net	1,678,867	1,235,372	1,634,215	1,206,510
Other receivables				
Other receivables	283	614	283	614
Accrued income	3,708	2,396	3,708	2,396
Total other receivables	3,991	3,010	3,991	3,010
Trade and other receivables - net	1,682,858	1,238,382	1,638,206	1,209,520

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Beginning balance	105,962	97,247	87,811	82,363
Provision for expected credit losses	12,487	21,553	9,622	9,046
Amount written off	-	(1,447)	-	(1,447)
Amount recovered	(3,485)	(11,391)	(2,252)	(2,151)
Ending balance	114,964	105,962	95,181	87,811

9. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2021	2020	2021	2020	2021	2020
Raw materials	2,610,729	2,393,715	-	(15,067)	2,610,729	2,378,648
Finished goods	1,495,171	1,230,013	(44,550)	(6,449)	1,450,621	1,223,564
Material supplies	233,158	205,464	(9,006)	(14,933)	224,152	190,531
Raw materials in transit	2,810,932	3,080,611	-	-	2,810,932	3,080,611
Total	7,149,990	6,909,803	(53,556)	(36,449)	7,096,434	6,873,354

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2021	2020	2021	2020	2021	2020
Raw materials	2,558,904	2,367,124	-	(15,067)	2,558,904	2,352,057
Finished goods	1,469,811	1,207,709	(44,089)	(4,994)	1,425,722	1,202,715
Material supplies	220,661	194,874	(9,007)	(14,933)	211,654	179,941
Raw materials in transit	2,810,932	3,080,390	-	-	2,810,932	3,080,390
Total	7,060,308	6,850,097	(53,096)	(34,994)	7,007,212	6,815,103

During the current year, the Group reduced cost of inventories by Baht 24 million (2020: Baht 15 million) (The Company only: Baht 24 million, 2020: Baht 14 million), and reversed the write-down of cost of inventories by Baht 7 million (2020: Baht 5 million) (The Company only: Baht 6 million, 2020: Baht 5 million).

10. Other current financial assets

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	2021	2020
Debt instruments at FVTPL		
Investment in fixed income open-end funds	640,042	1,899,483
	640,042	1,899,483
Debt instruments at amotised cost		
Private debt instruments	5,000	5,000
	5,000	5,000
Total other current financial assets	645,042	1,904,483

11. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	2021	2020
Equity instruments designated at FVOCI		
Equity instruments of listed companies	15,953	11,266
Equity instruments of non-listed companies		
Thai Edible Oil Company Limited	279,398	252,525
Others	100	100
	295,451	263,891
Debt instruments at amotised cost		
Private debt instruments	-	5,000
	-	5,000
Total other non-current financial assets	295,451	268,891

During 2021, the Company received dividends from Thai Edible Oil Company Limited amount of Baht 23 million (2020: Baht 15 million).

12. Investment in subsidiary

12.1 Details of investment in subsidiary, which is investment in ordinary shares, as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	2021	2020	2021	2020	2021	2020	2021	2020
			(%)	(%)				
Prodigy Public Company Limited	135,000	135,000	32	32	21,500	21,500	27,520	17,200

12.2 Details of investment in subsidiary that has material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2021	2020	2021	2020	2021	2020	2021	2020
	(%)	(%)						
Prodigy Public Company Limited	68	68	393	412	38	67	59	37

12.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that has material non-controlling.

Summarised information about financial position of Prodigy Public Company Limited

(Unit: Million Baht)

	2021	2020
Current assets	490	409
Non-current assets	274	312
Current liabilities	156	84
Non-current liabilities	20	20

Summarised information about comprehensive income of Prodigy Public Company Limited

(Unit: Million Baht)

	For the years ended 31 December	
	2021	2020
Revenue	686	629
Profit	55	98
Other comprehensive income	3	-
Total comprehensive income	58	98

Summarised information about cash flow of Prodigy Public Company Limited

(Unit: Million Baht)

	For the year ended 31 December	
	2021	2020
Cash flow from operating activities	146	157
Cash flow used in investing activities	(18)	(70)
Cash flow used in financing activities	(85)	(53)
Net increase in cash and cash equivalents	43	34

13. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value:				
Property, plant and equipment	3,125,934	3,117,649	2,875,217	2,831,717
Right-of-use assets (Note 17)	19,215	23,717	19,215	23,717
Total	3,145,149	3,141,366	2,894,432	2,855,434

Movements of property, plant and equipment for the years ended 31 December 2021 and 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements							
	Land and land improvement	Factory and improvement	Machinery and equipment	Factory tools and equipment	Furniture and Fixtures	Motor vehicles	Assets under construction	Total
Cost:								
1 January 2020	559,389	1,721,152	4,162,781	531,179	140,338	190,478	473,967	7,779,284
Additions	-	5,825	55,641	41,791	6,091	6,586	364,902	480,836
Disposals/written off	-	(52,449)	(38,892)	(7,709)	(2,629)	(49,398)	-	(151,077)
Transfers in (out)	4,840	111,345	378,122	5,978	3,560	-	(518,662)	(14,817)
31 December 2020	564,229	1,785,873	4,557,652	571,239	147,360	147,666	320,207	8,094,226
Additions	113,992	6,442	55,330	20,461	4,979	19,570	119,398	340,172
Disposals/written off	-	(1,916)	(48,407)	(25,887)	(1,625)	(17,377)	-	(95,212)
Transfers in (out)	-	48,043	46,830	8,008	7,165	-	(110,279)	(233)
31 December 2021	678,221	1,838,442	4,611,405	573,821	157,879	149,859	329,326	8,338,953
Accumulated depreciation:								
1 January 2020	-	902,086	3,152,755	428,747	115,625	153,400	-	4,752,613
Depreciation for the year	-	76,196	199,384	42,076	9,420	19,028	-	346,104
Depreciation on disposals/written off	-	(27,158)	(38,715)	(7,424)	(2,573)	(47,104)	-	(122,974)
31 December 2020	-	951,124	3,313,424	463,399	122,472	125,324	-	4,975,743
Depreciation for the year	-	74,861	188,628	43,471	10,491	12,759	-	330,210
Depreciation on disposals/written off	-	(1,306)	(47,859)	(25,701)	(1,525)	(17,377)	-	(93,768)
31 December 2021	-	1,024,679	3,454,193	481,169	131,438	120,706	-	5,212,185

(Unit: Thousand Baht)

	Consolidated financial statements							
	Land and land improvement	Factory and improvement	Machinery and equipment	Factory tools and equipment	Furniture and Fixtures	Motor vehicles	Assets under construction	Total
Allowance for impairment loss:								
1 January 2020	-	681	-	55	98	-	-	834
31 December 2020	-	681	-	55	98	-	-	834
31 December 2021	-	681	-	55	98	-	-	834
Net book value:								
31 December 2020	564,229	834,068	1,244,228	107,785	24,790	22,342	320,207	3,117,649
31 December 2021	678,221	813,082	1,157,212	92,597	26,343	29,153	329,326	3,125,934
Depreciation for the year								
2020 (Baht 322 million included in manufacturing cost, and the balance in selling and administrative expenses)								346,104
2021 (Baht 310 million included in manufacturing cost, and the balance in selling and administrative expenses)								330,210

(Unit: Thousand Baht)

	Separate financial statements							
	Land and land improvement	Factory and improvement	Machinery and equipment	Factory tools and equipment	Furniture and fixtures	Motor vehicles	Assets under construction	Total
Cost:								
1 January 2020	514,061	1,613,317	3,460,055	339,872	135,612	181,572	451,040	6,695,529
Additions	-	5,044	54,669	27,056	5,241	4,229	314,612	410,851
Disposals/written off	-	(52,449)	(38,892)	(7,709)	(2,629)	(49,398)	-	(151,077)
Transfers in (out)	4,862	81,637	336,628	5,382	2,410	-	(445,736)	(14,817)
31 December 2020	518,923	1,647,549	3,812,460	364,601	140,634	136,403	319,916	6,940,486
Additions	113,992	6,320	54,057	13,322	4,876	18,370	111,601	322,538
Disposals/written off	-	(1,916)	(48,407)	(25,887)	(1,625)	(16,792)	-	(94,627)
Transfers in (out)	-	48,043	42,713	4,330	7,165	-	(102,484)	(233)
31 December 2021	632,915	1,699,996	3,860,823	356,366	151,050	137,981	329,033	7,168,164
Accumulated depreciation:								
1 January 2020	-	842,505	2,568,463	271,806	111,167	147,749	-	3,941,690
Depreciation for the year	-	71,494	161,793	29,041	9,199	17,692	-	289,219
Depreciation on disposals/written off	-	(27,157)	(38,715)	(7,424)	(2,574)	(47,104)	-	(122,974)
31 December 2020	-	886,842	2,691,541	293,423	117,792	118,337	-	4,107,935
Depreciation for the year	-	69,015	157,783	29,562	10,007	10,995	-	277,362
Depreciation on disposals/written off	-	(1,307)	(47,859)	(25,701)	(1,525)	(16,792)	-	(93,184)
31 December 2021	-	954,550	2,801,465	297,284	126,274	112,540	-	4,292,113

(Unit: Thousand Baht)

	Separate financial statements							
	Land and land improvement	Factory and improvement	Machinery and equipment	Factory tools and equipment	Furniture and fixtures	Motor vehicles	Assets under construction	Total
Allowance for impairment loss:								
1 January 2020	-	681	-	55	98	-	-	834
31 December 2020	-	681	-	55	98	-	-	834
31 December 2021	-	681	-	55	98	-	-	834
Net book value:								
31 December 2020	518,923	760,026	1,120,919	71,123	22,744	18,066	319,916	2,831,717
31 December 2021	632,915	744,765	1,059,358	59,027	24,678	25,441	329,033	2,875,217
Depreciation for the year								
2020 (Baht 271 million included in manufacturing cost, and the balance in selling and administrative expenses)								289,219
2021 (Baht 266 million included in manufacturing cost, and the balance in selling and administrative expenses)								277,362

As at 31 December 2021, certain plant, machinery and equipment items of the Group has been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 3,697 million (2020: Baht 3,454 million) (The Company only: Baht 3,038 million, 2020: Baht 2,870 million)

14. Intangible assets - computer software

The net book value of intangible assets as at 31 December 2021 and 2020 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cost	90,011	89,133	89,384	88,506
Less: Accumulated amortisation	(58,063)	(49,603)	(57,482)	(49,037)
Net book value	31,948	39,530	31,902	39,469

A reconciliation of the net book value of intangible assets for the years 2021 and 2020 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value at beginning of year	39,530	30,988	39,469	30,981
Acquisition of computer software	645	782	645	722
Transfers from property, plant and equipment	233	14,817	233	14,817
Amortisation	(8,460)	(7,057)	(8,445)	(7,051)
Net book value at end of year	31,948	39,530	31,902	39,469

15. Credit facilities of bank overdrafts, short-term loans from financial institutions and trust receipts

Trust receipts of the Company were charged interest at the rate of LIBOR plus with incremental interest rate per annum.

The agreements for the credit facilities obtained from banks and financial institutions contain covenants with which the Group must comply. These relate to, among other things, the maintenance of certain financial ratios, and restrictions on the creation of lien or encumbrance over their assets.

16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Trade payables - related party (Note 6)	-	381	59,724	68,359
Other payables - related parties (Note 6)	-	43	-	43
Trade payables - unrelated parties	1,633,205	2,262,797	1,495,115	2,200,480
Other payables - unrelated parties	181,897	229,006	177,084	225,228
Accrued expenses	204,469	335,920	198,206	330,729
Total trade and other payables	2,019,571	2,828,147	1,930,129	2,824,839

17. Leases

The Company as a lessee

The Company has lease contracts for assets used in its operations. Leases generally have lease terms 5 years.

17.1 Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand)

	Consolidated/Separate financial statements	
	Motor vehicles	
	2021	2020
1 January 2021	23,717	-
Additions	1,100	24,265
Disposal during the period - net book value	(710)	-
Depreciation for the year	(4,892)	(548)
31 December 2021	19,215	23,717

17.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	2021	2020
Lease payments	21,065	26,011
Less: Deferred interest expenses	(1,105)	(1,673)
Total	19,960	24,338
Less: Portion due within one year	(4,940)	(4,271)
Lease liabilities - net of current portion	15,020	20,067

17.3 Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	2021	2021
Depreciation expense of right-of-use assets	4,892	548
Interest expense on lease liabilities	598	73

18. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Provisions for long-term employee benefits at beginning of year	157,679	156,952	137,485	138,496
Included in profit or loss:				
Current service cost	16,474	16,107	13,668	13,373
Interest cost	4,074	3,833	3,451	3,268
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	(1,130)	-	-	-
Financial assumptions changes	7,220	-	7,538	-
Experience adjustments	(1,983)	-	395	-
Benefits paid during the year	(11,086)	(19,213)	(10,919)	(17,652)
Provisions for long-term employee benefits at end of year	171,248	157,679	151,618	137,485

The Group expects to pay Baht 11.8 million of long-term employee benefits during the next year (2020: Baht 7 million) (The Company only: Baht 11.6 million, 2020: Baht 6 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit of the Company is 14 years (2020: 13 years) and of its subsidiary is 14 years (2020: 15 years).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.3, 2.4	2.8, 3.0	2.3	2.8
Salary increase rate	3.7 - 6.0	4.0 - 6.5	4.0 - 6.0	4.0 - 6.0
Turnover rate	0 - 20	0 - 25	0 - 20	0 - 20

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

(Unit: Million Baht)

	As at 31 December 2021			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(15.4)	17.7	(13.4)	15.3
Salary increase rate	17.2	(15.2)	14.8	(13.1)
	Increase 10 - 20%	Decrease 10 - 20%	Increase 20%	Decrease 20%
Turnover rate	(6.5)	7.2	(5.9)	6.6

(Unit: Million Baht)

	As at 31 December 2020			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(13.2)	15.2	(11.0)	12.6
Salary increase rate	17.8	(15.6)	14.8	(13.0)
	Increase 10 - 20%	Decrease 10 - 20%	Increase 20%	Decrease 20%
Turnover rate	(6.7)	7.5	(6.2)	7.0

19. Statutory reserve

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

20. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Salaries and wages and other employee benefits	758,119	718,943	666,420	630,357
Depreciation and amortisation	343,560	353,709	290,699	296,818
Promotion expenses	33,679	61,883	33,679	61,883
Transportation expenses	193,322	212,535	184,858	204,391
Raw materials and consumables used	27,264,317	21,043,956	26,976,190	20,854,906
Purchase of finished goods	379,015	221,191	287,825	139,371
Changes in inventories of finished goods	(264,292)	5,587	(262,102)	2,365

21. Income tax

Income tax expenses for the years ended 31 December 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Current income tax charge	511,777	424,932	497,179	399,269
Adjustment in respect of income tax of previous year	14,414	-	14,414	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(6,184)	(12,230)	(5,404)	(9,160)
Income tax expenses reported in profit or loss	520,007	412,702	506,189	390,109

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax on actuarial losses	(821)	-	(1,587)	-
Deferred tax on gain (loss) on changes in fair value of investment measured at FVOCI	6,312	(929)	6,312	(929)
Total	5,491	(929)	4,725	(929)

The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Accounting profit before tax	2,625,266	2,135,463	2,583,191	2,032,770
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	525,053	427,093	516,638	406,554
Adjustment in respect of income tax of previous year	14,414	-	14,414	-
Unrecognised deferred tax assets on unused tax losses from promotional operation (Note 22)	6,266	-	6,226	-
Effects of:				
Eliminate of related transactions	(107)	191	-	-
Non-taxable income and expenses	(13,064)	2,930	(13,184)	2,749
Additional expense deductions allowed	(7,720)	(10,136)	(7,606)	(10,035)
Exemption of income	(4,689)	(3,126)	(10,193)	(6,566)
Others	(146)	(4,250)	(146)	(2,593)
Total	(25,726)	(14,391)	(31,129)	(16,445)
Income tax expenses reported in profit or loss	520,007	412,702	506,189	390,109

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax assets				
Allowance for diminution in value of inventories	10,711	7,290	10,619	6,999
Reserve for sales promotion	5,780	7,729	5,780	7,729
Right-of-use assets	146	-	146	-
Unrealised loss from change in fair value of derivatives	614	353	614	353
Provision for long-term employee benefits	34,249	31,536	30,324	27,497
Allowance for expected credit losses on trade receivables	10,856	8,605	6,899	4,975
Total deferred tax assets	62,356	55,513	54,382	47,553
Deferred tax liabilities				
Unrealised fair value gain on investments	(47,100)	(40,950)	(47,100)	(40,950)
Total deferred tax liabilities	(47,100)	(40,950)	(47,100)	(40,950)
Net deferred tax assets	15,256	14,563	7,282	6,603

22. Promotional privileges

The Company has been granted promotional privileges by the Board of Investment for the production of an ingredient mix for animal feed, pursuant to the promotion certificate No. 63-1042-1-00-1-0, issued on 26 May 2020. Subject to certain imposed conditions, the privileges include exemptions from import duty on approved machinery and products in group of ingredient mix for animal feed, exemption from corporate income tax on profits from the promoted activities of for a period of 3 years commencing from the date of the first sales.

23. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

24. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have three reportable segments as follows:

- The manufacture and distribution of products from soybean segment, which is a manufacture and distribution of soy meal and soybean oil.
- The manufacture and distribution of packaging products.
- Other segment, which is a distribution of consumer products

No operating segments have been aggregated to form the above reportable operating segments

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following table present revenue, profit and total assets information regarding the Group's operating segments for the years ended 31 December 2021 and 2020.

(Unit: Million Baht)

For the year ended 31 December	Manufacture and distribution of products from soybean		Manufacture and distribution of packaging products		Others		Total reportable segments		Adjustments and eliminations		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue												
Revenue from external customers	30,719	24,457	341	254	247	252	31,307	24,963	-	-	31,307	24,963
Inter-segment	-	-	343	373	-	-	343	373	(343)	(373)	-	-
Total sales	30,719	24,457	684	627	247	252	31,650	25,336	(343)	(373)	31,307	24,963
Segment profit	2,791	2,667	130	174	37	15	2,958	2,856	-	-	2,958	2,856
Unallocated income (expenses):												
Other income											323	82
Finance income											1	2
Selling and administrative expenses											(796)	(799)
Gain on exchange											169	18
Impairment loss on financial assets											(9)	(10)
Reduction cost of inventories to net realisable value											(17)	(10)
Finance cost											(4)	(3)
Profit before income tax expenses											2,625	2,136
Income tax expenses											(520)	(413)
Profit for the year											2,105	1,723
Segment total assets	12,501	13,008	765	721	173	284	13,439	14,013	(96)	(105)	13,343	13,908

Geographic information

The Group operates in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2021, the Company has 22.4 percent (2020: 14.5 percent) of total sales from one major customer, arising from sales by the manufacture and distribution of products from soybean.

25. Provident fund

The Company and its employees and the subsidiary and its employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. The employees, the Company and its subsidiary contributed to the funds monthly at the rate of 3 - 5 percent of basic salary. The Company's fund managed by MFC Asset Management Public Company Limited and the subsidiary's fund is managed BBL Asset Management Company Limited. The Funds will be paid to employees upon termination in accordance with the funds' rules. For the year 2021, the contributions of the Company amounting to approximately Baht 12 million (2020: Baht 10 million) and the contributions of the subsidiary amounting to Baht 2 million (2020: Baht 1 million) were recognised as expenses.

26. Dividends

Dividends	Approved by	Total dividends	Dividend per share
		(Thousand Baht)	(Baht)
Dividends for 2020	The Annual General Meeting of the Company's shareholders on 23 April 2021	646,889	0.80
Interim dividends for 2021	Board of Directors' meeting on 13 August 2021	1,051,194	1.30
Total dividends for the year 2021		1,698,083	2.10
Interim dividends for 2019	Board of Directors' meeting on 9 April 2020	606,458	0.75
Interim dividends for 2020	Board of Directors' meeting on 14 August 2020	727,750	0.90
Total dividends for the year 2020		1,334,208	1.65

27. Commitments and contingent liabilities

27.1 Capital commitments

As at 31 December 2021, the Group had capital commitments of approximately Baht 144 million and CNY 0.7 million (2020: Baht 68 million and USD 0.1 million) relating to the construction of factory, acquisition of machinery and factory tools and equipment (The Company only: Baht 143 million, 2020: Baht 67 million).

27.2 Guarantees

As at 31 December 2021, there were outstanding bank guarantees of approximately Baht 46 million (2020: Baht 41 million) issued by banks on behalf of the Company and its subsidiary in respect of certain performance bonds as required in the normal course of business of the Company and the subsidiary (The Company only: Baht 36 million, 2020: Baht 31 million). The bank guarantees are related to guarantee electricity use.

27.3 Long-term Service commitments

As at 31 December 2021, the Company had commitments to pay in the future totaling Baht 8 million (2020: Baht 11 million) under various service agreements. The terms of service agreements are generally between 1 - 5 years.

28. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	As at 31 December 2021			
	Consolidated/Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investments in fixed income open-end funds	-	640	-	640
Financial assets measured at FVOCI				
Investments in equity instruments of listed companies	16	-	-	16
Investments in equity instruments of non-listed companies	-	-	279	279
Derivatives				
Foreign currency forward contracts	-	6	-	6
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	9	-	9

(Unit: Million Baht)

	As at 31 December 2020			
	Consolidated/Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investments in fixed income open-end funds	-	1,899	-	1,899
Financial assets measured at FVOCI				
Investments in equity instruments of listed companies	11	-	-	11
Investments in equity instruments of non-listed companies	-	-	253	253
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	2	-	2

Valuation techniques and inputs to Level 2 valuation

Investments in fixed income open-end funds are stated at fair value using inputs of Level 2 which is use of other observable inputs for such assets or liabilities, whether directly or indirectly. Such fair value of investments in fixed income open-end funds has been determined by using the net asset value as published by the Asset Management.

The fair value of derivatives has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves.

Valuation techniques and inputs to Level 3 valuation

The fair value of investment in equity instruments of non-listed companies has been determined by analysis and considering change in the invested companies' financial position and operation performance, including other several factors.

During the current year, there were no transfers within the fair value hierarchy.

29. Financial instruments

29.1 Derivatives

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 12 months.

29.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade receivables, investments, trade payables and trust receipts. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade receivables, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the outstanding trade receivables are regularly monitored and the Company does not have high concentrations of credit risk since it has a large customer base in various businesses and the majority of customers are credit worthy customers.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by product type and customer rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions in accordance with the Group policy by making investments only with approved counterparties and within limits assigned to each counterparty. Counterparty limits are reviewed by the Company's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are three types of market risk comprising interest rate risk, commodity price risk and foreign currency risk.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to their cash at banks and trust receipts. However, most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal. The detail of cash at banks and trust receipts are set out in the Note 7 and 15 to the financial statements.

Commodity price risk

The Company is exposed to the price volatility of soybean which is major raw material of the Company's production. In order to manage risk on the fluctuation in gross profit margin, the Company has entered into short-term commodity swap agreement with banks to hedge such risk. Gain or loss is recognised in the statement of income when the contracts are settled or expired.

The Company has no outstanding of such agreement as at 31 December 2021 and 2020.

Foreign currency risk

The Group's exposure to foreign currency risk relates primarily to purchases of major raw materials and machinery and sales of goods which are denominated in foreign currencies. The Group seeks to mitigate this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2021 and 2020, the balances of financial assets and liabilities denominated in foreign currencies of the Company are summarised as follows:

Foreign currencies	Financial assets		Financial liabilities		Average exchange rate as at 31 December	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	1.3	1.0	71.0	101.7	33.4199	30.0371
Euro	-	-	-	0.1	37.8948	38.8764
Yuan	-	-	0.4	-	5.2507	4.6187

The Company seeks to mitigate this risk by entering into forward exchange contracts, which are mature within one year in order to hedge the foreign exchange risk.

The outstanding forward exchange contracts as at 31 December 2021 and 2020 are summarised as follows.

Separate financial statements as at 31 December 2021

Foreign currencies	Amount	Average contractual exchange rate	Contractual maturity date
	(million)	(Baht per 1 foreign currency unit)	
Forward contracts to "Buy"			
US dollar	60.5	33.4358	February - July 2022
Forward contracts to "Sell"			
US dollar	13.6	33.2317	March - May 2022

Separate financial statements as at 31 December 2020

Foreign currencies	Amount	Average contractual exchange rate	Contractual maturity date
	(million)	(Baht per 1 foreign currency unit)	
Forward contracts to "Buy"			
US dollar	24.0	30.1161	March - June 2021
Forward contracts to "Sell"			
US dollar	1.3	30.1981	March - June 2021

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2021 and 2020. The Group's exposure to other foreign currencies is not material.

	2021		2020	
Currency	Change in FX rate Increase/Decrease	Effect on profit before tax	Change in FX rate Increase/Decrease	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
US dollar	+0.6	(4,462)	+0.5	(15,651)
	-0.6	4,462	-0.5	15,651

This information is not a forecast or prediction of future market conditions and should be used with care.

29.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

30. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2021, the Group's debt-to-equity ratio was 0.35:1 (2020: 0.46:1) and the Company's 0.36:1 (2020: 0.48:1).

31. Events after the reporting period

31.1 On 25 February 2022, a meeting of the Company's Board of Directors passed a resolution to approve an annual dividend payment to the shareholders of Baht 0.90 per share, a total of Baht 728 million, in addition to the interim dividend payment of Baht 1.30 per share. The dividend is to be paid from the Company's operating results for the year 2021. This resolution will be further proposed for the shareholders' approval at the Annual General Meeting of the Company's shareholders for the year 2022.

31.2 On 15 February 2022, a meeting of the subsidiary's Board of Directors passed a resolution to approve the significant transactions detailed below:

a) An annual dividend payment to the shareholders of Baht 0.08 per share, a total of Baht 21.6 million, in addition to the interim dividend payment of Baht 0.10 per share, to be paid from the subsidiary's operating results for the year 2021; and payment of stock dividend at the rate of per 1 dividend share for every 10 existing shares, totaling Baht 13.5 million, or Baht 0.05 per share.

b) An increase in the subsidiary's registered share capital of Baht 13.5 million, comprising 27 million shares, to support the stock dividend payment. After the capital increase, the subsidiary's registered share capital will be Baht 148.5 million, consisting of 297 million shares with the par value of Baht 0.50 per share.

These resolutions will be further proposed for the shareholders' approval at the Annual General Meeting of the subsidiary's shareholders for the year 2022.

32. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2022.

TVO

Thai Vegetable Oil Public Company Limited

Appendix

Attachment 1 Details of Directors, Executives, Controlling Persons and Company Secretary

Director and Management Profile (as of February 28, 2022)

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
1. Mr. Sompol Kiatphaibool ● Chairman (Independent) ● Member of Audit Committee ● Chairman of Corporate Governance, Nomination and Remuneration Committee Appointed: October 10, 2001 (Completed the director's term on April 23, 2021)	81	● Ph.D., Business Administration, Western University ● Master of Economics, Fairleigh Dickinson University, New Jersey, USA ● Master of Development Economics. (Hons.), National Institute of Development Administration ● Bachelor of Economics (Hons.), Thammasat University ● Certificate, National Defense College of Thailand, 1988 ● The Role of the Chairman Program (RCP) Class 8/2003, Thai Institute of Director Association (IOD) ● Capital Market Academy Leadership Program (Class 5), The Stock Exchange of Thailand	None	None	2019-Present 2016-Present 2016-2021 2016-2019 2016-2019 2016-2019 2016-2019 2016-2019	● Senator ● Chairman ● Chairman of the Board (Independent), Audit Committee, Chairman of CGNR[/1] Committee ● Chief Advisor ● Chief Advisor ● Commission Member in Insurance ● Member ● Vice Chairman	 ● Summachiv Foundation ● Thai Vegetable Oil PCL ● The Deputy Prime Minister ● The Minister of Commerce ● Insurance Commission ● National Legislative Assembly ● Anti-Corruption Organization of Thailand

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
2. Dr. Suvit Maesincee ● Chairman of the Board (Independent) ● Chairman of the Corporate Governance Nomination and Remuneration Committee ● Chairman of the Environmental, Social, Risk Management and Compliance Policy Committee Appointed: January 13, 2021	60	● Ph.D. in Marketing Kellogg Graduate School of management, Northwestern University ● MBA, NIDA Business School ● BSc. in Pharmacy, Mahidol University ● Director Certification Program (DCP 18/2002) Thai Institute of Directors Association (IOD) ● Director Certification Program Refresher (DCP-Re 18/2006), Thai Institute of Directors Association (IOD) ● Director Accreditation Program (DAP60/2006) Thai Institute of Directors Association (IOD) ● Audit Committee Program (ACP 37/2011) Thai Institute of Directors Association (IOD) ● Top Executive Program in Commerce and Trade: Commerce Academy (TEPCoT) Class 3, University of the Thai Chamber of Commerce ● Leader Program Class 3, Capital Market Academy ● Role of Chairman Program (RCP 47/2021), Thai Institute of Directors Association (IOD) ● National Director Conference 2021, Thai Institute of Directors Association (IOD)	None	None	2021-Present 2020 2019-2020 2017-2019 2016-2017 2016	● Chairman of the Board (Independent), Chairman of the Corporate Governance Nomination and Remuneration Committee, Chairman of the Environmental, Social, Risk Management and Compliance Policy Committee ● Advisor to the Board of Directors and Honorary Member of the Corporate Governance, Nomination and Remuneration Committee ● Minister ● Minister ● Minister ● Deputy Minister	● Thai Vegetable Oil PCL ● Thai Vegetable Oil PCL ● Minister of Higher Education, Science, Research and Innovation ● Ministry of Science ● Prime Minister's Office ● Minister of Commerce

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
3. Mr. Apichart Chirabandhu ● Independent Director ● Chairman of the Audit Committee ● Member of Corporate Governance, Nomination and Remuneration Committee Appointed: February 28, 2018	64	● Bachelor of Laws, Ramkhamhaeng University ● The National Defence College (2011-2012) ● Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives (Class 18/2014), King Prajadhipok's Institute ● Director Accreditation Program (DAP) Class 103/2013, Thai Institute of Directors Association (IOD) ● Advance Audit Committee Program (AACP) Class 31/2018, Thai Institute of Directors Association (IOD) ● Corporate Governance for Executive (CGE) Class 15/2019, Thai Institute of Directors Association (IOD) ● National Director Conference 2021, Thai Institute of Directors Association (IOD)	None	None	2019-Present 2018-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-Present 2018-2019 2016-2018 2016-2018 2016-2018	● Expert attached to the Senator ● Independent Director, Chairman of Audit Committee and Member of Corporate Governance Nomination and Remuneration Committee ● Independent Director, Member of the Audit Committee, Chairman of Corporate Governance Committee, Member of Nomination and Remuneration Committee ● Member of Corporate Governance Committee ● Independent Director, Member of the Audit Committee, Chairman of Nomination and Remuneration Committee ● Independent Director, Member of the Audit Committee, Chairman of Nomination and Remuneration Committee ● Director ● Director and Treasurer ● Advisor to the Minister of Tourism and Sports ● Director ● Director ● Director	● Thai Vegetable Oil PCL ● Triple I Public Company Limited ● Millcon Steel Public Company Limited ● Millcon Steel Public Company Limited ● Nok Airline Public Company Limited ● AC Worldwide Co., Ltd. ● The Business Lawyers Foundation ● The Minister of Tourism and Sports ● Continental Holding Co.,Ltd. ● Siam Premier Service Co.,Ltd. ● Siam Premier International Law Office Limited

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
4. Dr. Chaipat Sahasakul ● Independent Director ● Member of the Audit Committee ● Member of the Environmental, Social, Risk Management and Compliance Policy Committee Appointed: April 28, 2010	67	● Ph.D. in Economics, University of Rochester, USA ● M.A. in Economics, Thammasat University ● B.A. in Economics, Thammasat University ● The National Defense Course for the Joint State-Private Sectors, Class 21, National Defense College ● Leader Program Class 12, Capital Market Academy ● Executive Program in "Energy Literacy for Sustainable Future", Class 11,Thailand Energy Academy (TEA) ● Politics and Governance in Democratic Systems for Executives Class 11, King Prajadhipok's Institute ● Certificate of Director Certification Program (DCP 21/2002), Thai Institute of Directors Association (IOD) ● Certificate of Audit Committee and Continuing Development Program, Thai Institute of Directors Association (IOD) ● Certificate of Monitoring Fraud Risk Management, Thai Institute of Directors Association (IOD) ● Certificate of Monitoring the System of Internal Control and Risk Management, Thai Institute of Directors Association (IOD) ● Certificate of Monitoring the Quality of Financial Reporting, Thai Institute of Directors Association (IOD)	None	None	2016-Present 2016-Present 2016-Present 2018-2019 2018-2019 2017-2019 2016-2019 2016-2018 2016-2017 2016-2017 2016-2017 2016	● Member of Sub-committee on Performance Evaluation of and Agreement with State Enterprises (Agriculture and Natural Resources Sector), ● Independent Director, Member of the Audit Committee, Member of the Nomination and Remuneration Committee ● Independent Director, Member of the Audit Committee and Member of Environmental, Social, Risk Management and Compliance Policy Committee ● Director ● Director ● Member of Screening Sub-committee ● Member of Sub-committee on Monetary, Public Finance and Government Budget Policies and Monitoring Macroeconomic Situation ● Director ● Member of Executive Sub-committee ● Vice Chairman ● Chairman of the Sub-committee on Project Evaluation ● Chairman	● Office of State Enterprise Policy Committee, Ministry of Finance ● Pylon PCL. ● Thai Vegetable Oil PCL. ● National Housing Authority ● Navee Intertrade Co., Ltd. ● State Enterprises Problem Solving Plans. ● National Legislative Assembly ● Eastern Water Resources Development and Management PCL. ● Office of the Energy Conservation Promotion Fund. ● Technical Advisory Committee on Research and Development of Energy Storage System Technology ● Project Evaluation under the Energy Conservation Promotion Fund ● Agricultural Futures Exchange of Thailand

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
Dr. Chaipat Sahasakul		• Certificate of Monitoring the Internal Audit Function, Thai Institute of Directors Association (IOD) • Certificate of the Board's Role in Fraud Prevention, Thai Institute of Directors Association (IOD) • Audit Committee Program Class 33, Thai Institute of Directors Association (IOD) • "Steering Governance in a Changing World" IOD International Director Conference 2017 Thai Institute of Directors Association (IOD) • "Corporate Disclosures: What are investors looking for beyond financial measures?" IOD Breakfast Talk 3/2017, Thai Institute of Directors Association (IOD) • Rising above disruption : A Call for Action, National Director Conference 2018, Thai Institute of Directors Association (IOD) • Seminar on " Anti-Corruption: The Practical Guide ", Thai CAC • EVEREST – Entire Business Innovation Transformation (EBIT), Case Study of IRPC, Thai Listed Companies Association • "Sustainability of business in the digital age", EY Office Limited • National Director Conference 2021, Thai Institute of Directors Association (IOD) • Easy listening: Accounting tips that AC should not miss" organized by the SEC			2016 2016	• Director • Committee Member of Faculty of Economics	• National Research Council of Thailand in Economics • Thammasat University

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
5. Assoc.Prof.Dr. Kitcha Urairong • Independent Director • Member of Corporate Governance, Nomination and Remuneration Committee Appointed: April 29, 2014	69	• BS (Veterinary Science), Kasetsart University • DVM (Doctor of Veterinary Medicine), Kasetsart University • Zeugnis in Schweinekrankheiten, Hannover Veterinary University, Germany • Director Certification Program (DCP 202/2014), Thai Institute of Directors Association (IOD) • Diplomate, Thai Board of Veterinary Medicine • Board Nomination and Compensation Program (BNCP 9/2020), Thai Institute of Directors Association (IOD) • National Director Conference 2021, Thai Institute of Directors Association (IOD)	None	None	2020-Present 2020-Present 2019-Present 2018-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-Present	• Advisor • Member of Academic Working Group • Independent Director, Member of Corporate Governance, Nomination and Remuneration Committee • External Expert • Technical Advisor • Technical Advisor • Technical Advisor • Technical Advisor • Senior Expert • Advisor • Technical Advisor • Technical Advisor • Technical Advisor • Independent Director	• Committee of the Pig and Product Development Policy Committee (Pig Board), Ministry of Agriculture and Cooperatives • Department of Livestock • Thai Vegetable Oil PCL • Academic Committee of Kasetsart University • MasterVet Co. Ltd • MacProduct Co. Ltd • MSD Thailand, Animal Division • Zoetis Thailand, Animal Division • Faculty of Veterinary Medicine, Kasetsart University • Veterinary Drugs and Vaccines Subcommittee, Thai Veterinary Council • Technical Advisor, Better Pharma Company, Betagro • Bioscience Group • Vet Product Group • Smart Vet Group • Thai Vegetable Oil PCL

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
6. Mr. Vipoota Trakulhoon ● Independent Director ● Member of the Audit Committee ● Member of the Environmental, Social, Risk Management and Compliance Policy Committee Appointed: October 15, 2021	55	● Master's degree of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University ● Bachelor's degree of Business Administration, Financial Accounting, Chulalongkorn University ● Director Accreditation Program (DAP 120/2015), Thai Institute of Directors Association (IOD) ● Advance Audit Committee Program (AACP 42/2021), Thai Institute of Directors Association (IOD) ● National Director Conference 2021, Thai Institute of Directors Association (IOD)	None	None	2021-Present 2020-Present 2016-Present 2016-Present 2016-Present 2016-Present 2020 2019-2021	● Independent Director, Member of the Audit Committee, Member of the Environmental, Social, Risk Management and Compliance Policy Committee ● Independent Director ● Independent Director ● Independent Director ● Director ● Director ● Advisor to the Board of Directors ● Independent Director	● Thai Vegetable Oil PCL. ● SKY ICT PCL. ● Triple IPCL. ● Business Alignment PCL. ● Millcon PCL. ● Creative Power Co., Ltd. ● Thai Vegetable Oil PCL. ● General Engineering PCL.
7. Miss Aranya Vitayatanagorn ● Director ● Member of Environmental, Social, Risk Management and Compliance Policy Committee. ● Authorized Director to sign on behalf of the Company. Appointed: April 29, 2011	56	● Bachelor of Business Administration (Management), Faculty of Business Administration, Thonburi University. ● Mini MBA, Year 1986, Thammasart University. ● Sustaining the Family Business – SFB 2009, Sasin Graduate Institute of Business Administration of Chulalongkorn University ● Director Accreditation Program (DAP), Class 82/2010, Thai Institute of Directors Association (IOD) ● Director Certification Program (DCP), Class 134/2010, Thai Institute of Directors Association (IOD) ● Financial Statements for Directors (FSD), Class 11/2011, Thai Institute of Directors Association (IOD)	2.27	Relative	2019-Present 2016-Present 2021 2018-2020 2018-2019 2016-2018	● Member of the Environmental, Social, Risk Management and Compliance Policy Committee ● Director ● Acting Assistant Chief Executive Officer ● Chief Operating Officer – Commercial ● Member of the Corporate Governance, Nomination and Remuneration Committee ● Vice Chairman of the Executive Board	● Thai Vegetable Oil PCL ● Thai Vegetable Oil PCL ● Thai Vegetable Oil PCL ● Thai Vegetable Oil PCL ● Thai Vegetable Oil PCL ● Thai Vegetable Oil PCL

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
Miss Aranya Vitayatanagorn		• Executive Development Program (EDP), Class 12/2013, Thai Listed Companies Association (TLCA) • Risk Management Class 5/2015, Chulalongkorn University • Capital Market Academy Leadership Program (Class 23/2016), The Stock Exchange of Thailand • National Director Conference 2021, Thai Institute of Directors Association (IOD)					
8. Mr.Vichai Vitayathanagorn • Director Appointed: May 13, 2016	71	• The Institute of Administration, Hong Kong • Ling-Nan College, Hong Kong • Directors Certification Program (DCP) Thai Institute of Directors Association (IOD) • National Director Conference 2021, Thai Institute of Directors Association (IOD)	7.55	Relative	2017-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-2017 2016-2017	• Senior Adviser • Director • Chairman • Chairman • Chairman • Chairman • Director • Advisor • Advisor	• Border Trade Group and Cross Border Trade on The Southern China • Thai Vegetable Oil PCL. • Fah Chai Yo Co.,Ltd. • U Flow Plus Co.,Ltd. • Fila Plus Co.,Ltd. • Texport Thai Co.,Ltd. • Sing Heang Industry Co.,Ltd. • Development of Logistics System for Thai Chamber of Commerce • Xi Shuang Banna Chamber of Commerce

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
9. Mr.Vachara Vitayatanagorn ● Director ● Authorized Director to sign on behalf of the Company. Appointed: April 29, 2013	51	● Master of Arts in Economics, University of Colorado at Denver, U.S.A ● Bachelor of Business Administration in Finance and Banking, Assumption University ● Directors Certification Program (DCP) Class 174/2013, Thai Institute of Directors Association (IOD) ● Risk Management Committee Program (RMP) Class 1/2013, Thai Institute of Directors Association (IOD) ● Effective Minute Taking (EMT) Class 28/2014, Thai Institute of Directors Association (IOD) ● Company Reporting Program (CRP) Class 8/2014, Thai Institute of Directors Association (IOD) ● Board Reporting Program (BRP) Class 13/2014, Thai Institute of Directors Association (IOD) ● How to Develop a Risk Management Plan (HRP) Class 5/2014, Thai Institute of Directors Association (IOD) ● Capital Market Academy Leadership Program (22/2016), Capital Market Academy ● Thailand Energy Academy Leadership Program Class 12/2018 ● Bhumipalung Phandin (Class 5/2019), Chulalongkorn University ● National Director Conference 2021, Thai Institute of Directors Association (IOD)	1.48	Relative	2018-Present 2017-Present 2016-Present 2016-Present 2018-2019 2016	● Director ● Executive Director, and Member of Risk Management Committee ● Director ● Director ● Advisor of Committee on Economics ● Corporate Secretary and Admin Manager	● Golden Thread Co., Ltd. ● Prodigy PCL. ● Thai Vegetable Oil PCL. ● Prodigy PCL. ● Monetary and Finance (NLA) ● Prodigy PCL.

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
10. Mr.Pachai Chanpitaksa ● Director ● Managing Director ● Chief Operation Officer - Production ● Authorized Director to sign on behalf of the Company. Appointed: March 18, 2015	38	● Master of Sciences in Technical Venture and foundation of entrepreneurship, University College London & London Business School, United Kingdom ● Bachelor of Engineering in Engineering with Business and Finance, University college London & London School of Economics and Political Sciences, United Kingdom ● Director Certification Program (DCP 216/2016), Thai Institute of Directors Association (IOD) ● Academy of Business of Creativity (Batch 5), Sripatum University ● Executive Development Program, Thai Listed Companies Association ● Digital Edge Fusion (DEF 1/2017), Sripatum University ● Professional Symposium for CEO in Real Estate (RE-CU 3/2017), The Real Estate Executive Association of Chulalongkorn University ● Leadership Succession program, Institute of Research and Development for Public Enterprises ● Boards that Make a Difference (BMD 9/2019), Thai Institute of Directors Association (IOD) ● Basic Course on the Personal Data Protection Act B.E. 2562 (2019), Baker & McKenzie Ltd. ● National Director Conference 2021, Thai Institute of Directors Association (IOD)	0.36	Relative	2021-Present 2016-Present 2016-2020 2017-2018	● Managing Director Chief Operation Officer - Production ● Director ● Executive Vice President-Supply and Trading Department ● Executive Director	● Thai Vegetable Oil PCL. ● Thai Vegetable Oil PCL. ● Thai Vegetable Oil PCL. ● Thai Vegetable Oil PCL.

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
11. Mr.Ekarat Wongsupbhasatigul ● Director Appointed: April 28, 2016	40	● Master of Business Administration Management (Executive), Sasin Graduate Institute of Business Administration ● Bachelor of Sciences in Electrical Engineering, Suffolk University, United State of America ● Executive Development Program (EDP), Thai Listed Companies Association, The Stock Exchange of Thailand ● The Program for Senior Executive on Justice Administration (Batch 16), National Justice Academy ● The Politics and Governance Democratic Systems for Executives, The King Prajadhipok's Institute ● Young Entrepreneurship Program, Siam Commercial Bank ● Academy of Business of Creativity (Batch 3), Sripatum University ● Director Certification Program (DCP 227/2016) Thai Institute of Directors Association (IOD) ● Strategic Board Master Class (SBM 6/2019), Thai Institute of Directors Association (IOD) ● National Director Conference 2021, Thai Institute of Directors Association (IOD)	1.50	Relative	2016-Present 2016-Present 2016-Present	● Director ● Executive Director ● Deputy Managing Director	● Thai Vegetable Oil PCL. ● Golden Thread Co.,Ltd. ● Golden Thread Co.,Ltd

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
12. Mr.Vorravuth Tangpiroonthum ● Director ● Authorized Director to sign on behalf of the Company. Appointed: April 26, 2017	47	● MBA, Concentrate in Marketing and Finance, SASIN Graduate Institute of Business Administration of Chulalongkorn University ● BBA, Concentrate in Management, Commerce and Accountancy, Chulalongkorn University ● Professional CFO Diploma, National Institute of Developments Administration (NIDA) ● Thai Intelligence Investors Program, Thai Investors Association ● Director Accreditation Program 14/2004 (DAP), Thai Institute of Directors Association (IOD) ● Finance for Non – Finance Directors (FND) 35/2007, Thai Institute of Directors Association (IOD) ● Director Certification Program 92/2007 (DCP), Thai Institute of Directors Association (IOD) ● Diploma Examination (EXAM) 22/2007, Thai Institute of Directors Association (IOD) ● Monitoring the Internal Audit Function 6/2009 (MIA), Thai Institute of Directors Association (IOD) ● Family Business Sustainability (FBS) 4/2016, Thai Institute of Directors Association (IOD)	1.03	Relative	2017-Present 2016-Present 2016-Present 2016-Present 2016-Present	● Director ● Director, Audit Committee Member and Member of Corporate Governance, Nomination and Remuneration Committee ● Director and Strategy and Investment Committee Member ● Chief Executive Officer ● Director and Chairman of the Risk Management Committee	● Thai Vegetable Oil PCL. ● Major Development PCL. ● Prodigy PCL. ● Cheer Group Holding Company Limited ● Thai Ha PCL.

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
Mr.Vorravuth Tangpiroonthum		• Advanced Audit Committee Program 23/2016 (AACP), Thai Institute of Directors Association (IOD) • Corporate Governance for Capital Market 20/2018 (CGI), Thai Institute of Directors Association (IOD) • Board Nomination and Compensation Program (BNCP) 4/2018, Thai Institute of Directors Association (IOD) • Strategic Board Master Class (SBM 6/2019), Thai Institute of Directors Association (IOD) • Boardroom Success Through Financing and Investment (BFI9/2020), Thai Institute of Directors Association (IOD) • Successful Formulation & Execution of Strategy (SFE 33/2020), Thai Institute of Directors Association (IOD) • National Director Conference 2021, Thai Institute of Directors Association (IOD)					
13. Mr. Kuna Vitayatanagorn • Director • Authorized Director to sign on behalf of the Company. Appointed: April 23, 2021	50	• Bachelor, Central Queensland University, Australia • Diploma, Victoria Business College, Australia • Certificate, Stott's Commercial College, Australia • Director Certification Program (DCP) Class 305/2021, Thai Institute of Directors Association (IOD) • National Director Conference 2021, Thai Institute of Directors Association (IOD)	0.60	Relative	2021-Present 2021-Present 2018-Present 2016-Present 2016-Present 2016-Present 2016-Present 2016-Present	• President • Director • Executive Vice President • Managing Director • Deputy Managing Director • Personal expert for Member • Advisor • Institute Relations Manager	• Soybean and Rice Brand Oil Processor Association • Thai Vegetable Oil PCL. • EV Society Company Limited • CWBT Property Solution Co., Ltd. • CWBT Company Limited • The National Legislative Assembly • Deputy Prime Minister and Minister of Industry • Thai Vegetable Oil PCL.

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
14. Mr.Charuphot Neesanant ● Acting Chief Executive Officer Appointed: January 1, 2021	77	● B.A. West Virginia University, U.S.A ● Director Accreditation Program (DAP), Thai Institute of Directors (IOD) ● Basic Course on the Personal Data Protection Act B.E. 2562 (2019), Baker & McKenzie Ltd.	None	None	2021-Present 2021	● Acting Chief Executive Officer ● Acting Managing Director Acting Chief Operating Officer – Commercial	● Thai Vegetable Oil PCL. ● Thai Vegetable Oil PCL.
15. Miss Sunanta Tritepapiruk ● Chief Operating Officer - Administration ● Chief Financial Officer Appointed: January 28, 2015	59	● M.S., Thammasat University ● B.A. Accounting (Second Class Honor), Thammasat University ● Anti-Corruption : The Practical Guide Thai Institute of Directors Association (IOD) ● Strategic Credit Analysis Class 1-2 / 2018, Settaluck Co., Ltd ● e-Payment System (The electronic payment process for entrepreneurs and financial accounting practitioners), Dharmniti Seminar and Training Co., Ltd ● Strategic Credit Analysis Class 3-4 / 2019, Settaluck Co., Ltd ● Problems of recognition of income and expenses Solution to be correct according to accounting principles, Dharmniti Seminar and Training Co., Ltd ● Techniques and precautions in internal control and accounting system improvement, Dharmniti Seminar and Training Co., Ltd ● Problems in Accounting for Assets, Liabilities and Owner's Equity in accordance with Financial Reporting Standards, Dharmniti Seminar and Training Co., Ltd	0.08	None	2021-Present 2016-2020	● Chief Operating Officer - Administration ● Assistant Managing Director, Finance and Accounting Department	● Thai Vegetable Oil PCL. ● Thai Vegetable Oil PCL.

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
Miss Sunanta Tritepapiruk		• Basic Course on the Personal Data Protection Act B.E. 2562 (2019), Baker & McKenzie Ltd. • Inventory Accounting, Dharmniti Seminar and Training Co., Ltd • Tips for preparing and presenting a simple cash flow statement, Dharmniti Seminar and Training Co., Ltd					
16. Mr. Suchai Visesleela • Chief Operating Officer – Commercial Appointed: January 1, 2021	53	• Bachelor of General Management Ramkhamhaeng University	None	None	2022-Present 2021 2014	• Chief Operating Officer – Commercial • Assistant Managing Director -Supply and Trading • Senior Vice President	• Thai Vegetable Oil PCL. • Thai Vegetable Oil PCL. • Bangkok Produce Merchandising PCL.
17. Miss Teerada Korsrilabutr • Assistant Managing Director - Business Department 2 3 4 Appointed: January 13, 2021	37	• MSc in Finance and Economics, London School of Economics and Political Sciences, UK • Bachelor of Economics (First Class Honor with Gold Medal Award), Chulalongkorn University • The Oxford Princeton Program (Oxford) Financial Instrument to Manage Global Oil Price Risk • Basic Course on the Personal Data Protection Act B.E. 2562 (2019), Baker & McKenzie Ltd.	None	None	2021-Present 2016-Present 2015-2020 2015-2020	• Assistant Managing Director - Business Department 1 2 3 4 • Director • Deputy Director - Supply & Trading • Investor Relations	• Thai Vegetable Oil PCL. • Instasim Company Limited • Thai Vegetable Oil PCL. • Thai Vegetable Oil PCL.
18. Mr.Suranut Khemadham • Assistant Managing Director – Business Department 1 Appointed: August 2, 2021	51	• Master of Business Administration (Business & Finance), Southern New Hampshire University, USA. • Bachelor of Arts (Economics), Thammasat University	None	None	2021-Present 2019-2021 2016-2018	• Assistant Managing Director – Business Department 1 • Assistant Managing Director • Managing Director	• Thai Vegetable Oil PCL. • Siam Flour Trading Co.,Ltd. • Bunge (Thailand) Co.,Ltd.

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
19. Mr.Kamtorn Ekmetipunt ● Assistant Managing Director, Production Department Appointed: August 1, 2014 (Retired on January 1, 2022)	60	● B.Sc. (Chemical Technology), Chulalongkorn University ● Project to promote industrial plants for sustainable community and social responsibility, Department of industrial works ● Basic Course on the Personal Data Protection Act B.E. 2562 (2019), Baker & McKenzie Ltd.	None	None	2015-Present	● Assistant Managing Director, Production Department	● Thai Vegetable Oil PCL.
20. Mr. Surat Jewpraditkul ● Assistant Managing Director, Production Department Appointed: January 10, 2022	58	● Bachelor Degree of (Chemical Technology), Chulalongkorn University	None	None	2022-Present 2021 2016-2020	● Assistant Managing Director, Production Department ● Director of Engineering ● Project Department Manager	● Thai Vegetable Oil PCL. ● Thai Vegetable Oil PCL. ● Thai Vegetable Oil PCL.
21. Miss Kanutsorn Bunditnate ● Company Secretary ● Director of the office of CEO Appointed: August 14, 2018	53	● Master of Business Administration, Srinakharinwirot University ● Company Secretary Program, The Stock Exchange of Thailand ● Board Reporting Program (BRP) Class 21/2016, Thai Institute of Directors (IOD) ● Company Secretary Program (CSP), Class 92/2018, Thai Institute of Directors ● Toward the Sustainable Finance & Investment in Thailand, The Stock Exchange of Thailand ● Advances for Corporate Secretary 2020, Thai Listed Companies Association ● Basic Course on the Personal Data Protection Act B.E. 2562 (2019), Baker & McKenzie Ltd.	None	None	2021-Present 2018–Present 2018–2020 2015-2017	• Director of the office of CEO • Company Secretary • Acting Director of the office of CEO • Manager of Compliance Unit	• Thai Vegetable Oil PCL. • Thai Vegetable Oil PCL. • Thai Vegetable Oil PCL. • Thai Vegetable Oil PCL.

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/21	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
Miss Kanutsorn Bunditnate		• Preparation for sustainability with One Report, the Securities and Exchange Commission (SEC) • Guidelines for preparing a stakeholder report and insider information policy, Thai Listed Companies Association (TLCA) • ESG Disclosure in One Report, Thai Listed Companies Association (TLCA) • The process of director nomination according to CG principles, Thai Listed Companies Association (TLCA) • CGR Workshop Seminar on the topic of CGR 2023 Survey No. 2/2021, Thai Institute of Directors (IOD)					

○ **Details of Executives and Controlling Persons (As of February 28, 2022)**

Name	Thai Vegetable Oil PCL	Related companies				
		Prodigy PCL	Thai Edible Oil Co., Ltd.	Thai Ha PCL.	Cheers Group Holding Co., Ltd.	Golden Thread Co., Ltd.
1. Dr.Suvit Maesincee	X					
2. Mr.Apichart Chirabandhu	/					
3. Dr.Chaipat Sahasakul	/					
4. Assoc. Prof. Dr.Kitcha Urairong	/					
5. Mr.Vipoota Trakulhoon	/					
6. Miss Aranya Vitayatanagorn	/					
7. Mr. Vichai Vitayathanagorn	/					
8. Mr.Vachara Vitayatanagorn	/	/ , //				/
9. Mr.Pachai Chanpitaksa	/					
10. Mr.Ekarat Wongsupbhasatigul	/					//
11. Mr.Vorravuth Tangpiroonthum	/	/		/	//	
12. Mr.Kuna Vitayatanagorn	/					

Remarks: X = Chairman of the Board
/ = Director
// = Executive Director

Report on changes in securities holding of directors and executives in 2021 (Information as of December 31, 2021)

No.	Name	Position	Number of shares as of December 31, 2020	Number of shares as of December 31, 2021	Increase / (Decrease) in 2021	Share Holding (%)
1.	Dr. Suvit Maesincee	Chairman of the Board (Independent)	-	-	-	-
	Spouse and minor children		-	-	-	
2.	Mr. Apichart Chirabandhu	Vice Chairman of the Board	-	-	-	-
	Spouse and minor children	(Independent)	-	-	-	
3.	Dr. Chaipat Sahasakul	Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	
4.	Assoc. Prof. Dr. Kitcha Urairong	Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	
5.	Mr. Vipoota Trakulhoon	Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	
6.	Miss Aranya Vitayatanagorn	Director	18,384,869	18,384,869	-	2.27
	Spouse and minor children		-	-	-	
7.	Mr. Vichai Vitayathanagorn	Director	58,767,228	58,767,228	-	7.55
	Spouse and minor children		2,261,850	2,261,850	-	
8.	Mr. Vachara Vitayatanagorn	Director	11,300,000	12,000,000	700,000	1.48
	Spouse and minor children		-	-	-	
9.	Mr. Pachai Chanpitaksa	Director, Managing Director	2,896,000	2,896,000	-	0.36
	Spouse and minor children	Chief Operating Officer - Production	-	-	-	
10.	Mr. Ekarat Wongsupbhasatigul	Director	12,131,837	12,131,837	-	1.50
	Spouse and minor children		-	-	-	
11.	Mr. Vorravuth Tangpiroonthum	Director	8,000,000	8,000,000	-	1.03
	Spouse and minor children		305,757	305,757	-	
12.	Mr. Kuna Vitayatanagorn	Director	5,150,000	4,850,000	(300,000)	0.60
	Spouse and minor children		-	-	-	
13.	Mr. Charuphot Neesanant	Acting Chief Executive Officer	-	-	-	-
	Spouse and minor children		-	-	-	
14.	Miss Sunanta Tritepapiruk	Chief Operating Officer - Administration	680,239	680,239	-	0.08
	Spouse and minor children		-	-	-	
15.	Mr. Suchai Visesleela	Chief Operating Officer - Commercial	-	-	-	-
	Spouse and minor children		-	-	-	
16.	Miss Teerada Korsrilabutr	Assistant Managing Director	-	-	-	-
	Spouse and minor children		-	-	-	
17.	Mr. Suranut Khemadham	Assistant Managing Director	-	-	-	-
	Spouse and minor children		-	-	-	
18.	Mr.Kamtorn Ekmetipunt	Assistant Managing Director	-	-	-	-
	Spouse and minor children		-	-	-	
19.	Miss Kanutsorn Bunditnate	Company Secretary	-	-	-	-
	Spouse and minor children		-	-	-	
Total						14.87

Attachment 2 Details of the Subsidiary's Directors

The Subsidiary / Directors	Prodigy Public Company Limited
1. Mr.Prayoon Boonprasurd	/ ,X
2. Miss Pikul Taksinwaracharn	/
3. Dr.Thanet Norabhoompipat	/
4. Miss Thipawan Uthaisang	/
5. Mr.Pramote Santiwattana	/
6. Mr.Visuth Vitayathanagorn	/
7. Mr.Thongchai Tansutat	/ , //
8. Mr.Vachara Vitayatanagorn	/ , //
9. Mr.Vorravuth Tangpiroonthum	/

Remarks : X = Chairman of the Board
/ = Director
// = Executive Director

Attachment 3 Details of the Internal Audit supervisor and Compliance supervisors

Internal Audit supervisor

The Company has established an Internal Audit Department headed by Mr. Krit Kongkaew, the manager of the Internal Audit Office, who is suitable for performing duties and has understanding of the Company's business as the head of the internal audit department.

Education Accounting, Rajamangala Institute of Technology

Professional Certificate Certified Professional Internal Auditor in Thailand
IIA'S Endorsed Internal Auditing Program (EIAP) Chulalongkorn University
ISO Internal Quality Audits Certificate
OHSAS 18001:2007 Internal Audit Certificate

Training Introduction to Control Self-Assessment, the Institute of Internal Auditors of Thailand (IIAT)
Skill for the New Auditor-in-charge The Institute of Internal Auditors of Thailand (IIAT)
Mini MBA Thammasat University
Enterprise Risk Management : What's New? What's Next

Work experiences Internal Audit Manager, President Bakery Public Company Limited
Deputy Director of Internal Audit, RPCG Public Company Limited
Supervisor of the Internal Audit Office and the MD Consulting Team, IRPC Group's affiliate

Compliance supervisors

The Company established an Environmental, Social, Risk management and Compliance (ESRC) Policy Committee to help monitor operations, process, review and improve work systems to be suitable and in line with policy, business plan and good corporate governance. In addition, the ESRC Policy Committee also appointed a working group to oversee the performance by assigning Mr. Krit Kongkaew to be responsible for compliance with laws, rules, regulations, policies and requirements of the Stock Exchange of Thailand, the Securities and Exchange Commission of Thailand and Public Law.

Education	Accounting, Rajamangala Institute of Technology
Professional Certificate	Certified Professional Internal Auditor in Thailand
	IIA'S Endorsed Internal Auditing Program (EIAP) Chulalongkorn University
	ISO Internal Quality Audits Certificate
	OHSAS 18001:2007 Internal Audit Certificate
Training	Introduction to Control Self-Assessment, the Institute of Internal Auditors of Thailand (IIAT)
	Skill for the New Auditor-in-charge The Institute of Internal Auditors of Thailand (IIAT)
	Mini MBA Thammasat University
	Enterprise Risk Management : What's New? What's Next
Work experiences	Internal Audit Manager, President Bakery Public Company Limited
	Deputy Director of Internal Audit, RPCG Public Company Limited
	Supervisor of the Internal Audit Office and the MD Consulting Team, IRPC Group's affiliate

Attachment 4 Details of the property appraisal list

- None -

Attachment 5 Policy and practice of corporate governance

The Company disclosed Business Code of Conduct and Corporate Governance Policy on the Company's website (www.tvothai.com) under section "Corporate Governance"

Code of Conduct

https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20211209-131743-code-of-conduct-11-dec-2020-c.pdf

Corporate Governance Policy

https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20211227-145310-corporate-governance-policy-12-nov-21-p.pdf

Attachment 6 Report of the Audit Committee
Report of the Corporation Governance Nomination and Remuneration Committee
Report of the Environmental, Social, Risk Management and Compliance Policy Committee
Report of the Board of Directors' Responsibilities for Financial Statements

Report of the Audit Committee

The Audit Committee of Thai Vegetable Oil Public Company Limited consists of 3 independent directors, namely Mr. Apichart Chirabandhu, Dr. Chaiphat Sahasakul, and Mr. Vipoota Trakulhoon. The head of the Internal Audit Unit acts as the secretary of the Audit Committee.

The Audit Committee performed its duties independently within the scope as delegated by the Board of Directors and in accordance with the Charter of Audit Committee and in line with the regulations of the Stock Exchange of Thailand. In 2021, the Audit Committee held a total of 5 meetings together with the auditors, but without the management attended. All members of the Audit Committee attended all 5 meetings. The meeting results were summarized and reported to the Board of Directors for acknowledgment.

The summary of the performance of the Audit Committee are as follows:

1) Considered the Company's financial reports to be accurate, complete, and reliable
2) Provided opinions on the Company's internal control system
3) Considered the Company's operations to be compliance with the Securities and Exchange Law Stock Exchange's Requirements or laws relating to the Company's business
4) Considered selecting and appointing an auditor and audit fees by considering the past performance, independence and reputation including the appropriateness of the auditor and the audit fee. The Audit Committee agreed to appoint Mrs. Chonlaros Suntiaswaraporn and/or Ms. Siraporn Ouaanunkun and/or Mr. Chatchai Kasemsrithanawat of EY Office Limited to be the Company's auditors for the year 2022 and propose to the Board of Directors for consideration and proposing to the Shareholders' meeting to consider appointing auditors and approving audit fees
5) Considered the connected transaction or transaction that might have conflicts of interest to comply with the regulations of the Securities and Exchange Commission and the requirements of the Stock Exchange
6) Performed duties and responsibilities as specified in the Audit Committee Charter approved by the Board of Directors

Mr. Apichart Chirabandhu
Chairman of Audit Committee

Report of the Corporation Governance Nomination and Remuneration Committee

The Corporate Governance Nomination and Remuneration Committee consists of 3 independent directors and 1 honorary member as follows;

1) Dr.Suvit Maesincee Chairman
2) Mr.Apichart Chirabandhu Member
3) Assoc. Prof. Dr.Kitcha Urairong Member
4) Ms. Wiboonluck Ruamraksa Honorary Member

Miss Sunanta Tritepapiruk, Acting Chief Operating Officer – Administration acts as the secretary of the meeting.

The Corporate Governance Nomination and Remuneration Committee is responsible for governing the Company to conduct its business with good corporate governance to create sustainable growth and nominating qualified persons to become member of the Board of Director and Top Executives including considering directors and top executives' remuneration. In 2021, the Corporate Governance Nomination and Remuneration Committee held 12 meetings and reported the meeting results to the Board of Directors every time. The key points were summarized as follows:

Corporate Governance

- Reviewed the corporate governance policy and personnel policy including operating regulations such as complaints procedure, regulations on compensation and regulations on the management of documents and meeting information to suit the business and comply with the law and guidelines set by the Stock Exchange of Thailand, Securities and Exchange Commission as well as relevant regulatory agencies.
- Reviewed the performance evaluation forms of the Board of Directors and sub-committees and the Chief Executive Officer as well as reviewed the Board Skill Matrix to be aware of the composition, knowledge and expertise to determine which components of the directors were still lacking and used it for further consideration of the nomination of directors.
- Acknowledged the report on compliance with the good corporate governance principles (CG Code) and proposed to the Board of Directors' meeting.

Nomination

In the consideration of the Company's directors to replace the 4 directors who were due to retired by rotation, namely Mr. Sompol Kiatphaibool, Mr. Apichart Chirabandhu, Assoc. Prof. Dr. Kitcha Urairong and Mr. Vichit Vitayatanagorn, the Corporate Governance Nomination and Remuneration Committee did not consider the mentioned directors in order to comply with good Corporate Governance due to all 3 independent directors were members of the Corporate Governance Nomination and Remuneration Committee. In this regard, Mr. Sompol Kiatphaibool expressed his intention not to be nominated for selection as the Company's director.

- The Company invited the Shareholders to nominate qualified persons to be directors via the Company's website and also notified via the SET Portal between October 28, 2020 and January 27, 2021, there was proposal from Shareholders to nominate Mrs. Suvimol Chrityakierne to be elected as the Company's director. The Corporate Governance Nomination and Remuneration Committee considered her profile, knowledge, ability and experience including the expertise according to Board Skills Matrix and Board diversity, therefore, deemed appropriate to propose Mrs. Suvimol Chrityakierne to the Board of Directors for consideration to propose to the Shareholders' meeting to consider and appoint as the Company's directors.
- Mr. Vichit Vitayatanagorn, a director who retired by rotation, passed away. The Corporate Governance Nomination and Remuneration Committee considered the profile, qualification, suitability of the person nominated as director and deemed it appropriate to propose Mr. Kuna Vitayatanagorn in replacement of the passed away director.
- Considered recruiting the Chief Executive Officer according to qualifications, criteria and guidelines to appoint a person as Chief Executive Officer in order to manage the Company's operations continuously.
- Considered appointing advisor, expert and directors in place of the resigned director and presented to the Board of Directors for approval as follows;
    1) Appointed Dr. Suvit Maesincee as the Chairman of the Board, and the Chairman of the CGNR Committee and the Chairman of ESRC Policy Committee.
    2) Appointed Mr. Vipoota Trakulhoon as Advisor to the Board of Directors, Independent Director and member of the Audit Committee to replace Mrs. Suvimol Chrityakierne.

Remuneration

- Considered the directors' remuneration for the year 2021, consisting of monthly remuneration, bonus and remuneration for sub-committee which consisted of the Audit Committee, the CGNR Committee and the ESRC Policy Committee to present to the Board of Directors' meeting and the Annual General Meeting of Shareholders to consider and approve.
- Considered remuneration for Chief Executive Officer and Managing Director.
- Considered remuneration for Advisors and Honorary Member in sub-committee.

Furthermore, the Company has been honored with numerous awards in 2021 as we realized the importance of the good corporate governance detail as follows;

- Receiving "Excellent" (5 Star) CG Scoring by Thai Institute of Directors in 2021 and was ranked in 1 of the 37 Top Quartile Companies in the Listed Companies that have market capitalization (Market Cap.) Baht 10,000-30,000 million.

- Receiving the "ASEAN Asset Class Publicly Listed Companies" award from the 2019 ACGS ASEAN Corporate Governance Scorecard organized by the Securities and Exchange Commission (SEC) and Thai Institute of Directors (IOD), which reflected good corporate governance at the regional level and awareness of social and environmental responsibility.
- Being selected to be in the 2021 Thailand Sustainability Investment (THSI) organized by the Stock Exchange of Thailand for the 5th year.
- Ranking in the ESG100 (Environmental, Social and Governance) of Agro & Food Industry, which was the 6th consecutive year and receiving the Sustainability Disclosure Award for the year 2021 from Thaipat Institute.
- Receiving "Best of the Best" Award from the FDA Quality Award 2021 from the Food and Drug Administration for the 4th year, for the Company that conducted its business with quality, ethics and social responsibility.
- Receiving CSR-DIW Continuous Award for the year 2021, which was the 2nd consecutive year, for the factory that was responsible for Corporate Social Responsibility.

The above performance results and awards ensure that the Company has continuously complied good corporate governance principles in order to attain sustainability growth with responsibility to stakeholders, creating balance in economic, social and environmental dimensions to develop sustainable business growth.

(Dr. Suvit Maesincee)

Chairman of the Corporation Governance Nomination and Remuneration Committee

Report of the Environmental, Social, Risk Management and Compliance Policy Committee

The Board of Directors realizes the importance of corporate management towards sustainability which consists of corporate governance, compliance with rules, risk management, including supply chain management that integrates environmental, social and corporate governance issues (Environmental Social and Governance: ESG) into the business process to drive the business sustainable in the long run as well as contribute a positive impact on society, environment and stakeholders systematically and continuously integrated.

In 2021, the Company still maintain the standard of business operations that generate good operating results while taking care of the community and the environment by focusing on legal compliance and relevant rules to develop the operations of all aspects to coordinate into the same direction more efficiently. The Company established the Environmental, Social, Risk Management and Compliance Policy Committee; or the ESRC Policy Committee to assign policies, review the operating framework and improve various work systems to be suitable in accordance with the policy, business plan, and good corporate governance which is the basis of sustainable development including with providing relevant comments and suggestions.

In addition, the Company has assigned an ESRC-E management team consisting of various departments. They are responsible for closely monitoring the operations at the organizational and management levels throughout the organization in accordance with the policy guidelines and the operational framework assigned by the ESRC Policy Committee through a working group of 3 working groups: the Environmental and Social Working Group, the Risk Management Working Group, and the Compliance Working Group to achieve the integration of management in terms of policy, practice, exchange of information which will create a continuity and thorough the whole organization more efficiently.

The ESRC Policy Committee has an opinion that in 2021 the Company has developed an organizational management system to cover and connect all aspects of environment, Society, Risk Management, regulatory compliance and completely supervise the operations as specified in the Charter of ESRC Policy Committee, in line with the good corporate governance principles and creating sustainable value for the organization in further.

On behalf of the ESRC Policy Committee

(Dr. Suvit Maesincee)
Chairman of the ESRC Policy Committee

Report of the Board of Directors' Responsibilities for Financial Statements

The Board of Director authorizes the management to be responsible for the financial statements and financial reporting contained in this annual report. The financial statements are prepared in accordance with Thai Financial Reporting Standards that includes the use of careful judgment and the best estimates. Management is also responsible for establishing and maintaining effective internal control for financial reporting and safeguarding of assets.

The Board of Directors pursues its responsibility for quality of risk management system, internal control system, and corporate governance system to ensure that the financial information is accurate, complete and sufficient to maintain the Company's assets as well as to prevent risks from operations. The Board of Directors has appointed the Audit Committee, the Corporate Governance Nomination and Remuneration Committee and the Environmental, Social, Risk Management and Compliance Policy Committee to be responsible for the quality of financial reports, the adequacy of the internal control environments, risk management and good corporate governance made by the management. The working committee is reported to the Board of Directors' meeting quarterly.

With the effective financial report, internal control system, risk management and good corporate governance including the existing work system, the Board of Directors assures that the financial report, internal control, risk management, good corporate governance and retention of the Company's asset as of December 31, 2021 are reliable.

(Dr. Suvit Maesincee)
Chairman of the Board

(Mr.Charuphot Neesanant)
Acting Chief Executive Officer

Attachment 7 Charter of the Board

Charter of the Board of Directors

https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20211208-114033-charter-of-the-board-of-directors-c.pdf

Charter of the Audit Committee

https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20211208-114416-charter-of-audit-committee-u.pdf

Charter of the Corporate Governance, Nomination and Remuneration Committee

https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20211208-114224-charter-of-corporate-governance-nomination-and-remuneration-committee-t.pdf

Charter of the Environmental, Social, Risk Management and Compliance Policy Committee

https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20211208-114521-charter-of-environmental-social-risk-management-and-compliance-policy-committee-i.pdf

TVO

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