



LUBRICATING THE FUTURE

ANNUAL REPORT 2023
(56-1 ONE REPORT)

P.S.P. SPECIALTIES PUBLIC COMPANY LIMITED

General Information

Company Name	P.S.P.Specialties Public Company Limited
Information of Security	Ordinary share of P.S.P.Specialties Public Company Limited registered and traded on the Stock Exchange of Thailand in 2023 with Security name "PSP"
Type of Business	Total solution provider of lubricant products including raw material procurement, product design, production, packing, terminalling and distribution center, logistics management services and other related businesses.
Head Office	1 Boromrachachonanee Road, Arun Amarin, Bangkok Noi Bangkok 10700
Registration No.	0107565000417
Telephone	0-2434-0540
Fax	0-2433-6016
Website	www.psp.co.th
E-mail	Investor Relations psp-ir@psp.co.th Company Secretary comsec@psp.co.th
Registered Capital	1,400,000,000 Baht
Paid-up Capital	1,400,000,000 Baht
Paid-up Share	1,400,000,000 Shares
Par Value	1 Baht
References	
Securities Registrar	Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok, 10400 Telephone : 02-009-9000 Fax : 02-009-9991 SET Contact Center: 02-009-9999
Auditor	PricewaterhouseCoopers ABAS Ltd. 15 th Floor, Bangkok City Tower 179/74-80 South Sathorn Road, Thung Maha Mek, Sathorn, Bangkok 10120 Telephone : 02-844-1000 and 02-824-5000 Fax : 02-286-0500



LEADING LUBRICANT SOLUTIONS
AND EMBRACING LIMITLESS GROWTH
OPPORTUNITIES AND SUSTAINABILITY



THE LEADING
LUBRICANT SOLUTIONS
PARTNER

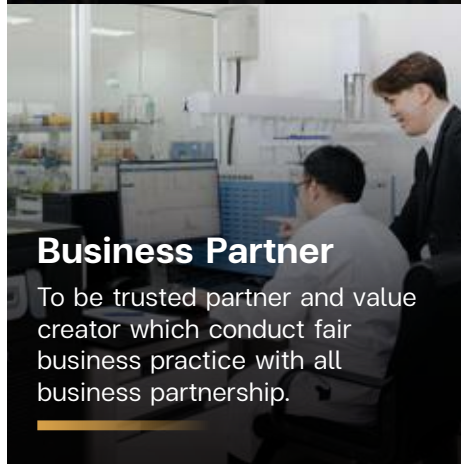
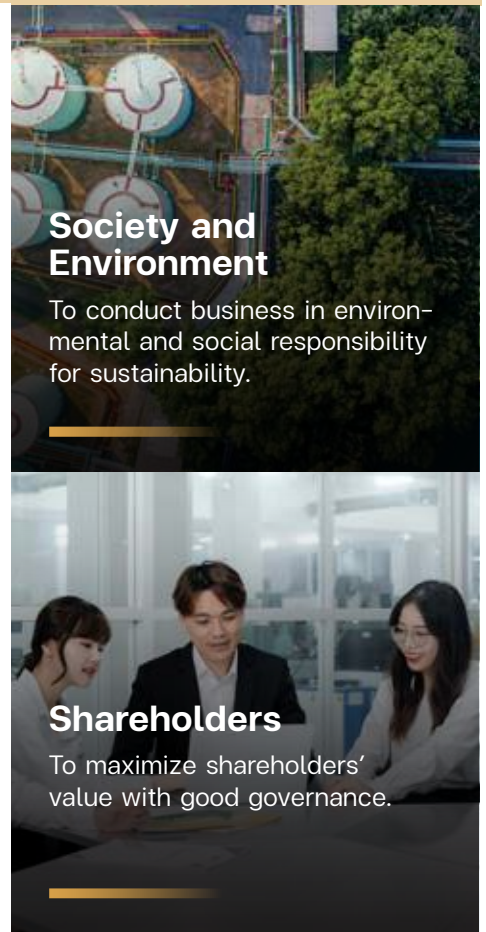
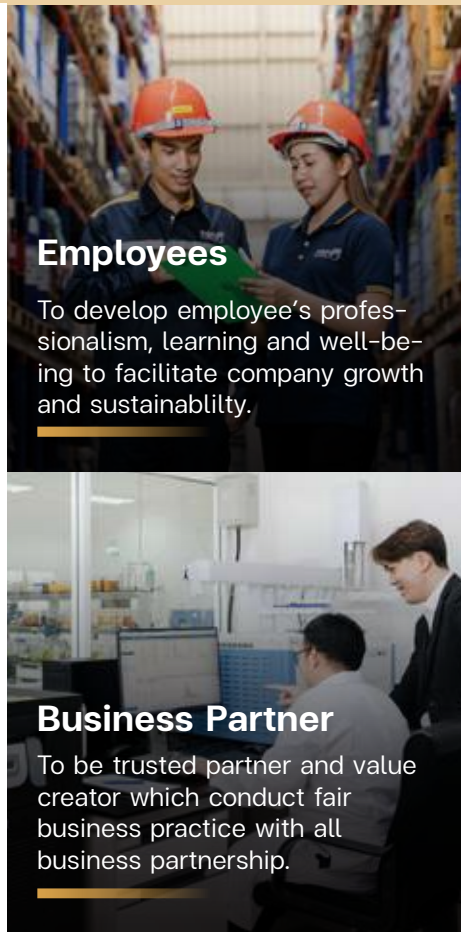
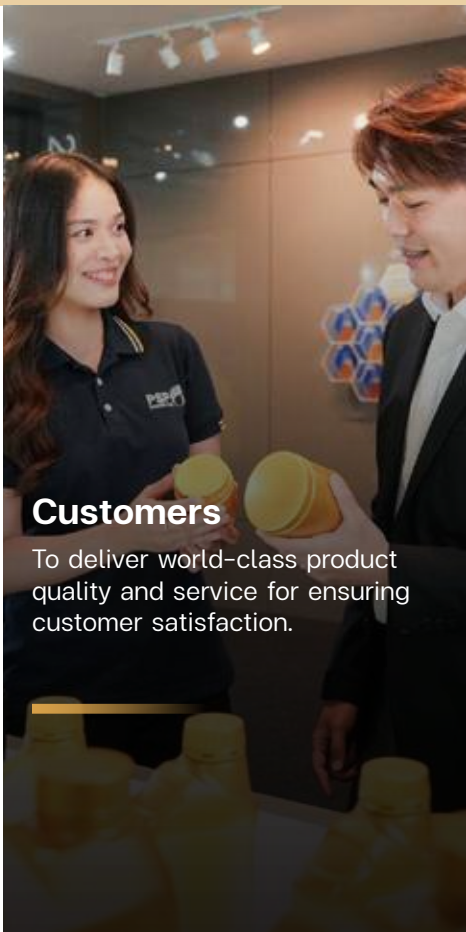
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Vision

**Leading lubricant solution
and embracing limitless growth opportunities
and sustainability**

Mission



Core Value

A

D

V

I

S

E

Agility

Agile, Quick, Able to change. In every situation

Continuous learning and development from studying and acquiring knowledge from outside the company together with the experience of the company's personnel; able to increase capabilities at the individual level and the organization in adapting to various situations in rapidly changing world in the era of globalization



Discipline

Have discipline, Be eager to practice

Giving importance to discipline and respecting the laws, rules and regulations of the company; behave in an orderly manner, as well as having a common goal in training oneself and increasing knowledge



We

Unity, Be one

Giving importance to unity, solidarity, and harmony, as well as working together to achieve the goals, to increase the capacity of work and able to achieve the Company's set objectives



Innovation

Focus on creating innovation, Push forward, Develop the organization.

Giving importance to creativity along with continuous learning and development from studying and acquiring knowledge from outside the company, together with the experience of the company's personnel, making it possible to increase capabilities both at the individual level and being able to develop the company even further



Safety

Safe, No risk, Avoid accidents.

Giving importance to safety, with the focus to conduct business by giving importance to the safety, environment, and quality of life of the Company's personnel, in line with international security, safety, and occupational health management standards.



Environment

The new generation cares about the environment.

Giving importance to the environment by creating Environment conservation culture, values and consciousness for the Company's personnel to create awareness along with producing and using energy efficiently and environmentally friendly and to create sustainable value





Message from Chairman of the Board

Since 2023, P.S.P. Specialties Public Company Limited has been listed on the Stock Exchange of Thailand. It has raised capital to expand its business for a steady and sustainable growth, reinforcing leadership in integrated lubricant products with the highest production capacity and market share in a variety of products such as automotive and industrial lubricants, rubber process oils, and transformer oils. The Company has a solid business foundation and strength in many dimensions as well as strategies and operational guidelines to handle business volatilities. The Company has continuously generated profits at a satisfactory level until now.

Regarding the Thai economic outlook in 2024, it is expected that the Thai economy will recover from last year and return to growth due to tourism sector impact from increasing of tourist activities of foreign and Thai tourists, the expansion of Foreign Direct Investment (FDI) and industrial sectors, as well as private consumption which is in the recovery period. These factors serve as driving forces of economy in the next phrase and help mitigate the impact of the global economic slowdown. The Company strives to maintain its current customer base and expand domestic and international customer base. In addition, business plans have been adjusted and strategies have been prepared to support future growth, as well as seeking new partners for further business expansion. The Company also looks for opportunities to grow its business and create financial stability for shareholders.

Throughout over 34 years, the Company has been committed to and placed importance on sustainable business operations, focusing on creating well balance in every dimension, whether it be economic, social, or environmental dimension. The Company has implemented good corporate governance principles and risk management with social responsibility towards sustainable development according to the SDGs (Sustainable Development Goals). Furthermore, it has created innovations in lubricant products of the future along with continuous social development which the focus is placed on learning activities, education, and social and environmental care. The Company also adheres to ethical principles and legality while developing business partners in accordance with good principles throughout the supply chain to create benefits for all stakeholders and the society as a whole in order for PSP to move forward with a steady growth.



(Mr. Yongyos Krongphanich)

Chairman of the Board

P.S.P. Specialties Public Company Limited



Message from Chief Executive Officer

P.S.P. Specialties Public Company Limited has entered into its 34th year with strong growth in the automotive and industrial lubricant industry. The Company is equipped with risk management measures, cooperation from employees, professionalism of the management team, and trust from all stakeholders who consistently have confidence in PSP, our products and services. Regarding the performance as of the end of 2023, the Company had a total revenue from sales and services of 12,257.2 million baht and a net profit of 427.5 million baht or 3.5% of total revenue. The performance was at a satisfactory level considering the impact of the global economic recession and rising interest rates over the past year.

The Company has operated under the concept of Lubricating The Future through 3 main strategies: 1) Maintain sustainable leadership in the industry (Sustained Leadership) by expanding the customer base both domestically and abroad, relying on the cost advantage and production efficiency as well as the quality of products and services, 2) Raise the value of products and services (Specialized Creation) through the development of product innovations such as multi-purpose oil, food grade lubricant, EV application fluids, bio-based lubricant, Adblue, re-refined base oil, as well as upgrading services to enhance its capabilities, such as providing safety training and external lab testing service, 3) Expand cooperation by investing in new businesses including lubricant related business, integrated logistics business, business related to sustainability, and New S-Curve, among others, as well as the Digital Transformation project that the Company started investing last year, which will help simplify work processes and increase operational efficiency. This strategy helps drive PSP to grow steadily under operations along with risk management measures and good corporate governance.

Our success for the past 34 years would not have been possible without the cooperation, trust and support of various parties including the Board of Directors, executives, employees, partners, allies and all customers. On behalf of the executives we would like to express our gratitude for your continued support. We all focus on business development and are ready to adapt to the ever-changing era to prepare ourselves for opportunities and challenges in the future.



(Mr. Sint Krongphanich)

Chief Executive Officer

P.S.P. Specialties Public Company Limited

Audit and Corporate Governance Committee Report

Dear Shareholders,

The Audit and Corporate Governance Committee of P.S.P. Specialties Public Company Limited (the “Company”) consists of qualified independent directors with experience in management, accounting and finance. The composition and qualifications are as specified in the Notification of the Stock Exchange of Thailand, consisting of 3 members, namely Ms. Charanya Sangsukdee as the Chairman of the Audit and Corporate Governance Committee, Mr. Choochai Eiamrungraj and Mr. Trinnawat Thanitnithiphan as members of the Audit and Corporate Governance Committee. Mr. Kanthaphatt Jaruphattarayotsapata acts as the Head of the Internal Audit and Secretary of the Audit and Corporate Governance Committee.

The Audit and Corporate Governance Committee performs its duties independently as assigned by the Board of Directors and in accordance with the Audit and Corporate Governance Committee Charter, which aligns with the best practices of the Securities and Exchange Commission, Thailand. The committee reviews and pushes forward the Company Group to comply with the good corporate governance principles. There is an adequate risk management and internal control systems in place as well as an efficient and effective internal audit. An emphasis is placed on the organization’s systematic structure and work processes, focusing on becoming a transparent organization. The quality of the Company Group’s internal audit is raised to enable the Company to achieve the established goals and sustainable operations.



In 2023, the Audit and Corporate Governance Committee held 8 meetings with discussions with executives, internal auditors and auditors. In addition, a joint meeting was organized between the Executive Committee and the Audit and Corporate Governance Committee to discuss and determine the direction for risk management and internal audit to ensure alignment.

Duties and opinions of the Audit and Corporate Governance Committee can be summarized in essence as follows:

Review of Financial Reports

The Audit and Corporate Governance Committee has reviewed interim financial information, consolidated financial statements of the Company Group and annual separate financial statements of the Company together with the auditors and the management team regarding the accuracy and completeness of the financial statements. The committee has also reviewed the improvement of important accounting items as well as accounting estimates which have an impact on the financial statements, sufficiency and appropriateness of accounting recording methods and audit scope, complete and adequate information disclosure, and the independence of the auditors. This is to ensure that the preparation of financial statements complies with legal requirements and accounting standards in accordance with generally accepted

accounting principles and that it is reliable and in a timely manner with adequate information disclosure beneficial to users of financial statements.

In addition, the Audit and Corporate Governance Committee has arranged a special meeting with the auditors to discuss the audit plan, risks and internal control, independence in performing duties, and auditors' opinions. In 2023, the auditors confirmed their independence and had no significant observations, as well as not finding any suspicious circumstances. The Audit and Corporate Governance Committee therefore was of the opinion that the Company had an appropriate financial reporting system to disclose financial information without significant contradictory facts and it was prepared according to financial reporting standards.

Review of Related-Party Transactions or Conflict of Interest Transactions

The Audit and Corporate Governance Committee has reviewed the related-party transactions or conflict of interest transactions of the Company Group according to the Notification of the Securities and Exchange Commission and the Stock Exchange of Thailand. The results indicate that related-party transactions of the Company Group have been reasonably carried out according to general trading conditions with utmost benefit for the Company Group's operations and not benefit any party in particular.

Review of Risk Management

The Company places importance on risk management by providing an assessment of external and internal risk factors, emerging risks from challenging political and economic circumstances in major countries, an increase in oil prices, exchange rate fluctuations, and potential impacts and opportunities. Risk management is reported to the Board of Directors regularly. The Audit and Corporate Governance Committee has monitored and acknowledged the Company's risk management reports and reviewed the effectiveness of risk management from the performance of each responsible

management team, audit results of the internal audit department and auditors. There is a joint meeting between the Executive Committee and the Audit and Corporate Governance Committee to discuss and determine the direction for risk management and improvement of the internal control and internal audit systems to ensure alignment. Therefore, it is deemed that the Company has risk management in place to prevent or mitigate potential impacts on business operations at an acceptable level.

Review of Effectiveness of Internal Control System

The Audit and Corporate Governance Committee places importance on raising awareness among executives and employees regarding risk management, internal control, and operational supervision in accordance with rules, as well as focusing on driving the organization with consideration of Environmental, Social, and Governance (ESG). The committee has reviewed the internal control system together with the auditors and the internal audit department on a quarterly basis in terms of operations, resource utilization, property management, prevention or reduction of errors or frauds, reliability of financial reports, compliance with relevant laws and regulations. The auditors have an aligned opinion that no material issues or defects were found.

In addition, the Audit and Corporate Governance Committee has reviewed the assessment results of the adequacy of the Company's internal control system which has been prepared according to the guidelines of the Securities and Exchange Commission. The audit results of the internal control system conducted by the Internal Audit Department and auditors show that no issues or defects were found that may affect the Company significantly and that the management has continuously revised and improved according to the recommendations of the Audit and Corporate Governance Committee, the Internal Audit Department, and auditors. Therefore, it can be reasonably assured that the Company has an adequate and effective internal control system.

Review of Good Corporate Governance and Legal Compliance

In 2023, the Audit and Corporate Governance Committee focused on management policy to achieve systematic good corporate governance. It supported the implementation of information technology systems in supervising and auditing operations to increase efficiency and effectiveness in operations and prevent any actions that do not comply with laws or the Company's regulations. It also reduced corruption by encouraging the Company Group to strictly comply with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand and laws related to business operations. Consultants were hired to evaluate and provide knowledge regarding legal compliance by evaluating the Company's environment to ensure compliance with laws and the Company's regulations. Complaints and whistleblowing processes have been reviewed at least twice a year and suggestions have been provided to improve the process to be more efficient and effective in accordance with the good corporate governance principles and the Company Group's code of conduct. The Audit and Corporate Governance Committee is of the opinion that the Company closely supervises and audits the operations of the Company's various departments to ensure that every department operates accurately and in accordance with relevant rules and regulations.

Supervision of Internal Audit

The Audit and Corporate Governance Committee provides suggestions for development in order to raise the level of internal audit in terms of personnel, processes, including tools and technology used in operations with a focus on professionalism and the reliability of internal auditors. The efficiency and effectiveness of internal audit has been improved to keep pace with business and global trends that are changing into the digital era. The audit procedures have been changed to align with the hybrid work model, risk prioritization, especially emerging risks that may have a significant impact on the Company Group.

The Audit and Corporate Governance Committee has reviewed an annual audit plan, operations according to plan, and audit results of the Internal Audit Department by providing recommendations and monitoring corrective actions on significant issues to ensure good corporate governance, adequate internal control, personnel development and training plans, as well as reviewing the independence and adequacy of resources for the operations of the Internal Audit Department.

Appointment of Auditor for 2023

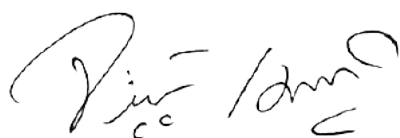
The Audit and Corporate Governance Committee selected auditors by considering their independence, skills, knowledge and abilities and experience in auditing. The consideration also included arranging for rotation of auditors in accordance with the relevant notifications of the Capital Market Supervisory Board. The Audit and Corporate Governance Committee proposed the appointment of one of the auditors, namely 1. Mr. Pisit Thangtanagul, Certified Public Accountant No. 4095, or 2. Ms. Nuntika Limviriyalers, Certified Public Accountant No. 7358, or 3. Ms. Thitinan Waenkaew, Certified Public Accountant No. 9432 from PricewaterhouseCoopers ABAS Company Limited and are auditors who have been approved by the Securities and Exchange Commission, to serve as the Company's auditor. The committee also considered the auditor's remuneration in 2023.

Quality Maintenance of Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee has reviewed the Audit and Corporate Governance Committee Charter as well as assessing the performance of the Audit and Corporate Governance Committee, both as a whole and individually, for the year 2023. The assessment was based on the assessment form of the Securities and Exchange Commission. The assessment results were at an excellent level. The Audit and Corporate Governance Committee has reported the performance results to the

Board of Directors on a quarterly basis with observations and opinions to improve the risk governance process, internal control, and supervision of operations to be in accordance with the Company's rules.

In summary, the Audit and Corporate Governance Committee has performed its duties and responsibilities specified in the Audit and Corporate Governance Committee Charter with knowledge and abilities, caution, and sufficient independence, as well as giving opinions and suggestions with creativity for the equitable benefits of all stakeholders. The Audit and Corporate Governance Committee is of the opinion that the Company's financial report is accurate, reliable, and consistent with generally accepted accounting standards and that the Company operates in accordance with legal obligations related to business operations, as well as having a good corporate governance system, an adequate risk management, and appropriate and effective internal control and internal audit systems.



(Miss Charanya Sangsukdee)

Chairman of the Audit and
Corporate Governance Committee



Nomination and Remuneration Committee Report



Dear Shareholders,

According to the charter of the Nomination and Remuneration Committee (the “NRC”) of P.S.P. Specialties Public Company Limited (the “Company”), the NRC shall comprise at least 3 members and the majority of them must be independent directors. The NRC members for the year 2023 consists of Mr. Choochai Eiamrungrroj (Independent Director), Miss Charanya Sangsukdee (Independent Director), and Mr. Yongyos Krongphanich (Director). Their responsibilities can be summarized as follows:

1. Consider the structure and composition of the Board of Directors and sub-committees in terms of the number of directors appropriate to the size, type, and complexity of the Company's business, as well as specifying qualifications and criteria for recruiting the Board of Directors, sub-committees, and Chief Executive Officer. The Committee is also responsible for selecting individuals with appropriate knowledge, experience, and expertise to serve as directors, members of sub-committees, and the Chief Executive Officer before presenting at the Board of Directors' meeting and/or the shareholders' meeting for consideration.

2. Propose the policy framework and models of remuneration, both monetary and non-monetary, as well as considering the remuneration of directors, members of sub-committees, and the Chief Executive Officer, taking into account appropriateness, fairness, and compliance with laws, before presenting at the Board of Directors' meeting and/or shareholders' meeting for consideration.

3. Consider the model and the process for continuous knowledge development of directors, as well as reviewing the criteria for the performance appraisal of the Board of Directors, sub-committees (as a whole and individually), and the Chief Executive Officer and present them to the Board of Directors for consideration.

4. Establish a succession plan for the Chief Executive Officer and executives in order to prepare the Company's successors, as well as creating and reviewing plans for continuous knowledge development of the Chief Executive Officer and executives to enhance and develop their knowledge and skills in line with the Company's business to ensure smooth administration.

In 2023, the NRC held a total of 3 meetings, with the Company Secretary acting as the NRC Secretary. The NRC's duties in essence in 2023 can be summarized as follows:

1. Considered recruiting individuals to be appointed as directors in replacement of directors who retired by rotation, as well as seeking independent directors and members of the Audit and Corporate Governance Committee in replacement of directors who resigned before the end of their term of office. The consideration was placed on knowledge, expertise, skills, and experience beneficial to the Company's business operations as well as qualifications according to relevant rules and laws. The NRC Committee considered

with caution, transparency, and fairness and nominated the candidates to the Board of Directors for appointment of independent directors and a member of the Audit and Corporate Governance Committee. In 2023, the NRC Committee nominated an independent director (Mr. Trinnawat Thanitnithiphan) to be appointed as a director to replace the director who resigned before the end of his term (Mr. Somkeirt Hudthagosol) . In this regard, the NRC Committee had reviewed the qualifications of Mr. Trinnawat Thanitnithiphan and deemed that he has knowledge, ability, and experience beneficial to and consistent with the Company's business strategies and then presented him to the Board of Directors for approval.

2. Considered setting criteria for determining remuneration of directors, members of sub-committees, and the Chief Executive Officer and presented them at the Board of Directors' meeting and/or the shareholders' meeting for consideration. The criteria for determining remuneration were as follows:

2.1 Considered policy and set criteria for determining appropriate remuneration of directors and members of sub-committees based on their responsibilities by comparing with the remuneration of directors of other listed companies that had business operations in the same industry to determine appropriate remuneration.

2.2 Considered policy and determined criteria, structure, and remuneration of the Chief Executive Officer with consideration of his performance and success compared to goals and key performance indicators (KPIs). The consideration of remuneration also took into account responsibilities, suitability of duties, business size as well as the overall economic situation.

3. Considered approving the determination of Corporate KPIs as criteria for evaluating the performance and setting yearly goals of the Chief Executive Officer.

4. Collected annual performance appraisals and guidelines for efficient operations of the sub-committees and the Chief Executive Officer to present to the Board of Directors.

5. Considered giving opinions on the succession plan and the development plan for the Chief Executive Officer and executives to prepare the Company's successors in key positions and ensure smooth administration continuously.

6. Considered and reviewed the criteria for the self-assessment of the Board of Directors, sub-committees, and the Chief Executive Officer to propose to the Board of Directors for consideration and approval.

7. Deemed appropriate to hold Non-Executive Director ("NED ") meeting to provide an opportunity for the NED to express their attitudes, discuss challenges, and express their opinions freely on the company administration without the participation of the management team. The NED meeting will begin in 2024 onwards.

In this regard, the NRC has performed its duties according to the charter to the best of its ability with caution, transparency, and independence in expressing opinions beneficial to the Board of Directors, shareholders, and all stakeholders of the Company appropriately.



(Mr. Choochai Eiamrunroj)

Chairman of the Nomination and
Remuneration Committee

Executive Committee Report

Dear Shareholders,

According to the charter of the Executive Committee of P.S.P. Specialties Public Company Limited, the Executive Committee shall comprise at least 3 members. Members of the Executive Committee are not required to hold positions as the Company's directors. The Executive Committee for the year 2023 consists of Mr. Sint Krongphanich [Director], Mr. Pavares Boontanonda [Director], Mr. Sakesan Krongphanich [Director], Mr. Preecha Issarapanichkit [Director], and Mr. Piya Techapichetvanich [Finance, Accounting and Risk Management Department Manager]. The responsibilities can be summarized as follows:

1. Develop vision, mission, policy, direction, strategy, business plan, budget, business expansion plan, investment plan, management structure and authority to present to the Board of Directors for consideration and approval, as well as taking action as approved by the Board of Directors including checking and monitoring such operations to ensure efficiency and effectiveness.
2. Manage and supervise business operations on a normal basis in accordance with the Company's vision, mission, policy, direction, strategy, business plan, budget, business expansion plan, investment plan, and operational objectives according to the policies established by the Board of Directors, as well as considering the allocation and management of resources to ensure efficiency and effectiveness in order to sustainably achieve the main objectives and goals.



3. Consider and approve feasibility studies for new investment projects and investments or joint investments with any other person, juristic person or business organization in the form that the Executive Committee deems appropriate in order to carry out the business according to the Company's objectives, as well as approving the disbursement for such investments, the entering into legal contracts and/or any actions related to the matter until completion according to the authority assigned by the Board of Directors or as approved in principle by the Board of Directors as specified in the Delegation of Authority Guideline.

4. Consider the profit and loss of the Company, provide advice regarding the Company's dividend payment, and present to the Board of Directors for consideration and approval of entering into the contracts and/or any transactions related to normal business operations and supporting items of the Company's normal business operations (such as trading, investments, or joint ventures with other parties for the Company's normal transactions) which have general trading conditions and within the limit as specified in the Delegation of Authority Guideline or as determined by the Board of Directors.

5. Determine and review risk management framework and policy with consideration of the Company's objective, vision, mission, policy, main goal and business strategy, as well as considering and approving the enter-

prise risk management plan and acceptable risk level to be consistent with the business strategy and direction, which will be presented to the Board of Directors. The Committee is also responsible for supervising operations to align with the risk management framework and policy to ensure effective and efficient risk management.

6. Consider and approve the framework and policy for determining salary, salary increase, bonus, remuneration, and reward of personnel with lower positions than the Chief Executive Officer.

In 2023, the Executive Committee held a total of 11 meetings, with the Company Secretary acting as the Executive Committee Secretary. The Executive Committee's duties in essence in 2023 can be summarized as follows:

1. Considered and certified the workforce and annual budget for 2024 of the Company and its subsidiaries in accordance with the Company's strategy, business plan, investment plan, and growth goals, and presented them to the Board of Directors for consideration and approval.

2. Considered the performances of the Company and its subsidiaries, managed and supervised operations to be in accordance with the vision, mission, policy, strategy, business plan, and budget, as well as allocating and managing resources utilization to be efficient and effective in order to sustainably achieve the main objectives and goals.

3. Considered and approved changes to the company structure at the department level to increase flexibility and efficiency in operations in order to achieve business objectives and goals and presented them to the Board of Directors for consideration and approval.

4. Considered and approved changes to the structure of the Information Technology Department to support the implementation of the Digital Transformation project, which

would modernize the Company's work systems and increase efficiency of the Company's operations.

5. Considered and approved investments in new projects to support business expansion according to the goals set in the strategy, business plan and investment plan.

6. Considered and certified the enterprise risk management plan and key risk indicators (KRI) of the Company and its subsidiaries in accordance with the Company's strategy and business plan and presented them to the Board of Directors, supervised compliance with the risk management framework and policy to ensure efficient and effective risk management, as well as holding a meeting with the Audit and Corporate Governance Committee regarding risk management.

The Executive Committee is committed to managing and supervising the Company's operations in accordance with the Company's strategic business plan, as well as supervising compliance with the Company's risk management framework and policy to ensure efficient and effective administration.



(Mr.Sint Krongphanich)

Chairman of the Executive Committee

Board of Directors



Mr. Yongyos Krongphanich

- Chairman of the Board
- Member of the Nomination and Remuneration Committee

Mr. Sint Krongphanich

- Director
- Chairman of the Executive Committee
- Chief Executive Officer

Mr. Sakesan Krongphanich

- Director
- Member of the Executive Committee
- Deputy Chief Executive Officer



Mr. Preecha Issarapanichkit

- Director
- Member of the Executive Committee

Miss Charanya Sangsukdee

- Independent Director
- Chairman of the Audit and Corporate Governance Committee
- Member of the Nomination and Remuneration Committee

Mr. Choochai Eiamrungrroj

- Independent Director
- Member of the Audit and Corporate Governance Committee
- Chairman of the Nomination and Remuneration Committee

Dr. Trinnawat Thanitnithiphan

- Independent Director
- Member of the Audit and Corporate Governance Committee

Management Team



Mr. Sint Krongphanich

Director
Chairman of the Executive Committee
Chief Executive Officer



Mr. Sakesan Krongphanich

Director
Member of the Executive Committee
Deputy Chief Executive Officer



Mr. Piya Techapichetvanich

Member of the Executive Committee
Chief Financial, Accounting and Risk Management
Officer



Mr. Chanchai Chantrapimol

Chief Commercial and Business Development
Officer



Mr. Kittisak Suthithanakom

Chief Operation Officer

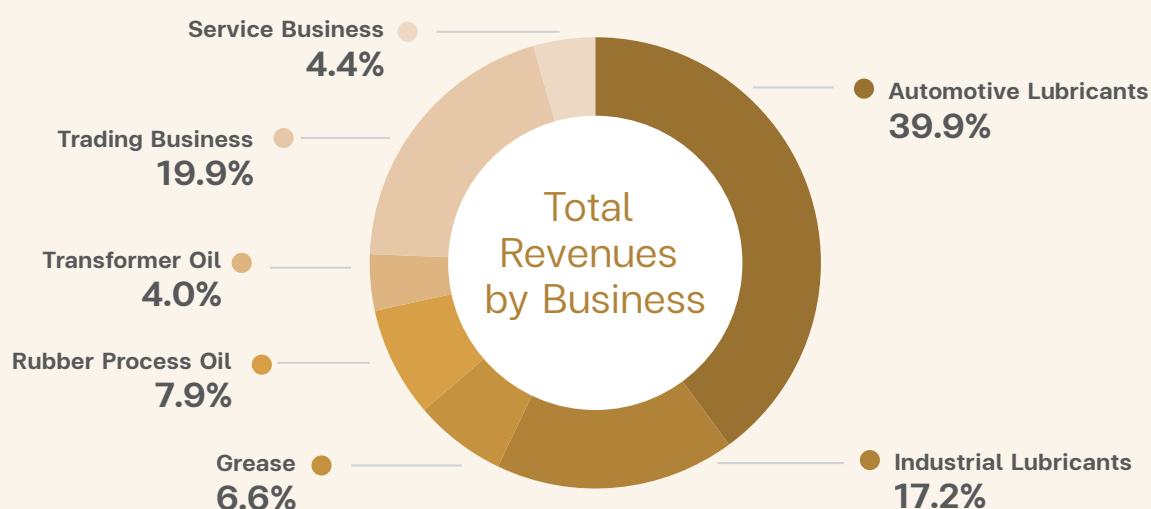


Mr. Narongsak Yensakul

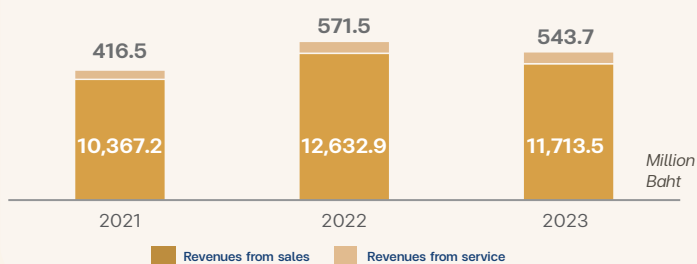
Chief Terminalling Engineering and Safety
Officer



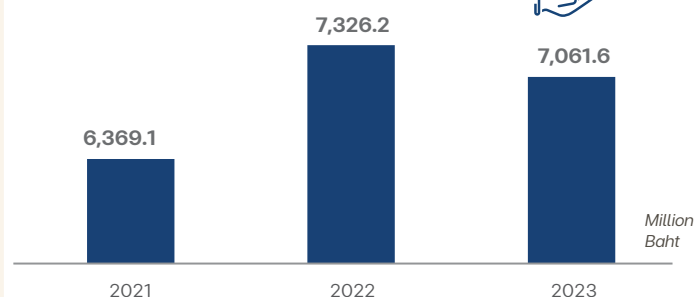
Financial Highlights



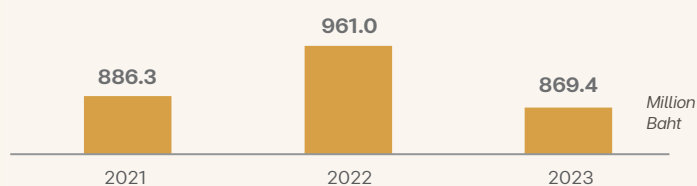
Total Revenues



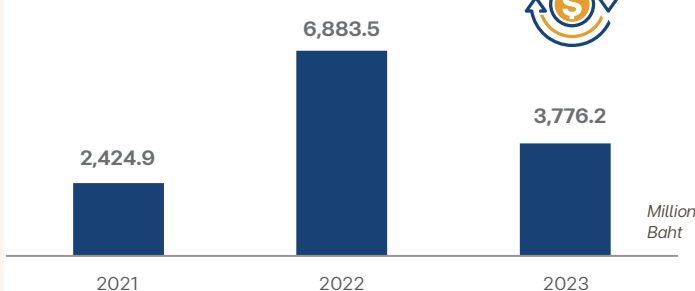
Total Assets



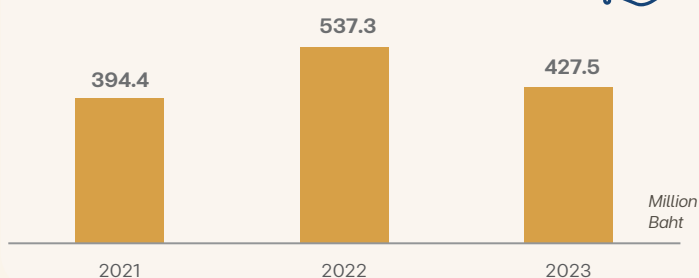
Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)



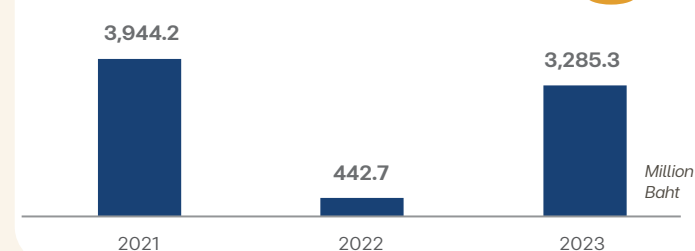
Total Liabilities



Profit Attributable to Owners of the parent



Total Equity

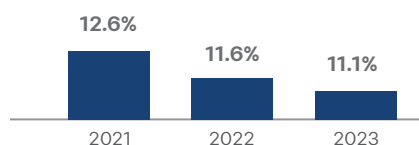


Statement of Income	Y2021	Y2022	Y2023
Total revenues	10,783.7	13,204.4	12,257.2
Gross profit	1,361.7	1,534.9	1,364.5
Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA)	886.3	961.0	869.4
Profit Attributable to owners of the parent	394.4	537.3	427.5

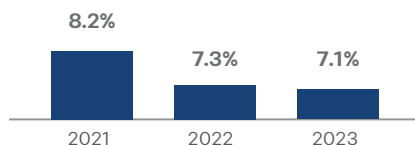
Statement of Financial Position	Y2021	Y2022	Y2023
Total Assets	6,369.1	7,326.2	7,061.6
Total Liabilities	2,424.9	6,883.5	3,776.2
Non-controlling interests	269.1	-	-
Equity attributable to owners of the parent	3,675.1	442.7	3,285.3

Share or information about Common Shares	Y2021	Y2022	Y2023
Issued and paid-up share capital (Million share)	228.0	750.0	1,400.0
Book Value per share	17.3	0.6	2.3
Earning per share (Baht)	1.73	1.11	0.38

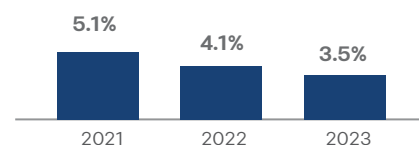
Gross Profit Margin



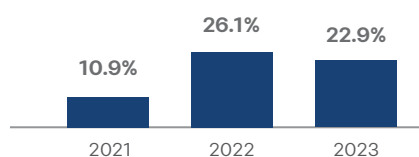
EBITDA Margin



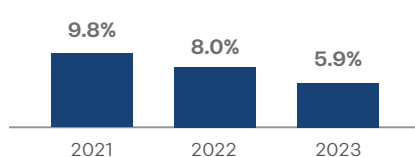
Net Profit Margin



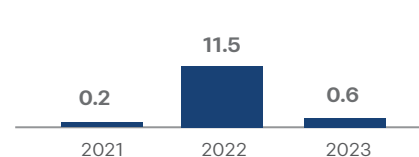
Return on Equity



Return on Total Assets



Net Interest-Bearing Debt to Equity



Important changes and developments

1989

The company was established on July 13, 1989 with an initial registered capital of 10.0 million baht, consisting of 100,000 common shares with a par value of 100.0 baht per share, with the objective of operating as transformer oil (Transformer Oil) Buchanan brand from England importer and distributor.

1990

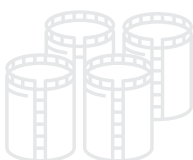
The company increased its registered capital from 10.0 million baht to 20.0 million baht, consisting of 200,000 common shares, with a par value of 100.0 per share and called for full payment by offering additional common shares to existing shareholders. The objective is to use it as working capital for business expansion.

The company started operating a business developing and producing lubricant (Lubricant) for customers in the automotive and manufacturing industries, by establishing the 1st lubricant product production factory (PSP 1) in Tha Chin Sub-district, Mueang Samut Sakhon District, Samut Sakhon Province in an area of over 5 rai 1 ngan 80.0 square wa (8,720 square meters) with a production capacity of approximately 40 million liters per year.

1994

The company increased its registered capital from 37.0 million baht to 74.0 million baht, consisting of 740,000 common shares, with a par value of 100.0 per share and called for full payment by offering additional common shares to existing shareholders to use it as working capital for business expansion.

The Company began operating a fuel distribution center (Terminalling) for the Company's customers, totaling 17 tanks with a volume of 23 million liters.



1999

The product manufacturing factory received ISO 9001 certification and a fuel distribution center was certified with ISO 9001 and ISO 14001 standards.



2002

The company increased its registered capital from 74.0 million baht to 171.0 million baht, consisting of 1,710,000 common shares, with a par value of 100.0 per share and called for full payment by offering additional common shares to existing shareholders to use it as working capital for business expansion.

2003

The company increased its registered capital from 171.0 million baht to 228.0 million baht, consisting of 2,280,000 common shares, with a par value of 100.0 per share and called for full payment by offering additional common shares to existing shareholders to use it as working capital for business expansion.

The company constructed one additional oil transportation port in Mueang Samut Sakhon District, Samut Sakhon Province to support the growth of oil use in the western region.



1989 - 1992

1991

The company increased its registered capital from 20.0 million baht to 25.0 million baht, consisting of 250,000 common shares, with a par value of 100.0 per share and called for full payment by offering additional common shares to existing shareholders. The objective is to use it as working capital for business expansion.



1992

The company increased its registered capital from 25.0 million baht to 37.0 million baht, consisting of 370,000 common shares, with a par value of 100.0 per share and called for full payment by offering additional common shares to existing shareholders to use it as working capital for business expansion.

1995

The Company built a second fuel distribution center with an additional 23 tanks, holding a capacity of 57 million liters, and opened for service in July 1996 to serve as the largest fuel distribution center in the upper southern and western regions. Later, an additional fuel distribution center with 17 tanks of 41 million liters was built to support the increased customer base.

The Company has constructed 3 Fuel Jetty terminals, each of which can accommodate ships with a size of more than 500 gross tons.



2007

The company's testing laboratory participated in a program to test expertise in testing lubricant products with international standards organizations on an international level (ASTM International Standard Worldwide) and was one of the testing laboratories participating in the proficiency testing program in Thailand. This promotes the development of personnel to have expertise and the ability to test



2009

Product manufacturing factory certified to ISO 14001 standards.



2016

The company began construction of a distribution center both inside and outside the building to the company's customers to expand the ability to provide finished product storage services and to collect and carry out delivery to customers, opened for service in July 2016



2017

The company established 1 subsidiary company in Myanmar: Pacific-PSP Syntech, which the company jointly invests with partners in Myanmar, including Pacific-AA Industries Ltd., with the same shareholding proportion, 50.0 percent each. This is to operate a lubricant development and production business in Myanmar. The construction of a lubricant factory has been completed and opened for business in February 2019



2019

The company constructed one additional oil transportation port in the Mueang Samut Sakhon District, Samut Sakhon Province



The company's testing laboratory was accredited as a standard testing laboratory according to ISO/IEC 17025 standards.



2016 - 2021

2021

The company began investing in the E-commerce Platform service business to sell retailing parts and automotive accessories and lubricant through PSP Ventures, a subsidiary of the Company, which the company hold all shares. The company was established on March 9, 2021 to conduct business by holding shares in other companies (Holding Company). PSP Ventures holds 30.0 percent of shares in WhatsEGG. WhatsEGG operates a platform business under the name EGG Mall for trading parts for the automotive spare parts industry EGGAlai (Egg Spare Parts), which is an inventory management, purchasing and marketing system in Thailand, and EGG Repair, an application system for service and management for a complete car repair shop. It covers every work process of the auto repair shop, such as issuing payment receipts, customer management, spare parts procurement, warehouse management, and financial management.



In February 2023, the company increased its registered capital to 1,400.0 million baht, according to the Initial Public Offering plan (IPO) and registered the company's common shares as a security on the Stock Exchange of Thailand by allocating additional common shares of the Company in an amount not exceeding 350,000,000 shares with a par value of 1 baht per share, or equivalent to 25 percent of the registered capital.

The Company has proceeded with the offering of 350,000,000 additional common shares with a par value of 1 baht per share for Initial Public Offering (IPO) on 22-24 August 2023 and has entered into securities trading on the first day of the Stock Exchange of Thailand (First Trading Day) on 30 August 2023



In November, the company has launched a new product under the brand "PROTECH" which is a multi-purpose lubricant (Multi-Purpose Oil); as well as 2 more products from "MASTER" which are air conditioner cleaning spray (Air cleaner & Refresher Spray) and MASTER Deodorizer Spray. They are considered a new product line to the B2C market; and this is the first time the company has targeted new customers in the general consumer group, covering both offline and online distribution channels

On November 10, 2023, the Board of Directors' meeting resolved to approve a subsidiary, P.S.P. Ventures Company Limited ("PSPV") to invest in Genius Genetics Company Limited ("GDNA"), with a shareholding of 25 percent with a total investment value of 125 million baht. GDNA is a distributor and provider of DNA testing kits interpretation services under the brand of Geneus DNA and has a variety of businesses that can be expanded from DNA testing, including Gatta Cafe, a cafe that designs drinks to suit the customer's DNA, Jelly Care, vitamins in jelly form that increases height and nourishes the brain for growing children, and Geneus Care, personalized vitamins that help solve the problem of malnutrition by designing the most suitable formula for each person. PSPV has increased additional capital of 125 million baht and has already purchased shares of GDNA in January 2024



2022

The Company has increased its competitiveness in terms of cost and raw material procurement by purchasing 999,998 shares, or 100.0 percent of all U.C. shares. Marketing, which operates as a distributor



(Non-exclusive distributor) of Chevron Oronite brand additives (Additive) in Thailand since 1991 and in Cambodia and Laos since 2012, being the sole distributor (Sole and Exclusive distributor) of products such as Markers and other products of Authentix. Moreover, the company is the representative for Authentix's services in Thailand since 2020. Authentix is a company with more than 25 years of experience in developing technology to prevent product counterfeiting (Markers) in order to maintain revenue benefits, confidence in products and taxes by having products and services such as Marker in printing ink on banknotes, Marker in fuel, Tax stamp control and inspection systems, and QR Code and Hologram systems to prevent counterfeiting, etc. Authentix also works with governments, central banks, and businesses in many countries, including being a distributor (Non-exclusive distributor) of BASF Thailand's additives to customers who are some of the leading companies in Thailand; trade the Adblue exhaust treatment product, which is a liquid used to treat pollutants in the exhaust pipes of cars using diesel engines. AdBlue is a liquid urea solution used with the SCR (Selective Catalytic Reduction System) system to reduce the nitrogen oxides concentration from diesel engines



On June 27, 2022, the Extraordinary Meetings of Shareholders No. 2/2022 resolved to approve important matters as follows.

- Converted from a limited company to a public limited company and changed the name to P.S.P. Specialties Public Company Limited
- Changed the par value of shares from 100.0 baht per share to 1.0 baht per share
- Increased registered capital of 772.0 million baht from the original registered capital of 228.0 million baht to a registered capital of 1,000.0 million baht by issuing 772,000,000 additional common shares with a par value of 1.0 baht per share.

The Company established a subsidiary, Special Interfreight, on June 9, 2022 with a registered capital of 1.0 million baht, consisting of 10,000 common shares with a par value of 100.0 baht per share, with the objective of providing logistics management services and related services, both domestically and abroad

Certification and Award



Environmental Governance Award in 2017 from Ministry of Industry



White Factory Project Level 1 award in 2023 from Department of Labor Protection and Welfare



Outstanding Model Organization Award in Safety, Occupational Health and Working Environment from Ministry of Labor



Reducing Work Accident to Zero Campaign Activity Award in 2022 from Thailand Institute of Occupational Safety and Health, Ministry of Labor



ISO/IEC 17025 : 2017 : Testing and calibration laboratory. Test certification number 0433, which is a petrochemical test consisting of 1) grease and 2) lubricant such as automotive lubricant and industrial lubricants

Certification authority : Industrial Standards Institute, Ministry of Industry

The valid duration : August 21, 2023 - August 20, 2028



ISO 9001 : 2015 : Quality Management System (QMS)

Certification authority : The British Standards Institution

The valid duration : September 5, 2023 – September 4, 2026



ISO 14001 : 2015 : The organization's environmental management system to increase environmental performance within the organization and for environmental sustainability

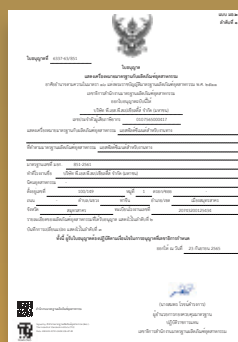
Certification authority : The British Standards Institution

The valid duration : August 26, 2023 – August 25, 2028

ISO 45001 : 2018 : Occupational hygiene and working environment

Certification authority : The British Standards Institution

The valid duration : September 12, 2023 – September 11, 2026



TISI certificate for asphalt cement for use in pavement construction

Certification authority : Industrial Standards Institute, Ministry of Industry

The valid duration : From September 23, 2022



Certificate for industry that adheres to environmentally friendly operations for sustainable development

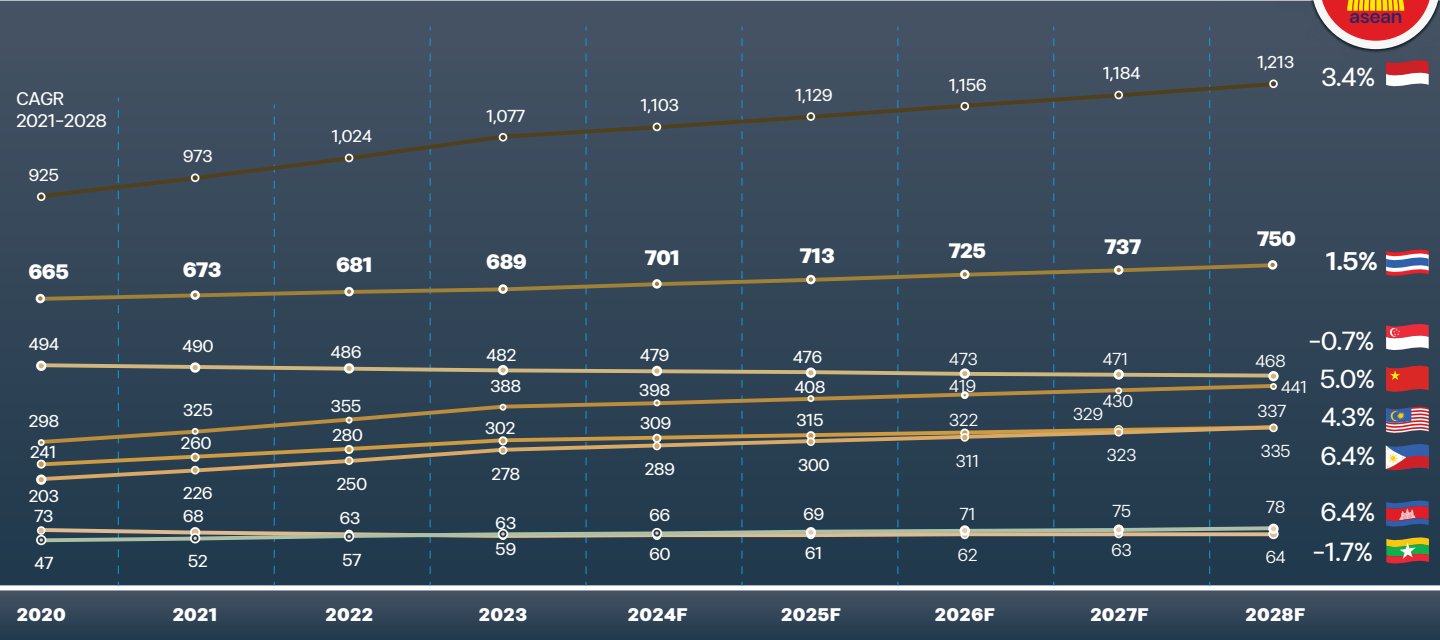
Certification authority : Ministry of Industry

The valid duration : February 22, 2022 – February 21, 2025



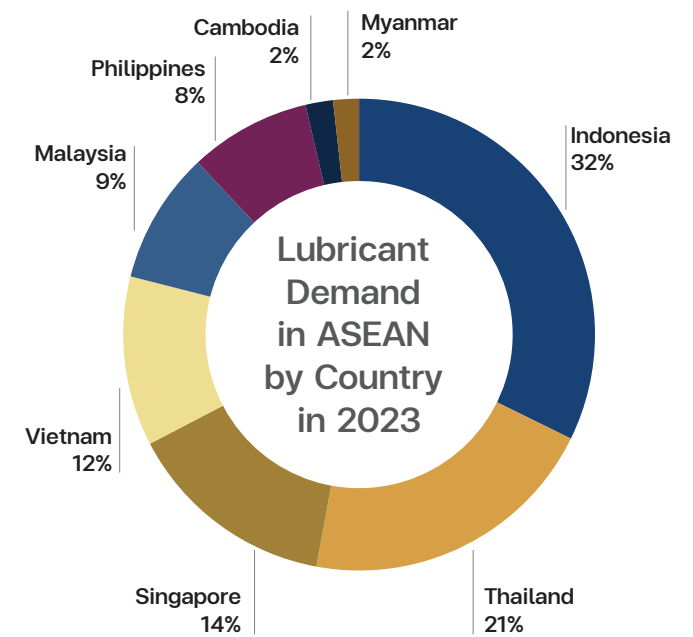
Overview of the Lubricants Industry and Trends

Overview of the Lubricants Market in the ASEAN Target Countries



According to market research on the overview and trends of lubricant market conducted in 8 target countries in ASEAN, including Indonesia, Thailand, Vietnam, Malaysia, Philippines, Myanmar, Cambodia, and Singapore, between 2020 and 2028, published on March 16, 2024, by Kline

& Company, an independent market research institution, there are over 3,338 million liters of total lubricant demand in 2023. The demand is expected to experience a continuous growth with a compound growth rate (CAGR) of 3.1 per cent per year during the study period, with the distribution by country as follows:



The pie graph above depicts that Indonesia has the highest market share of total lubricant demand among the focus countries, accounting for over 32 percent or over 1,077 million liters in 2023. The country experienced a growth rate of around 5.2 percent per year between 2020 and 2023 and is expected to continue growing at around 2.4 percent from 2023 to 2028. Thailand ranks as the second-largest market share after Indonesia, accounting for around 21 percent of the market, with over 689 million liters of total lubricant demand in 2023. The country is expected to experience steady growth during the study period at around 1.5

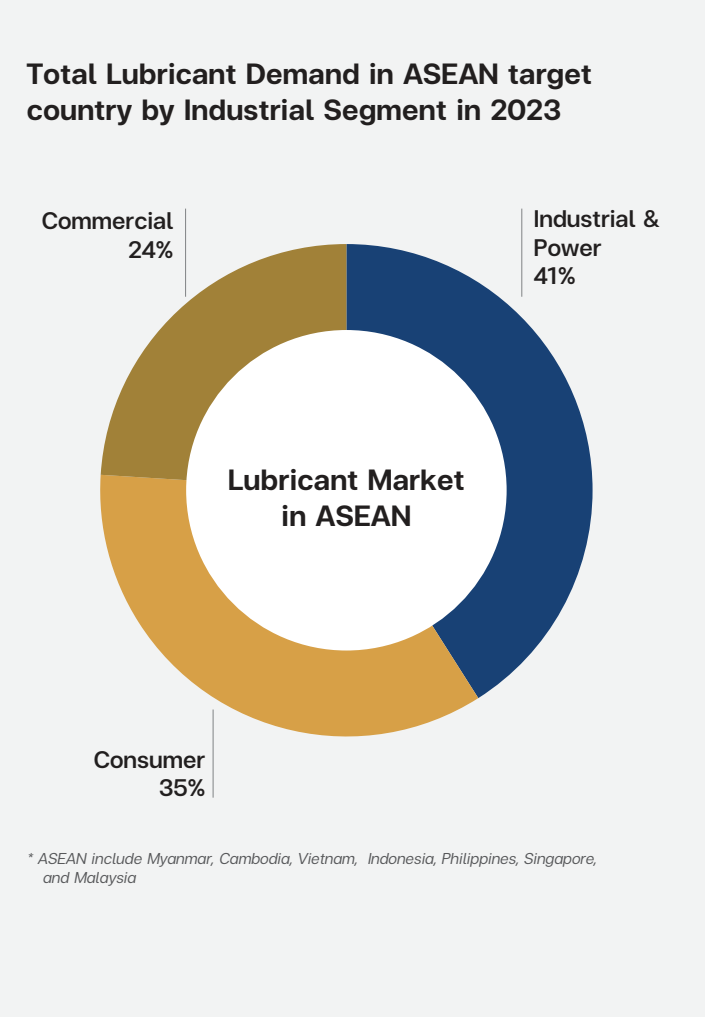
percent per year. Additionally, the report suggests that other countries such as Singapore, Vietnam, and Malaysia hold around 14 percent, 12 percent, and 9 percent of the total lubricant

market share in ASEAN in 2023, with demands of 482 million liters, 388 million liters, and 302 million liters, respectively.

The collective total lubricant demand of the target country by industrial segment in 2023 is divided in to 3 groups: Industrial & Power, Consumer, and Commercial. The proportion of demand for each group is as follows

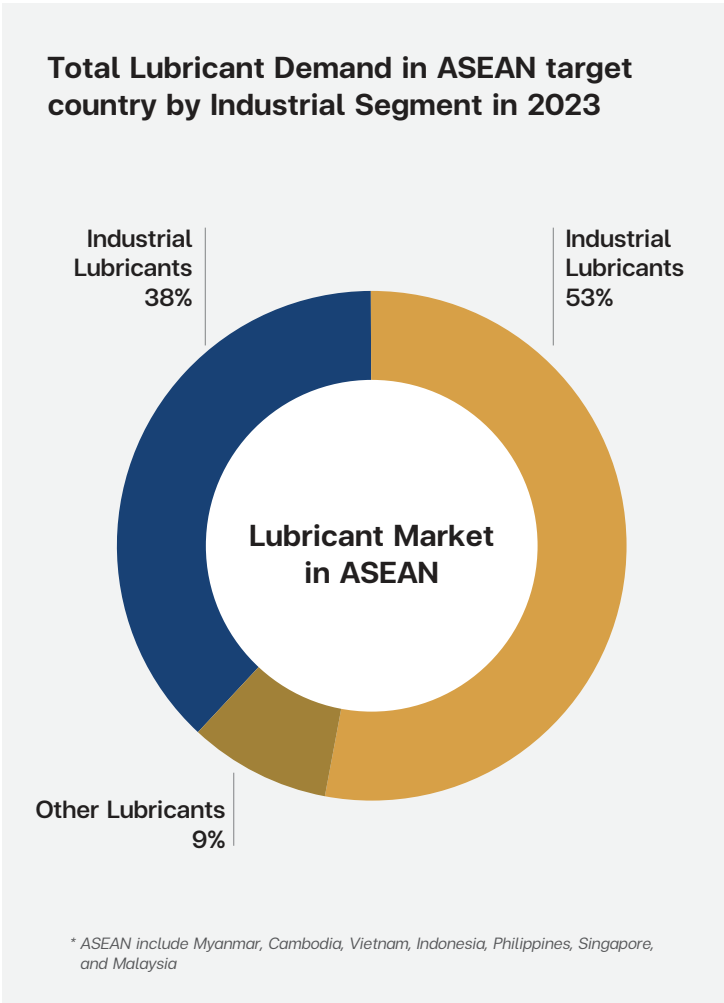
The industrial & energy sector is the group with the highest demand, accounting for 41 percent of the total lubricant market, followed by the consumer sector and the commercial sector, which accounted for 35 percent and 24 percent, respectively.

The lubricant demand by type of product usage is divided into 3 main categories: automotive lubricants, industrial lubricants, and other lubricants. For automotive lubricants, this includes Heavy Duty Motor Oil (HDMO), Motorcycle Oil (MCO), Passenger Car Motor Oils (PCMO),



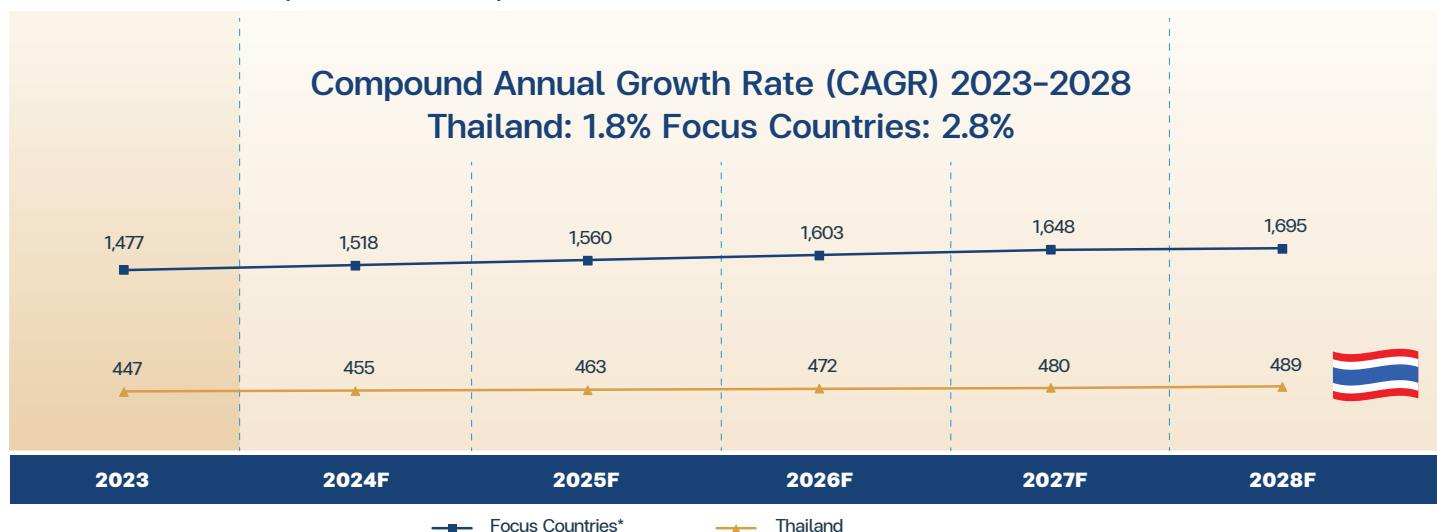
and other automotive lubricants (excluding coolant and grease). Industrial lubricants encompass hydraulic oil, compressor oils, refrigeration oils, industrial gear oils, turbine and circulating oil. Other lubricants include coolant and grease for both automotive and industrial usage.

Automotive lubricants contribute to the main proportion of lubricant demand in Asia, accounting for 53 percent, followed by lubricants for industrial use at 38 percent, and others at 9 percent.



Demand of Lubricant and Oil Related Products

Automotive Lubricants (Unit: Million Liters)

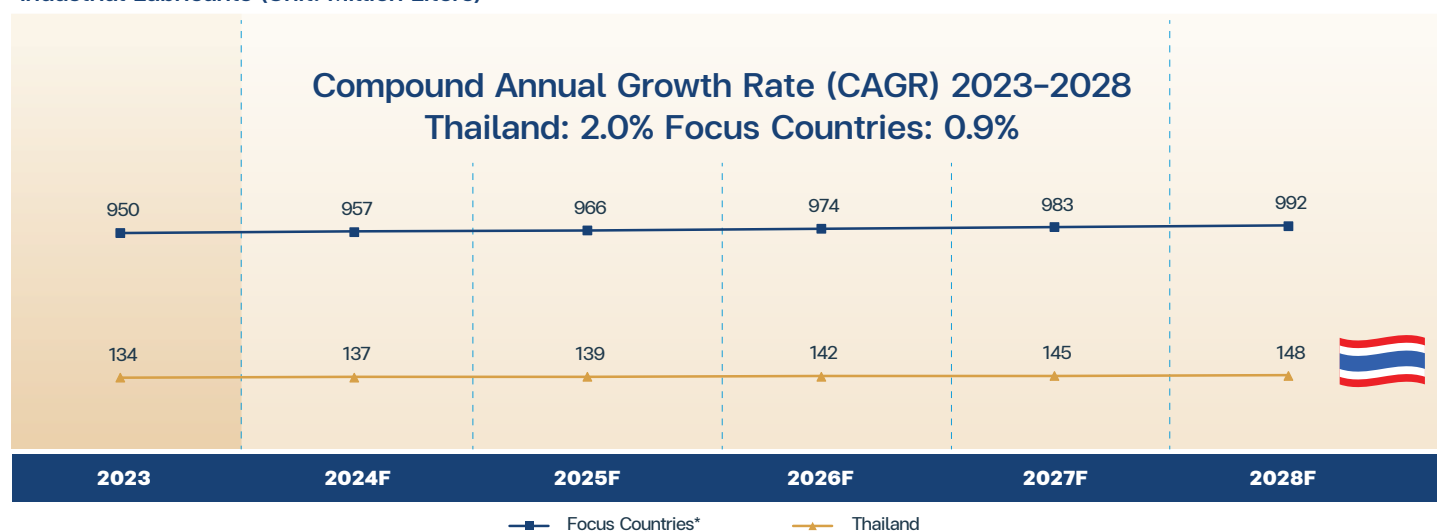


* Focus countries include Indonesia, Vietnam, Malaysia, Philippines, Myanmar, Cambodia, and Singapore

According to the report by Kline & Company ["Kline"], an Independent Market Researcher (IMR), prepared on March 16, 2024. For the years 2023-2028, the demand for automotive lubricants in Thailand shows a continuous recovery from the COVID-19 pandemic situation. It is anticipated that the demand for automotive lubricants in Thailand will continue to grow steadily from approximately 447 million liters to 489 million liters, representing a Compound Annual Growth Rate (CAGR) of 1.8 percent. This growth is attributed to the government's efforts to promote investment in Thailand's manufacturing sector for supporting the country as a key manufacturing and export hub in the region,

which is expected to attract more companies for coming to invest in Thailand. Additionally, the economic development mentioned above will lead to increased transportation activities and car usage, consequently increasing in the demand for automotive lubricants. Furthermore, the focus countries are expected to maintain continuous growth, reaching from approximately 1,477 million liters to 1,695 million liters, or a CAGR of 2.8 percent. This growth is mainly influenced by government support aimed at infrastructure investment in the respective countries, coupled with continuous development in the logistics sector, resulting in increased transportation activities and subsequent increased demand for automotive lubricants as well.

Industrial Lubricants (Unit: Million Liters)

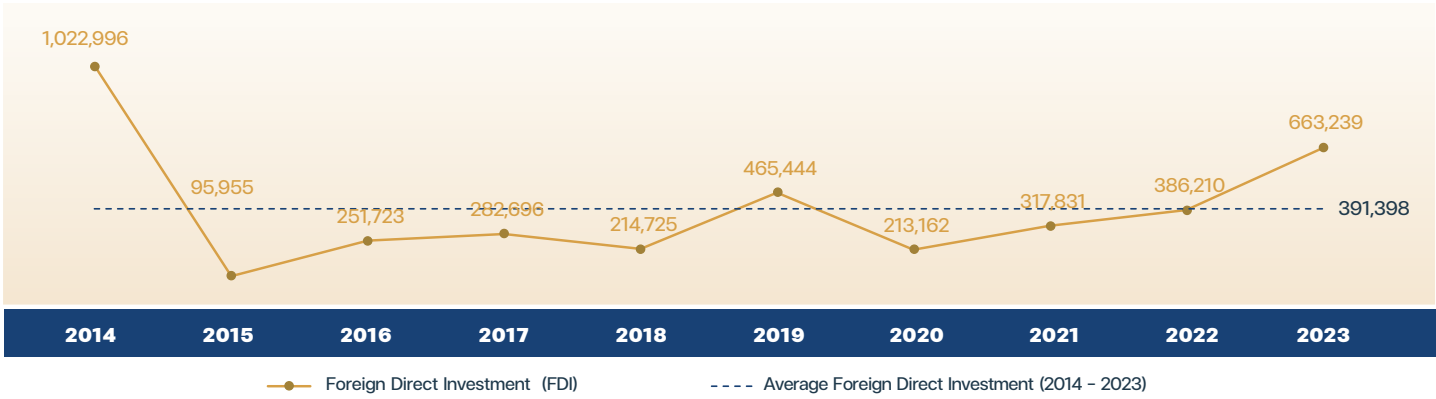


* Focus countries include Indonesia, Vietnam, Malaysia, Philippines, Myanmar, Cambodia, and Singapore

According to the report by Kline & Company ("Kline"), an Independent Market Researcher (IMR), prepared on March 16, 2024. During the period of 2023-2028, the demand for industrial lubricants in Thailand has gradually recovered from the impact of the COVID-19 pandemic. It is expected to continue growing from approximately 134 million liters to 148 million liters, representing a Compound Annual Growth Rate (CAGR) of 2.0 percent. This growth is attributed to the

expansion of businesses driven by continuous investments from the government in the industrial sector, aiming to position Thailand as a regional manufacturing hub. Additionally, the Thai government has set a goal to make Thailand as a hub for food processing of the ASEAN region by 2027, which will be a major factor driving the increasing demand for industrial lubricants and food-grade lubricants.

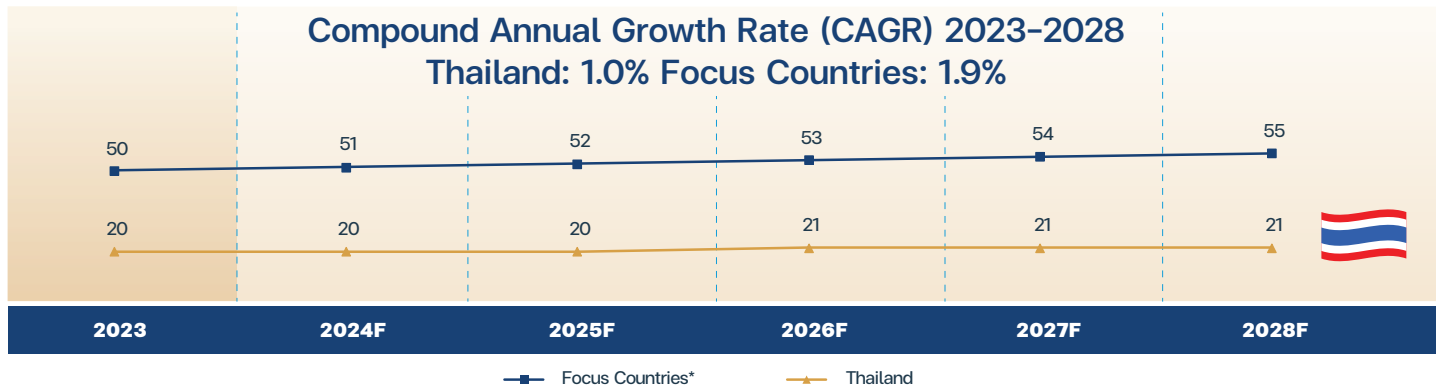
Foreign Direct Investment (FDI) Unit: THB Million



Based on statistics from the Board of Investment (BOI), foreign direct investment (FDI) as of December 31, 2023, amounted to THB 663,239 million, equivalent to an increase of 72 percent from the previous year and higher than the average over the past 10 years (2014-2023). This increase is primarily attributed to investments from China totaling THB 159,387 million, followed by investments from Singapore, United States, and Japan. These statistics reflect Thailand's attractiveness as an FDI destination, driven by various factors such as strategic location, skilled workforce, and government incentives, including tax benefits and trade agreements, supporting various sectors, including the manufacturing and tourism.

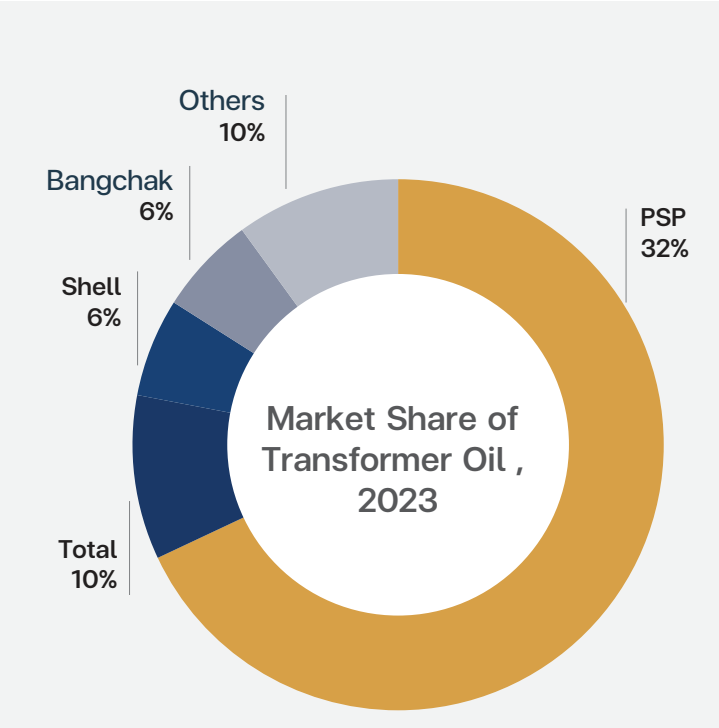
Moreover, there is an increasing demand for industrial lubricants in focus countries, reaching approximately 950 million liters to 992 million liters, or a Compound Annual Growth Rate (CAGR) of 0.9 percent. This growth is influenced by increased government support in infrastructure development, construction projects, and the growth of the logistics sector, all contributing to the rising demand for industrial lubricants.

Transformer Oil (Unit: Million Liters)



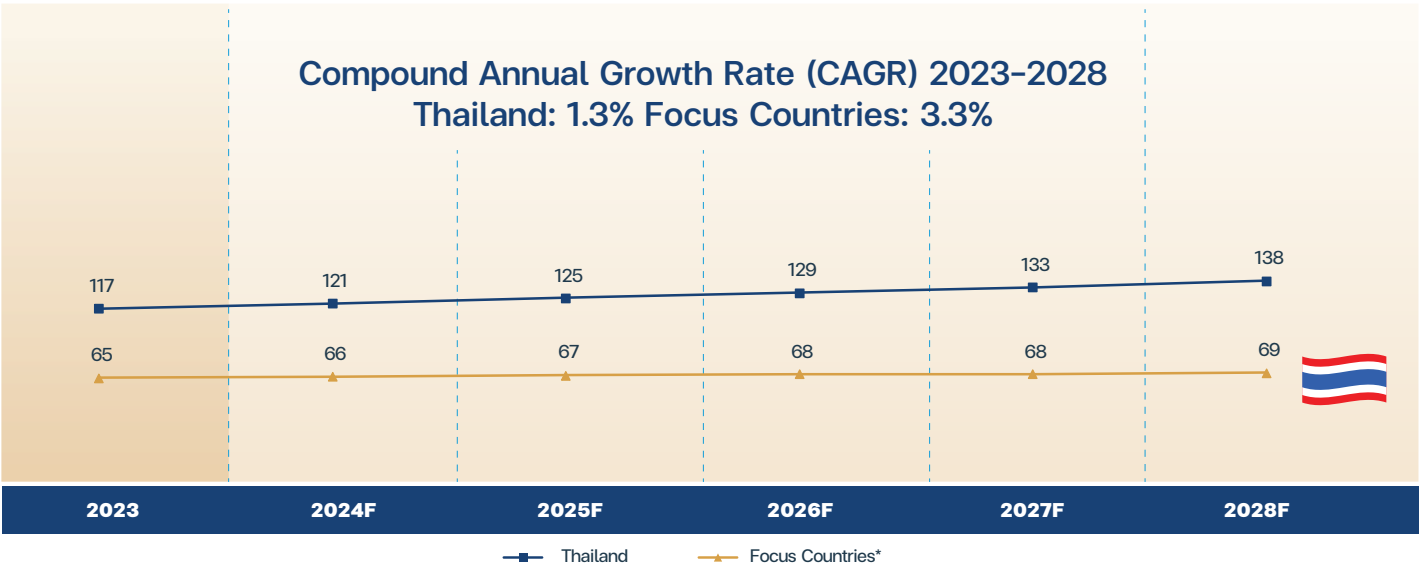
* Focus countries include Indonesia, Vietnam, Malaysia, Philippines, Myanmar, Cambodia, and Singapore

According to the report by Kline & Company ["Kline"], an Independent Market Researcher (IMR), prepared on March 16, 2024, during the period of 2023-2028, the market of transformer oil in Thailand is forecasted to steady growing from approximately 20 million liters to 21 million liters, representing a Compound Annual Growth Rate (CAGR) of 1.0 percent. This growth is attributed to the increase in electric vehicle charging stations, which will lead to more investments in electrical pole construction, consequently increasing the demand for transformer oil. Similarly, the focus countries are expected to experience the stable growth, reaching from approximately 50 million liters to 55 million liters, or a CAGR of 1.9 percent. This growth is driven by increased government support in infrastructure development, construction projects, and the growth of the logistics sector, resulting in a higher demand for transformer oil.



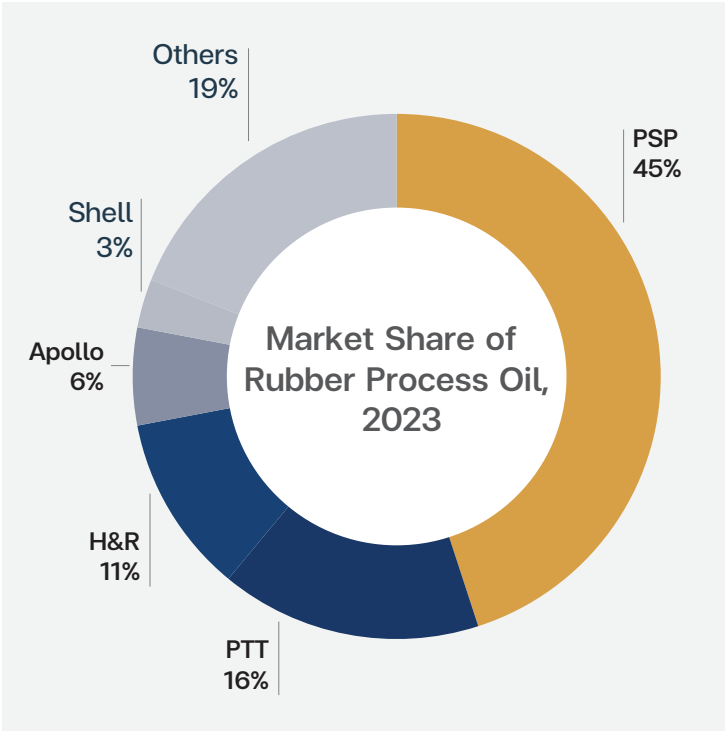
In Thailand, the market of transformer oil is relatively large, with PSP being the leading player holding the number one position in the transformer oil market of Thailand. Market shares are distributed with PSP at 68 percent, followed by Total, Shell, Bangchak, and others at 10 percent, 6 percent, 6 percent, and 10 percent respectively. PSP market leadership comes from being approved as one of the distributors of transformer oil to the Electricity Generating Authority of Thailand (EGAT) and being approved as one of the distributors of transformer oil to Hitachi Energy. This builds trust in the company's products at both regional and international levels and creates opportunities for future growth of transformer oil.

Rubber Process Oil (Unit: Million Liters)



* Focus countries include Indonesia, Vietnam, Malaysia, Philippines, Myanmar, Cambodia, and Singapore

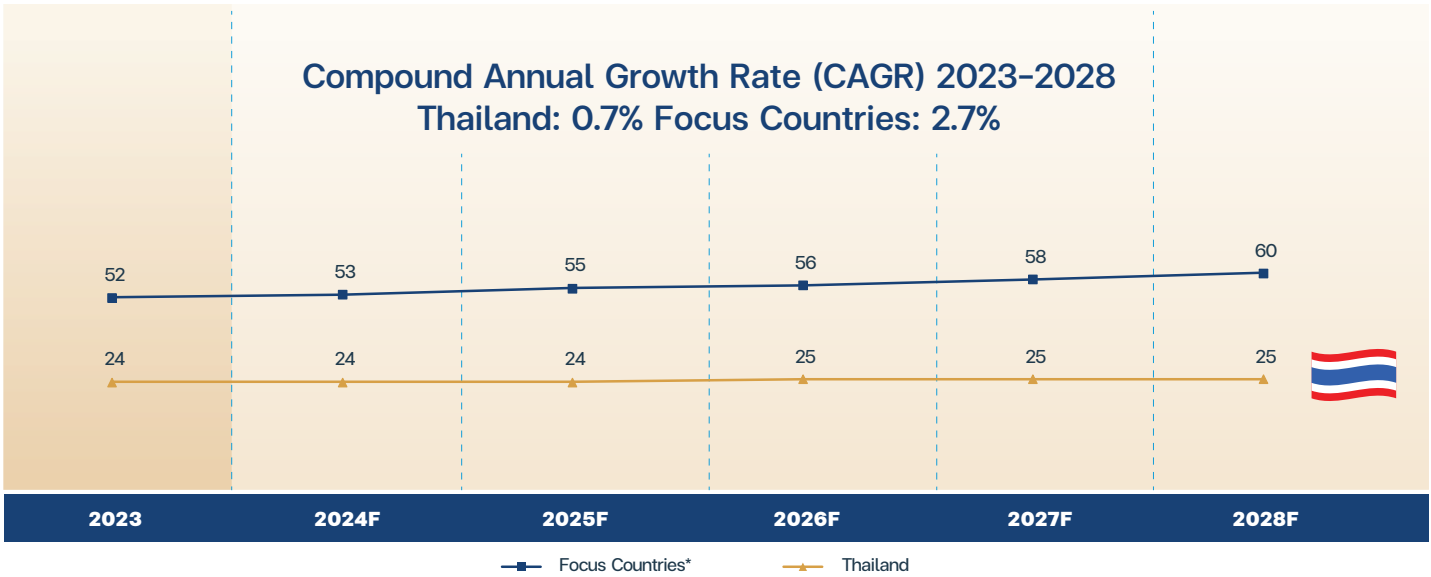
According to the report by Kline & Company ["Kline"], an Independent Market Researcher (IMR), as of March 16, 2024, the market of rubber process oil in Thailand is expected to simultaneous growing from approximately 65 million liters to 69 million liters during the period from 2023 to 2028, with a Compound Annual Growth Rate (CAGR) of 1.3 percent. This growth is attributed to the global automotive tires manufacturers who require products meeting international standards, such as receiving Green Label for the purpose of supporting their sales and exports. Additionally, Thai rubber manufacturers are increasingly turning to use higher-quality rubber process oil to expand their customer base and facilitate exports to countries with stricter environmental regulations. Moreover, the focus countries are expected to experience the high growth as well, with the market size increasing from approximately 117 million liters to 138 million liters, or a CAGR of 3.3 percent, driven by increased government support for infrastructure development, construction projects, and logistic sector growth, resulting in a corresponding increase in demand for rubber process oil.



PSP is a leading company and holds the number 1 position for market share in the rubber process oil market in Thailand. In addition, Thailand is considered one of the world's largest exporters and manufacturers of rubber and rubber-related products, such as automotive tires, rubber gloves, and other rubber products. Consequently, Thailand has become a major market for rubber process oil. The major players in this market include PSP, PTT, H&R, Apollo, Shell, and others, with market shares of 45%, 16%, 11%, 6%, 3%, and 19% respectively. PSP market leadership stems from its capability to produce high-quality rubber process oil that meets international standards. This enables PSP to gain the advantage from the automotive tire manufacturers, who use high-quality rubber process oil from the company, to have the opportunity to obtain the Green Labels from the Thai Environmental Institute and the Industrial Product Standards Office.



Grease (Unit: Million Kilograms)



* Focus countries include Indonesia, Vietnam, Malaysia, Philippines, Myanmar, Cambodia, and Singapore

According to the report by Kline & Company, an Independent Market Researcher, as of March 16, 2024, the grease market in Thailand is expected to grow from approximately 24 million kilograms to 25 million kilograms during the period from 2023 to 2028. This represents a

Compound Annual Growth Rate [CAGR] of 0.7%, driven by the expansion of automotive usage and the industrial sector. Furthermore, the focus countries continue to experience growth, increasing from around 52 million kilograms to 60 million kilograms, with a CAGR of 2.7%.







Business Operations and Performance Results

- Structure and Operations of the Company
 - Risk Manangment
- Driving Business towards Sustainability
- Management Discussion and Analysis
- General and Other Important Information

1. Structure and Operations of the Company

1.1 Policy and overview of business operations

P.S.P. Specialties Public Company Limited (“the Company”) is one of the business operators in the field of integrated lubricant products, starting from the process of procuring raw materials, product design, product production, product packing, Storage and distribution center, providing logistics management services and other related businesses which covers [1] development and production of well-known lubricant products in Thailand, which is produced according to customer needs [Made-to-Order] in order to be able to respond to customer needs quickly and in time. The main products of the company include lubricant, grease and specialty products such as Rubber Process Oil, Transformer Oil, Metal Working Fluid, Coolant, and Fuel Additive, etc.

In addition to being a fully integrated lubricant product business operator in Thailand, the company also operates a business of lubricant development and production in Myanmar, which is operated through a subsidiary [Pacific -PSP Syntech Co., Ltd. (“Pacific -PSP Syntech”)]. The company also [2] engages in the business of buying and selling [Trading] raw materials and products, and providing related services, including [3] providing fuel distribution center services [Terminalling] [4] providing distribution center services [5] providing logistics management services, which is operated through subsidiaries [PSP Logistics [Thailand] Company Limited (“PSP Logistics”) and Special Interfreight Company Limited (“Special Interfreight”)] [6] Being a representative distributor [Non-exclusive distributor] of Chevron Oronite brand additive in Thailand, Cambodia and Laos; being the sole distributor [Sole and Exclusive distributor] of products such as Markers and other products of Authentix. The company is a representative in providing services of Authentix in Thailand as a distributor [Non-exclusive distributor] of additives of BASF Thailand Limited [BASF Thailand] to customers who are some of the

leading companies in Thailand; and buy and sell the Adblue exhaust treatment product, which is a liquid used to treat pollutants in the exhaust pipes of cars using diesel engines. AdBlue is a liquid urea solution used with the SCR [Selective Catalytic Reduction System] system to reduce the nitrogen oxides concentration from diesel engines which is operated through a subsidiary company [U.C. Marketing Company Limited (“ U.C. Marketing”) and [7] owning multi-purpose lubricant products [Multi-Purpose Oil] under the brand PROTECH and air conditioner cleaning spray [Air cleaner & Refresher Spray] and musty and odor eliminating spray [Deodorizer Spray] under the brand MASTER . The Company has begun selling the product in 2023 for general consumers [Business-to-Customer (“B 2 C”)] , called the “Company Group”].

In addition, the Company has another associated company where the Company invests in an associated company [WhatsEGG [Thailand] Company Limited (“ WhatsEGG”)] which operates the business of providing an e-commerce platform for trading automotive spare parts for entrepreneurs [Business-to-Business (“B2B”)] under the name of WhatsEGG through the application “ EGGMall” . The group of companies’ business covers the entire supply chain [Value Chain] of the lubricant production industry [Lubricant] and other products, promoting the ability to respond to customer needs, ability to effectively manage costs and operations and promote competitiveness as one of the leaders in the industry. The company aims to offer integrated business services to customers and be able to facilitate customers to receive various services from the company in a complete manner. The structure of the business of the group of companies according to the diagram as follows:



P.S.P. Specialties Public Company Limited



With the expertise and experience of the company for more than 30 years, including the readiness of the company's personnel, all of whom are knowledgeable and has expertise in the industry producing and distributing lubricant [Lubricant], special products [Specialty products] and providing related services such as developing production formulas, which is an important factor that encourages executives and employees at all levels to have an understanding of the lubricant industry. The understanding is in aspects of management, Technology, Product sourcing, Marketing management, Target customer grouping, Procurement of funds, including the rules, Laws related to business operations and governance, as well as research and

development capabilities, Various formulas, or improving and developing the formula according to the customer's request; as well as a laboratory that has been certified according to international standards, in order to develop competitiveness and raise the level of the industry. All of which resulted in the company having the ability to produce good quality products consistently and be able to deliver products to customers on time, as well as gaining the confidence and trust of leading customers both domestically and abroad from various business groups such as the energy and public utilities business group, Agricultural Business Group Product export business group and automotive business groups, etc. The company focuses

on importance from the process of selecting raw materials, Production process, as well as the product packaging process and quality control. This allows the products to be certified to standards both domestically and internationally. As a result, the company's products has gained confidence in both quality and in being able to meet the needs of customers. In addition, the company also focuses on expertise, Production techniques, and new innovations used to develop products, especially products with specialized properties that the company has developed formulas to be in line with the needs of customer groups and meets both domestic and international standards, such as Rubber Process Oil and Transformer Oil .

At present, the company has 2 product manufacturing plants in Thailand, located in Tha Chin Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province. The location of the company's product manufacturing plants is a location with potential and suitability for doing business [Strategic Location], because it is next to the Tha Chin River, which is an important area for water transportation in Thailand and in the region, and Rama 2 Road , which has convenient transportation and has no restrictions on travel time. Moreover, this area is an important industrial production base of Samut Sakhon Province. In addition to manufacturing plants in Thailand, the subsidiary has one product manufacturing plant located in the Thilawa Special Economic Zone , located between the cities of Thanlyin and Kyauktan in Myanmar. The industrial estate has convenient transportation because it is next to the Yangon River. Moreover, it has the Thilawa port, a deep sea port being prepared to be a strategic port for importing and exporting goods in Burma. It is next to the national highway and not far from Yangon city.

In addition, the company has one fuel distribution center [Terminalling] with 40 tanks, total volume approximately 98 million liters. It is able to support the storage of various types of fuel according to customer needs. It provides a maximum oil distribution service of up to 3,600

million liters per year, including 1 distribution center of the company, 3 buildings, total service area of 12 rai 3 ngan 3.75 square wa [20,415 square meters], which is located in Mueang Samut Sakhon District of Samut Sakhon Province as well

As of 31 December 2023 The company has a production capacity of 212 million liters of lubricant per year¹, Grease production capacity of 27,548 tons per year, production capacity for Rubber Process Oil of 44 million liters per year and production capacity of transformer oil of [Transformer Oil] 25 million liters per year. With the above production capacity, the company is able to continuously produce products for major customers as they demand. The company's production line is a production line using a blending tank [Blending Process] which uses various raw materials, mix them together according to the recipe, as well as having quality checks at every step before packing and deliver to customers

1 Including production capacity of Pacific -PSP Syntech in Myanmar



1.1.1 Report on the use of proceed

The company has offered to sell additional common shares in the Initial Public Offering (IPO) between 22-24 August 2023, totalling to 350,000,000 shares, at a price of 6.2 baht per share. After deducting the expenses for the share offering, the net proceeds received from

the offering of additional common shares were 2,101.4 million baht.

The Company has reported the use of proceed ended December 31, 2023 as follows.

Objective of using the Proceed	Utilization plan	Estimated time of using the proceed	Use of proceed ended December 31 , 2023	Remaining amount
1. Repay loans from financial institutions				
1.1 To repay loans from financial institutions for the acquiring of U.C. Marketing	1,174.6	2023	1,174.6	-
1.2 To repay short-term loans such as promissory notes [P/N] and import loans [Trust Receipt], etc.	425.4	2023	425.4	-
2. Invest in the company's factory to improve efficiency in the production process.	140.0	2023 - 2024	-	140.0
3. Working capital for the company's business operations.	361.4	2023 - 2025	236.1	125.3
Total	2,101.4		1,836.1	265.3



1.2 Nature of Business Operations

1.2.1 Revenue Structure

The Company Group conducts one-stop service for lubricant products, starting from raw material procurement process, product design, lubricant product development and production, which produces made-to-order products based on specific customer requirements for lubricant, grease, and specialty products

to domestic and foreign customers, packaging, storage and distribution center, product transportation and other related businesses such as raw material and product trading and relevant service business.

Business Flow Chart



The Company Group's revenue structure divided by business type for the fiscal years ended on 31 December 2021, 2022, and 2023 is as follow:

Total revenue	For the fiscal year ended on December 31					
	2021		2022		2023	
	Million baht	percentage	Million baht	percentage	Million baht	percentage
1. Sales revenue						
1.1 revenues from product development and production business						
1. lubricant ¹	5,396.4	50.0	7,048.3	53.4	6,998.2	57.1
2. Grease	812.3	7.5	899.3	6.8	808.9	6.6
3. Rubber Process Oil	898.5	8.3	1,195.9	9.1	967.5	7.9
3. Transformer Oil	384.5	3.6	558.9	4.2	494.0	4.0
1.2 Revenue from raw material and product trading business	2,875.4	26.7	2,930.5	22.2	2,444.8	19.9
Total sales revenue	10,367.1	96.1	12,632.9	95.7	11,713.5	95.6
2. Service revenue						
2.1 Service providing business related to product development and production ²	94.7	0.9	118.3	0.9	117.4	1.0
2.2 Terminalling service business	188.6	1.7	193.8	1.5	190.5	1.6
2.3 Distribution center service business	91.8	0.9	97.7	0.7	100.0	0.8
2.4 Logistics solutions business	41.4	0.4	161.7	1.2	135.9	1.1
Total service revenue	416.5	3.9	571.5	4.3	543.7	4.4
Total revenue	10,783.7	100.0	13,204.4	100.0	12,257.2	100.0

Remarks:

- Revenue from lubricant production and distribution does not include income from lubricant production and distribution of Pacific -PSP Syntech, which is a joint venture according to the Company's consolidated financial statements according to Financial Reporting Standards No. 10 on Consolidated Financial Statement.
- Service providing business related to product development and production is the income from lubricant product development and production service in the case that customers tell the Company to develop and produce products only, where the customer is the one who procures raw materials and packaging.



1.2.2 Nature of product and service

1.2.2.1 Product development and production business

The Company develops and produces lubricant, grease, and specialty products such as rubber process oil, transformer oil in many types according to customer's needs under the brand or trademark that the customer determined. The Company will jointly develop production formulas according to the customer's demand, procure raw materials for production, and manage packaging and transportation, etc., with the customers. This is to facilitate the customers to receive the Company's service comprehensively. The details of products are as follow:

1. Lubricant

Lubricant is the product from bringing base oil that meets the national and international standards such as Thai Industrial Standard (TIS), ASTM International Standard Worldwild (ASTM), American Petroleum Institute (API), International Electro technical Commission (IEC), etc., to add additives in order to increase quality and attributes mainly such as anti-rust substance, anti-wear substance,

corrosioninhibitorsubstance,extremepressure substance, dispersant substance, etc. The Company will develop the formula for customers or jointly develop lubricant formula with customers in order to meet the customer's needandpackageitaccordingtothecustomer's need. Lubricant helps to reduce friction and wear and make the engine or machine work efficiently. In addition, from lubricant circulating through the engine or machine, will help cooling down, increasing energy consumption efficiency, increasing working life of the machine, as well as removing stains and cleaning engine parts. On December 31, 2023, the Company Group has production capacity of 212.0 million liters per year.



For the year ended December 31, 2021, 2022, and 2023, the Company Group has revenue from lubricant production and distribution in the amount of 5,396.4 million baht, 7,048.3 million baht, and 6,998.2 million baht, respectively, accounting for 52.1%, 55.8%, and 59.7% of sales revenue, respectively.

2. Grease

Grease is a semi-solid and semi-liquid lubricant product that is the product from bringing base oil that meets the national and international standards such as Thai Industrial Standard [TIS], ASTM International Standard Worldwide [ASTM], American Petroleum Institute [API],



International Electro technical Commission [IEC], etc., to add soap and additives in order to increase quality and attributes to be in accordance with the customer's need mainly such as thickener in order to be used both in high and low temperatures. Grease lubricates connection points, reduces leaks or gaps helps prevent dust, helps reduce friction, prevents corrosion of machinery and equipment, and helps prolong their use. On December 31, 2023, the Company has production capacity of 27,509.0 tons per year.

For the year ended December 31, 2021, 2022, and 2023, the Company Group has revenue from grease distribution in the amount of 812.3 million baht, 899.3 million baht, and 808.9 million baht, respectively, accounting for 7.8%, 7.1%, and 6.9% of sales revenue, respectively.

3. Rubber Process Oil

Rubber process oil is the product from bringing base oil that meets the national and international standards such as Thai Industrial Standard [TIS], ASTM International Standard Worldwide [ASTM], American Petroleum Institute [API], International Electro technical Commission [IEC], etc., to add additives in order to increase quality and attributes to be in accord-



ance with the customer's need mainly such as oxidation inhibitor to prolong the product's working life. Rubber process oil helps blend rubber and various chemicals together well increasing the efficiency of the tire. On December 31, 2023, the Company has production capacity of 44.0 million liters per year.

For the year ended December 31, 2021, 2022, and 2023, the Company Group has revenue from rubber process oil distribution in the amount of 898.5 million baht, 1,195.9 million baht, and 967.5 million baht, respectively, accounting for 8.7 %, 9.5%, and 8.3% of sales revenue, respectively.

4. Transformer Oil

Transformer oil is the product from bringing base oil that meets the national and international standards such as Thai Industrial Standard [TIS], ASTM International Standard Worldwide [ASTM], American Petroleum Institute [API], International Electro technical Commission [IEC], etc., to add additives in



order to increase quality and attributes to be in accordance with the customer's need mainly such as Pour Point Depressant (PPD) and package it according to the customer's need. Transformer oil is insulation and cools the coils inside the transformer, capacitors, electric reclosures and fuses, as well as helping prolong the transformer's working life. On December 31, 2023, the Company has production capacity of 25.0 million liters per year.

For the year ended December 31, 2021, 2022, and 2023, the Company Group has revenue from transformer oil distribution in the amount of 384.5 million baht, 558.9 million baht, and 494.0 million baht, respectively, accounting for 3.7 %, 4.4%, and 4.2% of sales revenue, respectively.

1.2.2.2 Raw material and product trading business

The Company conducts raw material and product trading business i.e. base oil, additives,

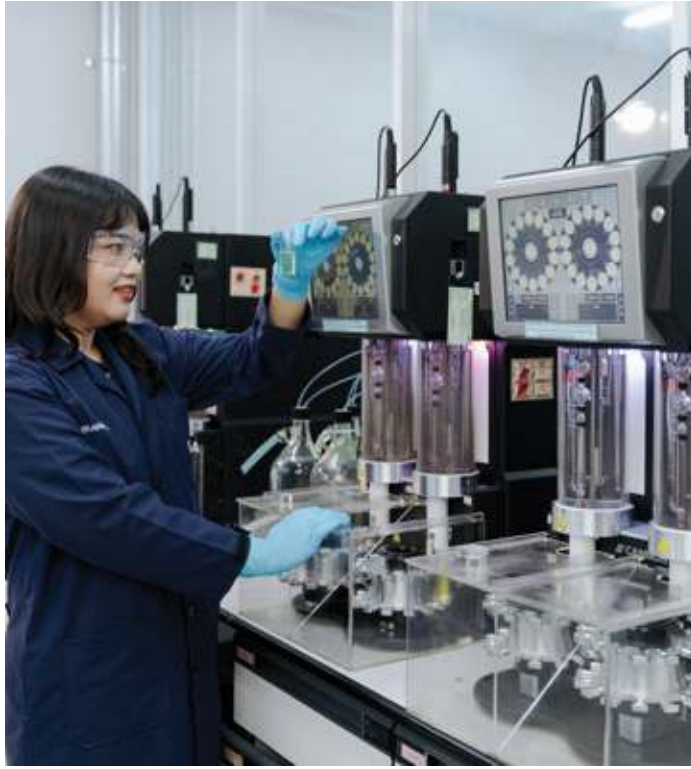
including additives of Chevron Oronite and BASF Thailand that U.C. Marketing is a non-exclusive distributor and products of Authentix such as Markers that U.C. Marketing is the sole and exclusive distributor in Thailand, as well as trading Adblue exhaust fluid product, packaging, and finished products such as lubricating oil and grease, etc. The Company also is the owner of multi-purpose oil under PROTECH brand and air cleaner & refresher spray and deodorizer spray under MASTER brand. For the year ended December 31, 2021, 2022, and 2023, the Company Group has revenue from raw material and product trading business in the amount of 2,875.4 million baht, 2,930.5 million baht, and 2,444.8 million baht, respectively, accounting for 27.7 %, 23.2%, and 20.9% of sales revenue, respectively.

1.2.2.3 Related service providing business.

1. Service providing business related to product development and production.

The Company conducts service providing business related to product development and production which is lubricant product development and production service in the case that customers tell the Company to develop and produce products only, where the customer is the one who procures raw materials and packaging. The products that the customers tell the Company to produce are lubricant and grease, etc.





For the year ended December 31, 2021, 2022, and 2023, the Company Group has revenue from service providing business related to product development and production in the amount of 94.7 million baht, 118.3 million baht, and 117.4 million baht, respectively, accounting for 22.7%, 20.7%, and 21.6% of service revenue, respectively.

2. Terminalling service business

The Company provides terminalling service which consists of fuel depot service and oil transportation management service through fuel distribution center (Terminalling) of the Company for leading customers such as PTT Oil and Retail Business Public Company Limited (“OR”) and Bangchak Corporation Public Company Limited (“BCP”), etc. The fuel distribution center (Terminalling) is located in Mueang Samut Sakhon District, Samut Sakhon Province with an area of 45.0 rai consisting of Fuel Dispensary Building Loading Rack 1-14, Fuel Dispensary Office Building, and the parking area for vehicles waiting to receive oil. The Company uses TAS (Terminal Automation System) which is

a fuel oil distribution control system and checks the status of automated fuel oil distribution. The said system can prevent work errors and can check the data of the fuel in the fuel warehouse at any time immediately.

The Company has 40 fuel depots for service with a total volume of approximately 98 million liters and a maximum fuel distribution volume of 3,600.0 million liters per year. It can store various types of fuel according to the customer's need i.e. diesel, gasohol, bunker oil, asphalt, etc. In addition, the fuel distribution center (Terminalling) also covers fuel terminal and base oil. As of December 31, 2023, the Company has a total of 5 fuel terminals located on both sides of the Tha Chin River, each of which can accommodate ships with lengths ranging from 85 - 100 meters. The fuel terminals have bridge design extending out into the river (Jetty style) to support oil transfer and product pipeline system. The Company is one of the few lubricant product development and production companies in Thailand that has its own fuel terminal.

For the year ended December 31, 2021, 2022, and 2023, the Company Group has revenue from



terminalling business in the amount of 188.6 million baht, 193.8 million baht, and 190.5 million baht, respectively, accounting for 45.3%, 33.9%, and 35.0% of service revenue, respectively.

3. Distribution center service business

The Company provides distribution center service for lubricant, grease, rubber process oil and oil for industrial machines that the Company is the producer to the customers in the area of the Company's distribution center located in Mueang Samut Sakhon District, Samut Sakhon Province with an area of approximately 12 rai 3 ngan 3.75 square wah (20,415 square meters), opened for service in July 2016.

As of December 31, 2023, the Company has a total storage area of 12 rai 3 ngan 3.75 square wah (20,415 square meters), able to store the products that the Company produces. The storage has selective rack with a height of 11 meters and has 43 loading docks. It can store more than 27,000 pallets of products and uses suitable forklifts for operations such as reach truck, counterbalance forklift, etc. It uses Warehouse Management System (WMS) that connects with Microsoft Dynamics AX (ERP) to manage products.

For the year ended December 31, 2021, 2022, and 2023, the Company Group has revenue from distribution center service business in the amount of 91.8 million baht, 97.7 million baht, and 100.0 million baht, respectively, accounting for 22.0%, 17.1%, and 18.4% of service revenue, respectively.

4. Logistics solutions business

P.S.P. Logistics, a Company's subsidiary, provides cross border transportation management service between Thailand and countries that have a border with Thailand such as Myanmar, Laos, Malaysia, and countries that have terrestrial borders with the above countries. In addition to cross border lubricant product transportation management, P.S.P. Logistics also provides service for other products transportation such as textiles, car

parts, frozen food as well. Special Interfreight, which is a Company's subsidiary, provides product transportation management service and transportation by ship and plane-related service by presenting various types of transportation according to customer's need such as energy product transportation by ship e.g. ship carrying oil, ISO tank, flexibag and dry container, as well as providing advices and services that can reduce transportation problems through multitasking work process with land-air, sea-land, or land-rail system and customs formalities management service. The transportation management service of both P.S.P. Logistics and Special Interfreight mentioned above is only transportation management service providing. The two companies do not provide transportation service themselves but provide transportation management service including finding transportation providers that meet the customer's demand, making transportation documents, arranging transportation routes for maximum benefits, etc. The main operations cover transportation planning, transportation providers selection, standard and quality indicators determination. There is strict operation quality and standard control to ensure maximum quality of transportation service, risk management, and compliance with transportation good practices in order to achieve results according to standard and have efficiency, together with flexible design, improvement, increasing efficiency in the transportation network, and





creating multimodal transportation making P.S.P. Logistics and Special Interfreight to be able to make timely decisions and respond to changes in customer and market's demand efficiently or able to respond to customer's need during the period of highest demand. This makes P.S.P. Logistics and Special Interfreight to manage cost efficiently.

The transportation by ship and freight business of Special Interfreight is divided from cross broader transportation management

service business of P.S.P. Logistics because the Company wants to divide business operations to be clear and flexible. The said business forms are different in details and use personnel with different abilities in order to prevent direct competition and keep the customer base of P.S.P. Logistics because P.S.P. Logistics has some customers that conduct freight and forwarder related business. In addition, the separation of the said logistics service business can be seen from business of other logistics service providers that are listed companies in the Stock Exchange in Thailand.



Example of cross border land transportation management service routes of P.S.P. Logistics such as

- 1) Thailand - Malaysia route
- 2) Thailand - Myanmar route
- 3) Thailand - Laos route
- 4) Thailand - Cambodia route and
- 5) Thailand - Vietnam - China - Russia route, etc.

Example of product transportation management service and product transportation by ship and plane-related service of Special Interfreight such as

- 1) Thailand - Indonesia
- 2) Thailand - Vietnam
- 3) Thailand - Singapore
- 4) Thailand - China or Taiwan
- 5) Thailand - Philippines
- 6) Thailand - Australia and
- 7) Thailand - Netherlands, etc.

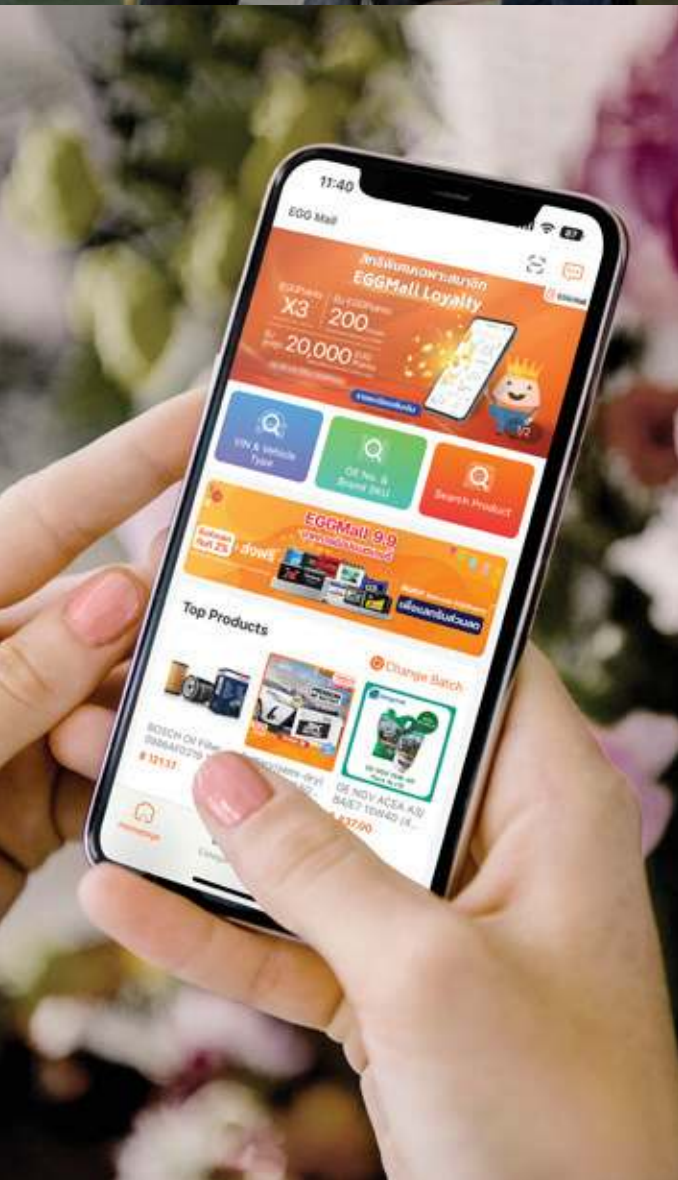




In addition, P.S.P. Logistics and Special Interfreight operate to meet the customer's need with product transportation that is fast, timely, safe and the products are in perfect, complete, and correct condition. The Company needs to supervise and manage each type of product transportation by using transport vehicle that is suitable to each product. The Company, therefore, has arranged a network of various types of semi-trailers from third-party in order to meet the customer's need [Logistic Solution] such as 4 wheel, 6 wheel and 10 wheel trailers. For the year ended December 31, 2021, 2022, and 2023, the Company Group has revenue from product transportation management service business and related service in the amount of 41.4 million baht, 161.7 million baht, and 135.9 million baht, respectively, accounting for 9.9%, 28.3%, and 25.0% of service revenue, respectively.

1.2.2.4 E-commerce Platform for automotive parts and accessories retailing service business

The Company has established P.S.P. Ventures to be a holding company. P.S.P. Ventures holds 30.0% shares in WhatsEGG in order to provide platform service in the name of EGC Mall to trade parts for automotive spare parts industry, lubricant products and products related to comprehensive automotive and EGGAlai [Egg Spare Parts], which is an inventory management, purchasing and marketing system in Thailand, and EGG Repair, an application system for service and management for a complete car repair shop. It covers every work process of the auto repair shop, such as issuing payment receipts, customer management, spare parts procurement, warehouse management, and financial management. The objective is to be trading center for retailers, auto repair shops and insurance business and for the Company's business opportunity. The Company has a plan to coordinate with customers to sell the products in said platform in the future in order to increase sale channels for customers. For the year ended December 31, 2021, 2022, and 2023, the Company has auto repair shops and insurance business applying and the revenues from platform service business are as follow:





	For the fiscal year ended on December 31		
	2021	2022	2023
Number of members (person)	17,562	21,817	36,122
Revenue from platform service business (million baht)	133.6	146.7	168.1

The income for providing such platform service, the Company will receive as differential in trading products, commission and service fees for car garage management system and quarterly order from auto repair shops and insurance businesses who apply to use the said platform.

1.2.3 Target customer group

The Company develops and produces lubricant, grease, and specialty products such as rubber process oil, transformer oil, etc., to customers that conduct business both domestically and abroad such as Cambodia, Myanmar, Vietnam, Pakistan, Russia, Sri Lanka, China, and Indonesia, etc. It can be divided by main business types which are automotive business group,

trading business group, industry business group, and energy and public utility business group, etc. The Company's main income is the income from selling to customer groups in Thailand. For the year ended December 31, 2021, 2022, and 2023, the Company Group has income from domestic sales in the amount of 8,756.6 million baht, 10,453.2 million baht, and 9,851.7 million baht, respectively, accounting for 84.5%, 82.7%, and 84.1% of sales revenue, respectively. The Company Group has income from international sales in the amount of 1,601.5 million baht, 2,179.7 million baht, and 1,861.8 million baht, respectively, accounting for 15.5%, 17.3 %, and 15.9% of sales revenue, respectively. The customer group can be divided by business type as follow:

	For the fiscal year ended on December 31					
	2021		2022		2022	
	Million baht	percentage	Million baht	percentage	Million baht	percentage
1. Automotive business	5,279.2	50.9	6,808.9	53.9	6,666.4	56.9
2. Trading business	2,875.4	27.7	2,930.5	23.2	2,444.8	20.9
3. Industry business	1,828.2	17.6	2,334.6	18.5	2,108.3	18.0
4. Energy and public utility business	384.5	3.7	558.9	4.4	494.0	4.2
Total sales revenue	10,367.2	100.0	12,632.9	100.0	11,713.5	100.0

1.2.4 Distribution channels

1) Domestic market product distribution

The Company mainly distributes products that the Company develops and produces lubricant products domestically. Revenue from the Company's domestic sales account for 84.5%, 82.7% and 84.1% of sales revenue for 2021, 2022, and 2023, respectively. The Company distributes products

through customers directly only. The domestic sales and marketing department contacts the customers directly and coordinate with the customers to understand customer's need, characteristics of use, and present suitable products to that customer and keep ongoing customer relationship, make customers trust in product's quality, satisfy with both before and after sales service. The Company signs contract or trade agreement with trading partners to set trade conditions annually, such as selling prices, discounts, minimum order quantities, etc.

2) Foreign market product distribution

The Company distributes products that the Company develops and produces lubricant products to foreign customers directly, divided into main foreign markets i.e. Cambodia, Myanmar, Vietnam, and other foreign markets e.g. Pakistan, Russia, Sri Lanka, China, Indonesia, etc. Revenue from the Company's international sales account for 15.5%, 17.3% and 15.9% of sales revenue for 2021, 2022, and 2023, respectively.

The Company distributes products through customers directly only. The international sales and marketing department contacts and creates good relationship with foreign customers directly and has important activities same as the domestic sales and marketing department. In addition, for Myanmar, personnel who work in the joint venture have experience in sales, trade negotiations and maintain customer relationship well.

In addition, Pacific-PSP Syntech, which is a joint venture with an ally in Myanmar, conducts lubricant development and production business and distributes in Myanmar. Pacific-PSP Syntech only distributes to customers directly.

Sales revenue structure divided by distribution channels domestically and abroad following consolidated financial statement for the fiscal years ended on December 31, 2021, 2022, and 2023 can be summarized as follow:

Total revenue	For the fiscal year ended on December 31					
	2021		2022		2023	
	Million baht	percentage	Million baht	percentage	Million baht	percentage
1. Domestic sales revenue						
1.1 Thailand	8,756.6	84.5	10,453.2	82.7	9,851.7	84.1
Total domestic revenue	8,756.6	84.5	10,453.2	82.7	9,851.7	84.1
2. Oversea sales revenue						
2.1 Cambodia	221.1	2.1	285.4	2.3	180.1	1.5
2.2 Myanmar	89.3	0.9	160.3	1.3	146.3	1.2
2.3 Pakistan	91.0	0.9	91.3	0.7	83.0	0.7
2.4 Vietnam	134.4	1.3	176.9	1.4	142.3	1.2
2.5 Other countries ¹	1,074.7	10.4	1,465.8	11.6	1,310.0	11.2
Total oversea revenue	1,610.5	15.5	2,179.7	17.3	1,861.8	15.9
Total revenue	10,367.2	100.0	12,632.9	100.0	11,713.5	100.0

Remark:

1. Other country consist of Indonesia, Philippines, Singapore, Laos, Russia, Sri Lanka, China, Taiwan, South Korea, India, Hong Kong, Bangladesh, etc

In addition, sales revenue structure of each product divided by distribution channels domestically and abroad following consolidated financial statement for the fiscal years ended on December 31, 2021, 2022, and 2023 can be summarized as follow:

Total revenue	For the fiscal year ended on December 31					
	2021		2022		2023	
	Million baht	percentage	Million baht	percentage	Million baht	percentage
1. Lubricant						
Automotive lubricant						
Domestic	3,156.2	88.4	3,937.1	83.5	4,155.0	85.0
Oversea	412.1	11.6	776.6	16.5	735.0	15.0
Total	3,568.3	100.0	4,713.8	100.0	4,889.9	100.0
Industrial lubricant						
Domestic	1,627.5	89.0	2,101.8	90.0	1,879.7	89.2
Oversea	200.6	11.0	232.8	10.0	228.6	10.8
Total	1,828.2	100.0	2,334.6	100.0	2,108.3	100.0
2. Grease						
Domestic	597.9	73.6	628.2	69.9	646.0	79.9
Oversea	214.4	26.4	271.1	30.1	163.0	20.1
Total	812.3	100.0	899.3	100.0	808.9	100.0
3. Rubber Process Oil						
Domestic	513.7	57.2	629.5	52.6	541.1	55.9
Oversea	384.9	42.8	566.4	47.4	426.4	44.1
Total	898.5	100.0	1,195.9	100.0	967.5	100.0
4. Transformer Oil						
Domestic	373.6	97.2	533.5	95.5	445.8	90.2
Oversea	10.9	2.8	25.4	4.5	48.2	9.8
Total	384.5	100.0	558.9	100.0	494.0	100.0

1.2.5 Pricing policy

The Company has determined prices for each type of product according to the Company's policy and strategy by considering all stakeholders such as shareholders, customers, trade partners.

However, in order to maintain competitive pricing with other lubricant product developers and producers, generally the Company will determine prices from (1) raw material cost (2) product production hiring cost and (3) other related service fees such as transportation expense, product insurance premium, etc. and (4) profit margin that the Company determined in each product, including setting a discount rate for customers in each period by considering the order quantity, product type, and marketing plan during that time.

For domestic customers, generally the Company will agree on prices in 2 forms according to product transportation guideline which are the price for receiving products at the factory and the price that includes shipping costs depending on customer's need. For foreign customers, The Company has agreed on selling prices according to international trade agreements (incoterms), such as (1) Free on Board (FOB) selling price ("FOB selling price") is the selling price in the case that the Company is responsible for the cost of shipping until the ship's origin. (2) Cost and Freight (CNF) selling price ("CNF selling price"), which is the FOB selling price that includes shipping costs and (3) Cost Insurance and Freight (CIF) selling price, which is the CNF selling price that includes product insurance until the customer's port.

The Company has product selling with credit term guideline. Most customers will receive credit term from the Company that is different from one another depending on each customer's credit, product purchase volume, and payment history, but generally it will be around 30 - 60 days.

1.2.6 Marketing and competition

1.2.6.1 Competitive Advantage

1) The Company Group is one of independent manufacturers for lubricant products from having the highest market share in Thailand in many products and having a strategy focused on maintaining and developing leadership continuously.

As a leader and an independent manufacturer of lubricant products that has the highest market share in Thailand for rubber process oil and transformer oil, the Company is the leader in product quality and production process that meets international standards and is accepted by customers who are leaders in various industries both nationally and internationally such as OR ESSO Eneos (Thailand) Co., Ltd. ("ENEOS"), Petronas International Marketing (Thailand) Co., Ltd. ("PETRONAS"), Total Energy Marketing Co., Ltd. (Thailand) Co., Ltd. ("TOTAL"), etc. The Company believes that apart from outstanding in product quality and production process that meets international standards, the advantage in managing costs to be competitive through economies of scale is also an important factor that helps create an advantage for the Company to develop and present products to companies in the petroleum industry by reducing customer anxiety from hiring a company that sells the same and/or similar products and makes the Company to be able to respond or support high volume orders from customers and be able to deliver products continuously, timely, and consistently. This factor is the main factor in selecting developers and producers of major customers which are all big companies in various industries.

Moreover, the Company is a non-exclusive distributor of additive under Chevron Oronite brand in Thailand, Cambodia, and Laos and the sole and exclusive distributor of products such as Markers and other products of Authentix and is the representative for Authentix's services in Thailand, including being a non-exclusive distributor of BASF

Thailand Limited (BASF Thailand) additives to customers who are some of the leading companies in Thailand; trade the Adblue exhaust treatment product, which is a liquid used to treat pollutants in the exhaust pipes of cars using diesel engines. AdBlue is a liquid urea solution used with the SCR (Selective Catalytic Reduction System) system to reduce the nitrogen oxides concentration from diesel engines and is more environmentally friendly. This is conducted through a subsidiary company (U.C. Marketing) and will enhance the Company's leadership by receiving benefits in various areas, especially raw material procurement ability and more efficient operation due to resources utilization.

2) The Company Group is a one-stop development and production service provider in many product groups with competitive cost from effective operation process.

The Company group has started conducting business since 1989 and has gained work experience until having work knowledge and expertise and became one of the leading lubricant products developers and producers in Thailand that can propose solutions to respond to different customer's needs and requirements (Customer Centric) from (1) Research and development of product formulas. Each customer may have specific production formula need. As of December 31, 2023, the Company has a variety of products totaling more than one thousand formulas, covering lubricant, grease, rubber process oil, and transformer oil. (2) Raw materials procurement from purchasing raw materials in large quantities and at low costs with the benefit of economies of scale. (3) Production planning from having expertise and having a precise planning program. (4) Production from having an efficient production process with strict and consistent quality control and has the ability in competitive pricing and (5) Transportation service and providing other related services, including distribution center service, terminalling service, and logistics management service that can help reduce cost and facilitate management for customers from provid-

ing one-stop service. Such service requires several abilities and readiness such as the ability to manage costs, production expertise, having laboratory with international standards. This is considered one of the main factors that help the Company to continuously respond to customer's satisfaction and reduce risk for the Company in the case that the customers change to use other service providers instead. In addition, the Company has proposed solution in several areas to respond to customer's need and different requirements (Customer Centric) such as production formula solution that makes the Company's customers can create differences for their products through joint thinking process between the Company and customers, packaging solution that the Company provides advice on packaging design in order to create differences for products to be more outstanding, or e-commerce solution that the Company has product selling channels as well as after-sale service and sale promotions.

3) The Company group has a strong research and development ability making the Company to be able to present a variety of products that can respond to changing customer's needs.

The Company believes that a strong research and development ability and excellent product quality inspection is an important factor in creating differences, promoting leadership in product quality internationally, and increasing the capacity to present a variety of products because many customers have identified specific production formula and/or requirements. As of December 31, 2023, the Company is able to produce lubricant and specialty products with a variety of more than one thousand formulas including various quality additional services such as providing technical support service, etc., as well as being able to adjust and/or present new products in order to quickly respond to customer's need.

The Company places importance on research and development process including quality control and quality assurance of products

according to international standards by investing in personnel with knowledge and ability, testing facility, modern automated machines, and equipment, as well as cooperating with leading energy agencies in Thailand to jointly develop and create new innovation and products. As of December 31, 2023, the Company has personnel in the product research and development department and quality control and quality assurance department in a total of approximately 50 people with knowledge and ability and have experience working closely with customers. The Company is one of the few producers that have a comprehensive testing facility for lubricant products, covering lubricant, grease, and specialty products that can test quality according to standards and/or specific attributes such as content, density, viscosity kinematic, IFT, breakdown voltage, and testing for hydrocarbon compounds that cause cancer by using Gas chromatography and Mass Spectroscopy techniques, etc. Moreover, the Company's laboratory has received ISO/IEC 17025 certification since 2019 and has participated in and passed the proficiency testing program many times in testing lubricant products with international standard organization (American Society for Testing and Materials : ASTM) and since 2007, the Company has been able to inspect the quality of products such as lubricant, grease, rubber process oil, transformer oil, and asphalt by itself. The Company has research and development expenses for the fiscal years ended December 31, 2021, 2022 and 2023, which includes employee expenses, depreciation, and other related expenses in product development in the amount of 22.7 million baht, 15.6 million baht, and 18.4 million baht, respectively. In addition, the Company's research and development department has worked closely and cooperated with other departments of the Company such as the treasury operation, engineering, and safety department, the operation and supply chain department and the commercial and business development department in order to ensure that the lubricant products and production process developed by the Company's research and

development team can be used quickly, effectively and successfully. The production process and machines will be adjusted as necessary to maximize production efficiency as well as for the Company to quickly conduct marketing and present new products to the market.

Important and outstanding works of the product research and development department such as the Company is in the process of research and development of nonflammable bioelectrical transformer oil from palm oil and is environmentally friendly in collaboration with the National Energy Technology Center (ENTEC), National Science and Technology Development Agency to pilot integrated field testing and to drive sustainable commercial use. In addition, the Company is in the process of considering a research project to develop bio rubber oil from palm oil in collaboration with leading universities in Thailand. In addition, from the ability in research and development, including quality control and quality assurance of a variety of products according to the Company's international standards, the Company has been approved as one of the transformer oil distributors for the Electricity Generating Authority of Thailand (EGAT). This builds trustworthiness for the Company's products and creates opportunities for growth of transformer oil in the future. Moreover, from the ability in quality control and quality assurance that can test attributes and product characteristics correctly, precisely, and diversely until it is accepted by third-party, the Company can provide quality inspection service to both the Company's customers and third-party. This is an opportunity to increase income from quality control and quality assurance services for the Company in the future.

4) The Company Group receives trust from customers that are domestic and international leading companies and has long-relationship business alliances with customers and trade partners in various business groups.

From the experience and previous works of



the Company for more than 30 years, the Company has long understanding and good relationship with customers and trade partners and has strong alliance network. Most are customers and trade partners that are leading companies in various industries both domestically and international such as OR ESSO, BCP, Chevron Thailand, ENEOS, PETRONAS, TOTAL, etc. Those companies will have a production service provider selection process focusing on product and service quality, quality consistency, delivered products characteristics, comprehensive service providing ability, sufficient production capacity to support high volume order, on time delivery ability and competitive prices, therefore, it reflects the ability of the Company in such areas. In addition, the Company has good relationships with the Company's raw materials distributors, such as base oil and/or additives for a long time, with some large distributors have been the Company's distributors since starting business in 1990. The Company is currently researching and developing products with some distributors to create benefits from abilities and expertise of joint business partners which is a testament to trust, confidence, and consistency between the Company and the Company's raw materials distributors. In addition, the Company has the sales and marketing department that has good knowledge and understanding in the Company's products, services, and operating procedures to help provide advice and accurate and prompt details to customers. The sales and marketing department will be in contact with existing customers and find new customers as well as coordinating with the production department in order to produce products that meet the consumer's need as much as possible. In this regard, having customers or trade partners who are such leading companies will reduce the risks involved from the contracting party, such as contract non-compliance risk, financial risk and help build confidence in product and service quality including the Company's ability to third-party as well. Information as of December 31, 2023, the Company has approximately 300 customers in all types of products and

services from various business groups, such as energy producer customer group, petroleum industry customer group, agricultural industry customer group, automotive industry customer group, etc. 9 of the first 10 customers have continuously used the service for more than 10 years, which is a testament to the product quality and consistency of the Company. In addition, some major oil producing companies have guideline to cancel their own lubricant production and have hired the Company as the only producer in Thailand since 2007. The factors that major oil companies consider in hiring other company to develop and produce products instead of producing them themselves are cost advantage from economies of scale both from negotiating raw material prices and production efficiency and reduce complexity in other processes related to production such as production planning, quality testing, etc. As well as major oil companies can focus more on their main business because the sales proportion of lubricant, grease, rubber oil or transformer oil is small in comparison to the income from the main business of those companies. This shows a relatively low opportunity that customers in the major petroleum industry will switch to other service providers.

From the experience and good relationships with some distributors in major petroleum industry for more than 20 years, the Company can plan raw material procurement concisely with maximum efficiency as well as the Company's negotiation ability. In addition, in order to ensure the ability in continuous raw material procurement, the Company has entered into a sale contract with distributors. The quantity of raw materials is specified in advance following the planning according to the estimated raw material use between the Company and the customer, as well as continuously monitoring the situation and sharing knowledge together in order to ensure that the Company is able to quickly and timely recognize industry trend.

5) The Company Group has a suitable location and is an important strategic point for transportation and business flexibility and future growth.

The Company's location is a factor that help promote raw materials and products transportation cost management advantage and continuity in raw materials procurement. The Company's production factory is located in Tha Chin Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province. The location of the production factory is on the main route to the southern and western regions and next to the Tha Chin River, which is an important area for maritime transportation in Thailand and in the region. The said area is also an important industrial production base of Samut Sakhon Province and close to major raw material suppliers such as major packaging producers (such as plastic factories). The Company's production factory is located next to the Tha Chin River and near the Gulf of Thailand which makes the Company benefits from the readiness to access the port. The Company group has built a total of 5 piers in the form of a bridge extending into the river (Jetty style) in order to support the transportation of fuel and raw materials for the Company's production such as base oil and product pipeline system. The Company is one of the few lubricant product development and production companies in Thailand that has its own port and benefits from the access to the said port in terms of cost and continuity in raw materials procurement as well as the access to road networks such as Highway 35 (Rama 2 Road). This makes the Company able to procure raw materials and transport products continuously, help reduce transportation costs because the area does not have regulations prohibiting product transportation and provide many benefits in terms of inventory management and product distribution service. However, the area where the Company's factory is currently located is classified as a community land area (pink zone) which can only be used for residential,





commercial, agricultural, educational institutions, religious institutions, government institutions, and public utilities, which are limitations for other operators who want to come and set up a factory in the said area. The Company currently has vacant land that can be expanded and/or developed into a production factory and/or distribution center to support production and/or product storage according to customer's need in the future.

6) The Company Group's directors, executives, and senior employees have expertise and experience in lubricant products production industry more than 30 years.

The Company's executives have experience in lubricant, grease, and specialty products production and distribution industry and related service. Most of the directors and executives have more than 10 years of experience in related businesses in the lubricant products industry, including Mr. Sint Krongphanich and Mr. Yongyos Krongphanich, who have experience working in leading natural gas and petroleum company in Thailand. The Company's personnel, whether the accounting department, marketing department, production department or research and development department, all have knowledge, expertise, and good relationship with the Company's

customers for a long time. This is an important factor that encourages the Company Group's management team to have an understanding in the lubricant, grease, and specialty products production and distribution industry in terms of management, technology, product sourcing, marketing management, target customer grouping, fund procurement, and rules and laws related to business operations and governance. This makes the Company to provide services efficiently meeting customer's need and building confidence among customers. The Company's past success has demonstrated the ability of the management team to build and expand the Company's business, maintaining existing customer base and creating new customer base and can lead the Company to move through various situations.

In addition, the Company promotes organizational culture that focuses on and supports creativity, discipline, unity, honesty, safety, and social responsibility. The Company cannot succeed in being the industry leader as it is today if the Company does not have capable human resource that has innovation ideas and is loyal to the organization. Based on information as of December 31, 2023, the average service length of the Company's full-time employees is approximately 8.7 years. In addition, the Company is committed to developing its executives and employees continuously through internal training courses and sending employees to attend external training courses and succession plan according to the policy regarding personnel development, directors and executives recruitment, and job succession plan in order to ensure that future successors will be ready to replace and work in the designated positions and to support business situations that may change in the future.

1.2.6.2 Business strategy

1) The Company is committed to maintaining the market leadership along with maintaining production and service standards and continuously increasing efficiency in production process. (Sustained Leadership)

The Company is a leading lubricant products development and production independent manufacturer, with the highest product portfolio market share in Thailand, namely rubber process oil and transformer oil. Due to this success, the Company has a strategy to maintain its customer base and increase market share in the lubricant product development and production business both domestically and abroad, along with taking advantage of the potential in quality and excellent production cost management, the variety of products, the capabilities of the research and development team in order to create opportunity for growth from macroeconomic changes both in the country and region as follow:

- **Focusing on increasing the sales proportion of high-profit, high-growth products (Well-Balanced Portfolio)**

The Company plans to take advantage of its product portfolio and ability to develop and produce a wide range of products by focusing on products that have high profits and/or benefit from macroeconomic changes because these products are in high demand in the market. This is reflected in government policies that continuously support investment in the industrial sector, such as investment promotion policies to develop competitiveness. If based on statistics on applications for investment promotion from the Office of the Board of Investment, ending December 31, 2023, there were a total of more than 2,307 projects, an increase from 2,119 projects, or equivalent to a growth rate of 8.9% when compared to the same period of the previous year. The automotive is one of the target industries that has high investment. From foreign direct investment (FDI) statistics from the Office of the Board of Investment for the 9-month period ending September 30, 2023, it was valued at 278,116 million baht, especially investment from China at 97,464 million baht, followed by Singapore and Japan. Moreover, from the World Bank's ranking of ease of doing business, it was found that Thailand was ranked 21st out of 190 countries around

the world. Such factors support the demand growth of industrial lubricant and other specialty products (rubber process oil, transformer oil) which are all products with high profit margins.

From the anticipation that the lubricant, rubber process oil, and transformer oil industrial market will grow both in Thailand and ASEAN especially in countries that continuously develop important infrastructure, the Company therefore aims to increase the revenue proportion of industrial lubricant production and distribution from approximately 18.0% of total sales revenue for the year ended December 31, 2023 to approximately 20.0% of total sales revenue in 2028 and increase the revenue proportion of other specialty product production and distribution from approximately 19.4% of total sales revenue for the year ended December 31, 2023 to approximately 25.0% of total sales revenue in 2028.

The Company has signed a cooperation agreement with NCH Corporation, which is a multinational customer in the United States, which is one of the leaders and experts in the products and services for quality maintenance industry. The Company has collaborated with NCH Corporation to provide services and produce products for NCH Corporation and its affiliates, starting with the production of industrial grease, and there is also knowledge exchange on production technology and joint development of production formulas. This is a utilization of the Company's production capabilities and collaboration with business partner who is leader in providing specialized services to a variety of industries at the international level.

Moreover, the Company is in the process of researching and developing food grade industrial, which is a product that has higher value and has a higher profit margin than normal lubricant and plans to cooperate with business partner who is one of the leaders in maintenance products and related services in order to create benefits from the Company's

expertise in lubricant products production for industry together with the marketing capabilities of business partner in expanding the customer base in Thailand and the ASEAN region as well as being able to exchange, access, and develop production and marketing processes including industry knowhow as well.

The Company is also preparing for and taking advantage of megatrends to ensure that the Company is able to respond to market demands in a timely manner. This includes electric vehicles (EVs). Even though the Company expects that such changes will take time from developing or improving infrastructure to support production, the government's measures to support the electric vehicle (EV) market in 2022 - 2025, such as subsidies, excise tax reduction, import duties on cars reduction, etc., is considered one of the important factors in supporting the growth of the specialty products sale volume, especially transformer oil, which tends to grow in line with the transformer volume increase that comes from the increase in electric vehicle charging stations, making the demand for transformer oil higher. In addition, the Company has been approved as one of the transformer oil distributors for the Electricity Generating Authority of Thailand (EGAT) and has been approved as one of the transformer oil distributors to Hitachi Energy, which creates reliability for the Company's products and creates opportunities for growth in transformer oil in the future.

In addition, the Company plans to take advantage of its ability in rubber process oil production that meets international standards. This will make the tire manufacturers that use the Company's high quality rubber process oil to have an opportunity to receive the Green Label from the Thai Environment Institute and Thai Industrial Standards Institute for such products, which confirms that car tires produced from the high-quality rubber process oil will have less impact on the environment. Currently, some major international tire manufacturers use the Company's products and receive the Green Label to help support sales and exports. This will make

Thai tire manufacturers start to turn to using higher quality rubber process oil in order to expand their customer base and export to countries that have limitations on environmental impacts. The Company is one of the companies that have been registered on the Approve List from leading tire manufacturing companies. The Company plans to expand its customer base from international leading tire manufacturers to local brand, which is an opportunity for further growth in the future.

• Regional Market Expansion

The Company plans to leverage its position as one of the leading independent lubricant product manufacturers to expand and diversify the Company's customer base in the ASEAN region. This will benefit in building strength, promoting continuous growth, and increasing income source balance. The Company plans to increase overseas sales revenue from the original population of approximately 15.9% of total sales revenue in 2023 to approximately 30.0% of total sales revenue in 2028.

Many countries in the ASEAN region are developing countries. This is an important factor in supporting the growth of the automotive industry and investment in the industrial sector. From the forecast number of new vehicles in Indonesia, Malaysia, Vietnam, Philippines, and Singapore between 2023 and 2028 will grow at an average annual growth rate of 2.0%, 1.0%, 2.0%, 6.0%, and 2.0%, respectively. There is also an anticipation that specialty product industry market will continue to grow, which is an opportunity for the Company to grow into the region. The Company has a strategy to cooperate with partners who are distributors that have expertise and experience in that country through the Company's international sales team and present new products in order to help expand the business into new markets and reach new customers.

• Improving Operating Facilities

The Company focuses on maintaining leadership in production costs and promoting

the ability to make a profit with an emphasis on operational excellence. In the past up to now, the Company has improved and developed operational optimization, including the introduction of technology into the work and production processes such as automation development, automatic fuel distribution center development, etc. In addition, the Company plans to invest in machinery and equipment in the future such as 1) Lube Plant & Operation Improvement Project, which will improve the area currently used by moving the production tanks, storage tanks, and rearranging the entire production area, including the use of automation in order to make production more efficient and 2) Project Digital Transformation, which replaces old work processes with process automation, reducing redundant work procedures. This makes it less labor intensive but more efficient. It is also a data analytics for use in decision making and in order to manage the Company's resources to be as efficient as possible.

2) Specialized Creation

The Company plans to build on knowledge from the potential, ability, expertise and experience of the research and development team and having a laboratory that meets international standards, including collaboration with business partners who are leaders in related industries and leading energy agencies in Thailand in developing new products and expanding customer base. The Company focuses on markets with high growth opportunities and high profit rates in order to prepare for megatrends, strengthen and create a competitive advantage for the business by focusing on product and service development in 3 groups:

(1) Value creation products which developed from readiness, whether the product formula research and development knowledge and the Company's existing expertise and potential. The value creation products are divided into 2 groups: Multipurpose Oil and Food Grade Lubricant.

As for multipurpose oil, the Company has launched air cleaner & refresher spray and deodorizer spray under the brand “MASTER” and multi-purpose oil under the brand “PRO-TECH” on November 1, 2023 by collaborating with experienced manufacturers to jointly develop production formulas. This will create an important new business foundation for the Company to expand the business to customer products. The Company has also collaborated with Borneo Technical (Thailand) Company Limited, which is an importer and distributor of industrial equipment products and is also a distributor of auto equipment and motorcycle parts with more than 160 years of experience in Thailand, it also has a logistics system and information technology that supports sales and product distribution throughout the country to become the main official distribution partner, covering both offline and online sales channels in order to respond to consumer’s needs all over the country.

For food grade lubricant, the Company can expand its product base through cooperation with product distributors for food industry both domestically and internationally. It is also an opportunity to use the abilities and potential of the research and development department to develop formulas for producing such products in the future. The Company has signed a cooperation agreement with NCH Corporation, a multinational company and expert in industry and quality solutions which will start as a lubricant product distributor to NCH Corporation. Currently, the Company is researching and developing production formulas to present such products to the market, and it is expected to be able to bring such products to the market within 2024 onwards. After starting to sell products as a distributor, if there is a good response from the market, the Company will work with the research and development team and expert companies to produce and continue to sell this type of lubricant product with the Company's factory.

[2] Greenovative Creation the use of the Company's knowledge and ability to develop environmentally friendly products

according to the Company's mission to conduct business with socially and environmentally responsible practices for sustainable future i.e. EV Application, Bio-Based Specialty Products, “Adblue”. In addition, the Company also has Re-Refined Base Oil Project with the following details.

- EV Application has a continuously increasing demand trend. The ASEAN Center for Energy (ACE) report forecasts that the EV market in ASEAN region has an average annual growth rate of 32.7% in 2022 - 2027. The Ministry of Energy of Thailand also has a policy to promote EV cars with the goal of producing EV cars in the proportion of 30% of domestic car production by 2030 in order to push Thailand to be a production base for electric vehicles in the ASEAN region. In addition, the Department of Land Transport forecasts that the lubricant use for vehicles i.e. motorcycle, 4-wheel car, and bus, will increase to 1,055,000 vehicles in 2025 and increase to 5,410,000 vehicles and 15,580,000 vehicles in 2030 and 2035, respectively.

At present, the Company has joined forces with a partner who is a leader in international-level automotive products to study technology and develop production formulas for EV Application such as EV cooling, EV drive, and EV grease, etc. This product research and development uses the ability and expertise of the Company's research and development team to expand production capability. It also creates business opportunities to invest in new s-curve that has high growth potential according to the Company's vision to be the leader in one-stop service lubricant products that is ready to seize every opportunity to grow sustainably and limitlessly.

- Bio-based specialty products are one of the products that promote environmental sustainability, which receive promotion from the government through the BCG (Bio-Circular-Green Economy) economic model, with a goal to create bioeconomy system that focuses on using biological resources and agricultural products to expand and create added value for

products and services. The Company therefore sees the business opportunity and focuses on bio-products development such as bio-transformer oil and bio-rubber process oil.

Bio-transformer oil is one of the products that has been pushed through the National Oil Palm Policy Committee (MPC) to be widely used in Thailand and is one of the oleochemicals from oil palm promotion measures according to the reform strategy of oil palm and palm oil as a whole system in order to reduce import and promote sustainable commercial use. This is because bio-electric transformer oil is more environmentally friendly than traditional transformer oil that has mineral oil as an ingredient, which has low biodegradation and is dangerous to the environment when transformer has leakage.

However, mineral oil is still considered a non-renewable resource and is extracted from crude petroleum that is slowly depleting. Therefore, the Company and the research team have studied and developed the bio-transformer oil product to have similar attributes and can be used instead of transformer oil from mineral oil. It is a nonflammable bio-transformer oil made from palm oil in collaboration with the fuel technology research team of the National Energy Technology Center (ENTEC), National Science and Technology Development Agency. Currently, it is in the testing process with transformers of the Metropolitan Electricity Authority (MEA) and Provincial Electricity Authority (PEA). The product is expected to be launched within 2024.

In addition, the Company has signed a bio-rubber process oil from palm oil research and development contract with Prince of Songkla University in order to develop bio-rubber process oil formula.

- Adblue is a liquid used to treat pollution for cars using diesel engines. In 2023, it is expected that Adblue's global market is valued at \$30 billion, and will increase to \$66 billion by 2032, with an average growth rate of approximately 7% per year. This is due to the increasing

environmental conservation trend around the world, making the government in many countries to enact laws and measures to manage and control pollution. One of the most popular and widely used measures is the Euro Emission Standards, which is a standard that determines the automobiles emission, such as carbon monoxide (CO), hydrocarbon (HC), nitrogen oxide (NOx) and particulate matter (PM).

- Re-refined base oil is a process of taking used lubricant through scientific process to remove contaminants after use in order to get base oil that has attributes equivalent to unused base oil. The re-refined oil promotion will help reduce the base oil import, eliminate waste and conserve non-renewable resources like crude oil. It is expected that the global Re-refined Based Oil market will grow from approximately \$3.4 billion in 2023 to \$5.0 billion in 2028, with an average growth rate of approximately 6.8% per year. The main driving forces are the need to reduce greenhouse gases, the increasing demand for premium grade base oil, and the increasing sustainability and environment trend around the world, especially in the energy industry and the transportation and logistics industry. Therefore, it can be seen that many governments have begun to issue regulations in order to support re-refined base oil, whether by increasing incentives through laws or policies. The Company plans to improve the used lubricants quality together with Recycling Engineering Company Limited, which has expertise in used chemical quality improvement in order to reduce costs and increase the Company's competitiveness.

(3) Comprehensive laboratory service group and safety training

- The Company has its own product research and development department with experience in a variety of products development. This is considered a core competency that can promote the Company to research and develop new complex products and able to respond to the customer's need in applications and keep up with technological advancement, which are important factors to maintain competitiveness

and create the Company's sustainable growth. In 2024, the Company plans to support comprehensive laboratory to be more well known and aims to increase revenue from product inspection service in addition to current customers by focusing on transformer oil customers, used cooking oil customers, and new customer groups.

- Safety training according to ministerial regulations specifying standard for occupational safety management and operation and the working environment regarding fire prevention and suppression B.E. 2012 stipulates that "Employers shall arrange for employees of not less than 40% of the number of employees in each unit of the business establishment to receive basic firefighting training. The training will be conducted by those who have license from the Department of Labor Protection and Welfare." Therefore, the Company sees a business opportunity to generate income from providing safety training to third-party because the Company has equipment and expert personnel for training and has license to organize basic firefighting and fire evacuation training courses from the Department of Labor Protection and Welfare. The Company therefore has a goal to generate income from the firefighting training business and other security trainings for third-party in addition to current customers.

3) The Company's growth promotion through business expansion into related businesses and/or cooperation within the Company Group promotion along with business operations in order to promote sustainable growth and focusing on future business that emphasizes the use of technology and innovation (New S-Curve)

With the Company's vision of being "the leader in one-stop service lubricant products who are ready to seize every opportunity to grow sustainably and limitlessly", the Company has a strategy to invest/expand into businesses with growth potential, both in the main business and business that is growing following sustainable business operation trend and

future businesses that emphasize the use of technology and innovation (New S-Curve) to promote the Company's long-term growth. In addition, the Company also focuses on cooperation within the Company Group to create new business opportunities. Regarding business expansion consideration, the Company has considered various investment factors such as investment proportion, expected profit, potential risks and the Company's financial status in order to screen investment to be in accordance with goals, strategic plans, as well as related rules and regulations according to investment policy. There is also supervision process such as consideration and approval by the Executive Committee and/or the Board of Directors in order to ensure that such investment will be for the best benefit for the Company and/or shareholders. The Company has past and future business expansion plans as follows:

[1] Mergers and and strategic business opportunities finding to cover business throughout the value chain make the Company receive benefits in various areas including expanding the customer base, increasing the Company Group's competitiveness in raw materials procurement, operation, finance, and resource utilization, such as the acquisition of U.C. Marketing in early 2022 and the MOU signing to jointly invest in automotive and industrial lubricant products and specialty products development and distribution project between the Company and subsidiaries of Boon Rawd Supply Chain Company Limited and V.Sirikan Auto Parts Company Limited.

[2] Business expansion from transportation service business to comprehensive logistics management by starting to invest in real estate related to logistics activities such as terminalling and distribution center management. In 2021, the Company began to provide cross-border land transportation management service between Thailand and countries that have a border with Thailand including countries that have a border with the above countries through P.S.P Logistics. Later, in June 2022, the Company established Special Inter-

freight to provide product transportation by ship management service and services related to product transportation by ship and by plane and customs clearance management service with many forms of transportation according to both domestic and international customers' needs in order to help increase cost competitiveness. Comprehensive logistics business will help the Company to expand its capabilities to other businesses besides the lubricant product business. There are also some activities that the logistics business will help support and increase the Company's main business potential. This business operation is in line with the strategic plan of logistics system development of Thailand, which is a long-term management framework with the goal for Thailand to be able to upgrade its logistics system to become a center for trade, services, and investment in the region by focusing on expanding capabilities and developing the logistics system service quality in order to support city expansion and new economic areas of the ASEAN region. In addition, the Company has a plan to develop assets to support logistics system service, such as improving operation efficiency within the Company's distribution centers and a project to expand a new distribution center on the Company's land in order to provide comprehensive logistics service and to meet the increasing customer's need.

[3] Business expansion that grows along with sustainable business operations. The Company gives importance to environmental, social, and governance issues ("ESG"), which are domestic and international megatrends. In the past up to now, increasing attention has been paid to such issues continuously. The Company therefore gives importance and has a strategy to invest in businesses that will grow together with sustainable business operations. In February of 2024, a contract was signed to purchase shares of Recycle Engineering Company Limited, in the amount of 5,850,000 shares, or 65.0%. The Company expected that the share purchase will be completed in the third quarter of 2024. Recycling Engineering Company Limited conducts service providing business disposing used chemicals through reusing and

improving product quality with technology from Germany that does not have impact on the environment.

[4] Business expansion to future industrial businesses that emphasize the use of technology and innovation (New S-Curve), such as platform business, food, health and medical technology business, future automotive business, etc., from expanding, improving, and developing the Company's business, such as joint venture in WhatsEGG, which operates trading platform providing business for auto parts and lubricant products. In addition, the Company has invested in Genius Genetics Company Limited or GeneusDNA, which is a distributor and service provider for interpreting results from DNA testing kit under the brand Geneus DNA and has a variety of businesses that can be expanded from DNA testing. Therefore, the Company sees that this investment will help promote the Company's ability to grow along with the future trend in caring for people's health in society.

4) The Company is committed to building good relationships with trade partners both customers and raw material suppliers with consideration to the trade partner's maximum satisfaction.

The Company has conducted the business for more than 30 years, starting as transformer oil distributor and expand its customer base into lubricant products development and production business market to automotive parts production factories and various industries, including rubber process oil, automotive lubricant and grease, which is product development and adding value to the business. Throughout the past period, the Company has focused on building and maintaining good relationships with customers continuously and sustainably in order to create confidence for customers that they will receive good products and services to create satisfaction and build customer base for the Company's long-term business operations to be in line with one of the Company's important missions, namely delivering international quality products and services to

create maximum customer satisfaction. Most of the Company's customers have constantly changing requirements and needs. This group of customers therefore needs comprehensive lubricant products production and distribution service provider, which is an important feature that the Company Group has. Additionally, these customers may order product in large quantities and want it to be delivered within a short period of time, as a result service providers must have sufficient production capacity and high flexibility in order to be able to respond to the needs in a timely manner. These customers therefore value the reliability of product suppliers, innovation capabilities, and stability of product delivery. In addition, the Company has sales and marketing officers to expand new customer base, as well as having officers to give advice and work with customers to develop products to suit market needs, including the Company's research and development team that will work with customers to design the production process and select raw materials and machinery that are appropriate to the customer's need in order to ensure that the products produced will meet the requirements and characteristics that the customers specified and able to deliver products that meet the customer's requirements.

In addition, the Company also places importance on following the agreements with raw material suppliers and paying raw material costs to raw material suppliers as specified on a regular basis in order to build a good relationship and for production continuity as well as inventory maintenance ability and product delivery speed to the Company's customers.

5) The Company is committed to continuous personnel development in order to increase operation efficiency.

The Company places importance on personnel development, which is an important factor in driving business to sustainable growth, especially the lubricant products production business that requires personnel with knowledge and expertise in production. Also, one of the Company's missions is to develop profession-

alism, promote employee's learning and quality of life for sustainable growth. The Company is therefore committed to promoting the continuous development of operational efficiency for employees and always keeping up with changes according to the Company's policy regarding personnel development, directors and executives recruitment and job succession plan. The Company provides training courses that will help increase knowledge in various areas and develop personnel's potential at all levels, both internal training courses and sending employees to attend external training courses that are relevant and appropriate to personnel's need in each department, covering important skills such as product understanding course, efficient production equipment course and safety course, etc., according to the training and annual budget plan. The Company believes that increasing knowledge, ability, and promoting the cooperation of all personnel to move in the same direction through training activities will make the Company Group grow sustainably.

In addition, the executives also provide succession plan for personnel to see growth opportunities within the Company Group, which is another important factor that will make the Company maintain personnel with the Company Group and attract personnel with potential from outside. The Company has guidelines for considering appropriate compensation for employees, which is competitive compensation. In addition, the Company also promotes and develops organizational culture that values creativity and innovation, as well as technology and digital adoption. In 2023, the Company began to bring Digital Transformation Project to be applied in the organization with the aim of developing and improving business operation process to be more efficient, replacing old work process with process automation, reducing redundant work steps, and data analytics in order to be used in decision making and managing organizational resources with maximum efficiency. The Company aims to promote and support personnel development along with digital transformation in order to promote necessary knowledge and skills for the changes in

present era, make the Company has flexibility in personnel management, and promote personnel to have the ability to create work that brings maximum benefit to the Company. This will help increase the efficiency and effectiveness of the Company's operations significantly and help the Company to expand operations and adapt to the customer's need that changes rapidly.

6) The Company is committed to conducting business with social responsibility and environmentally friendly through environmental, social, and governance ("ESG") policy.

With the Company's vision of being "the leader in comprehensive lubricant products that is ready to seize every opportunity to grow sustainably and limitlessly" and one of the Company's missions is to conduct business with socially and environmentally responsible practices for sustainable future, the Company is committed to maintaining the business operations standards with awareness of safety and environmental impacts in addition to the Company having duties and responsibilities to comply with safety standards, regulations as well as laws and regulations in other areas related to business operations, especially pollution and waste problems from the production process. The Company's ESG policy is believed to be important to business operations and sustainable growth. The Company therefore focuses on pollution management and quality waste treatment from the production process that meets standard according to relevant legal principles, including correct and efficient environmental tracking and management in order to reduce environmental impacts. Important operational processes such as the project to eliminate contaminated packaging and materials and the project to use clean solar energy from solar rooftop on the distribution center. In addition, to increase the ability to conduct business for sustainability and increase the potential for future growth, the Company has signed an agreement to purchase shares of Recycle Engineering Company Limited, in the amount of 5,850,000 shares,

or 65.0%. The Company expects the share purchase will be completed in the third quarter of 2024. Recycling Engineering Company Limited conducts service providing business for disposing used chemicals through reusing and improving product quality with technology from Germany that does not has impact on the environment. In addition, the Company is studying and/or considering the possibility of investing in clean energy to support future growth opportunities in the environmentally friendly solution business. The Company has also gives importance to the communities surrounding the production factories and the Company's stakeholders. The Company has organized social activity projects to participate in society and surrounding communities development, such as sending fire trucks to help in the event of fire, donating equipment and tools to support communities and hospitals, project to donate vegetable seedlings to the community, project to jointly plant mangrove forests in Tha Chalom Subdistrict, blood donation project, seminar project with Tha Chin Subdistrict community leaders to strengthen good relations between the Company and the surrounding community, etc.

In addition to reducing environmental impact and considering stakeholders, the Company also recognizes the importance of good corporate governance and aims to operate according to the criteria in the Company's corporate governance policy. The Board of Directors consists of people with various qualifications, both in terms of knowledge, abilities, and experiences that can benefit the Company. The Board of Directors play an important role in setting policies and the overall picture of the organization as well as playing an important role in supervising, inspecting and evaluating the Company's operations according to plan. The Company has determined the scope of authority and duties of the Audit and Corporate Governance Committee, Nomination and Remuneration Committee and the Executive Committee clearly, including appointing 3 independent third parties to join the Board of Directors out of a total of 9 directors (please consider more in section 7.2 Information about

the Board of Directors]. The appointment of such independent third party is to audit and balance decision-making power including giving opinions and approving items before presenting to the shareholder's meeting for further approval because the importance of good corporate governance will be important in helping generate returns, build confidence, add value to shareholders, and making the Company's operation to be efficient and grows with stability in the long-term.

1.2.7 Marketing strategy and competition

1. Product Strategy

The Company offers a wide range of lubricant products in order to respond to customer's need in every aspect, including studies, research, and regular data monitoring on products and services in the market in order to ensure that products and services are of international quality. There is also competitors' products survey to assess customer's need trend and adjust business methods to be in line with customer's need in a timely manner. In addition, there is also market survey in new industries to find new channels and opportunities for the Company to penetrate new customer groups and expand the existing customer base. Moreover, the Company has regular access and follow up with customers before and after sales to assess satisfaction and use feedback from customers to improve and make corrections as needed.

2. Pricing strategy

The Company enters into advance contract for certain types of goods and services. The selling price is set to change according to the product cost to avoid cost fluctuation risk because the Company's raw materials must refer to the oil price in the world market. In addition, the Company will survey the prices of competitors in the market and the customer's need in order to be in accordance with demand and supply in the market and to be able to set appropriate prices.

3. Marketing promotion strategy

The Company promotes marketing with both

before- and after-sale services by emphasizing direct communication with customers by sending knowledgeable employees to provide knowledge and understanding about the product and provide advice on its use to customers. There are recommendations such as marketing, including organizing training and seminar to provide knowledge to third-party and exhibition booths. In addition, the Company also has after-sales service to contact customers directly through telephone calls and visiting to be able to take care of customers closely and build good relationships with customers in the long term.

4. Safety and product quality maintenance strategy

The Company maintains products and services standard in accordance with the specified criteria to build confidence among customers. The Company has registered products complying with laws and standards both domestically and internationally, such as International Electro technical Commission (IEC) in transformer oil, etc. The Company has inspection and quality control in every production process to ensure that the products meet the standards that the Company has set. In addition, the Company has brought technology to help in some production processes to reduce errors that may be caused by humans.

1.2.8 Product sourcing

1.2.8.1 Raw materials procurement

The Company has main raw materials used for production, i.e. 1) base oil, 2) additives, and 3) packaging. The Company has the Company's raw materials supplier selection process by assessing both old and new raw material distributors in terms of quality and attributes of raw materials, price, ability to deliver products in the quantity and timeframe required by the Company, delivery, and service of each raw material distributor regularly as specified in the raw materials supplier selection and assessment policy in order to ensure that the Company will be able to continuously procure

raw materials at reasonable prices, have options to access a variety of raw material sources and raw materials that the Company use in the production process of lubricant, grease, and specialty products such as rubber process oil and transformer oil have quality and attributes that meet the Company's requirements. The main raw materials of the Company can be summarized as follows:

1) Base Oil

The Company uses base oil as the main raw material for producing lubricant, grease and specialty products such as rubber process oil and transformer oil. The Company uses base oil that has different attributes and characteristics according to customer's need depending on the purpose of use, attributes, and quality of base oil. Base oil used as a component in production accounts for 65.9% and 62.2% of cost of sales in 2022 and 2023, respectively.

2) Additives

The Company uses additives such as rust inhibitor, anti corrosion, antiwear, PPD, EP, anti-foam, antioxidant, dispersant, detergent, VM, etc., as the main raw material in the production of lubricant, grease and specialty products such as rubber process oil and transformer oil. Additives used as components in production account for 21.5% and 25.3% of cost of sales in 2022 and 2023, respectively. The Company purchases additives with quality and attributes as specified by the Company at reasonable prices from domestic and foreign distributors. The additives distributors that the Company purchases are all leading companies on a global scale. The minimum order quantity, trading prices based on oil price, chemicals price in the world market are specified.

3) Packaging

Packaging that the Company uses in the Company's product packaging process is divided into 3 main types: (1) metal packaging, (2) plastic packaging, and (3) paper packaging. Packaging used as a component in production accounts for 6.9% and 7.3% of cost of sales in 2022 and 2023, respectively. The Company purchases packaging that has the form and

characteristics specified by the Company's customers at a reasonable price from domestic sellers. The Company enters into a contract to purchase packaging with a specified minimum order quantity and there is criteria for selecting packaging distributors by considering quality, price, and quantity that must be consistent with standards and meets the customer's need. For packaging purchase guideline, the Company will purchase in order to be sufficient for the amount of packaging used, mainly based on advance production plan from



1.3 Shareholding structure of the Company Group

The company has business operations under subsidiaries and associated companies, the shareholding structure of the Company Group as of 31 December 2023 being as follows:



1.3.1 Relationship with the business group of the major shareholder

The Company operates a comprehensive lubricant product business and engage in other businesses related to and promoting the Company's business operations. The major shareholder group does not operate a business that overlaps with the Company's business and/or cause competition and/or have business conflicts. However, the Company has measures and procedures for approving transactions

between the major shareholder group and the Company, according to the standards set forth in the regulations of the Capital Market Supervisory Board and the Stock Exchange. The Company has disclosed details of inter-company transactions with the Company, and persons with possible conflicts with the company and subsidiaries in the financial statements for the year 2023 and in section 9.2 Related party transactions



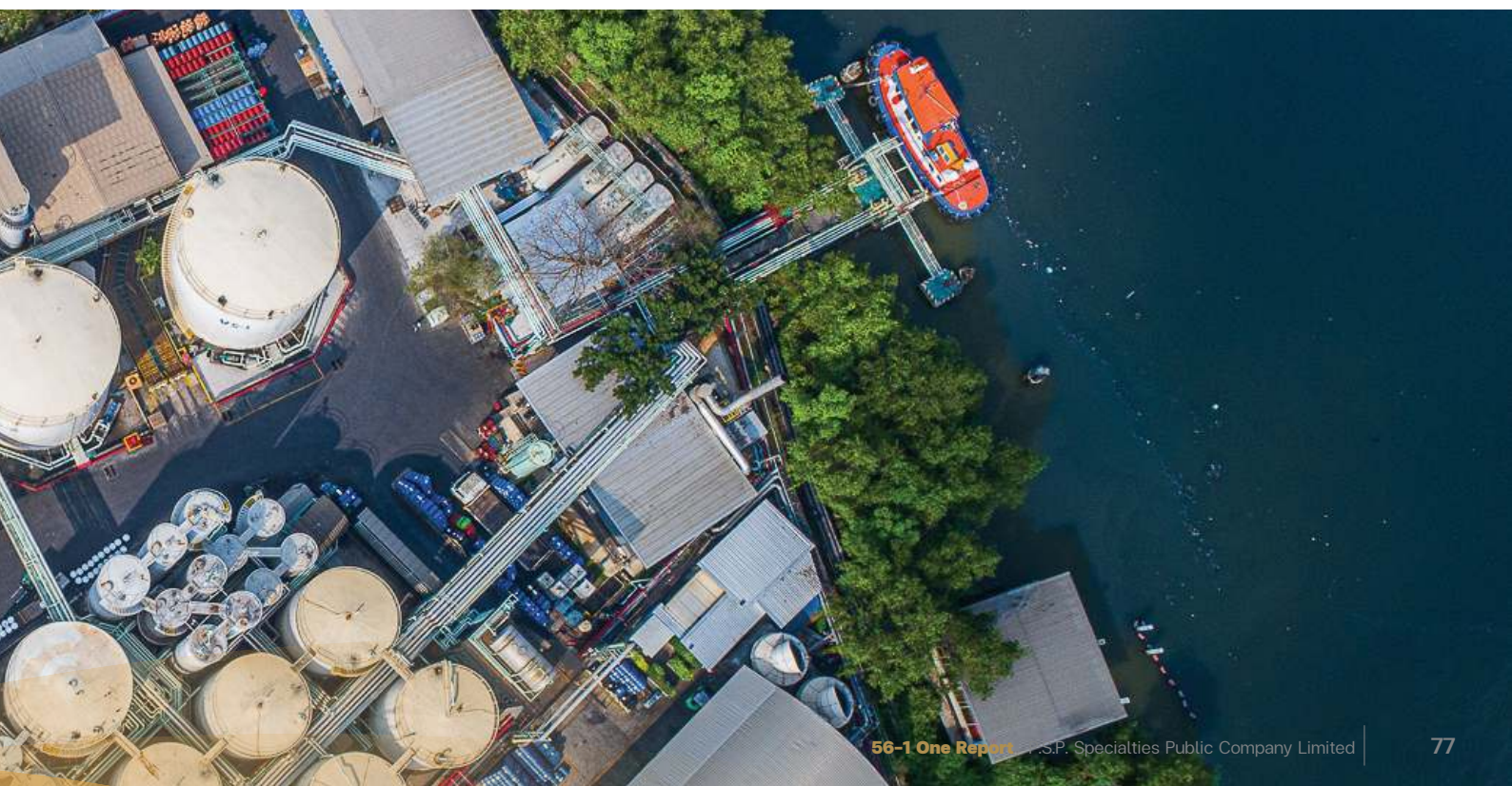
1.3.2 List of shareholders of the company

The list of the top 10 shareholders¹ as of December 31, 2023 has the following details:

No.	List of top 10 shareholders	Number of shares	percentage
1	Mr. Sakesan Krongphanich	179,516,000	12.8
2	Ms. Alisa Krongphanich	173,008,200	12.4
3	Mr. Nattapol Krongphanich	161,616,000	11.5
4	Mr. Permsak Kosolbhand	98,000,000	7.0
5	Mr. Sumphan Tingthanathikul	46,200,000	3.3
6	Mr. Phiriya Tingthanathikul	46,200,000	3.3
7	Mr. Pherath Tingthanathikul	46,200,000	3.3
8	Mr. Surapan LaoSETTANUN	42,000,000	3.0
9	Mr. Pongpun LaoSETTANUN	42,000,000	3.0
10	Mr. Pavares Boontanonda	40,950,000	2.9
Total		875,690,200	62.5

Remark:

1. Information from Thailand Securities Depository Co., Ltd.



No.	Company name	Year established	Objective Business Operation	Country of establishment	Registered paid-up capital	Proportion of shareholding by the company (percentage)	Value of the company's investment
1	The Company	1989	To operate a fully integrated lubricant product business.	Thailand	1,400.0 Million baht		
2	P.S.P. Ventures Company Limited ²	2021	To operate business by holding shares in other companies (Holding Company)	Thailand	191.0 Million baht	100.0	191.0 ¹
3	P.S.P. Logistics (Thailand) Company Limited	2019	Business providing transportation management services across borders (Cross Border) between Thailand with countries that have a border with Thailand, including countries whose terrestrial borders are with the above countries.	Thailand	20.0 Million baht	100.0	20.0 Million baht
4	U.C. Marketing Company Limited	1989	Distributor business (Non-exclusive distributor) of Chevron Oronite , the sole distributor (Sole and Exclusive distributor) of Authentix, the distributor (Non-exclusive distributor) of BASF Thailand, and Adblue exhaust treatment products trade.	Thailand	100.0 Million baht	100.0	1,372.0 Million baht
5	P.S.P. Specialties Company Limited 2014	2014	Business of trading Base Oil	Thailand	5.0 Million baht	100.0	5.0 Million baht
6	Pacific-PSP Syntech Company Limited	2017	Developer and producer of lubricant	Myanmar	USD 7.0 Million	50.0	121.6 Million baht
7	WhatsEGG (Thailand) Company Limited	2021	Business provide service of the platform named EGG Mall for trading parts automotive accessories and lubricant and EGGAi (Egg Spare Parts), which is an inventory management, purchasing, and marketing system in Thailand, and EGG Repair, an application system for service and management for a complete car repair shop. It covers every work process of the auto repair shop, such as issuing payment receipts , customer management , spare parts procurement , warehouse management , and financial management.	Thailand	161.4 Million baht	30.0	190.00 Million baht
8	Special Interfreight Company Limited	2022	Business to provide transportation management services, providing services related to shipping goods by ship and by plane in the country and abroad, and services such as customs clearance management services	Thailand	20.0 Million baht	100.0	20.0 Million baht

Remark:

1. P.S.P. Ventures Company Limited has increased its registered and paid-up capital by 125.0 million baht on January 25, 2024, totaling in 316.0 million baht in registered and paid-up capital.
2. On November 10, 2023, the Board of Directors' meeting resolved to approve a subsidiary, P.S.P. Ventures Company Limited ("PSPV") to invest in Genius Genetics Company Limited ("GDNA"). GDNA is a distributor and provider of DNA testing kits interpretation services under the brand of Geneus DNA and has a variety of businesses that can be expanded from DNA testing, with a shareholding of 25 percent with a total investment value of 125.0 million baht. PSPV has been holding shares of GDNA since January 31, 2024.

1.4 Number of registered and paid-up capital

As of December 31, 2023, the company has registered capital of 1,400,000,000 baht, divided into 1,400,000,000 ordinary shares with a par value of 1.0 baht per share and has issued and paid-up capital of 1,400,000,000 baht, divided into 1,400,000,000 ordinary shares with a par value of 1.0 baht per share.

1.5 Issue of other securities

- none -

1.6 Dividend and Payment Policy

1.6.1 Dividend and Payment Policy

The Company always considers its dividend obligations per statutory requirements, including provisions of the Public Limited Companies Act B.E. and amendments which states that no dividends shall be paid otherwise than out of profits. In the case where a company has incurred accumulated loss, no dividends may be paid.

Nevertheless, The Company specifies the dividend payouts to be at the rate of no less than 35% of the net profit from separate financial statements, after corporate income tax and all categories of reserves. A different payout rate and schedule, among other changes, may be considered, taking into account the operating results, cash flow, financial liquidity, financial position, investment plan, required operating capital reserves for business management and expansion, economic conditions, and debt repayment plans, among other factors as the Board of Directors deems appropriate or necessary.

Annual dividends must be approved in a shareholders' meeting. the board of directors may pay interim dividends to shareholders when it is apparent that the company has such reasonable profits as to justify such payment, and, when dividends have been paid, the board of directors shall report it to the shareholders at the next meeting.





1.6.2 Subsidiary Dividend and Payment Policy

The Company as a subsidiary shareholder, directly or indirectly, requires a subsidiary Dividend and Payment Policy as follows:

A Company subsidiary must always consider its dividend obligations per statutory requirements, including provisions of the Civil and Commercial Code and amendments which state that no dividend shall be paid otherwise than out of profits. If the company has incurred losses, no dividend may be paid unless such losses have been made good.

The subsidiary Dividend and Payment Policy must specify payouts to be at the rate of no less than 35% of the net profit from separate financial statements, after corporate income tax and all categories of reserves as defined in the Subsidiary's articles of association and related laws. A different payout rate and schedule may be considered, among other changes, taking into account the operating results, cash flow, financial liquidity, financial position, investment plan, required operating capital reserves for business management and expansion, economic conditions, debt repayment plans, and other factors as the subsidiary's Board of Directors or shareholders deem appropriate or among other changes.

A subsidiary's annual dividend payout must be approved by its shareholders. Unless interim payouts can be approved by the subsidiary's board of directors may, from time to time, pay interim dividends to shareholders when it is apparent that the company has such reasonable profits as to justify such payment, and, when dividends have been paid, the board of directors shall report it to the shareholders at the next meeting.

The dividend payment of the subsidiary is determined according to the principles of corporate governance, transparency, and accountability, the directors of subsidiaries shall report it to the Board of Directors at the next meeting.

2. Risk management

2.1 Risk management policy and plan

The Company recognizes and sees the importance of good corporate risk management in order to drive the organization growth and expand the business stably, have a stable financial position and can generate returns to shareholders at an appropriate level, and in order to carry out the principles of Good Corporate Governance including Check and Balance in the ever changing business competition environment in which the Company Group must face in the present, whether it is caused by external factors or internal factors, that may affect your ability to achieve the goals and the main mission of the Group. In addition, effective risk management will help the Group be able to achieve both strategic goals and operationally. Therefore, the Company promotes organizational culture, development, and maintaining of risk management policy, operating framework, work process, as well as the structure of various agencies for systematic risk management.

The Company has established a risk management policy and framework to cover the entire organization, including risk management systems or processes, to appropriately reduce impacts on the Company Group's business, as well as adhere to COSO (The Committee of Sponsoring Organizations of the Treadway Commission) standards to build confidence among shareholders and all parties involved in operations. In addition, the Audit and Corporate Governance Committee is responsible for reviewing the Company's risk management system to be adequate, appropriate, and efficient. It is also responsible for giving opinions on the adequacy of the risk management system. The executives are responsible for overseeing the implementation of the risk management policy and framework within the organization, including communicating the goals and benefits that will be obtained from risk management within the organization to all employees to see their

importance and the value of risk management, as well as organizing training to develop personnel to have knowledge and understanding of the risk management framework and the role and responsibility of each person in risk management to keep risk management in the same direction. The risk assessment cover at least 4 types of risks as follows:

1. Strategic Risk

Risks arising from strategic planning and the implementation of strategic plans inappropriately or inconsistently with internal factors and the external environment, as well as inconsistencies between policies, goals, strategies, organizational structure, competitive environment, resources, and environment.

2. Operational Risk

Risks arising from operation process of personnel due to lack of good supervision or lack of good internal control. It covers factors related to processes or equipment or information technology or personnel in operations and safety of property and personnel, including external factors from operations and errors from operations leading to damage to the environment and community, which affects the Company's various operations, making it unable to achieve the corporate objectives and goals.

3. Financial Risk

Risks relating to financial liquidity, profitability, budget management, accounting documents and financial reports that affect the achievement of the Company's operational objectives.

4. Compliance Risk

Risk from violating, breaking, or not complying with relevant laws, rules, or regulations, including the risk from the Company's policies, rules, or regulations being unclear or does not cover operations.

In addition, the Company encourages all employees to be aware of risk management

guidelines through working together within various departments, organizational risk management training course, raising awareness and the responsibilities of employees in managing the Company's risks. The Board of Directors has approved a review of the risk management policy and framework in the Board of Directors' meeting No. 11/2023 on December 19, 2023

2.2 Risk factors for the Company's business operations

2.2.1 Risks to the Company's business operations or Company Group, both in the present and new potential risks (Emerging Risk)

(1) Strategic Risk

1) Risk from reliance on major customer groups

The Company is at risk from reliance on major customer groups. If the Company lost a competitive ability, such as the ability to compete in product quality, production standards that have been inspected by automotive parts manufacturers, product production formulas that the Company can be produced, and the demanded quantity and reasonable price, it may result in customers purchasing the Company's products less and/or not purchasing the Company's products. If any or all customers reduce the product order quantity or cancel the product order, it could have a significant adverse effect on the profitability, business operations, business opportunity, financial status, and performance of the Company.

Risk management

The Company places importance on maintaining and develop competitiveness in delivering certified quality products according to international standards, from the process of sourcing raw materials, manufacturing, and product packaging to product delivery as scheduled, including the development of formulas for producing the Company's specific products, which arises from the ability to develop and

research that meets the needs of customers in terms of production formulas, demanded quantity, and reasonable price. This includes being able to provide a variety of services [Total Solution Provider], such as providing storage and product management services of the Company, terminalling services and focuses on product quality testing, which must be certified according to foreign standards. The Company is able to meet the needs of customers with a laboratory that meets international standards which is operated by a skilled and experienced team. In 2021, the Company has the highest production capacity for lubricant, rubber process oil and transformer oil when compared to developers and produces independent lubricant products [Independent Blender] in Thailand and has the highest market share for lubricant, rubber process oil, and transformer oil in Thailand. It is one of the few companies able to handle large orders from major corporate customers. In addition, major petroleum companies tend to hire development and production companies to produce more products, such as ESSO, which closed its own lubricant production factory and hired the Company as the only manufacturer in Thailand since 2007. The Company plans to reduce its reliance on major customers according to the Company's business plan, focusing on expanding the market to new customers, in order to expand the customer base to cover more both domestically and internationally. With the good reputation of the Company from operating the business for more than 30 years, the Company has earned the trust and confidence of major leading customers both domestically and abroad and the contracts are renewed continuously by 9 of the first 10 customers, continuously using the service for more than 10 years, which is a testament to the quality of the product and consistency of the Company.

2) Risk from relying on distributors to supply Base Oil, which is the main raw material of the Company Group.

The Company purchases base oil that has the properties required by the Company in order to maintain standards and quality for the

Company's products from a group of major lubricant base oil suppliers such as IRPC Public Company Limited ["IRPC"], Concord Oil (Thailand) Company Limited ["Concord Oil"], etc. The proportion of cost of sales is considered a significant proportion. The Company has always had a good relationship with this group of distributors, with the group of major distributors has been distributors of the Company since starting business in 1990.

The Company Group may be at risk if in the future, the Company is unable to procure sufficient quantities of base oil of appropriate quality, which may be caused by events beyond the control of the Company or suppliers of Base oil, such as severe changes in the weather, disasters, war or terrorism and the political situation that causes oil refineries have to close for emergency or maintenance without prior planning, or when the price of raw materials fluctuates or cause the procurement of supply of products to the Company to decrease or stop, or caused by a shortage of base oil, which may have a significant negative impact on businesses that are unable to produce products, including performance, cash flow and financial position

Risk management

- The Company has considered selecting reliable raw material suppliers from a list of suppliers in the Approved List for Material [AVLM] group, which are considered to be suppliers with the ability to procure raw materials at an acceptable level, with consistent, on-time delivery of raw materials, as well as having good relationships with the Company, as well as diversifying the procurement of raw materials from other well-known and similar quality raw material suppliers.
- The Company evaluates both old and new raw material suppliers, considering both the quality and properties of raw materials, price, and the ability to deliver raw material within the quantities and schedule that the Company requires, raw material delivery and services. Also, the criterion for selecting vendors is regularly reviewed every

year.

- The Company has purchase agreements with suppliers of Base oil with an average contract period of 1 year. The quantity of Base oil is specified in the agreement as planned based on estimated raw material use between the Company and customers.
- The Company has an average reserve of Base oil of 30-60 days to prepare for shortages of main raw materials.
- The Company has approximately 20 distributors of Base Oil. The Company has had good trade relationships with some distributors for more than 20 years to diversify risk, reduce dependency, and reduce risks that may arise from shortages of main raw materials.

3) Risk from a decrease in the use of Lubricant from the increase in electric vehicles.

Currently, automobile production technology has completely proceeded the production of Electric Vehicle or "EV". Such a car is a vehicle that is powered by a motor using electrical energy stored in a battery or other form of electrical energy storage device that can be charged and will convert the energy from the battery or electrical energy storage device to be used to drive the vehicle, including Hybrid Electric Vehicles [HEV] which are cars that mix general fuels and electric energy, with the aims to reduce the impact on the environment, reduce air pollution, as well as saving on fuel costs and maintenance costs. The increase in alternative energy sources for such cars will affect demand of Lubricant which may decrease, having a negative impact on the business, financial status, performance, and future opportunities of the Company.

However, the increase in the use of Electric Vehicle may have a positive effect on the Company, increasing the use of the Company's other products, such as Rubber Process Oil for tires of Electric Vehicle or the use of Transformer Oil or Grease for vehicle components that use electric energy, such as electric charging stations and battery cooling system. In addition, the shift to electric vehicles is, at

present, mostly Passenger cars, while other types of vehicles such as heavy trucks or buses still need to use fuel to drive, as well as the need for high investment. For industrial sectors such as agriculture, shipping, machinery in industrial plants, etc., lubricants are not affected/little affected by the entry of electric vehicles (EV), coupled with a long period of preparation in various aspects, such as developing or improving infrastructure to support the production of electric vehicle, developing or improving infrastructure to support the use of them, etc.

Risk management

- The Company is closely monitoring the situation of the use of electric vehicles (EV) so that the Company is able to modify corporate strategies to be flexible and adaptable to changing circumstances.
- The Company has mitigation plan by working with partners who are leaders in automotive and industrial products at the international level to study and develop products used in electric vehicles (EV) with the objective to meet the product's requirement for used in EV in Thailand in the future, which is an opportunity for the Company to generate revenue from developing and producing products in this section that will increase in the future.
- The Company plans to increase the proportion of sales to industrial customers to reduce the risk.
- The Company has diversified risk by developing and produce products besides lubricants, such as grease, rubber process oil, and transformer oil, as well as providing related services, including terminalling services, providing distribution center services, E-commerce Platform service business for retailing parts and automotive accessories, and transportation services, for another source of sales income beyond development and production of lubricant only.

4) Risk from uncertainty in operations abroad, especially in emerging market countries.

The Company has entered the lubricant market

as a provider and manufacturer of Lubricant in Myanmar, having seen the growth in demand for lubricant in Myanmar and an opportunity to expand business into Myanmar, which does not yet have a lubricant factory that meets international standards. This investment is considered to be the first lubricant production factory in Myanmar, through holding 50.0% of shares in establishing a joint venture company under the name of Pacific -PSP Syntech. The Company started selling base oil, which is used in the production of lubricating oil to Pacific -PSP Syntech in February 2019. Pacific -PSP Syntech started selling to customers in May 2019, which is a joint venture with a partner in Myanmar, namely Pacific-AA Industries, with the same shareholding proportion of 50.0 percent each, an investment value of 121.6 million baht. Pacific-AA Industries is a customer of the Company and have had a relationship as a trading partner for more than 20 years. Pacific-AA Industries is a company with several businesses, such as selling medicines, being a distributor of Chevrolet cars, and selling Lubricant in Myanmar under the Horizon and Dragonbrand, etc. Before investing in Pacific -PSP Syntech, the Company has sold products to Pacific-AA Industries since 2000, giving it experience in doing business in Myanmar. Moreover, before considering investing in Pacific -PSP Syntech, the Company has considered and analyzed company profile, qualifications, financial status, and several information of Pacific-AA Industries, and proceeding with the Company's investment approval authority, which found that Pacific-AA Industries passed the evaluation criteria, as well as seeing an opportunity to expand business into Myanmar. The Company has also considered the demand for Lubricants according to the economic growth of Myanmar as a factor of the investment decision. In addition to Myanmar, the Company is exploring opportunities to broaden its business and expand customer overseas, especially in emerging markets in the ASEAN region, such as Indonesia, Philippines, and Vietnam, etc. In this regard, growth in foreign markets and expanding the customer base to emerging markets may cause the Company risks resulting from different legal, political,

social, and regulatory requirements. including economic conditions and uncertainty events that cannot be predicted in advance. For example, in Myanmar, there have been protests in the country in the past by pro-democracy groups, religious groups and various tribal groups. The protests included clashes using weapons. These risks may have a significant negative impact on the business, financial status, and performance of the Company. However, the situation of unrest and the ongoing protests in Myanmar doesn't lead to Pacific -PSP Syntech's factories having to announce further work leaves. In addition, Pacific -PSP Syntech may be affected by longer delivery time due to road blockage. However, because Pacific -PSP Syntech is based in the Thilawa Special Economic Zone, which is approximately 23 kilometers from the capital, it has not been significantly affected by the protests.

Risk management

- The Company Group closely and continuously monitors the situation of uncertainty in operations abroad to find solutions , whether it's keeping the current customers, finding new customers, or reducing costs and operating expenses
- The Company considers the investment proportion, expected profit, possible risks, and financial status of the Company before deciding to invest, or if the Company invests in subsidiaries or joint companies or expand business in the future, to screen investments to be consistent with goals, strategic plans, as well as related rules and regulations according to investment policy, oversight of operations and management in subsidiaries and associated businesses of the Company.
- The Company has established setting a policy to oversee and monitor the operations of subsidiaries and associated companies- that the Company have invested in.

5) Risk from losing investment in joint ventures from the Company Group's participation in joint ventures or business expansion into new businesses (New S-Curve Business)

The Company has invested in a new industry

according to the investment business plan, with P.S.P. Ventures Co., Ltd. (PSPV) investing in Geneus Genetics Co., Ltd. or Geneus DNA , which is a leader in health and talent analytical innovation using DNA , where PSPV holds a 25% shares, with a total investment value of 125 million baht. Geneus Genetics Company Limited is the distributor and provider of interpretation services for DNA testing kits under the Geneus DNA brand. Thailand is Global Health Promotion Service Center or Global Medical Hub, with the strong growth of the healthcare industry in Thailand supported by government policy and investment support in several forms. Therefore, this investment of PSP is an important opportunity to grow with healthcare megatrends and to expand investment into businesses with high growth potential according to the strategic investment plan in the target industry or New S-Curve Business.

In addition to the healthcare industry, where the Company has invested, the Company has followed the strategy of expanding investments to grow with the trend of sustainable business operations in the chemical recycling business. The chemical recycling industry has a trend of continuous and positive expansion. And with the expertise and experience that has been accepted by industrial customers, the Company deemed that Recycling Engineering still has a continuous and increasing opportunity for new operations, including finding opportunities to develop new recycling technologies.

The Company is therefore confident that this investment will help support the Company's performance to expand significantly through investment in Recycling Engineering Co., Ltd., the first service provider for disposing of used chemicals through reuse methods in Thailand. It is a chemical disposal service through a recycling process and service to improve product quality with technology from Germany, which does not cause any impact on the environment, as well as service for disposal of used chemicals from factories and laboratories. There are a multiple of customer groups, both domestically and abroad, that conduct

business in many industries from the automotive, chemical, paint and coating, electronics, and petrochemicals. The Company holds 65 percent of shares with an investment value of 409.5 million baht. It is expected that the transaction will be completed within the 3rd quarter of 2024.

Risk management

- The Company has reduced the risk from investments by considering and analyzing company profile, history, qualifications, financial status, and several information of those who will join in the joint venture according to the Company's investment policy
- The Company studies the feasibility of the project before investing. The business to be invested is surveyed and analyzed in terms of technology, operations, and financial structure. Consultants have been hired to do due diligence in terms of finances, taxes, and laws.
- The Company sets policies for oversight, including monitoring and reporting on performance of subsidiaries and associated companies to the Executive Committee on a quarterly basis.
- The Company assigned talented and skilled people with experience in that industry to join the committee or management team.

(2) Operational Risk

1) Risks from the Company's possible liability in the event of an accident occurring in the Company's production area.

The Company's product manufacturing with heavy machinery may occur in accidents in the Company's production area. Due to the nature of the Company's business operations, the Company is at risk of machinery malfunctioning, technical problems, the risk of using and storing flammable materials, human errors. Safety risks from the production process and operations may arise from the handling, production, and transportation of explosives and toxic materials. Due to the Company's business operations being involved in certain activities which are dangerous in nature, the

Company has face many operational risks, whether it is fire, leakage, explosion, release of toxic substances or other unexpected or dangerous events. This may cause injury, death, property damage, and damage to the environment or interruption of operations. Moreover, the Company may be liable for damages resulting from death, property damage medical treatment costs, payments for employees on leave for medical treatment, fines, and penalties in the event of possible violation of applicable laws and regulations. This may have a significant negative impact on the Company's business operations and may have a negative impact on the Company's operations.

Risk management

- The Company has safety measures in place and control measures to comply with laws and regulations, including practices that are generally accepted within the industry in which the Company operates.
- There is an assessment of operational risks in the factory and production processes, and preparation of mitigation plan to reduce and control risk.
- Provide advanced health and safety training that is in line with several rules and regulations, such as Basic Fire training, Advance Fire Fighting training, and Fire evacuation practice.

2) Risks related to the quality, safety and reliability of the products of the Company.

Quality and safety of the Company's products are significant factors that company and customers value, therefore, the Company takes risk of contamination or product quality deterioration that may occur in every critical business process, such as raw material delivery, raw material storage, production, packing, product storage and product delivery, or the Company may not be able to maintain an efficient quality control system, which may have a significant impact on the reliability of all of the Company's products or result in a decrease in demand for the Company's products or the Company's group may receive complaints or lawsuits from time to time regarding the quality of the product, which are not true,

but it may create negative news for the Company Group. This has a negative effect on the reputation and sales of products, which may have a negative impact on the business, cash flow, financial position, and performance, and business opportunities of the Company Group significantly.

Risk management

- The Company values the quality of its products highly. . The production is carried out according to strict product quality control standards. Moreover, the Company received quality control certificates for the Company's significant products, including Thai Industrial Standards (TIS). ASTM International Standard Worldwide (ASTM), American Petroleum Institute (API), International Electro technical Commission (IEC) etc.
- The Company has acquired standard certifications related to production such as environmental management system certification (ISO 14001) , quality management system certification (ISO 9001:2015), occupational safety, health and working environment certification (ISO 45001:2018) etc.
- The Company has a quality control department and a quality assurance department which are responsible for inspecting the quality of raw materials and checking product quality at every production step, including inspecting products before shipping to customers, to ensure that the Company's products quality is in accordance with the specified standards. The Company also supports employee training to ensure that the Company's employees have followed the guidelines and followed the product quality control policy in every steps, from the raw material preparation process, production process, packaging process, and storage process of the Company's products, etc.

3) Risks from volatility in base oil price and fuel quantity may result in raw material costs and other costs increased significantly

The main raw materials used in the production of the Company's products are base oil, which the Company purchases from distributors

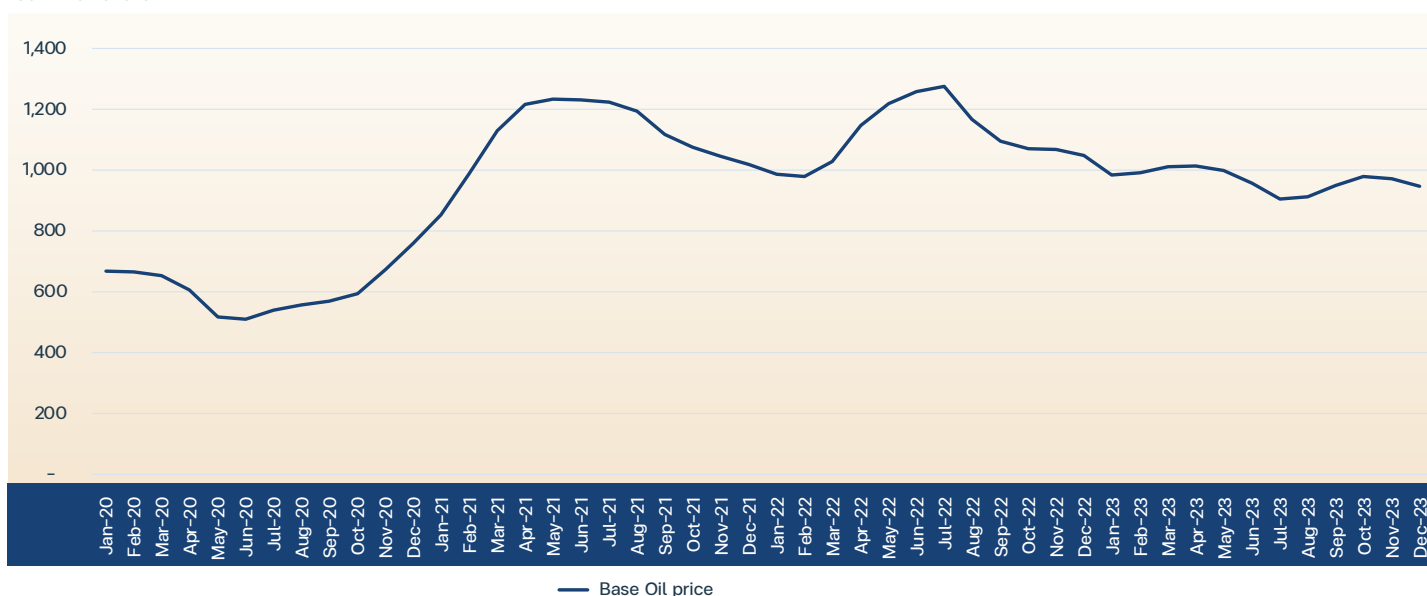
both domestically and abroad. The volatility price fluctuation of Base oil price depends on many factors that are out of the Company's control. In general, the price of crude oil has an impact on the selling price of petroleum products, including Base oil. An increase or decrease in the price of crude oil will cause the price of petroleum products to increase or decrease accordingly. According to the Bank of Thailand's article on crude oil price volatility, the causes for this volatility are

1. Demand Determinants which is affected by the world economy that tends to slow down because of the trade war
2. Supply determinants which is affected by geopolitical factors in oil-producing countries that often have protracted political problems that lead to violence, causing tight oil supply
3. The fact that crude oil has become a financial asset that investors can trade even without the actual delivery of crude oil. This is a factor that causes oil prices to increase in volatility, as well as political, economic, and other market factors that are out of the Company's control, and volatility in the price and quantity of fuel. This is caused by changes in the oil production capacity of the world market, seasons, weather conditions, world politics and other factors. Volatility in the price of Base oil have continued as shown in the following diagram:



Base oil prices on average

USD/ Metric tons



Source: Average base oil price information as of December 31, 2023 from the ICIS website, which is an independent organization that provides information on the product price index situation in the energy and petrochemicals markets around the world, including providing product price information, news, analysis, and advice to buyers, sellers, and analysts.

Currently, the Company purchases base oil at the market price on the trading day. The Company's product sales price structure consists of the cost of raw materials such as base oil, additives, packaging, labor costs for production, production costs, profit margin, shipping costs depending on distance, and terms of product delivery (Incoterm) for each customer. Determination of the selling price of the Company's products can be divided into:

1. Determining the selling price using the forward selling price structure. This will determine the product selling price structure in advance. There is no fixed price set but it will refer to various indices, such as in the case of Base oil, which is the main raw material used in production. It is based on the ICIS index that changes each month according to each customer's production formula.
2. Determine the selling price by Spot Price using the market price of raw materials according to the market price on the date of the sales agreement. Therefore, the Company cannot guarantee that the Company will be able to purchase base oil at a price and trade conditions that are not different from the original. If the price of base oil increases, the Company cannot guarantee that the Company will be able to pass on the increased costs to customers by adjusting

the price entirely and/or immediately. This may affect the Company's performance. Moreover, the Company may not be able to predict the quantity of orders from customers to reserve Base oil correctly for the purpose of managing raw material costs of the Company. If any or all customers cancel or reduce the quantity of products ordered from the Company from the estimation made together with the Company before ordering, it may cause the Company to make an inaccurate forecast of quantity of orders to reserve Base oil and may results in the Company having a higher burden of raw material costs. Moreover, the result of volatility in the price of Base oil, which may cause the Company to be unable to guarantee that the Company's major customer groups will buy products from the Company continuously and/or at the same quantity level as currently. Therefore, if any or all customers reduce the quantity of product orders or cancel their product orders from the Company, it may affect business, financial status, performance, and business opportunities of the Company significantly.

In addition, cost of sales consist of raw materials and additives cost, which generally the price of crude oil has an impact on the selling price of petroleum products. This includes the additives as well. Currently, the Company purchases additives at market prices on the

trading day. Therefore, the Company cannot guarantee that the Company will be able to purchase additives at prices and trade conditions that are no different from the original. And if the price of additives increases, the Company cannot guarantee that the Company will be able to pass on the increased costs to customers by adjusting prices completely and/or immediately. However, in ordering additives each time, the Company will recalculate the average cost every time there is an additional order and consider adjusting the product price structure to be in line with the new costs every month.

Risk management

- The Company considers adjusting the selling price according to the product selling price structure monthly in accordance with the selling price policy. Therefore, if there is an increase or decrease in the price of Base Oil which results from an increase or decrease of the price of crude oil in the world market, the Company can adjust product selling price in the next month. This is because in determining the selling price of the product, the cost of raw materials, such as base oil, will be averaged over the past approximately 1 month, especially in the case where the price of Base oil decreases continuously and/or significantly, which may affect the selling price of the Company's products to have a decreasing profit margin since product pricing uses the market price of raw materials according to the market price on the date of the sales agreement. However, in the case where the price of base oil increases, the Company can adjust the selling price as well.
- The Company closely and regularly monitors the situation of demand and supply, including raw material management and determining production formulas, to plan the purchase of base oil and other raw materials in an appropriate amount, in order to plan production in accordance with customer needs and to have appropriate production costs, helping reduce the impact of price fluctuations and shortage of raw materials.
- There is a policy for making purchase con-

tracts for Base oil and other raw materials in advance to prevent risks in the procurement of base oil and other raw materials for a period of approximately 6 months according to the Company's plan for using base oil and other raw materials.

- The Company reviews the ordering plan and closely follow changes in raw material prices by determining and reviewing the average period for storing raw materials (Day Sale Inventory: DSI) to be in line with the trend of base oil prices for management in planning the purchase and storage of raw materials of the Company in order to obtain appropriate raw material costs and help reduce the impact from fluctuations in base oil prices.

(3) Financial Risk

1) Risks of borrowing, fluctuations in loan interest rates and ability to pay interest and complying with the terms and conditions of the credit agreement.

The Company's total debt decreased from 6,883.5 million baht as of December 31, 2022 to 3,776.2 million baht as of December 31, 2023. If considering Interest Bearing Debt, it was found that it decreased from 5,084.3 million baht as of December 31, 2022 to 1,921.5 million baht as of December 31, 2023, with such Interest Bearing Debt accounting for 50.9 percent of total debt. And if considering the Company's financial ratios as of December 31, 2022, it was found that the Debt-to-Equity ratio was 15.6 times, and the Interest-Bearing Debt-to-Equity ratio was 11.5 times. However, as of December 31, 2023, it was found that the Debt-to-Equity ratio (D/E Ratio) decreased to 1.15 times and the interest-bearing debt to equity ratio decreased to 0.58 times.

This is in accordance with the terms and conditions of the Company's loan agreement, which specifies that the Company must maintain a Debt to Equity ratio (D/E Ratio) at a rate not exceeding 2.5 times as of December 31, 2023, and not exceeding 2.0 times as of December 31 of every year, starting from December 31, 2024 until the agreement expires which the final payment due on September 30, 2027,

calculated according to the consolidated financial statements. However, the loan agreement does not mention for maintaining the Interest-Bearing Debt to shareholders' equity ratio. The Debt-to-Equity ratio (D/E Ratio) of the Company as of December 31, 2023, was equal to 1.15 times, which is complying to the loan agreement's terms and conditions.

In addition, according to the terms of the Company's loan agreement with some financial institutions, it is also required that the Company must maintain the Debt Service Coverage ratio (DSCR) [according to the financial institution's calculation formula] at not less than 1.2 times according to the consolidated financial statements as of December 31 of every year, starting from December 2023 until the agreement expires. The said ratio of the Company as of December 31, 2023, was equal to 1.36 times, which is complying to the loan agreement's terms and conditions.

With the debt covenant of the loan agreement, if the Company Group requires additional borrowing in the future as part of capital management and/or expansion of the Group's business, the Group may not be able to obtain funding sources due to conditions in maintaining financial ratios and/or unable to obtain funding sources with the same or better terms and conditions than those under the loan agreements that the Group currently has available. This may have a negative impact on the ability to invest and expand the Company's business in the event that additional funding sources cannot be obtained, as well as if the interest rate increases or changes significantly in the future and the Company may not be able to maintain important financial ratios that the Company must be maintained throughout the life of the loan agreement. If the Company is unable to comply with such conditions or requirements, the loan creditor will be able to charge interest at an interest rate that violates the conditions and impose any additional conditions, or may seize the Company's collateral, etc., which may affect financial costs, profits, and business continuity, as well as the Company's cash flow.

As of December 31, 2023, the Company had cash and cash equivalents in amount of 640.4 million baht and has financial assets measured at fair value through profit or loss equaled to 342.3 million baht and remaining credit line equaled to 3,770.8 million baht. It can be considered that the Company has sufficient liquidity for operating its business and is able to repay the Company's loan.

Risk management

- The Company prepares cash flow projections in advance to allow sufficient time to find funding sources with appropriate financial cost.
- The Company has considered procuring revolving loans from various financial institutions to increase options and appropriate financial cost.
- In the case that the Company has sufficient liquidity, the Company will consider repaying the loan. The loan will be gradually repaid before the due date, from the loan amount with a high interest rate first to reduce the interest burden.
- The Company has control and supervision of spending and investment to be in accordance with the specified estimates.
- The Company places importance on complying with important financial conditions and requirements by monitoring the maintenance of the Company's important financial ratios closely and continuously, through consideration by the management and the Board of Directors in terms of the adequacy of the source of funds used to pay off debts and working capital in the business, ability to comply with various conditions of the loan agreement, as well as the possibility of defaulting on debt that may affect the ability to investment or expand business in the future.

2) Risk from foreign exchange rate volatility

The Company has revenue from exporting its products, mainly in US dollars, as well as raw material costs imported from abroad that are also paid in US dollars. For the year ended December 31, 2022 and 2023, the Company has sales revenue in the foreign currencies accounting for 17.0 percent and 15.6 percent

of the Company's sales revenue, respectively. Moreover, the Company's raw material costs in foreign currencies account for 55.1 percent and 54.5 percent of the cost of sales, respectively.

Therefore, considering the financial information above, the Company has significant amounts of revenue from sales and raw material costs in foreign currencies. Changes in currency exchange rates depend on various economic factors such as interest rates, inflation rate, public debt quantity, current account balance, and the domestic and world economic conditions, etc., which the Company cannot control or accurately estimate. If the exchange rate changes in a negative direction, it may have a negative impact on financial status, performance, and cash flow of the Company. In the case where the baht depreciates, it may cause production costs to be higher.

Risk management

- The Company has managed foreign currency transactions with natural hedge
- The Company has risk management from foreign exchange rate volatility for the remaining purchases of raw materials denominated in foreign currencies by entering a forward exchange contract to prevent the risk of exchange rate volatility.
- The Company closely monitors updated news and the direction of volatility of exchange rates in several currencies in order to evaluate the circumstances and determine plans to prevent risks. The Company and its subsidiaries have an outstanding balance from forward contract for the years ended December 31, 2022, and 2023, at \$1.4 million and \$4.6 million.

(4) Compliance Risk

1) Risk from changes in rules, regulations, and laws that may affect the business of the Group.

As a developer and manufacturer of Lubricant, Grease and Specialty products such as Rubber Process Oil and Transformer Oil, the Company Group must comply with related standards related to business operations, production,

packing, storage and transportation, etc. The Company must also comply with several laws and regulations, including related laws such as the Fuel Act, B.E. 2542, Ministerial Regulations on Safety in Transporting Hazardous Substances on Roads, B.E. 2558, etc. Violating such laws and regulations may cause the Company Group to have civil liability or may be subject to criminal penalties, including the Company Group being liable for all or part of this expense, whether due to the Group's fault or not. Therefore, the Group has incurred expenses and expects that they will continue to incur expenses in the future in complying with the said laws and regulations, especially if new regulations are issued and/or there has been a change in the interpretation of the laws and regulations previously in force to be more stringent.

In addition, the Company's business is under the supervision and several regulations of relevant agencies and local government agencies, which govern the scope of permitted business activities, including the necessary licenses for operating the Company's business, which can be classified according to the type of business operations of the Company as follows:

1. Licenses related to construction
2. Licenses related to oil business operations
3. Licenses related to port and ship operations
4. Licenses to operate a business related to regulated energy, and
5. Other significant licenses

The Company Group must comply with the law and regulations related to the business operations of the Group. Several licenses and certifications must be renewed, applied and/or must be re-evaluated according to the period or conditions specified by the relevant agency. The Company Group will proceed with the application or request for renewal according to the legal period and regulations.

Important legal changes which affects business operations in every industry include the enforcement of the Personal Data Protection Act B.E. 2562, which was announced in the

Royal Gazette on May 27, 2019 and came into effect on June 1, 2022. Therefore, in order to be complyt and accordance with the said Act, the Company has considered appointing a working group on personal data protection, which consists of representatives from relevant departments, responsible for inspecting and improving operations regarding personal data processing to comply with the law, as well as creating awareness and enhancing knowledge for employees in operating in accordance with the law and the Company's policy.

As such, changes in rules, regulations, and laws related to the business of producing and distributing lubricant products of the Company Group is one factor which may affect the operations of the Company Group in terms of costs and expenses that may occur from implementing the project to operate the business of the Company Group to be consistent and comply with changing rules, regulations, and laws. This change depends on government policy, as well as the economic situation of the country at that time. Therefore, these factors may have a negative impact on the business, cash flow, financial position, performance, and business opportunities of the Company Group significantly.

Risk management

The Company Group has practices for studying and monitoring changes in rules, regulations, and related laws that may occur continuously by the relevant departments of the Company Group in each issue such as the management department, accounting department, and legal department, etc., in order to prepare for future changes, to ensure that the Company Group will not be affected by changes in rules, regulations and laws related to the business of the Group significantly and be able to change the business operations of the Company Group to be consistent and keep up with such changes by legal department. There is monitoring of changes in related rules, regulations, and laws. If there is an amendment to the said law, the legal department will report any changes to management and relevant agencies to carry out improvements and corrections and put into practice to comply with the provisions of

the law and those regulations every time they are changed.

(5) Emerging Risk

Risks from Climate Change

The Company has been monitoring the environment, both internally and externally, to assess new risk factors that is still uncertain and may happen and affect the business in the future. The Company recognizes that from climate change is a new risk factor and it needs to figure out how to prevent and prepare for potential changes.

The Company prioritizes climate change by emphasizing the impact greenhouse gas emissions from a range of activities. The sources of PSP 's greenhouse gas emissions can be divided into 3 sources as follows:

1. Direct greenhouse gas emissions, including stationary combustion (hot oil, fire pumps and generators), mobile combustion (fire trucks, tugboats and company cars) and other emissions. (air conditioner fluid, fire extinguisher, and fertilizer application)
2. Indirect greenhouse gas emissions from energy use
3. Other indirect greenhouse gas emissions, such as paper use, water use

From the effects of global warming that are becoming more severe, nations all over the world realized how important it was to reduce greenhouse gas emissions by setting up the Carbon Footprint Organization (CFO) , which is a type of method for showing the amount of greenhouse gases emissions from an organization's operations, which will lead to the determination of methods (action plan) to effectively reduce greenhouse gas emissions at the factory level, industrial level, and national level.

Risk management

- The Company has appointed a working group to manage the organization's carbon footprint (Carbon Footprint for Organization Team: CFO Team), which is responsible for setting policies and measures to reduce the organization's greenhouse gas emissions,

prepare an operations plan and assess the carbon footprint of the organization (CFO), both in direct production activities and indirect production activities, including monitoring, supervising, and importing data to assess the CFO, and controlling and supervising operations to be in accordance with the operational plan, and also providing operations report to the Management Committee on a quarterly basis.

- The Company has a plan to reduce carbon emissions, focusing on reducing release and increasing suction by increasing green space, proper waste management, and efficient modification of electrical equipment. The operation plan is divided into 3 phases: short term, medium term, and long term. Short term plans (1-3 years) include controlling the turning on and off lights, air conditioners, and reducing paper use etc. Medium-term plans (3-5 years) include installing solar cells, replacing electric vehicles, and recycling water for reuse etc. Long-term plans (more than 5 years) include reforestation etc.

2.2.2 Risks to securities holders' investments

The price of the Company's common shares may have fluctuations, which cause significant losses to investors who purchase the Company's common shares.

The price of the Company's common shares after the offering may fluctuate depending on many factors that the Company may not be able to control, including:

- Analysts change estimates of the Company's operating results and recommendations for buying or selling the Company's common shares
- Economic conditions, capital markets, and politics, both domestically and internationally.
- The difference between actual financial and operating results and the financial and operating results that investors and analysts expect.
- Volatility of foreign currency exchange rates and interest rates.
- Sale or future sale a large number of shares of current shareholders.

- Changes in various conditions that has an impact on the industry, general economic conditions, or the stock market climate or other events or factors.
- Changes in related regulations and laws.
- Announcement of information of other companies in the same industry as the Company.
- Changes in market valuation and stock prices of companies listed on the stock exchange, which conducts business similar to the Company.
- Volatility of debt instruments and equity instruments on the stock exchange of Thailand
- Lawsuits
- Natural disasters
- Other risks that may affect the Company's financial position and performance.

The above factors and other factors may cause the market price and demand for the Company's ordinary shares to be highly volatile. This may limit or prevent investors from selling the Company's common shares at a reasonable price and may have a negative impact on the liquidity of the Company's common shares. In addition, in the past, in some countries when the market price of stocks was volatile, shareholders may join together to file a class action lawsuit against the Company. In fighting the case, the Company may have to incur considerable expenses and if the ruling is not beneficial to the Company, the Company may have to pay a large amount of compensation. As fighting such cases takes a long time, it may distract the attention and time of the Company's executives from normal business operations.

2.2.3 Risks from investing in foreign securities (In case the issuer of securities is a foreign company)

- None -

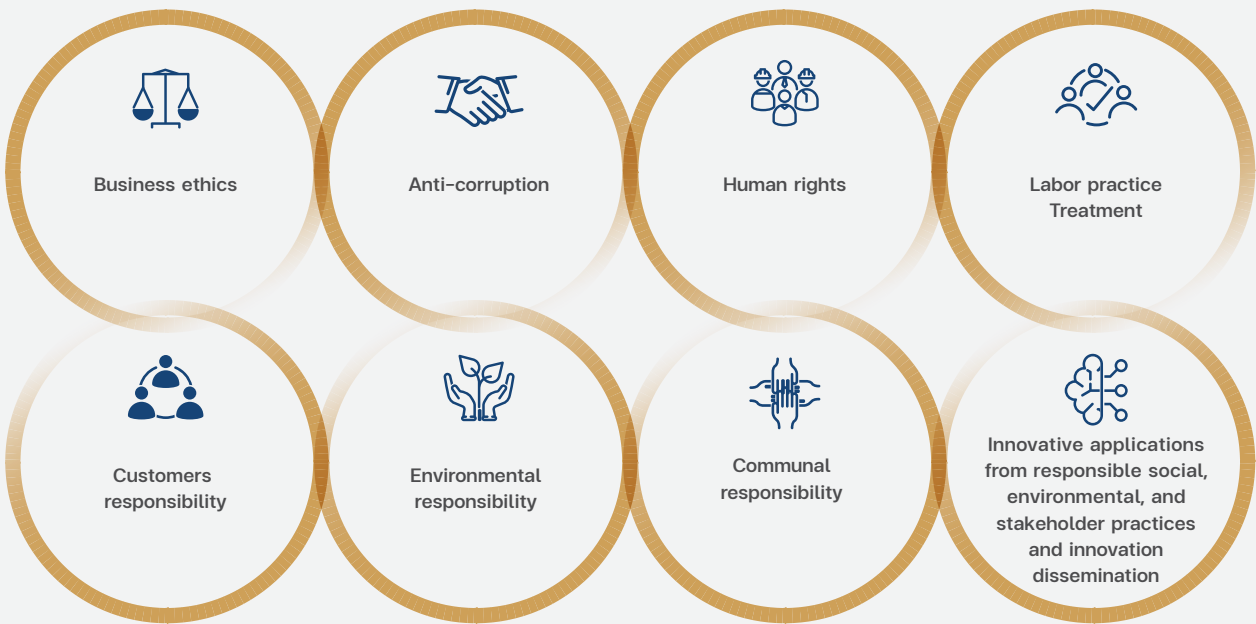
The Company believes that following the above risk management will help reduce several kinds of risks and help the Company accomplish its business goals according to the direction and strategic plans.

3. Driving Business towards Sustainability

3.1 Sustainability Management Policies and Goals

The Company Group operates its business under a framework of good governance, transparency, and accountability, with a commitment to develop the business while striving for a sustainable balance in the economic, social, and environmental aspects. The Company

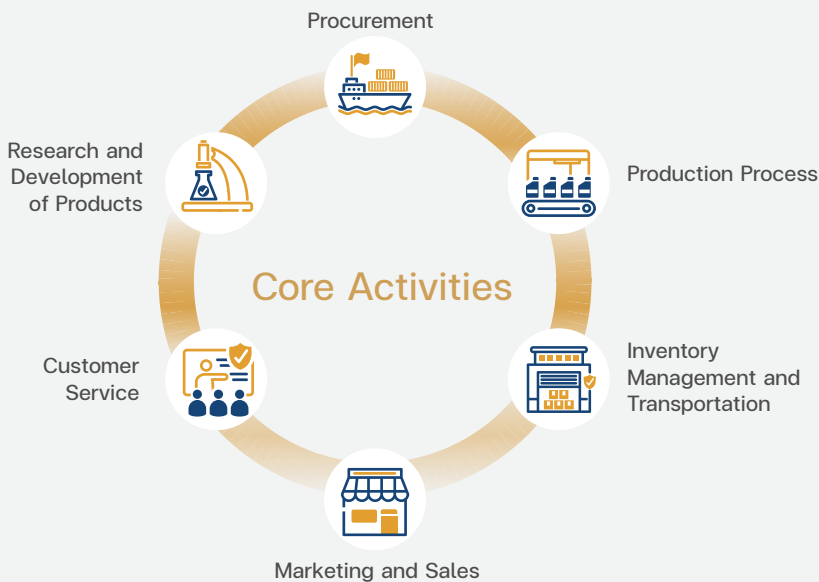
Group aspires to be a leading example in society as it conducts business with sustainable growth and social responsibility based on ethical principles and good corporate governance. It aims to efficiently reward shareholders while considering the impact of its business operations on stakeholders in all areas. To fulfill these objectives, the Company Group has established various social responsibility policies, as outlined below.



Read more on the page Corporate Governance Policy and Related Regulations | PSP Specialties (psp.co.th)

3.2 Management of Impact on Stakeholders in the Business Value Chain

3.2.1 Business value chain



The Company Group considers the interests of stakeholders and emphasizes the sustainable management of activities throughout the sustainable value chain management. The business value chain of the Company Group covers the acquisition of goods and services, as well as the operating process, all internal and external management of the organization in order to reduce the risk of business interruption, reduce costs in various steps to creat-

ing new innovations that are in line with market changes and global trends, including product research and development, procurement of raw materials, production process, inventory management , transportation , marketing and sales, customer service, and supporting activities such as human resource management and technology development. Each activity within the value chain is detailed as follows.

Production Management / Inbound Logistics	Operations	Outbound logistics	Marketing and Sales	Services	Support activities
<ul style="list-style-type: none"> Sourcing and selecting suppliers, raw materials, and containers. Importing raw materials from domestic and foreign countries. Planning and optimizing raw material inventory. Applying for tax exemption. Funding. Procurement of machinery, equipment, and production technology. 	<ul style="list-style-type: none"> Production. Filling. Quality testing. Machinery maintenance. Machinery installation. Developing production process. Hand-blending customer formulas Product correction Production planning 	<ul style="list-style-type: none"> Safe and proper storage of products. Quality shipping with efficiency and accuracy in a timely manner. Warehouse management service. Logistics outsourcing 	<ul style="list-style-type: none"> Providing information on product details and standards. Pricing products and services Customer relationship management. Customer acquisition. New product offerings. Actively responding to customer requirement. Product registration for customers. Gathering customer requirement 	<ul style="list-style-type: none"> Product liability Insurance. Collecting customer feedback. Measuring customer satisfaction. Consultation and troubleshooting for product usage. Excise tax payment for customers. 	<ul style="list-style-type: none"> Finance and accounting. Procurement. Human resource management. Corporate governance. Risk management. Occupational health and safety management. Information technology system. Internal audit. Legal & compliance. Investor relations. Internal control review.

As the Company Group has considered the concept of sustainable value chain management, the Board of Directors has been determined that value chain management must be consistent with the organization's vision and goals through a clear strategy, consider

relevant risk issues, along with guidelines for improvement to meet the sustainability indicators as much as possible in order to drive this in the same direction for the entire Company Group.

3.2.2 Stakeholders Analysis in the Business Value Chain

In November 2023, the Sustainability Working Group was assigned to drive forward guidelines for managing the business value chain, along with specifying urgent priorities, goals, and timelines. At the same time, the said working group, together with the human resources department, have coordinated with various departments in the organization, communicating to employees to recognize and comprehend

mutual advantages for the whole Company Group.

The Company Group has organized groups of stakeholders, both inside and outside the Company, which is related to the business value chain and is set as a guideline for responding to the expectations of stakeholders as follows:

Stakeholders' Group	Participation channels	Stakeholders' Expectations	Sustainable Development
Employees	<ul style="list-style-type: none"> Internal communication Meeting between executives and employees (Town Hall) Monthly employee meeting Communication via online media, intranet and email Welfare Committee Meeting Annual employee engagement survey Providing channels for complaints 	<ul style="list-style-type: none"> Business direction Company performance Business Ethics Quality of life of employees Appropriate compensation, welfare and benefits Good working environment Employee potential development Equal treatment, no discrimination 	<ul style="list-style-type: none"> Corporate Governance Business Ethics Anti-corruption Innovation and product development Employee care Human resource development Occupational health and safety at work Human rights
Customer	<ul style="list-style-type: none"> Annual customer satisfaction survey Organizing customer relations activities /Marketing activities Meetings with customers Online communication/email 	<ul style="list-style-type: none"> Risk and crisis management Good after-sale service Customer relationship management Environmental management Responding to customer complaints Confidentiality of customers' information Equal treatment, no discrimination 	<ul style="list-style-type: none"> Responsibility towards customers and products Innovation and product development Greenhouse gas reduction Environmental management such as water, energy and waste Compliance with the law Human rights
Partners	<ul style="list-style-type: none"> Communication via online media/email Direct meeting up and meetings Channels for receiving recommendation or complaints 	<ul style="list-style-type: none"> Good Corporate Governance Business Ethics Equality in commercial dealings Transparent and fair procurement process Confidentiality of suppliers' information Equal treatment, no discrimination 	<ul style="list-style-type: none"> Supply chain management Corporate Governance Anti-corruption Human rights Occupational health and safety at work Compliance with the law Human rights
Community	<ul style="list-style-type: none"> Organizing community relations activities Communication via online media/email Other communication channels to receive recommendations or complaints 	<ul style="list-style-type: none"> Good relationship with the community Compliance with social laws and environment Improving the quality of life of communities and society Creating a network to jointly develop communities and society 	<ul style="list-style-type: none"> Participation in the community Social activities Compliance with the law

Stakeholders' Group	Participation channels	Stakeholders' Expectations	Sustainable Development
Shareholders	<ul style="list-style-type: none"> Board meetings in subsidiaries and associated companies Presenting investment information at the Stock Exchange of Thailand Meeting to explain the Company's operating results Communication via online media/email 	<ul style="list-style-type: none"> Fair and Equitable Treatment of Shareholders Accurate, complete and timely information disclosure Having good corporate governance, including anti-bribery and corruption Having good operating results and sustainable business growth, including Having risk management in business operations. 	<ul style="list-style-type: none"> Corporate Governance Creating economic value Risk management and business continuity management Compliance with the law
Creditor	<ul style="list-style-type: none"> Analyst meeting Creditors meeting Business visit Communication via online media/email 	<ul style="list-style-type: none"> Compliance with the conditions of loans and debentures Risk management 	<ul style="list-style-type: none"> Business Ethics Creating economic value Risk management and business continuity management
Government agencies and state enterprises	<ul style="list-style-type: none"> Participating in supporting projects organized by the government sector Participating in working groups of government agencies Business visit Disclosing information or reporting as required 	<ul style="list-style-type: none"> Compliance with relevant laws and regulations Transparent disclosure of information Creating economic value 	<ul style="list-style-type: none"> Participation in the community Social activities Compliance with the law Corporate Governance Anti-corruption Occupational health and safety at work
Mass media	<ul style="list-style-type: none"> News/press release Exclusive interviews as requested by the media Disclosing information or reporting as required 	<ul style="list-style-type: none"> Receiving complete, accurate, and timely information Reveal true information Good media treatment 	<ul style="list-style-type: none"> Corporate Governance Anti-corruption Participation in the community Social activities
Trade competitors	<ul style="list-style-type: none"> Meetings at various organizations involved in the industry Working together as a network according to government policy 	<ul style="list-style-type: none"> Fair competition Compliance with the law 	<ul style="list-style-type: none"> Corporate Governance Challenges and Opportunities Business Ethics Anti-corruption

3.2.3 Materiality Analysis

In 2023, the Company identified, compiled, assessed, and prioritized materiality topics that affect the Company's business operations and stakeholders in sustainability development.. The Company will conduct an analysis based on Global Reporting Initiative (GRI) standards, considering the impact on the Company and the impact on stakeholders, covering econom-

ic, environmental and social dimension that stakeholders are interested in and expect. The results of the assessment of materiality topics to sustainability will be reviewed by the Executive Committee on an annual basis.

1

Identification of key issues of stakeholders and organizations

The Company has gathered information on important issues from groups of stakeholders, both inside and outside the organization, through channels appropriate to each stakeholder group, such as meetings and questionnaires, satisfaction surveys, etc. In addition, the Company issues that are important to business operations have been summarized from the opinions of the Board of Directors and the Company's management team, especially on the corporate risk, opportunities and challenges that have both positive and negative impacts on the Company's business, including trends in global and regional economic changes.

2

Grouping of materiality topics

The Board of Directors will assign executives and departments related to corporate governance and sustainability to create a development plan for the organization's sustainability. Executives and employees working on corporate governance and sustainability will be jointly considered for grouping and prioritizing materiality topics of sustainable development of the Company. The factors to consider are the level of impact from the company's operations that has an effect on the economy, society and the environment and the level of impact on stakeholder evaluations and decisions by referring to the guidelines of the Global Reporting Initiative Standards [GRI Standards] , then to specify topics in the Materiality Matrix table, with the horizontal axis [X axis] showing the level of impact from the Company's operations on the economy, society, and environment, and the vertical axis [Y -axis] showing the degree of impact on the evaluation and decisions of stakeholder groups

3

Review of materiality topics

Executives and working group on corporate governance and sustainability jointly consider and agree on materiality analysis regarding sustainability and sequencing of materiality topics, including setting guidelines for responding to stakeholders and assigned the relevant department to proceed further

In 2023 , the Company has implemented the identification and prioritization of materiality topics for sustainability , by adhering to the Company's sustainable development framework together with GRI Standards for precision and clarity.. A total of 20 materiality topics were obtained as follows:

The figure shows the Materiality Matrix of the organization.

IMPACT		X	Y
1	Corporate Governance and Business Ethics	3	4
2	Anti-corruption	2	3
3	Risk Management & Business continuity management	4	3
4	Conflict and security	2	2
5	Business Development and Resilience	4	4
6	Innovation	4	4
7	Process Improvement	4	3
8	Tax Management	4	2
9	Procurement Practices & Supplier management	4	4
10	Customer and Product Stewardship	4	4
11	GHG emissions	4	4
12	Energy Management	4	3
13	Water management and emissions	4	3
14	Waste Management	4	2
15	Biodiversity	4	2
16	ESG Compliance	4	2
17	Occupational health and safety	4	4
18	Employee Management	3	3
19	Employee Development	3	3
20	Corporate Philanthropy	4	3



3.3 Sustainability management in the environmental dimension

3.3.1 Environmental policy and practice

Responsibility in the environmental dimension is an inevitable matter of the Company Group as a creator of both direct and indirect impacts. It also includes those affected by the use of resources throughout the value chain, from the transportation of raw materials, production process, utilization of energy, waste management, emissions, delivering products to customers, to activities that have an indirect impact on the environment in the future. Therefore, the Company has established practices for environmental management services with the Sustainability Management Committee setting goals for executives and related

employees. It is also used as part of the annual performance evaluation.

As the core business of the Company Group is closely related to the energy industry, the Group is even more aware and responsible for preserving the environment, aiming to create a "Green Culture" throughout the organization. **E – Environment** is crucial to the business chain and has been identified as one of "A D V I S E", the Company's core value that each employee learns to engage in environmental management with awareness and sustained effectiveness.

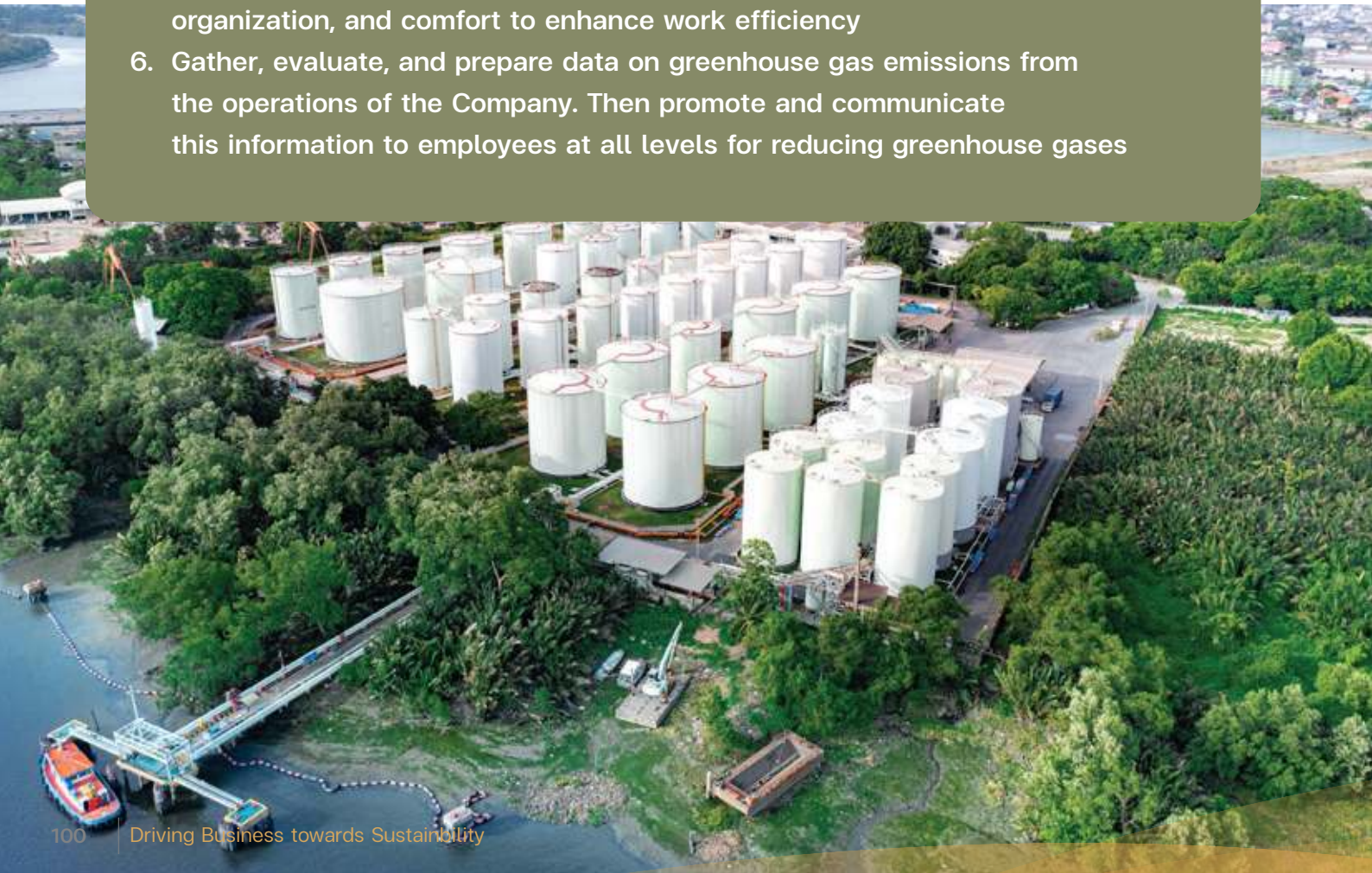
The Company ensures compliance with relevant environmental laws and regulations in its production and service delivery. It has implemented stringent measures to protect and preserve the environment, including conducting thorough environmental impact assessments prior to construction and establishing systems and regulations to minimize environmental and community impacts.

Additionally, the Company emphasizes the efficient utilization of natural resources and implements energy-saving measures in production, such as electrical energy, fuel used

in production and using oil for transportation. It maximizes the utilization of by-products or leftovers from production and has standardized waste treatment processes, including controlling water and air pollution. The Company conducts accurate evaluations of its environmental management system and has established quality and environmental policies as follows:

The Company continuously strives to improve Quality, Maintain sustainable environmental practices, and foster collective development, as follows:

1. Committed to meeting customer requirements and strictly complying with environmental regulations.
2. Dedicated to maintaining and promoting a good environment, providing support to various communities for preservation and continuous improvement.
3. Establishing preventive and emergency response systems to ensure the highest level of safety in all circumstances.
4. Utilizing resources and energy efficiently and cost-effectively to demonstrate responsibility towards the environment and society.
5. Creating a conducive working environment characterized by cleanliness, organization, and comfort to enhance work efficiency
6. Gather, evaluate, and prepare data on greenhouse gas emissions from the operations of the Company. Then promote and communicate this information to employees at all levels for reducing greenhouse gases



3.3.2 Environmental performance

In terms of environmental impacts from the major raw materials use, all 3 groups of base oils, which are the major raw materials that the Company used in the production of the

Company's products. These groups has different environmental impacts depending on the quantity of sulfur contained in the lubricant. The details are as follows:

Product	Sulfur quantity (wt percent)	Detail	Environmental impact
1. Base Oil Group 1	> 0.03	Used for general lubricants such as industrial lubricants, gear oils, and lubricants used in marine business, etc.	Sulfur quantity in base oil affects emissions but is less than sulfur quantity in the fuel.
2. Base Oil Group 2	≤ 0.03	Used for longer life lubricants	Affects emissions less than Group 1 because it contains less sulfur.
3. Base Oil Group 3	≤ 0.03	Used for synthetic lubricants	Affects emissions less than Group 1 because it contains less sulfur.

In addition, the Company has practices for environmental operations, including water management, waste and pollution disposal, air pollution management and environmental impact report (EIA) as follows

(1) Water management

The Company manages water by controlling and determining the usage of water in a worthwhile manner according to purpose by locking and closing the water valve when not in use, inspecting and replacing equipment when it leaks or has expired, regularly recording water usage meters, evaluating water usage for production processes, control the usage of water as necessary, wastewater control, and inspecting, following up on results, and reporting to the Board of Directors as well as relevant government agencies regularly, to meet safety standards. If there is a leak or daily/monthly water use exceeding the limit, there will be a warning system and report to the relevant department

The Company has wastewater from the use of tap water in office buildings and its production



processes, such as water from wet scrubber and water from tanks flushing. Every building and plant has wastewater treatment before releasing into public areas and enhancing the usual of wastewater treatment by measuring BOD values. The Company has a wastewater treatment process as follows:

- Improve wastewater quality and decompose waste by
- Installation of dams in production areas to prevent oil from flowing into drainage channels
- Installation of water retention ponds or API pits to retain water before discharging it outside.
- Installation of wastewater treatment systems in the warehouse area, specifically for

lubricating oil production, to treat wastewater before discharging it outside

Moreover, the Company has inspected the quality of wastewater by collecting samples from every point where dispose of wastewater outside and sending them for analysis to compare with standard values set by law. If test results are found to do not pass the standard values, the Company will correct and improve to meet the standard values. In addition, the Company has inspected the quality of wastewater from the production process by inspecting the quality of surface water in the Tha Chin River. Collection of samples from the beginning, the middle, and the end of the pier, a total of 6 points with 5 parameters, will be collected once a month

The table shows the lowest and highest BOD (Biochemical Oxygen Demand) values between 2021-2023.

Year/Parameter	2021		2022		2023	
	lowest	highest	lowest	highest	lowest	highest
BOD (Milligrams per liter)	< 2	5	< 2	4	< 2	5.6
Statutory standards	No more than 20					

(2) Waste Disposal and Pollution Control

Due to the Company's production processes, various types of waste are generated, including slop, oil-contaminated containers, oil-absorbent materials, oil-soaked rags, and

gloves. The Company generates approximately 69 tons of waste per year from production processes. Therefore, the Company has implemented waste disposal and pollution control processes with the 4R principles which expand upon the 3R principles, consist of:

Reduce

Reducing the usage of unnecessary resources or optimizing resource utilization for maximum efficiency. The Company started a project to save water, energy, and reduce paper use in the office, using photocopy by reusing paper, storing and dispensing raw materials and finished product in FIFO method (First-In First-Out) according to usage period, and reducing waste from raw materials remaining in stock from using those nearing expiration date first.

Reuse

Maximizing resource value by promoting reuse, such as extending the life of lubricating oils for renew usage and reusing wooden pallets

Recycle

Reprocessing or enhancing the quality of used resources for reuse, such as waste from oil and several substances, used as Cleaning Solvent, such as cleaning oil stains in Drum, Barrel, Pump, etc.

Repurpose

Reusing materials by changing their intended usage, such as transforming wood pallets into furniture through CSR activities by participating with the community, to add value and being able to utilize it for further

In addition, for the remaining, unused parts such as cardboard boxes, paper that has been used, slop, and oil-soaked rags , the Company

sorts, gathers, , sells or sends them to agencies with proper permits for disposal processes.

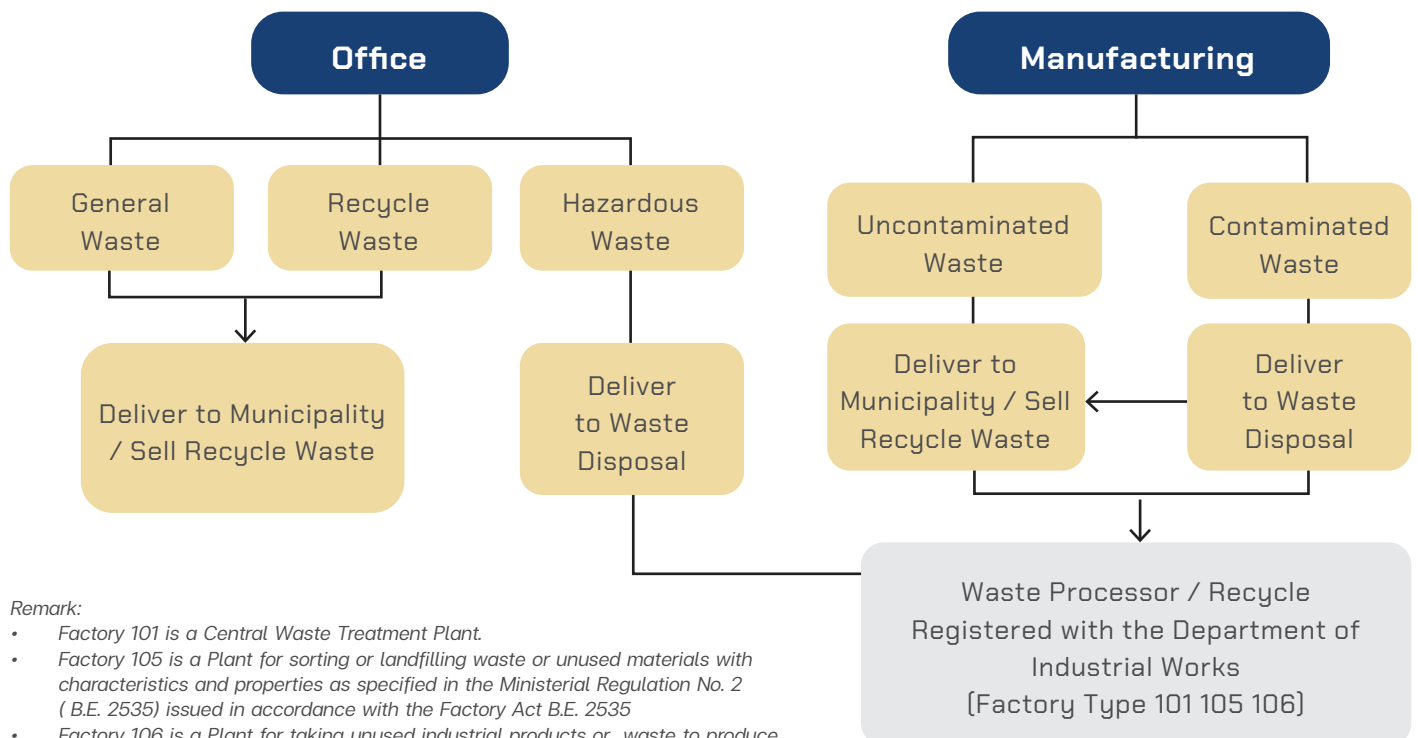


Activities to sort waste based on its type



Activities to make furniture out of wood pallets

The details of the garbage, waste, and pollution disposal process can be summarized according to the diagram as follows:



Remark:

- Factory 101 is a Central Waste Treatment Plant.
- Factory 105 is a Plant for sorting or landfilling waste or unused materials with characteristics and properties as specified in the Ministerial Regulation No. 2 (B.E. 2535) issued in accordance with the Factory Act B.E. 2535
- Factory 106 is a Plant for taking unused industrial products or waste to produce new products through industrial production processes

The Company aims to reduce the amount of hazardous waste from the production process by approximately 5 percent from last year. As for non-hazardous waste, the Company is in the process of collecting information and reduce the quantity of non-hazardous wastes through internal communication and promotion of waste sorting before disposing throughout the office and warehouse.

In 2021-2023, the Company generated a total quantity of hazardous waste of 65,270, 54,060, and 62,250 kilograms, respectively, or equating to 22.07, 16.94 and 20.13 kilograms per million liters of production output.

(3) Air pollution management

For evaluating the factory's environmental quality management system, and determining measures to prevent and reduce impacts on the health of employees and nearby communities, the Company has reported the results of environmental quality measurement by assigned to Environment Research and Technology Co., Ltd. as the operator of the environmental quality analysis for plant 1, plant 2 and plant 3. Environment Research and Technology Co., Ltd. has a laboratory for up-to-standard quality analysis, which is registered as a private analytical laboratory with the Department of Industrial Works. With over 20 years of experience, it is recognized by both government and private agencies run by highly competent and skilled staff.

The scope of environmental quality measurement covers 3 areas: general air quality in the atmosphere, noise levels generated from factory operations measured on July 3-4, 2023, and the amount of contaminants in the air released from the chimney measured on June 26 and 27, 2023, details are as follows:

1. General air quality in the atmosphere

The results of the analysis of the amount of dust particles not exceeding 100 microns in size [TSP] and the amount of dust particles not exceeding 10 microns in size [PM10] near the factory fence of plant 1, plant 2 and plant

3 found that each index was analyzed met the standards according to the announcement of the National Environment Board No. 10 [B.E. 2538] and No. 24 [B.E. 2547] regarding determining general air quality standards in the atmosphere.

Furthermore, the Company has inspected and controlled factory activities that may impact to air quality, including continuously keeping monitors on the factory's air quality inspection in order to watch out and follow up on the impact on air.

2. Noise levels generated from factory operations

Results of measuring noise levels from factory operations near the factory fence of plant 1, plant 2, and plant 3, comparing the measurements with standards as announced by the Ministry of Industry, B.E. 2548, regarding determining noise levels, disturbances and noise levels caused by factory operations, it was found that the measurement areas in plant 1, plant 2 and plant 3 in 2023 had a 24-hour average noise level [Leq 24 hrs.] and The maximum sound [Lmax] is within the criteria specified by the standard.

However, in order to prevent and reduce the impact of loud noise from factory activities, the Company has avoided noisy factory production activities during the night, which is a time of rest for the people. There is surveillance by monitoring and measuring the noise level in the area regularly.

3. Quantity of impurities in the air vented from the chimney

The results of the analysis of the amount of contaminants in the air emitted from 5 chimneys in the plant 1 area and the results of the analysis of the amount of all volatile organic substances emitted from the VRU chimney and the amount of contaminants in the air that emitted from Hot Oil Chimney [Terminalling Unit] in the plant 2 area in 2023 found that the amount of contaminants in the air analyzed in every chimney was within the limits set by the standard¹. The index

1. Compared with the standards announced by the Ministry of Industry on determining the amount of contaminants in the air released from factories, B.E. 2549 and standards according to the announcement of the Ministry of Natural Resources and Environment regarding standards for controlling the release of gasoline vapor from fuel depots, B.E. 2553 and B.E. 2554

used to measure the amount of contaminants in the air emitted from the chimney consists of dust, hydrogen sulfide gas, carbon monoxide gas, sulfur dioxide gas, nitrogen oxides, opacity value, and volatile organic compounds

In addition, the Company has installed a new hot oil furnace system at plant 1 along with a ventilation system in the silo tank and Wet Scrubber to reduce the amount of dust released from the hot oil shaft.

(4) Energy management and conservation

The Company values energy conservation and realized that not only reduces costs but also protect natural resources and the environment for society as a whole. Therefore, the Company has announced an energy conservation policy, and appointing a committee and working group for energy management to enable the Company's energy management operations to be continuous and effective in order to achieve the Company's goals. The policy is set out as follows:

“ P.S.P. care for the earth together through green innovation”

1. Implement and develop an appropriate energy management system, by specifying that energy conservation and management be a part of the Company's operations.
2. Continuously improve the energy efficiency of the organization to align with its operations, production technologies and best practices leading to sustainable development
3. Carry out energy management according to laws and related regulations. It is considered the responsibility of all executives and employees to collaborate in performing, monitoring, inspecting and reporting to the energy management working group.
4. Establish the Company's annual energy conservation strategies and targets and then communicate them to all employees so that they understand and act correctly.
5. Determine that energy management is being monitored and evaluated, and that any inadequacies are being reviewed, exam-

ined, and corrected to ensure compliance with applicable laws and regulations.

6. In order to manage energy effectively, the company is providing support in terms of human resources, funding, training, and participation in opinion-presenting and essential resource as needed..
7. Executives and the energy management working group will review and improve the Energy policy, targets, and operational practices on annually.



Activities for managing and promoting energy conservation:

- The Company has appointed a person responsible for energy in designated factories (PRE) for the Company in order to comply with the Energy Conservation Promotion Act (No. 2) B.E. 2550 and the Ministry of Energy regulations. Their role is to coordinate and monitor energy management operations to be in line with legal requirements, as well as organizing training to provide knowledge and communicating energy management and conservation to employees in the organization
- The Company has installed solar cells at PSP 3 factory , which can produce electricity consumption at the factory approximately 232,000 kilowatts per year.
- Set target and energy conservation measures each year, and communicate to all employees so that they understand and act correctly. Also monitoring and reporting the results to the energy management working group, and then reporting summary to the Management Committee on quarterly.
- The Company campaigns and promotes energy saving, such as training energy conservation in factories and setting energy conservation measures, organizing a logo

and slogan contest for energy conservation, communicating news and energy saving activities to employees regularly.

- The Company has passed the inspection and certification of energy management of designated factories for the year 2023 in accordance with the Energy Conservation Promotion Act.
- In 2023, the Company has set target to reduce energy usage per production unit by 4 percent. The Company was able to reduce energy use per production unit by up to 17.9 percent, which is another way to reduce the amount of greenhouse gas emissions.

(5) Climate change management (greenhouse gas)

The Company values on climate change management (Greenhouse gases), which the changing weather conditions affect both directly and indirectly on business operations. In 2021, the Company began collecting data on the amount of carbon that can be reduced, and in 2023, the Company is in the process of participating in Carbon Footprint Project, which is a project about evaluating the Carbon Footprint for Organization emitted from several activities of the organization such as fuel combustion, electricity use, waste management, and transportation. The Company has contracted Green Style Co., Ltd., which is a consultant registered by Thailand Greenhouse Gas Management Organization or TGO, to be a project consultant and the Company plans to provide a registered verifier within the first quarter of 2024 in order to request certification from Thailand Greenhouse Gas Management Organization next

In the past year, the Company has target of reducing the amount of greenhouse gas emissions by 5 percent from the base year (2023) data.

Carbon Footprint Organization Project: CFO

As the Company has a policy to implement the organization's carbon footprint management project to reduce emissions and absorb carbon, to be a part in preserving a good environment, in 2023, the Company has appointed a

carbon footprint management working group (CFO Team), whose duty is to set policies and measures to reduce greenhouse gas emissions of the organization, create an operation plan and assess the Carbon Footprint for Organization (CFO), both in direct and indirect production activities, including monitoring, inspect, supervise and input carbon footprint assessment data of the organization (CFO) and control operations to be in accordance with the operational plan, and reporting performance to the Management Committee on a quarterly in order to drive the implementation of the project efficiently and effectively.

- To assess carbon dioxide emissions and reductions or greenhouse gases in the organization, the Company divides them into 3 sources as follows:
 1. Direct greenhouse gas emissions, including stationary combustion (hot oil, fire pumps and generators), mobile combustion (fire trucks, tugboats and company's vehicles) and other emissions. (air conditioner fluid, fire extinguisher, and fertilizer application)
 2. Indirect greenhouse gas emissions from electricity use
 3. Other indirect greenhouse gas emissions, such as paper use, water use
- The Company has a plan to reduce carbon emissions, focusing on reducing release and increasing suction by increasing green space, proper waste management, and efficient modification of electrical equipment. The operation plan is divided into 3 phases: short term, medium term and long term. Short term plans (1-3 years) include controlling the turning on and off of lights, air conditioners, and reducing paper use etc. Medium-term plans (3-5 years) include installing solar cells, replacing electric vehicles and recycling water for reuse etc. Long-term plans (more than 5 years) include reforestation etc.

In 2021-2023, the Company was able to reduce the amount of carbon by 135.0, 402.0 and 359.0 tons of carbon dioxide equivalent. In 2022 and 2023, it was able to meet the target

of reducing greenhouse gas emissions by 270 tons of carbon dioxide equivalent, but in 2023, the amount of greenhouse gas emissions has been reduced more than in 2022 due to the cancellation of the use of 1 Phase electricity. Currently, the Company is in the process of moving the installation point.

(6) Biodiversity management

The Company has maintained the ecosystem and mangrove forest conditions in the factory and office building areas because they are places with high level of biodiversity, residence to over 46 different species of plants, birds, and aquatic animals that are interdependent. They are extremely valuable resources that should be preserved. Since 1989, the Company has planted additional trees that absorb carbon dioxide in the project area of offices and the area around plant 1 and 2.

For more than 30 years, the Company has carried out this project. On an area of more than 67 rai. More than 113 additional trees were planted, leading to the plants in the mangrove forest in that area helping absorb the amount of carbon dioxide. At the same time, it also increases oxygen gas in the atmosphere.

The Company recognizes the significance of preserving ecosystem, which is an important element of the coast in the Tha Chin River Basin Samut Sakhon Province. The objective is to serve as a resource for natural and resources-related research that are valuable to the environment, the economy and society.



Red Mangrove



Nypa Palm, Atap Palm



Millettia Brandisiana



Benjamin fig, Golden fig,
Weeping fig



Bismarck Palm

(7) Sustainable Green Architecture and Landscaping

The company applies the Green Architect design concept, which places an emphasis on how architecture and nature coexist. A sustainable site plan of green construction generated from the concept of coexistence between humans and nature, adhere to the Environment-Friendly principle that can use Sustainable energy sources, such as preserving mangrove forests, and construction that creates the least impact on the ecosystem according to the management's intentions, designing buildings that take advantage of nature, using environmentally friendly methods which have minimal humans animals and plants.

Building design to suit the environment with good air circulation to allow fresh air to enter the building as much as possible and a multi-purpose area, reducing dependency on electrical energy, planting large trees near the building to provide shade, a meeting room is in a location that receives light, adjusting the use of LED bulbs as a lighting alternative, designing a bright walkway around the building which is comfortable to the eyes from the surrounding plants, an activity area and a dining room that is open, airy, wide and receive the breeze, surrounded by forest and water, preserving the forest area and designing additional planting of local plants close to the building to provide shade, as well as selecting plants that increase air and maintain the biodiversity of the ecosystem



(8) Environmental quality reporting

The Company prepares and submits environmental summary reports to government agencies. It covers wastewater, drain water, hazardous chemicals, light, color, sound, heat, air treatment systems and environmental impacts. The details of report delivery are as follows:

- Report summarizing the performance of the wastewater treatment system (Form Tor. Sor. 2) to Tha Chin Municipality will be delivered on the 15th of every month.
- Report on analysis and prepare monthly and weekly wastewater results reports to the Marine Department will be sent every 1 month for monthly water results and every 3 months for weekly water results.
- Prepare a form to report the list of hazardous chemicals (Form Sor. Or. 1) which will be submitted in January of every year, and there is an inspection and preparation of a form reporting the results of the measurement of the concentration of hazardous chemicals (Form Sor. Or. 3) which will be submitted every 6 months.
- Report on light, sound, and heat measurements to the Welfare Department will be delivered once a year.
- Report on air pollution results to the Department of Industrial Works electronically (Form Ror. Wor. 3) will be submitted every 6 months.
- Environmental impact analysis report will have a follow-up report to the Office of Natural Resources and Environmental Policy and Planning (ONEP), the Samut Sakhon Provincial Natural Resources and Environment Office (NHP), and the Harbor Branch, as specified by the Office of Natural Resources and Environmental Policy and Planning (EIA), which will be submitted every 6 months.

In 2021-2023, there were no operations that violated environmental laws.

3.4 Sustainability management in the social dimension

3.4.1 Social Policy and Practices

The Company has defined policies and practices regarding social responsibility, encompassing ethical business conduct, respect for human rights, fair treatment of workers, customer responsibility, and community or societal development. The details are as follows:

(1) Ethical Business Conduct

The Company Group is committed to conducting business with honesty, fairness, transparency and disclosure of important information which can be verified, as well as being committed to competing in trade on an equal basis. The Company Group is dedicated to conducting business with honesty, integrity, transparency, and the disclosure of essential information that can be verified. The Company Group is committed to fair competition by following the law, related regulations and international business ethics, including refusing any behavior that obstructs fair competition, such as seeking confidential information of business competitors, demanding, receiving, and giving any benefits that are dishonest in trade, etc.

The Company has established criteria for selecting business partners, ensuring that no partner is excluded from participating in business competition. And the Company Group has implemented management and monitoring systems to ensure complete fulfillment of contractual obligations, including timely payments as agreed upon. The Company conducts regular evaluations of its business partners and provides feedback and suggestions for continuous improvement. At the same time, it provides opportunities for suppliers to report complaints.

The Company also places importance on responsible management of its trading partners [Responsible Sourcing] in terms of environment, social and corporate governance (ESG), such as environmental impacts, safety and occupational health in the workplace, respect for human rights, sustainable resource use and joint development of business partners, etc. Therefore, the Company is committed to man-

aging the supply chain efficiently to reduce the risk and create business opportunities, to be stable and sustainable together with the Company's business partners by identify and assess risk in the supply chain in order to prepare for the drafting of the Sustainable Supply Chain Policy and the draft Supplier Code of Conduct in the next year.

Moreover, the Company Group strictly adheres to a policy that prohibits any actions that infringe upon intellectual property rights, such as copyright, patents, trademarks, trade secrets, and other legally protected intellectual property. For instance, all computer software must undergo thorough inspection and be properly licensed by information technology agencies to prevent the use of pirated software.

(2) Respect for human rights

The Company Group has a policy to support and respect human rights, which is in line with international principles and the Labor Protection Act and Labor Relations Act. The Group announced its social responsibility policy for labor on February 1, 2024, covering the treatment of employees that are related to the business operations of the Company, with dignity and respect for their inherent value as human beings. The Company Group promotes equality and non-discrimination based on race, nationality, religion, language, skin color, gender, age, education, physical condition, or social status. The Company Group ensures that its business activities do not support forced labor, child labor, or sexual harassment.

The Company is currently studying to develop and carry out the Human Rights Due Diligence Process, in order to identify risk related to human rights violations, determine the groups or individuals affected, determine plan and guidelines for solving and preventing human rights violations, , auditing and monitoring the results. The Company also provides an appropriate relief process in the event of human rights violations as well.

(3) Fair Labor Treatment

The Company Group recognizes the importance of human resource development and fair treatment of workers. The Company Group has established policies and practices to prioritize these aspects as they contribute to enhancing the value of the business, fostering competitiveness, and facilitating sustainable growth. The Company Group determined policies and guidelines as follows:

1. Respect for employees' rights based on human rights principles and compliance with labor laws.
2. Implement fair hiring processes and employment conditions, including setting appropriate compensation and evaluating performance based on objective criteria.
3. Promote employee development through training, seminars, workshops, and participation in relevant educational programs to enhance their knowledge, skills, and potential. The Company Group also fosters a positive work attitude, ethics, morality, and teamwork among employees.. In addition, the Group also supports organizational and human resource development. Emphasis is placed on efficient work processes, clearly defining the job and responsibilities of employees, determining appropriate compensation, developing a system for evaluating and increasing employee competency.
4. Provide various benefits to employees as mandated by law, such as social security, etc., and go beyond legal requirements , such as health insurance and accident insurance, including offering different types of financial assistance., such as employee financial assistance for funeral expenses for parents and deceased children, employee uniforms, provident fund, scholarships for employees and children, etc.
5. Ensure a safe and healthy working environment, implement measures to prevent accidents, and prioritize employee well-being. The Company Group continuously promotes safety awareness and maintains a consistently safe working environment.
6. Provide opportunities for employees to express their opinions or give complaints

about unfair treatment or wrongdoing in the Company Group, including providing protection to employees who report such matters. Encourage employees to express their opinions or file complaints regarding unfair practices or inappropriate actions within the Company Group. The Company Group also ensures protection for employees who report such matters.

7. The Company provides a welfare committee establishment as required by law by appointing representatives of the employer. The Welfare Committee have meetings together on a quarterly basis and/or in the case of urgent issues, make an appointment to discuss before the end of that quarter, so that the committee can present welfare and/or related suggestions to discuss solutions through relevant departments. The Human Resources Management Department will report to the management for acknowledgment at least once a quarter.

(4) Customer Responsibility

The Company Group is dedicated to improving the quality and service of its products for the highest customer satisfaction and benefits. The Company Group upholds responsibility, honesty, and customer care by:

Prioritizing the quality and standards of products and production efficiency, with a focus on producing safe products that meet international standards.

1. Prioritizing the quality and standards of products and production efficiency, with a focus on producing safe products that meet international standards. And developing a management system so that customers receive quality products and services and maximum satisfaction
2. Ensuring integrity in marketing practices, with policies that provide accurate and non-deceptive information about the Company Group's products and services to provide customers with accurate and sufficient information to make decisions.
3. Prioritizing customer safety and striving to provide customers with quality products

and services at fair prices, in compliance with international safety standards and relevant laws and regulations., including creative designing and developing products and services to give customers confidence in the quality, standards, and safety of the products and services of the Company Group.

4. Implementing customer relationship management systems for effective communication with customers, including efficient handling of complaints regarding the quality of products and services through established channels in order to quickly respond to customer needs, as well as preventing and solving problems for customers and using such information to further improve or develop products and services.
5. Keep customer information confidential and will not use such information in a wrongful way

(5) Treatment of Business Competitors

The Company will follow the framework of good competition, business ethics, transparency, within the framework of the law, as well as supporting and promoting the policy of free and fair competition and not seeking confidential information of competitors through illegal or inappropriate means, such as paying wages to competitor employees etc., and not ruining the reputation of business competitors with malicious accusation.

In 2021-2023, it was found that the Company has no disputes and lawsuits between the Company Group and business competitors

(6) Community and Social Development

The Company Group acknowledges its responsibility towards the community and society. It has a policy to conduct business that benefits the economy and society while being a responsible citizen. This includes full compliance with applicable laws and regulations. The Company Group is dedicated to promoting and enhancing the quality of life in the communities where it operates, contributing to their development and growth. It strives to strengthen and give back to the community in parallel with its own growth, ensuring genuine and meaningful con-

tributions to society.

In addition, the Company Group has guidelines for conducting business under environmental standards. It has a production and operating system that uses resources and energy efficiently. There is control to prevent environmental pollution, as well as implementing systematic environmental management, monitoring and evaluation and review for continuous development.

(Please consider the policies for social responsibility as attached to Attachment 5 "Corporate Governance Policy and Practice and Business Code of Conduct - "Policy on Social Responsibility")

3.4.2 Social Performance

3.4.2.1 Employee and labor performance results from 2021-2023

The Company upholds human rights principles from recruitment to employee care, fostering a sense of belonging and a family-like environment within the organization. Moreover, the Company has received the prestigious Outstanding Model Establishment Award for Occupational Health, Safety, and Environmental Conditions at the national level for the 6th consecutive year in 2022 and 11 years in the row.

The Company has significant operations regarding employees as follows:



• Wage Management and Employee Compensation

The Company has a policy for managing wages and compensation of employees in order to be fair and adequate to employees, including receiving wages at a rate proper to the position, duties and responsibilities in line with what the law specifies as follows:

1. In determining the starting wage rate, the Company will consider the job description, skills, abilities, educational background, for each position, duties and responsibilities as criteria, and it must not lower than the minimum wage rate according to the law on labor protection.
2. Increasing wages: The Company will consider increasing annual wages for employees once a year at least. The Company will consider the employees' ability to perform their duties as a criterion for considering a wage increase when supervisors evaluate the

- performance of each employee according to the regulations set by the Company
3. Remuneration management: The Company considers remuneration as appropriate and fair, with awareness of reducing the burden of expenses to help and support, motivate, and retain talented personnel, to be able to work efficiently and drive the organization forward in a sustainable way

The Company will oversee and evaluate the performance of employees correctly and fairly.

• Employment

Operational information	Unit	2021	2022	2023
Total number of full-time employees	Person	587	592	604
Classified by sex				
Male	Person	348	337	350
Female	Person	239	255	254
Compensation rate per employee (female to male)	percentage	67.0	70.8	73.6
Employment of people with disabilities ¹	Person	4	6	10
Male	Person	2	3	3
Female	Person	2	3	7
Number of resignations				
Male	Person	40	68	37
Female	Person	22	53	26
Voluntary resignation rate	percentage	9.3	16.1	8.1

Remarks:

1. The Company has hired disabled people to work more than the ratio between normal people and disabled people at 1 per 100 people as required by law.

• In 2021-2022, the Company planned to organize 24 training courses for employees to increase their skills and work potential, of which 25 courses can actually be trained. The Company has changed the curriculum and added training courses during the year. The average number of hours of training or knowledge development activities for employees is 16.11 hours per person per year, from the target of 15.15 hours per person per year.

In 2023, the Company planned to organize employee training courses to increase employees' skills and work potential, totaling 34 courses, of which 45 courses can actually be

trained. The Company has changed and added training courses during the year. The average number of hours of training or knowledge development activities for employees is 21.69 hours per person per year, from the target of 15.32 hours per person per year. The Company also organized additional workshops on the topic "Organizational Sustainability Management" for executives and employees for ESG operations to be in the same direction.

The Company organizes a variety of training courses covering necessary skills for safety, occupational health, and working environment, such as basic safety training courses, electri-

cal safety and first aid, environmental training, training to promote occupational health knowledge, training to promote safety knowledge to society, etc.

In addition, the Company has applied the Competency System as a tool for personnel development. The competencies are analyzed to be consistent with the organization's vision, mission, and values, and a Training Road Map is prepared to be consistent with the employees' competencies. The Company also use Learning Model 70:20:10 to develop personnel

simultaneously. A training plan is prepared for personnel development every year.

Futhermore, the Company has implemented a mentoring system within the organization to provide new employees with knowledge and the ability to quickly adapt to the organizational culture, as well as Knowledge Management in order to transfer knowledge systematically.

- There is promotions and job transfers within the company help employees reach their full potential and advance their careers.



- There is recruitment of local personnel to promote local employment and reduce travel across provinces by participating in a booth with the Department of Employment, Samut Sakhon Province, and advertising the recruitment of personnel at vocational education institutions in the Samut Sakhon area as well.

- There is a Succession Plan for key positions. The readiness of key successors is determined in 3 phases, namely Phase 1: Ready immediately, Phase 2: Ready in 1-3 years, and Phase 3: Ready within 4-5 years. This is the strategy that the Company uses to evaluate and predict in advance to recruit people with similar qual-

ifications to replace the position immediately. The Company has an Individual Development Plan for career advancement, but there is no plan to accept retirees to continue working or job renewal plan, which will be considered further

- In 2023, a Town Hall was held between all executives and employees. There are also activities to build relationships between employees and executives between departments.

- In 2021-2023 , the Company continuously develops and improves the efficiency of safety operations to reduce the risk of illness, injury

or death, and take care of the quality of life of employees or staff appropriately. The Company has established an occupational health and safety committee consisting of representatives at the group line manager level and department level, with important safety operations as follows:

1. Communicate security policy, by posting signs, announcements, orders and warning symbols around the factory in the areas of plant 1, plant 2 and plant 3.
2. Create an corporate culture that is “An organization of safety and a good workplace” by having safety for all employees as the first priority. This covers suppliers such as contractors, agencies and third parties who are not employees at all stages of the operation.
3. Set standards for wearing personal protective equipment (PPE), and provide training and campaign for employees to wear PPE according to the set standards.
4. There is an assessment of operational risks in the factory and production processes by using What If Analysis, including a risk management plan. It covers both plans to control and mitigate risks.
5. Implement practices to control and manage risks to health and safety.
6. There are procedures, work instructions, and checklists for operations, such as manuals for checking racks for selective product storage, in order to prevent accidents during operations.
7. The quality of light, sound, and heat, and the chemical content in the work atmosphere, are measured annually.
8. In addition to Basic Fire training as required by law, the Company also has Advanced Fire Fighting training, which is held annually, fire evacuation drills or developing knowledge about occupational health and safety for employees and related parties, according to the nature of the work line and as needed
9. The work environment is regularly improved, such as replacing bridges between tanks that are corroded and painting lines to separate pedestrians and vehicles.

10. Random drug and alcohol testing of personnel
11. An annual health examination for employees and vaccination against influenza
12. Promoting Good health, building a sports field, organizing sports competitions and health campaign for employees
13. Professional nurse stationed at the plant.

In 2021-2023, the lost time injury frequency rate (LTIFR) of employees was 5.8, 3.0, and 2.5, respectively. The Company has measures to prevent accidents by risk assessment in all operational activities, controlling operations according to procedures, and wearing personal protective equipment

In addition, the Company also aims to evaluate employee turnover rates and classify reasons for leaving work to reduce the imbalance of organizational culture and reduce organizational losses from leaving work during the year, such as new employees who lack expertise. There is also an annual assessment of employee engagement with the organization and the working environment, to create a driving force for the organization to achieve sustainable change.

Futhermore, the Company has set annual KPI (Key Performance Indicator) assessment targets to compare performance with targets in line with the Company's sustainability development through the ERP platform, where organizations can evaluate their progress in achieving their mission and vision. This creates a concrete corporate culture of sustainability, engaging employees in creating a high performance work environment, and raising the organization's potential to be consistent in the same direction.

Climate Survey

In 2022-2023, the Company organized a Climate Survey with the objective of surveying employees' feelings about the climate within the organization, for use in developing the climate within the organization for the better. The target group for the survey is the Company's employees and subsidiaries. The

assessment is prepared via an online form. There are 4 assessment topics, consisting of communication, climate between agencies, climate of working with supervisors and the climate within the agency. In 2022 and 2023, there were participants who responded to the survey accounted for 95.0 percent and 99.2 percent, with a target average satisfaction score of 70.0 percent and 75.0 percent, respectively. The results of the organizational climate survey found that in 2022, the average satisfaction score was 73 percent and in 2023, the average score increased to 78.8 percent. The Company organized employee relations activities to strengthen the relationship and commitment of employees to the organization, such as

- WE SPORT DAY activity to promote sports competitions to strengthen relationships between employees and commander, as well as executives, cultivating love and good unity with each other
- PSP Sharing activities or activities providing scholarships to children of employees with good academic performance and good students in the Samut Sakhon area community, to encourage and support employees' children and students who study well but lack financial resources to have morale and the intention of studying, to be an important force for the family and the country respectively.
- Badminton, table tennis, futsal sports competition activities for employees to participate in, as exercise and good stress reliever from work.
- Songkran day activities, pouring water to ask for blessings from the executives, which is held annually to provide opportunities for executives and employees to get close to each other.
- New Year party activity
- Activity to give rewards to employees who have completed 10 years, 20 years, and 30 years of service.

In summary, in 2021-2023 the Company has no labor disputes or conflicts regarding the interests of employers and employees in any way

3.4.2.2 Customer Performance

The Company continuously develops products and services to meet customer satisfaction with responsibility, honesty, and business ethics. In 2021, 2022, and 2023, the Company received satisfaction from customers in transportation for bulk products at the level of 94.25 percent, 93.82 percent, and 93.73 percent, respectively. Transportation for Packaging products were at 87.46 percent, 89.26 percent, and 93.66 percent, respectively, and for terminalling services were at 95.63 percent, 97.50 percent, and 97.17 percent, respectively. In 2023, there was a complaint from a customer regarding 1 important matter (cloudy engine lubricant oil). The Company has managed the complaint and reported the results of such management to the complainant.

3.4.2.3 Community and Social Performance

After the Company has conducted business within the law and strict safety standards, the concept of corporate social responsibility has become part of Company policy. Development of social activities of the Company arises from the expertise and volunteerism of employees with the determination to build good relationships with the community and surrounding society, under the initiative and budget support from the Company, which wants to give employees the opportunity to help outside society. This includes both occasional activities and annual social projects according to the intention of the board of directors and executives to operate the business, to create profits and help society at the same time. Every year, the sustainability of the work will be considered in order to develop the project for clear and sustainable benefits in the future.

The Company emphasizes minimizing environmental impacts and avoiding operations that may have a negative impact on the quality of life of communities nearby, with constant awareness that social responsibilities must be driven sustainably to achieve goals. The Company has opened up and established a group of volunteers, both inside and outside the organization, to support social activities and join as a working group with government agencies

and non-profit organizations, such as the Religious Education Foundation, to promote the development of the quality of communities, society, and the environment. Furthermore, driver for social responsibilities, to build relationships between the Company and the community through volunteer representatives as well. Also the Company has published the activities of social responsibility through media and public relations channels, both inside and outside, corporate website and through media in levels of community, government agencies, and network of other activities for society

Channels for submitting issues or complaints

Corporate communications, social activities, and relationship management

Tel. : 081-803-0856,

Email : navaporn@psp.co.th

Operational Performance

In 2021-2023, there were no complaints from the community regarding social or environmental issues.

In 2023 , the Company takes part in improving the quality of life and promoting community participation through activities with more than 90 community projects, including activities related to the COVID-19 outbreak situation and the development and promotion of public health work for the public benefit, community, social and environmental development activities, and educational development activities. The results from the satisfaction survey found that there is not only happiness from volunteers (donors) and the community (recipients), but employees also feel pride in the organization, in donating things and creating projects that are of public benefit in line with the business of the Company Group. Examples of projects have the following details:

Activities related to the COVID-19 outbreak situation and the development and promotion of public health work for public benefit.

(1) Activities to support computers for health promotion of hospitals

In 2023, the Company has given 2 sets of computers and equipment to Bang Krachao Subdistrict Health Promotion Hospital. The Company realized the importance of creating opportunities for access to technology and storing important medical information to raise the efficiency of medical services at the community level.



(2) Activities to donate large oxygen tanks to Subdistrict Health Promotion Hospitals

In 2023, the Company provided large oxygen tanks and equipment to 28 subdistrict health promotion hospitals that are needed for patients in communities that are far from the main hospitals in the province, to provide emergency first-aid to patients.



(3) Activities to support national level senior sports competitions and recreation

In 2023, the Company provided budget support to the Samut Sakhon Provincial Sports Association in the amount of 30,000 baht to use in sending a team of elderly athletes representing Samut Sakhon Province to participate in the 15th Sports and Recreation Competition for the Elderly of Thailand 2023 or "Phitsanulok Games," which was held between May 23-26, 2023, to encourage and promote physical and mental health for the elderly.



(4) Activities to support the budget for the purchase of cars and emergency life-saving equipment

In 2022, the Company has jointly supported the budget for the purchase of emergency life-saving vehicles, along with life-saving equipments and an injection truck, totaling 185,000 baht, to Krathum Baen Hospital Samut Sakhon Province to be sufficient for supporting emergency life-saving situations of the medical and nursing units at hospitals in Samut Sakhon Province.



(5) Activities to support landscape improvements and hospital repairs

In 2022, the Company supported the budget for improving the drainage pipes and parking lot of Tha Chin Subdistrict Health Promotion Hospital, Samut Sakhon Province. The total amount is 176,000 baht. Moreover, the Company's employees, on behalf of P.S.P. volunteer power, joined together to organize service activities, paint walls and improve the surround-



ing landscape to be beautiful, orderly, clean and tidy, and to create a better landscape for the hospital.



(6) Activities to support the budget for Organizing the Rally Together Against Cancer

In 2022, the Company helped support the budget for organizing the activity "Rally Together Against Cancer," which was held in February 2023, in the amount of 100,000 baht. The proceeds from the activity are used to fund the procurement of medical equipment for treating cancer at the Cancer Treatment Center, Tha Chalom Hospital, Mueang District, Samut Sakhon Province.



(7) Activities to support the budget to improve Na Di Subdistrict Health Promotion Hospital

In 2022, the Company supported the budget to improve the public service room for Ban Na Di Subdistrict Health Promotion Hospital, Na Di Subdistrict, Mueang District, Samut Sakhon Province, in the amount of 31,000 baht, for improving and expanding the emergency room and dental room within the hospital. The purpose is to support medical treatment for those who use the service efficiently, modernly, cleanly, and safely according to public health standards.



(8) Activities to support consumer goods for field hospitals

In 2022, the Company provided consumer goods, various necessary items and supplies to field hospitals in Samut Sakhon Province, for staffs and patients infected with COVID-19, a total value of 16,600 baht, to be used in providing care for those infected with COVID-19 which was necessary due to the epidemic situation in Samut Sakhon Province.



(9) Activities to provide ATK test kits to educational institutions

In 2022, the Company provided ATK test kits for screening COVID-19 to 10 schools in the sub-district consortium, a total of 200 sets, worth a total of 19,000 baht, to support the opening of the school semester. The purpose is to support, control and prevent the spread of COVID -19 in the community and areas of Samut Sakhon Province.



(10) Activities to provide oxygen machines to hospitals in Samut Sakhon province

In 2021, the Company provided high-flow air-mixed oxygen machines to 2 hospitals in Samut Sakhon provinces : 3 machines to Samut Sakhon Hospital, and 3 machines to Krathum Baen Hospital, totaling 6 machines, with a total value of 1,100,000 baht, to be used as medical equipment necessary to treat patients from the epidemic situation of COVID-19.



(11) Activities to support the development of an emergency room at Samut Sakhon Hospital

In 2021, the Company contributed funds to develop an Emergency Room for Samut Sakhon Hospital, a total amount of 1,000,000 baht, to support treatment of patients from the COVID-19 outbreak situation in Samut Sakhon Province.



(12) PSP : Do Good With Your Heart, Donate Relief Bags for COVID-19 Project

In 2020, the Company provided 1,000 relief bags and 3,000 cloth masks to the mayor of Tha Chin Subdistrict, a total value is 400,000 baht, to help those affected by the COVID-19 outbreak in the Tha Chin Subdistrict community area.



(13) Activities to provide bedding sets for community isolation and field hospitals, Samut Sakhon Province

In 2021, the Company gave 400 sets of bedding, consisting of mattresses, pillows, blankets and mosquito nets, to the Red Cross Society of Samut Sakhon Province and 124 sets to Tha Chin Subdistrict Municipality, totaling 232,000 baht, to support field hospitals and community isolations in Samut Sakhon province that have urgent needs during the COVID-19 outbreak situation.



(14) Activities to provide CCTV cameras for the Sakhon Community Isolation, Samut Sakhon Province

In 2021, the Company contributed the budget for installing CCTV cameras for community field hospitals "Sakhon Community Isolation" (Tha Chin Center 12), Samut Sakhon Province, in the total amount of 118,500 baht, in coordination with Tha Chin Subdistrict Municipality, for security purpose and to urgently care for COVID-19 infected people due to the epidemic situation in Samut Sakhon Province.



(15) Activity to donate children's beds, fans and necessary equipment for field hospitals for the Red Cross

In 2021, the Company donated 10 sets of children's beds, 200 fans and necessary equipments for field hospitals to the Red Cross, a total value of 100,000 baht.



(16) Activity to donate linoleum and lunch for field hospitals, Tha Chin Subdistrict Area

In 2021, the Company supported 20 rolls of linoleum for use in field hospitals in Tha Chin Subdistrict, totaling 50,000 baht, as well as providing lunch for volunteers and staff for 14 days, a total of 2,800 lunch boxes.



(17) Activities to provide diesel fuel for charitable foundations to transport patients infected with COVID-19

In 2021, the Company supports diesel fuel for cars, rescue vehicles, and ambulances of the Than Nam Jai Samut Sakhon Foundation and Samut Sakhon Charitable Foundation Leng Tek Siang Tung, which is a public benefit organization, totaling more than 20 vehicles, to be used in moving and transporting patients infected with COVID-19, as well as delivering various necessary assistance equipments to hospitals, field hospitals, community isolation, and residential homes. The total amount of fuel is 2,000 liters, valued at approximately 60,000 baht. This is to help patients receive quick and timely treatment and to reduce the spread of COVID-19 within Samut Sakhon Province.



(18) Activities to support the Royal Kitchen of Executive Vice President of the Thai Red Cross Society project

In 2020 , the Company contributed funds to support the Royal Kitchen of Executive Vice President of the Thai Red Cross Society project, a total amount of 100,000 baht, in order to support the Royal Kitchen at the Samut Sakhon Provincial Red Cross Office for distributing consumer goods to people affected by the COVID-19 outbreak.



(19) Activities to provide cloth masks for Samut Sakhon Province

In 2020, the Company gave 5,000 cloth masks, a total value of 75,000 baht, to Mr. Weerasak Wichit Saengsri, Governor of Samut Sakhon Province and the mayor of Tha Chin Subdistrict to distribute to educational institutions, students, and the public for protecting themselves from the spread of COVID-19 , especially in preparing for the opening of the school semester.



(20) Activities to provide Face Shields to fight against COVID-19 for students starting the semester.

In 2020, the Company gave Face Shields to 5 educational institutions in Samut Sakhon Province, including Wat Chi Pha Khao Prachanukroh School, Luangphaet Koson Uppatham School, Wat Yai Chom Prasat School, Wat Laem Suwannaram School, and Wat Charoen Sukhar-am School, a total of 5,000 pieces, worth a total of 80,000 baht, for students to wear within school for preventing and controlling of the spread of COVID-19.



(21) Activities to provide alcohol sanitizer gel to employees

In 2020, with concern for the health and safety of employees, the Company provided alcohol sanitizer gels to employees in the amount of 1,275 pieces, with a total value of 50,000 baht, in order to protect themselves from the spread of COVID-19.



Community, social and environmental development activities

(1) Activities to deliver happiness to schools and communities on National Children's Day 2023

In 2023, the Company, together with Tha Chin community leaders, performs a gift giving ceremony for Children's Day 2023, with teachers, students, and community representatives and providing water bottles made from wheat straw plastic which can be decomposed naturally, a total value is 216,000 baht, distributing to children on the occasion of National Children's Day 2023, and providing morale and encouragement, as well as promoting the quality of life and society in the community in a sustainable way.



[2] Activity: “PSP Sharing Love, Organic Fertilizer Composting Tank for Locals to Save the World”

In 2023, the Company organized the activity “PSP Sharing Love, Organic Fertilizer Composting Tank for Locals to Save the World” to give 3,000 wet trash cans, totaling 165,000 baht, to 10 local administrative organizations in Samut Sakhon Province, 9 organizations are in Ban Phaeo District and 1 at Krathum Baen District, with the purpose to separate garbage in the community and instill discipline in the people, children, and the next generation to create awareness in separating waste seriously and continuously in order to achieve target results in the future.



[3] “Local Volunteer to Save the World Project” Activity

In 2023, the Company participated in the “Local Volunteer to Save the World Project” as speakers in the project, together with Tha Chin Subdistrict Municipality, and to provide training and workshops on waste management in order to strengthen and develop knowledge and understanding about sewage and solid waste management, as well as protecting and preserving natural resources and the environment.



[4] Activities to help flood victims Ayutthaya and Ang Thong Provinces

In 2022, the Company helped provided 500 sets of rice and dry food to Tha Chin Subdistrict Municipality to help and provide relief to victims who have suffered from the flooding of houses in the Ayutthaya Province and Ang Thong Province.



[5] Activities to provide grease products for use in flood gate repairs

In 2022, the Company provided 100 kilograms of grease products to disaster prevention and mitigation agencies, Tha Chin Subdistrict Municipality, to be used to repair and maintain flood gates in the area resulting from the high sea level event as well as during heavy rain and flooding in the Tha Chin Subdistrict area of Samut Sakhon Province.



(7) Activities to support the Urban Tree Planting, Heading Towards a Low Carbon City, Reducing PM2.5 Dust Project

In 2022, PSP participated in the activity “Urban Tree Planting, Heading Towards a Low Carbon City, Reducing PM2.5 Dust Project” of the Samut Sakhon Provincial Administrative Organization, which is integrated with the Office of Natural Resources and Environment, Samut Sakhon Province, to maintain trees which are a source of carbon dioxide absorption in Samut Sakhon Province, measure the amount of greenhouse gas storage of trees in road islands, and strengthen awareness and importance of trees in reducing the effects of air pollution and global warming, by taking care of tilling the soil and adding fertilizer to nourish the soil to the 709 yellow Pridiyathorn trees planted on the island in the middle of Ekachai Road, a total distance of approximately 6 kilometers.



(8) Activities to support the 5th Green Tha Chalom with the Power of Volunteers project

In 2022, the Company contributed a total budget of 104,000 baht for project operations of “the 5th Green Tha Chalom with the Power of Volunteers project” at Laem Suwanaram Temple, Tha Chalom Subdistrict, Mueang District, Samut Sakhon Province. The Company’s employees, along with community volunteers in Tha Chalom Subdistrict and neighboring sub-districts, planted trees together to improve the landscape and develop a clean and orderly domicile which is beautiful and shady, to pass on as an inheritance to future generations.

(6) Activities to support environmental projects of government agencies in Samut Sakhon Province

In 2021 and 2022, PSP joined the project “PET Bottles ... Save the World” by collecting clear plastic bottles or used PET bottles and sending them into the plastic waste recycling process. From participating in the said project, Governor of Samut Sakhon Province has given a certificate of honor to the Company and agencies that collect plastic bottles in quantities of 200 kilograms or more to help driving the circular economy, creating participation from all sectors in promoting the recycling of plastic waste. This is in line with the policy of driving the new economic system.





(9) Activity to support the “Home Full of Love, Grow Your Own Vegetables” project

In 2022, the Company participated in vegetable planting activities in the area of Tha Chin Subdistrict Health Promotion Hospital, Samut Sakhon Province, which is part of the project “Home Full of Love, Grow Your Own Vegetables” from the cooperation between Tha Chin Subdistrict Municipality and network partners in the area. The project included planting and caring for vegetable gardens in vacant areas of the hospital. The produce that has been grown will be distributed to the people who come to receive the service, including people living in nearby areas. It is also a guideline for people interested in the project to be able to apply it in their households, in order to reduce the burden of expenses and eat vegetables that are free from toxic substances according to the Sufficiency Economy Philosophy of His Majesty King Rama IX.



(10) Activity to support the project to provide containers for garbage and sewage in Tha Chin Subdistrict

In 2022, the Company joined the project to provide containers for garbage and sewage in Tha Chin Subdistrict, Samut Sakhon Province. The Tha Chin Subdistrict Municipality organized activities under the name “Household wet trash cans reduce global warming (Zero Food Waste)” to provide people the knowledge on managing solid waste, organic waste, and preparing household wet trash cans correctly. The purpose is to drive waste reduction and separation of household waste at the local level, as well as promoting and supporting integrated participation activities from all sectors and expanding activities to network partners and various community organizations.



(11) Activity to provide wet trash cans to reduce global warming

In 2022, the Company provided 3,000 wet trash cans to Lak Ha Subdistrict Municipality,

Ban Phaeo District, Samut Sakhon Province, totaling 176,550 baht, to be distributed to communities in the area, to reduce the amount of waste and separate household waste, target to reduce global warming according to the policy of the Ministry of Interior.



(12) Activities to support oil changes for motorcycle engines for society and the environment

In 2022, the Company organized activities “Change the motorcycle engine oil for society and the environment” to the general public for free, totaling more than 1,240 motorcycles, with a total value of 122,720 baht, in collaboration with provincial and local agencies in 2 areas, namely Mueang Samut Sakhon District and Tha Chin Subdistrict Samut Sakhon Province, which helped to promote the maintenance of vehicle performance, reduce environmental pollution, as well as continuing to help communities and society.



(13) Activities to support the event “Youth growing seedlings for the great forest”

In 2022, the Company organized the activity for “Youth growing seedlings for the great forest” at the Mangrove Forest Resources Research Center, Bang Ya Phraek Subdistrict, Mueang District, Samut Sakhon Province, to instilling knowledge and understanding in youth to love and cherish mangrove resources and the environment. There were a large number of various



agencies participating, such as provincial and local government administrators, teachers, students, a Natural Resources and Environmental Protection Volunteer Network, employees of the Company, and the general public. In total, more than 300 people participated in the event. Various activities were organized, including training in planting seedlings for students in 4 schools in the area, jointly planting 1,000 tree seedlings, and sending them over to the seedling nursery sponsored by PSP for the Mangrove Resources Research Center No. 2, providing funding for environmental protection to Natural Resources and Environmental Protection Volunteer Network, Samut Sakhon Province, in the amount of 10,000 baht, giving sport equipments to the youth of the Wat Noi Nang Hong community, and joining together to plant forests and collect beach trash.

[14] Garbage collection activities near the Tha Chalom dam and train station

In 2022, the Company joins with Samut Sakhon City Development Company (social enterprise) and Tha Chalom community to organize garbage collection activities near the Tha Chalom dam and train station, Samut Sakhon Province, as well as improving the area, keeping the scenery in the area clean and preparing for the development of community public areas.



[15] “ PSP Volunteer to be beside Society and Environment project” Activity

In 2022, the Company organized the project “Volunteers PSP, alongside society and the environment” to create a network of cooperation in doing social activities with the community, local leader, and related agencies, brainstorming ideas and joining the power of volunteers in the community to become members to help drive the mission of social and environmental development in the community thoroughly, concretely and sustainably, consisting of activities, seminars and field trips at Sai Yok Mantra Resort, Kanchanaburi Province. There were total 60 people participating in this project.



[16] Blood donation activities

The Company joined with the Red Cross Society of Samut Sakhon Province to organize blood donation activities annually for more than 10 years to support the lives of fellow humans. There have been over a hundred employees and citizens participating in donating blood annually.



[17] Activities to donate necessary items to the Disabled Persons Association, Khlong Toei Community

In 2021, the Company donated disposable diapers for adults, along with pads, to the Khlong Toei Community Disabled Association. These are essential items for the elderly, disabled people, and bedridden patients who are unable to help themselves which affect their quality of life. There are a total of 60 packs, with a total value of 24,400 baht, under the support of employees who volunteered to be a part of helping society and the community this time.



(18) Activities to promote knowledge to society on firefighting

In 2020, the Company organized the project “PSP promotes knowledge to society about fire fighting for 2020” together with Tha Chin Sub-district Municipality. Local leaders, community representatives, and educational institution administrators in the Tha Chin subdistrict area attended training to developing knowledge and understanding of fire prevention and suppression correctly and safely, as well as being a surveillance network within the area.



The project consisted of both theoretical and practical training, totaling 6 hours, taught by professional lecturers who are registered with the Department of Labor Protection and Welfare. There were a total of 25 participants from the entire community.

In September 2022, the Company organized a training project on fire drills and fire evacuation and provided dry chemical fire extinguishers, a set of fire escape signs, assembly point signs, and first aid equipment and other emer-



gency suppression equipment as necessary, worth a total of 20,000 baht, to Luangphaet Koson Uppatham School, which is located in Tha Chin Subdistrict Samut Sakhon Province. There were more than 300 people participating and involved in the training exercise, in order to enhancing knowledge and understanding of basic fire suppression, fire evacuation, and coordination in emergency suppression for educational institutions.

In October 2022, the Company organized a training to promote knowledge to society about fire fighting for community leaders in 4 subdistricts of Samut Sakhon District, namely Tha Chin Subdistrict, Bang Krachao Subdistrict, Tha Sai Subdistrict, and Na Di Subdistrict, by organizing theoretical training on basic knowledge in firefighting, basic knowledge about electricity and field training by practicing how to use real equipments.

(19) Activities to support oil changes for motorcycle engines

In 2020, the Company supported engine motorcycle oil to Samut Sakhon Municipality. The project purpose is to develop the model and improve the quality of community repair centers [Fix it Center] at the district level, which is using the Company’s expertise beneficially to the community. A total of more than 200 vehicles, with a total value of 25,000 baht, to be used in service center activities for the public promoting maintenance of vehicle performance and changing engine oil to help society and reduce environmental pollution.



(20) Activity to join in planting mangrove forests in Tha Chalom Subdistrict

In 2020, the Company supported mangrove planting activities, collaborating with Samut Sakhon to develop Tha Chalom city and community at the Tha Chalom-Krokkak pier dam, Tha Chalom Subdistrict, Mueang District, Samut Sakhon Province. In addition, the Company's employees and more than 200 people in the area also participated in this mangrove planting activity in order to develop a good society and environment in Tha Chalom Subdistrict.



(21) Activities to donate vegetable seedlings to the community

In 2020, the Company gave 200 vegetable seedlings to Tha Chin Subdistrict Municipality for distribution to the people. The aim is to continue creating food security at the household and community level.



(22) Activities to support the “Green Tha Chalom Dam with the Power of Volunteers” project

In 2020, the Company supported activities of Green Tha Chalom Dam with the Power of Volunteers, collaborating with Samut Sakhon city development and Tha Chalom community at the Tha Chalom dam area by jointly supporting the budget for organizing activities worth 76,840 baht, as well as participating in planting approximately 500 tree saplings along the Tha Chalom Dam in order to develop a good society and environment in the Tha Chalom Subdistrict area.



(23) Activities to promote knowledge of making plant pots from waste materials

In 2023, the Company supports activities to promote knowledge of making plant pots from old towels that are no longer used, collaborating with government agencies, network of local volunteers who protect the environment, and employees by bringing knowledge to communities in Samut Sakhon Province, in order to transform materials for others benefits, reduce the amount of waste and can also be used to generate income for families and communities.



[24] Activities to donate money to the Rural Child Development Fund under the Royal Patronage

In 2023, the Company donated money to the Rural Child Development Fund under the Royal Patronage Her Royal Highness Princess Maha Chakri Sirindhorn Princess Maha Chakri Sirindhorn No. 2/2023, amount of 50,000 baht to help pre-school children who are facing difficulty to develop a good quality of life physically, emotionally, socially and intellectually.



[25] Activities to support organizing meetings of the Sangha Network Samut Sakhon Province

In 2023, the Company signed a memorandum of understanding (MOU) and co-hosted a meeting of the Sangha network, Samut Sakhon Province, as well as supporting a budget of 200,000 baht with relevant agencies and network partners joining as witnesses. The objective is to drive operations according to the memorandum of understanding, by integrating cooperation between temples, provinces, districts and clergy using the academic knowledge of King Mongkut's Institute of Technology Ladkrabang and related network partners, coordinating for



sustainable development in solving poverty problems, promoting wisdom in making a living, strengthening the community and things that are beneficial to improving the quality of life and helping society to bring about happiness and concrete results to develop the quality of life of monks and the general public.

Educational development activities

(1) Activity to deliver computer equipment to educational institutions

In 2020 and 2022, the Company coordinated the delivery of computer equipment (CPU) to Samakkhi Satharam School and the Provincial Special Education Center, a total of 19 sets, or a total value of approximately 95,000 baht, to be used for further use in teaching to students.



(2) Activities to support equipment and supplies for educational institutions

In 2022, the Company supported equipment such as drawers and trash cans for Bang Phai Tia School and Wat Srisuttharam School, Bang Krachao Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province, 40 sets each, totaling 17,200 baht, for use within the educational institution.



(3) Activities to support the construction of a product and innovation center building for non-formal and informal education (NFE)

In 2022, the Company contributed to the budget for the construction of a product and innovation display center for the Non-Formal and Informal Education Center (NFE), Mueang Samut Sakhon District, Samut Sakhon Province, valued at more than 800,000 baht, to be used for further development into a building with educational benefits.



(4) Activities to provide scholarships for educational institutions

In 2020, the Company provided 10 scholarships to selected students of Samut Sakhon Technical College and 20 scholarships for Samut Sakhon Wittayalai School, with a total value of 75,000 baht for students who are domiciled in Samut Sakhon Province and have good behavior.

And in 2022, the Company provided scholarships for student education continuously.



There are 10 associate degree scholarships for students of Samut Sakhon Technical College and 20 scholarships for Samut Sakhon Wittayalai School, with a total value of 75,000 baht for students who are domiciled in Samut Sakhon Province and have good behavior and for students outside the area at the degree level to Valaya Alongkorn Rajabhat University, total value 100,000 baht, to support further education.

(5) Activities to support teacher employment rates to improve education

The Company provided the budget for teacher employment to schools in Samut Sakhon province. In 2021, the Company provided the budget for 3 schools, totaling 300,000 baht, and in 2022, the Company supported the budget for 1 school, totaling 180,000 baht, to help promote education to be efficient and sufficient for students in the community.



(6) Activities to award scholarships to employees' children

The Company has provided scholarships for employees' children every year for more than 20 years. In 2021, the Company provided 143 scholarships, with a total value of more than 674,000 baht.



(7) School playground donation activity

In 2020, PSP is committed to promoting physical, mental, and social development for students, as well as improving the quality of educational institutions in Tha Chin Subdistrict. The Company has provided the budget to build and repair playgrounds for many schools in Tha Chin Subdistrict, including Wat Yai Chom Prasat School, Luangphaet Koson Uppatham School, and Wat Chi Pha Khao School, a total value is more than 900,000 baht.



(8) Activities to support wall fans for Wat Charoen Sukharam School

In 2020, the Company supported wall fans to Wat Charoen Sukharam School, Bang Krachao Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province, a total of 40 machines, or a total value of 53,140 baht, to replace old machine, deteriorated machines, and to create a good environment for teaching and learning, as well as helping to further develop the quality of educational institutions and society in the Samut Sakhon area.



(9) Activities to support the improvement of Wat Laem Suwannaram Municipal School

In 2023, the Company supported activities to improve the sports field of Wat Laem Suwannaram Municipality School, Tha Chalom Subdistrict, Samut Sakhon Province. The total budget was 100,000 baht, with more than 100 pots of plants and environmentally friendly pots produced by volunteers and employees, as well as provided exterior paint and equipment used to paint the stadium to create a good environment for the school and promoted activities involving employees and community volunteers in making benefits for society.



(10) PSP Open House for Sustainable Future



17 January 2024, P.S.P. Specialties Company Limited organized the activity "PSP Open House for Sustainable Future". This was the first time that the company hosted and organized educational field visit at PSP lubricant manufacturing and fuel distribution terminal. This event created the opportunities for attended primary and secondary students to explore the science knowledge through



business activities together with creating the relationship between PSP, public, environment and surrounded societies. It also promoted the safety activity and internal management system that allow participated students to integrate knowledge and education for future trust building and corporate sustainability. The details of 2 activities camp shown below.

PSP Science Camp : This activity is organized for secondary student to visit the production plant of lubricant and grease manufacturing including R&D and laboratory. We also show the flow of lubricant production process that allow participants to connect the educational knowledge especially for future occupation guidance.

PSP Green Camp : This activity is organized for primary student to visit the fuel distribution and green area in PSP terminal 2 including internal waste management system and safety activity.

There were more than 200 participants in this events including governor, teachers and students from surrounded school in Samutsakorn province together with PSP managements.



4. Management Discussion and Analysis

Financial Highlights

Unit : Million Baht	2022	2023	Change
Total Revenue	13,204.4	12,257.2	[7.2%]
Gross Profit	1,534.9	1,364.5	[11.1%]
Net Profit	546.4	427.5	[21.7%]
Comprehensive Income	533.5	415.6	[22.1%]
Earnings Per Share *(Baht/Share)	1.11	0.38	[65.8%]

*Paid-up share capital

Y2023 : 1,400.0 Million Shares

Y2022 : 750.0 Million Shares

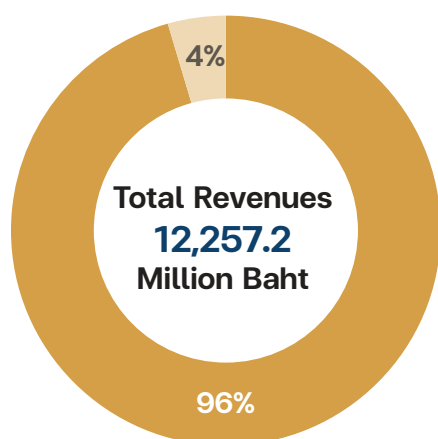
Performance 2023

The total revenue of the Company for the year ended December 31, 2022, and 2023 was 13,204.4 million baht and 12,257.2 million baht, respectively, equivalent to a decrease of 7.2%. The total revenues comprise revenues from sales approximately 95.6-96.7% and revenues from services approximately 4.3-4.4%.

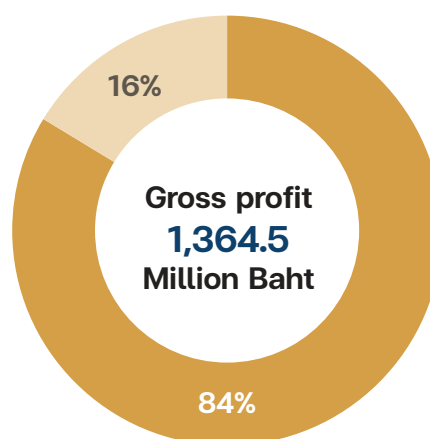
In the year 2023, the Company total revenues dropped according to the decrease in revenues from sales. It decreased from 12,632.9 million baht in 2022 to 11,713.5 million baht in 2023, equivalent to a decrease of 7.3% as a result of a decline in sales

In the year 2023, the Company total revenues dropped according to the decrease in reve-

nues from sales. It decreased from 12,632.9 million baht in 2022 to 11,713.5 million baht in 2023, equivalent to a decrease of 7.3% as a result of a decline in sales volume for both domestic and overseas, mainly due to [1] a decrease in customers' purchase orders of both lubricant and grease products due to market conditions, and higher competition. Regarding the decrease in grease sales volume, this is partly due to supply shortages and an increase in cost of Lithium, one of grease production raw materials. Moreover, it is also a result of the company sales volume in lubricant products which were higher than normal level in the first half of 2022. [2] a decrease in sales volume of the trading business of raw materials both domestic and international as customers delayed their purchase orders.



- Revenues from sales
- Revenues from services



- Gross profit from sales
- Gross profit from services

Unit : Million Baht	2022	2023	Change
Revenues from sales	12,632.9	11,713.5	[7.3%]
Revenues from services	571.5	543.7	[4.9%]
Total Revenues	13,204.4	12,257.2	[7.2%]
Gross profit from sales	1,354.0	1,140.8	[15.8%]
Gross profit from services	180.9	223.7	23.7%
Gross profit	1,534.9	1,364.5	[11.1%]
Other income	20.4	21.7	6.5%
Other gains (losses) - net	32.2	42.9	33.2%
Operating Expenses	[769.5]	[696.3]	9.5%
Share of loss of associates and joint ventures accounted for using the equity method	[46.3]	[28.8]	37.7%
Finance cost	[71.5]	[166.6]	[133.1%]
Income taxes	[153.9]	[109.8]	28.6%
Net profit	546.4	427.5	[21.7%]
Other comprehensive income - net	[12.8]	[12.0]	6.6%
Total comprehensive income	533.5	415.6	[22.1%]

Profitability Ratio

อัตราส่วนทางการเงิน	2022	2023	เปลี่ยนแปลง
Gross Profit Margin [%] ¹	11.6	11.1	[0.5]
Net Profit Margin [%] ²	4.1	3.5	[0.6]
Total Comprehensive Income Margin [%] ³	4.0	3.4	[0.6]

Remark :

1. Calculated from gross profit divided by total revenues
2. Calculated from net profit for the period divided by total revenues
3. Calculated from comprehensive income for the period divided by total revenues

Gross profit and Gross Profit Margin

The Company gross profit decreased from 1,534.9 million baht in 2022 to 1,364.5 million baht in 2023, representing a decrease of 11.1%. The Company gross profit margin also decreased from 11.6% in 2022 to 11.1% in 2023.

The decrease in gross profit and gross profit margin are mainly due to the high cost of raw materials in the first half of 2023. However, it gradually decreased in the second half, resulting in a slightly lower of gross profit margins.

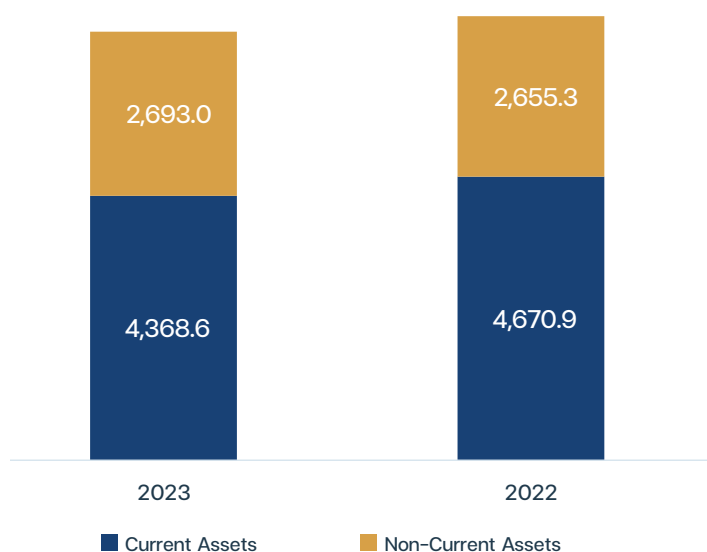
Profit for the period and Net Profit Margin

In 2022 and 2023, the Company had net profits of 546.4 million baht and 427.5 million baht respectively, equivalent to net profit margin of 4.1% and 3.5% respectively. Furthermore, the

Company had total comprehensive incomes of 533.5 million baht and 415.6 million baht respectively, resulting in total comprehensive income margin of 4.0% and 3.4% respectively.

In 2023, Company net profit and total comprehensive income decreased from year 2022 primarily due to the decrease in total revenue and gross profit, including the increase in financial costs from loans for working capital, M&A transaction (UCM) and dividend payments before IPO in 2022. However, selling expenses decreased due to the decrease in sales volume and transportation costs per unit. As such, net profit margin and total comprehensive income margin decreased from 4.1% and 4.0% in 2022 to 3.5% and 3.4% in 2023 respectively.

Total Assets

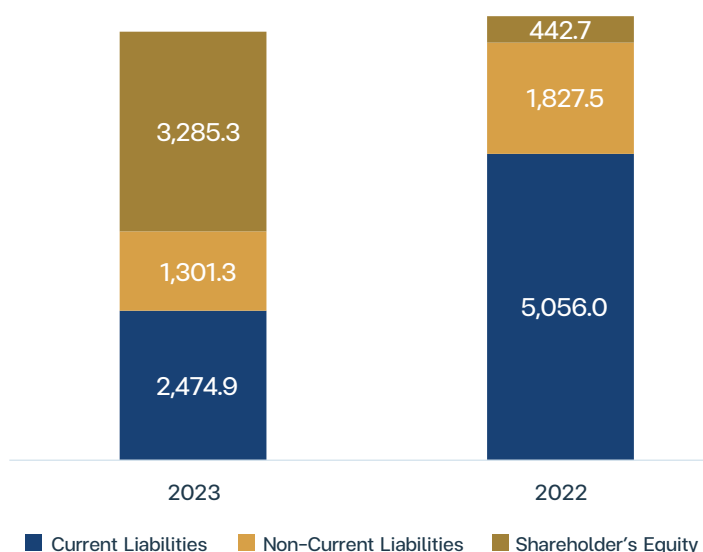


Total Assets

As at December 31, 2022 and 2023, the Company total assets were 7,326.2 million baht and 7,061.6 million baht respectively. The total assets of the Company primarily consist of trade receivables, inventory, property, plant and equipment.

Total assets of the Company decreased in 2023, mainly due to a decrease in inventory level of raw materials from last year. Meanwhile, cash and cash equivalents, and financial

Total Liabilities and Shareholder's Equity



assets measured at fair value through profit or loss increased by 673.5 million baht and additional investment in land.

Total Liabilities

As of December 31, 2022 and 2023, the total liabilities of the Company were 6,883.5 million baht and 3,776.2 million baht respectively. The total liabilities primarily consist of loans from financial institutions and trade payables. Total liabilities decreased during year 2023, mainly from the decrease in short-term and long-term

loans from financial institutions of 2,619.3 million baht from repayment to financial institutions, which was partly offset by the increase in contractual liabilities of 119.8 million baht from the advance payment by customers.

Equity.

As of December 31, 2022 and 2023, the Company total equity was 442.7 million baht and 3,285.3 million baht respectively. In 2023, total

equity increased from a capital increase of 650.0 million baht from issuing common shares [300.0 million baht from existing shareholders and 350.0 million baht from the IPO], resulting in a surplus on common shares amount 1,777.1 million baht, and from 2023 total comprehensive income of 415.6 million baht. The company had an additional legal reserve of 19.8 million baht to 94.8 million baht.

Total Debt to-Equity Ratio and Interest Bearing Debt-to-Equity Ratio

	As of December 31	
	2022	2023
Total Debt to Equity Ratio (times) ¹	15.6	1.2
Interest Bearing Debt-to-Equity Ratio (times) ²	11.5	0.6

Remark :

1. Calculated from total liabilities divided by total equity

2. Calculated from interest bearing debt divided by total equity

The debt-to-equity ratios of the Company were 15.6 times and 1.2 times as of December 31, 2022 and 2023 respectively. The interest-bearing debt-to-equity ratio followed the same trend, which was 11.5 times and 0.6 times as of December 31, 2022 and 2023 respectively.

As of December 31, 2023, the debt-to-equity ratio of 1.2 times and an interest bearing debt-to-equity ratio of 0.6 times, sharply dropped from the previous year. This was mainly due to the decrease in interest bearing liabilities and the increase in shareholders' equity. The debt-to-equity ratio was 1.2 times, which is less than the financial institution's financial covenant of not exceeding 2.5 times.

Cash Flow Statement ended December 31, 2023

	Million Baht
Net cash generated from operating activities	1,702.6
Net cash used in investing activities	(546.0)
Net cash used in financing activities	(754.1)
Net increase in cash and cash equivalents	402.6
Cash and cash equivalents at beginning of the year	239.2
Exchange loss on cash and cash equivalents	(1.4)
Cash and cash equivalents at end of the year	640.4

In 2023, the company had net cash flow from operating activities of 1,702.6 million baht, consisting of profit before income tax of 537.4 million baht adjusted with non-monetary items of 374.60 million baht and the increase in net working capital by 1,059.6 million baht, mainly due to a decrease in inventory of 892.3 million baht.

Net cash flow used in investing activities was 545.9 million baht, resulting from the increase in financial assets measured at fair value through profit of loss (Money Market Fund) of 270.1 million

baht and the investment in Property, plant and Equipment of 263.6 million baht.

Net cash flow used in financing activities was 754.1 million baht, resulting from repayment of short-term and long-term loans from financial institutions of 3,169.6 million baht, which was partly offset by cash inflow from a capital increase and IPO offering of 2,421.4 million baht. Therefore, the company had net cash inflow 402.6 million baht in 2023 and Cash and cash equivalents at end of the year 640.4 million baht.



5. General and Other Important Information

5.1 Other important information

5.1.1 Regulations related to business operations

Relevant laws and regulations that are important

1) Fuel control law

Possession of fuel, fuel transportation, and Ownership of a fuel are businesses under the Fuel Control Act B.E. 2542 [including amendments] [“ Fuel Control Act ”], which defines the meaning of “Fuel” shall mean natural gas, liquefied petroleum gas, crude oil, gasoline, aviation fuel, kerosene, fuel oil, lubricating oil, including other things that are used or may be used as raw materials in refining or production to obtain products that are or may be used as fuels or lubricants, or other things that are used or may be used as fuel or as a lubricant as announced by the Minister in the Royal Gazette. The Fuel Control Act is a law established to prevent or stop the cause of trouble or damage or danger to people, animals, and the environment in order to have strict enforcement. Therefore, the type of controlled business has been determined in accordance with the level of danger that may occur, divided into 3 types: 1) Type 1 is an business that can be operated immediately under the criteria specified in the Ministerial Regulations, 2) Type 2 is a business that must notify officials before operating, and 3) Type 3 is a business that must receive permission from the Director-General of the Department of Energy Business or a person from the Director-General of the Department of Energy Business before it can be operated. The company's business is considered a business under control types 2 and 3. The Fuel Control Act has stipulated ministerial regulations specifying the criteria, methods, and conditions regarding notification, permission, and fees regarding Fuel Business Operations, B.E. 2556 and the criteria for the type of controlled business for oil depots, Fuel storage facilities and oil transport tanks. The important criterion

in determining the type of controlled business is the amount of fuel stored or packed in the said premises or tanks. This includes the type of oil as well.

2) Fuel trade law

The trade and transportation of fuel is an activity that is regulated by law. The Fuel Trade Act B.E. 2543 [including amendments] [“ Fuel Trade Act ”] defines the term “Oil trader” as fuel trader by purchasing and importing fuel into the Kingdom or acquired them in any way for sale and includes those who refine or produce fuel, but does not include those who receive concessions according to the law on petroleum. The word “fuel” means liquefied petroleum gas, gasoline, aviation fuel, kerosene, diesel fuel, fuel oil, lubricating oil, and petroleum products, others that are used or may be used as fuel or lubricant, natural gas, crude oil, or other things that are used or may be used as raw materials for refining or producing to obtain the above-mentioned products, including other things that are used or may be used as fuel or as a lubricant as determined by the Minister to be fuel by announcement in the Royal Gazette. Oil traders with trade volumes of each type or a combination of all kinds per year from 100,000 metric tons or more, including the Company, must receive permission from the Minister of Energy. In case anyone violates the law, they will be punished with imprisonment not exceeding 1 year or a fine from 300,000 baht to 3,000,000 baht, or both.

In addition, the Fuel Trade Act together with the announcement of the Ministry of Commerce regarding the type and quantity of fuel transportation that the transporter must declare as a fuel carrier according to Section 12 B.E. 2544 requires that the transporters of fuel such as liquefied petroleum gas, gasoline, aviation fuel, kerosene, diesel fuel, fuel oil, and lubricating oil with a transport volume of each

type or all types of oil totaling 3,000 liters or more at a time must declare themselves as fuel transporters to the Director-General of the Department of Energy Business or a person assigned by the Director-General of the Department of Energy Business. "Fuel transporter" means a person hired to transport fuel that is not their own by using vehicles specifically for transporting fuel. In the case that anyone fails to declare that they are a fuel transporter, they will be punished with imprisonment not exceeding 6 months or a fine not exceeding 50,000 baht, or both.

The law further stipulates that in cases where the offender is a juristic person, if such offense is caused by the order or action of the director, manager or any person responsible for the operation of that juristic person or in the case where such person has a duty to give orders or act and refraining from giving orders or doing actions that cause that juristic person to commit an offence, that person must also suffer the punishment prescribed for that offense.

3) Regulated Energy Law

Energy Business Act B.E. 2550 [including additional amendments] stipulates that energy industry operations, whether there is compensation or not, must obtain a license from the Energy Regulatory Commission. Therefore, the electricity production business of the entrepreneur must obtain a license from the Energy Regulatory Commission. Otherwise, he or she will be punished with imprisonment not exceeding 2 years or a fine not exceeding 10,000,000 baht, or both imprisonment and fine. The term "energy business" means the electricity business, natural gas business, or energy network system business. "Electricity business" means the production, acquisition, delivery, and distribution of electricity, or control of electrical systems, in the case of building construction or setting up a factory to engage in energy business must comply with the law on factories. Building control law city planning law or energy development and promotion law, granting permission under the law on that matter is the power and duty of the

Energy Regulatory Commission. The Energy Regulatory Commission must request opinions from agencies that have authority and duties under various laws, and such agencies must inform the committee of their opinions along with the amount of fees collected according to those laws. In addition, Entrepreneurs who are producers or expanding the production of controlled energy must obtain a energy production permit from the Department of Energy Development and Promotion in accordance with the Energy Development and Promotion Act B.E. 2535 [including amendments]. In the case that an operator produces controlled energy without permission, they will be punished with imprisonment not exceeding 2 years or a fine not exceeding 20,000 baht, or both.

4) Factory law

Factory Act B.E. 2535 [including additional amendments] has specified three types of factories to determine the types that can immediately engage in factory business, must notify the official first, or a license must be obtained before operating, depending on the category, type, and size specified by ministerial regulations. Category 3 factories are factories that must obtain a factory business license from the Permanent Secretary of the Ministry of Industry or a person assigned by the Permanent Secretary of the Ministry of Industry before starting business, including in the case of expanding factories or increasing production capacity. The license holder must obtain permission before starting the factory expansion as well. Ministerial regulations specifying the category, type, and size of the factory, B.E. 2563 has determined the category, type, and size of the factory, which depends on the type, size, and the number of horsepower and the number of workers. By definition, the word "factory" includes buildings, places, or vehicles that use machinery with a power of 50 horsepower or more or workers of 50 or more, whether they use machinery or not.

In this regard, entrepreneurs must comply with the criteria specified under ministerial regulations and other related regulations. This includes the following matters:

1. Location, environment, building characteristics and internal characteristics of the factory
2. Machinery, equipment or things used in factory operations
3. Workers who have specific knowledge and expertise according to the category, type, or size of the factory to perform any duty at the factory
4. Criteria that must be followed, production process and provision of equipment or any other tools
5. Control of the release of waste, pollution or anything that has an impact on the environment which arises from the operation of the factory
6. Providing necessary documents at the factory for the purpose of controlling or inspecting compliance with the law
7. Determining necessary information regarding the operation of the factory that the business operator The factory must notify from time to time or according to the specified period
8. Establishment of any other requirements to protect safety in operations to prevent or stop or alleviate danger or damage that may occur from factory operations, etc.

The factory operating license, once received, will continue to be effective until the operator stops operating the factory. Entrepreneurs who operate factories without a license will be punished with imprisonment not exceeding 2 years or a fine not exceeding 200,000 baht, or both. The director, manager, or person responsible for the operation of the juristic person who gives the order or act and fails to give an order or act which causes that juristic person to commit an offense must also be held liable.

In the case where the factory operator fails to comply with the order of the official without reasonable cause or perform actions which may cause harm, serious damage or distress to persons or property in or near the factory, Permanent Secretary of the Ministry of Industry or person assigned by the Permanent Secretary of the Ministry of Industry has the power to order a temporary halt to all or part

of the business and to make corrections or corrective actions. If unable to improve or do not act correctly within the specified period, the Permanent Secretary of the Ministry of Industry or a person assigned by the Permanent Secretary of the Ministry of Industry has the authority to issue an order to close a factory. This order to close the factory has the effect of revoking the license to operate the factory.

5) Building control law

The construction of various types of buildings is governed by the Building Control Act B.E. 2522 [including amendments] [“ Building Control Act ”]. The Building Control Act lays down guidelines regarding design, security, safety and environmental concerns, including other matters related to construction. It stipulates that construction, modification, or moving of buildings require a building construction, building modification, or building demolition permit from the local official, or notify the local official. Otherwise, they will be punished with imprisonment not exceeding 3 months or a fine not exceeding 60,000 baht, or both. In addition, they will also be punished with an additional fine not exceeding 10,000 baht per day throughout the time the violation continues or until the violation is corrected. The operator must comply with the criteria, methods and conditions as specified under the ministerial regulations or other relevant local ordinances.

In addition, [1] buildings for use as warehouses and [2] buildings for use in commerce, industry, education, public health, or other activities as specified in ministerial regulations, such as buildings used for conducting business of the company, which is an office building with an area of 300 square meters or more, is considered a type of building with controlled use. When the operator has finished constructing, modifying, or moving the said building, they must notify the local official in writing in order to inspect the construction, modification or movement of the said building. The local official will issue a certificate for building construction, building modification, or building movement to the company in order to be able to use that building. Therefore, using the said

building without notifying the local officials will be punished with imprisonment not exceeding 3 months or a fine not exceeding 60,000 baht, or both, and must also be punished with a fine of not more than 10,000 baht per day throughout the violation or until correct compliance is achieved.

6) Harbor Law

Navigation in Thai Waters Act B.E. 2456 [including additional amendments] [“ Navigation Act ”] stipulates that the construction of buildings or other things which trespass, enter above the water, in the water, and under the water of rivers, canals, ponds, reservoirs, lakes which are public transportation routes or which people use together or the sea within Thai waters or on the beach of such sea requires a permit to build things that encroach on the river from the harbor master. Otherwise, they will be punished with imprisonment not exceeding 3 years or a fine calculated according to the area of the building or anything else, at a rate of not less than 1,000 baht per square meter but not more than 20,000 baht per square meter, or both; and must be punished with a daily fine not exceeding 20,000 baht per square meter throughout the violation of the Harbor Master's order or until correct compliance is achieved, which is calculated according to the area of the said building or structure. The operator must comply with the conditions attached to the license throughout the entire operation.

In addition, according to the Announcement of the Revolutionary Council No. 58 and the Royal Decree specifying that sea port business is a public utility business that affects the safety or well-being of the people, B.E. 2522, with the objective of controlling and supervising the operations of large sea ports to be appropriate and beneficial to the economy and security of the country and in line with the country's maritime development policy, specifies that the operation of a sea port that has a dock providing services for parking, docking, loading or unloading goods for sea vessels with a size of 500 gross tons or more, regardless of whether service rates are charged or not, is a business

that affects the safety and well-being of the people. It requires permission from the Minister of Transport before engaging in such business. Otherwise, they will be punished with imprisonment not exceeding 1 year or a fine not exceeding 20,000 baht, or both.

However, in order to dump or drain waste water into rivers, canals, ponds, reservoirs, or lakes which are public transportation routes or that people use together or the sea within Thai waters in smooth and similar way and prevent water pollution and maintain the aquatic environment, the Maritime Act therefore stipulates that the pouring, discarding, or any way which allows stones, gravel, sand, soil, mud, ballast, any objects or waste, except oil and Chemicals into rivers, canals, ponds, reservoirs, or lakes that are public transportation routes or that people use together, or seas within Thai waters, which will cause shallowing, precipitation or dirtiness requires permission from the Harbor Master. The operator must provide a wastewater quality monitoring system to be able to solve immediate problems or emergencies in a timely manner. In the case where the operator is an industrial factory operator, the wastewater quality must be inspected and sent to the Office of Water Safety and Environment or the Regional Harbor Office branch in the area of responsibility for inspection every 3 months .

7) Transportation management law

Land Transport Act B.E. 2522 [including additional amendments] [“ Land Transport Act ”] stipulates that fixed-line transport operators Irregular transportation Transport by small vehicle or personal transportation must request permission from the registrar. including those who undertake transportation management Must also request permission from the registrar. by asking permission And permission is in accordance with the criteria and procedures specified in the Ministerial Regulations. The Land Transport Act defines transportation as the transport of people, animals, or things by land by vehicle and defines personal transportation as transportation for one's own trade

or business in a vehicle that weighs more than 2,200 kilograms. "Transportation management" is defined as being hired to collect people, animals, or things and arrange for another person who has a transportation license to transport from one place to another under the responsibility of the transport manager.

However, in the case of transportation management At present, there has been no announcement to enforce the above ministerial regulations. Therefore, entrepreneurs are still unable to apply for a license to operate a transportation management business. If there is an announcement to enforce this ministerial regulation, the company must continue to apply for a license in accordance with relevant laws.

8) Electronic Commerce Law

Commercial operators must register their business with the Department of Business Development, Ministry of Commerce in accordance with the Commercial Registration Act B.E. 2499 [including additional amendments], where a commercial operator means a person or juristic person who carries out commerce as a normal occupation and shall include partners whose liability is not limited to directors or manager, along with the announcement of the Ministry of Commerce regarding business operators being required to register for business [No. 11] B.E. 2553 , which stipulates that the trading of goods or services by means of using electronic media via the Internet network and services as a central market for trading goods or services by using electronic media via the internet network, whether it is a person, a general partnership, registered partnership, Limited partnership, or limited company according to the Civil and Commercial Code, or a public limited company according to the law on public limited companies of every area throughout the Kingdom must register for commerce. Failure to register commerce will be punishable by a fine not exceeding 2,000 baht, and in this case, which is a continuous offense, there will be an additional fine of not more than 100 baht per day until correct compliance is achieved.

9) Direct marketing business law

Direct Selling and Direct Marketing Act B.E. 2545 [including additional amendments] requires that persons or juristic persons wishing to conduct a direct marketing business must submit an application to the registrar in accordance with the rules and the methods prescribed by the Direct Sales and Direct Marketing Committee. The term "direct marketing" means marketing products or services in the form of communicating information to sell products or services directly to consumers who are far away and with the expectation that each consumer will respond to purchase products or services from the direct marketing business operator, prohibiting anyone from operating a direct marketing business unless they have registered to operate a direct marketing business. In this case, entrepreneurs who have their own website to sell products via the internet, whether it is a manufacturer, importer or distributor, is therefore necessary to register for direct marketing business as well. Therefore, products can be sold through such media. Otherwise, they will be punished with imprisonment not exceeding 1 year or a fine not exceeding 100,000 baht, or both. and will be fined no more than 10,000 baht per day for the entire time the violation continues. In the case where the offender is a juristic person, if the offense of the juristic person was caused by the order or action of the director or manager or any person responsible for the operation of that juristic person or in the case where such person has a duty to give orders or act and fails to give orders or act, which causes that juristic person to commit an offense, that person must also be punished as provided for that offense.

10) Hazardous Substance Import Laws

Hazardous Substances Act B.E. 2535 [including additional amendments] stipulates that production, import, export or possession of type 1 hazardous substances must comply with the specified criteria and procedures, including having to comply with the announcements of the relevant ministers, namely:

1. Announcement of the Ministry of Industry on the system for classifying and com-

municating the hazards of hazardous substances, B.E. 2555

2. Announcement of the Ministry of Industry regarding the designation of hazardous substance establishments to have specific personnel responsible for the safety and storage of hazardous substances for which the Department of Industrial Works is responsible, B.E. 2551
3. Announcement of the Ministry of Industry regarding the storage of hazardous substances for which the Department of Industrial Works is responsible, B.E. 2551 and
4. Announcement of the Ministry of Industry regarding notification of facts by producers, importers, exporters or those in possession of hazardous substances the Department of Industrial Works has the authority and responsibility for, B.E. 2547 [Amended by Announcement of the Ministry of Industry regarding notification of facts by producers, importers, exporters or those in possession of hazardous substances the Department of Industrial Works has the authority and responsibility for (No. 2), B.E. 2563]. Otherwise, they will be punished with imprisonment not exceeding 6 months or a fine not exceeding 50,000 baht, or both. The Hazardous Substances Committee has the authority to impose fines.

However, according to the announcement of the Ministry of Industry regarding exemption from compliance with the Hazardous Substances Act B.E. 2535, which hazardous substances according to list 5.6 which the Department of Industrial Works is responsible for, B.E. 2558, has determined that the import of hazardous substances according to list 5.6 is responsible for the Department of Industrial Works has no need to follow the specified criteria and methods, including not having to follow the announcement of the Minister as mentioned above. But if the case that the import of hazardous substances according to List 5.6 exceeds 1,000 kilograms per year, the importer of such hazardous substances has a duty to inform the facts according to

the form Wor Or./Or Kor. 20 within a period of 60 days from the date of import of hazardous substances in quantities exceeding the limit, in accordance with the announcement of the Ministry of Industry regarding notification of facts regarding production or import of hazardous substances according to list 5.6 that the Department of Industrial Works is responsible for B.E. 2558

5.2 Summary of important contract points

1) Making commercial agreements with important major customers

The Company enters into agreements with customers to buy and sell raw materials and finished products such as base oil, lubricant, and grease [" Products "] as agreed upon, etc., both in the form of Purchase Order and making a contractual agreement, which has a general period of time ranging from 1 year to 5 years, with the contract being able to be extended for an additional period of time as agreed upon. In this regard, those contracts and/or agreements stipulate important matters in terms of normal trade which includes

Party to the contract

- The Company
- customer

Compensation

Compensation is determined by calculating from raw material costs according to the formula for calculating raw material costs specified in each contract or agreement on a case-by-case basis and may be adjusted according to the price structure according to the specified formula. The raw material formula may be adjusted every month.

Important rights and duties of the contracting parties

- Products sold will be packaged and labeled as specified by the customer.
- The company will act as a supplier and be

responsible for the costs of procuring raw materials used in production and manufacture the products according to the specified formula and according to the requirements specified in the contract

- The company acts as a supplier of products manufactured according to contract to customers, which will be inspected for quality before delivery.

Other important requirements

Delivery of products that do not meet the contract or agreement or are delivered late is the responsibility of the company, including the compensation for damages resulting from actions that breach the contract by the company.

Contract renewal

- One of the parties to the contract gives notice by giving advance written notice according to the period agreed upon in the contract.
- The contract automatically renews for a specified period of time unless the contract party terminates the contract before the expiration of the contract period.

Termination of contract

Company's customers can exercise their rights to terminate the contract early by giving advance notice according to the period agreed upon in the contract on a case-by-case basis.

2) Making agreements with important major distributors

The Company has entered into an agreement with a distributor to purchase and sell raw materials such as Lube Base Oil (the "Product") as agreed, both in the form of a contract agreement or as a Purchasing Order, which the company will enter into an agreement or purchase order on an annual basis. The contract will be effective for a period of approximately 1 year. The contract and/or agreements stipulate normal trading matters including:

Party to the contract

- The Company
- distributor

Compensation

The Company will pay the distributor for the product in the currency, method and period specified in the contract or at a rate agreed in writing. The price of the product is determined according to the price structure as specified in the contract.

Important rights and duties of the contracting parties

- Distributors and the Company will jointly appoint independent inspectors to inspect the quality and quantity of the products.
- Products ordered under a contract or agreement will be transferred to the Company according to the terms of the international trade agreement (Incoterm) agreed after the quality and quantity have been checked by independent inspectors.
- Distributors will provide the Company with any safety and health information and documents related to the Products.
- The Company will deliver safety information to relevant persons as specified in the contract. In the case that the company fails to provide such information, the Company may have to compensate the distributor for any damages arising from failure to perform duties.
- The Company must inform the number of products and the time period they wish to receive the products. This includes the number of products expected to be traded in the future over a specified period of time.

Other important requirements

- Distributors and the Company may not use the trade name or trade mark of another party, unless consent is given in writing
- Apart from force majeure or omission of action by any contracting party, if the other party refuses to buy or sell the product, whether in whole or in part before the expiration of the contract, that party will be responsible for expenses to the other party in an appropriate amount.

- Distributors may make changes to the quality or specifications of the product, or stop production of such products with the methods and reasons as specified in the contract. If the Company determined that the said change has a significant impact, the Company may cancel the sale of the said product.
- Distributors are not liable for product defects if the Company does not notify the distributor of such product defects within the period specified in the contract.
- Both parties determine the minimum quantity for each product order as stipulated in the contract.
- Distributors are responsible for arranging product transport with insurance against loss liability, or damage in the product, including pollution according to the limit specified in the contract.

Termination of contract

Distributors and companies can exercise their rights to terminate the contract by notifying the other party in advance according to the method and time period specified in the contract. In the event that any party breaches the contract, the other party may exercise its right to terminate the contract immediately, or when the time specified for the cause of breach of contract has elapsed and has not been corrected within the specified time.

3. Transportation contract

The Company entered into a contract to provide fuel and petroleum product transportation services for the Company's business operations from many carriers. In practice, the Company will issue a Purchasing Order to receive such oil transportation services for some carriers and for some carriers, the company will enter into a transportation contract. The contract will be effective for a period of 1 year with important terms and conditions which can be summarized as follows:

Party to the contract

- The Company
- Carrier

Objective of the contract

To transport fuel and petroleum products to the company. The transporter will provide experienced drivers and arrange for a tank truck with a structural tank and various components that are completely connected to the tank in accordance with standards, including preparing fire extinguishers and other equipment used in fuel delivery to be ready for use at all times.

The valid duration of the contract

The contract is valid for 1 year (in practice, the company will enter into a new contract annually)

Transportation expense

Transportation expenses are calculated based on the distance from the payment point at the company's warehouse to the pickup point or from other fuel distribution points specified by the company (excluding VAT) as specified in the contract, both fixed service rates and/or variable service rates such as according to the price of fuel and/or distance, etc. The parties may agree to consider the transportation rates once a year, by reviewing the shipping rates for next year's work approximately 1 month before the end of the year.

Other important requirements

- The carrier must have a certificate of registration and carrier's license, driver's license and/or any other license required for the transport of petroleum products, prepare enough trucks as specified in the contract, as well as finding an extra truck in case the truck breaks down
- Carriers must provide training for drivers on safe driving, customer service related regulations, etc., including having the duty to provide personal protective equipment. The carrier must also insure every truck they hire throughout the contract period with the insurance company as the Company approve on an amount that is not less than the minimum amount specified by law. The carrier agrees to pay the expenses themselves and such insurance policy must cover damages as well as the property of

third parties and in the case where the carrier subcontracts, the carrier must provide subcontractors with the same insurance as the carrier.

- The carrier agrees not to subcontract any part of the transportation to others or all of the oil to be transported according to the contract without receiving written consent from the Company first

Duties and responsibilities of the carrier

In the case of lost oil during transportation

The carrier must be responsible for both the quantity and quality of the oil transported from the Company. In the shortfall from the quantity specified in the contract, the carrier or truck driver of the carrier must check the seal or various stamps as well as the level of oil packed correctly according to the oil transportation bill. They must keep the seal or stamps at various points until the oil is delivered to the recipient. The carrier will be released from responsibility only after the fuel has been properly delivered to the recipient.

In the case of oil deterioration and/or adulterated during transportation

The carrier is responsible for damages caused by adulteration or deterioration of the quality of the oil during transportation, unless it is proven that it is not the fault of the carrier and/or its employees.

In the case of late delivery and/or delivery to the wrong location

In the event that the carrier delivers the product late or does not deliver it to the destination point specified by the Company and causes damage to the Company, the carrier must compensate the Company for loss and/or damage according to the actual damage and from the Company's estimation of damages. The Company will be the final judge and notify the complaint in writing to the carrier and it shall be considered that the Company's decision above is final. In this regard, damage and/or damages includes but not limited to lost opportunities to sell products, but also damages from lawsuits from the company's customers who also

loses the opportunity to produce products. In the event of an oil spill at the receiving point, the carrier must immediately notify the Company and arrange for someone to clean up immediately. And in the case that the Company is the one who cleans, the carrier is responsible for all expenses incurred.

Arrangement of backup drivers

The carrier must prepare enough drivers to transport the goods at all times according to the number of vehicles specified in the contract (Fleet), including spare and spot vehicles, in order to be prepared in the event of problems with regular driver employee sudden leaves or absences. In the event that the carrier is unable to procure a replacement in time, causing an impact on delivery, the carrier must pay a fine to the Company, with the amount specified in the contract. However, if the Company suffers damages in an amount greater than the said fine, the carrier will be responsible for the additional damages as well.

Fines from customer complaints

In the case of complaints from customers, the carrier agrees to allow the company to adjust the money by deducting from the transportation cost the amount specified in the contract per complaint. Complaints mean customer complaints filed through the assessment sheet of the Quality Assurance Department that the carrier can be proved to cause impact on customers or affect the Company's operations. This does not include the actual damages incurred that the Company will charge the carrier by deducting the shipping cost each month.

Oil embezzlement corruption

In cases where it is found that there is corruption, embezzlement, oil theft, or oil adulteration during transportation, or the condition of the transport vehicle is altered for corruption, embezzlement, or fuel theft, the carrier must pay a fine to the company as specified in the contract. In addition, the carrier must compensate and suspend the carrier's drivers. And in cases where corruption frequently occurs,

the Company has the right to terminate the contract immediately and the carrier must compensate for damages as specified in the contract. If the damage is greater than the loss of the fuel, the carrier will be responsible for all damages.

Termination of contract

- If the carrier breaches any of the conditions of the contract, or a combination of these, the Company has the right to terminate the contract immediately without prior notice. and have the right to immediately claim damages from the carrier
- Either party will notify the other party in writing at least 3 months before the end of the contract.

4) Land rental contract

In 2003 , the Company built the fifth pier on the company's land for supporting ships with a size of more than 500 gross tons, with the objective of supporting the growth in the use of additional lubricant products. In this regard, for transporting base oil from the Company's port, it will be transported through a pipeline to enter the Company's oil depot. However, the area that extends from the said jetty area is the land of Wat Lang Saan Prasit. The Company has therefore entered into an agreement to rent space for use in laying the pipeline, sending oil to transport oil between the company's ports and the Company's oil depot. The Company has entered into an agreement to lease land from Wat Lang Saan Prasit to be used for laying an oil pipeline, which has important terms and conditions as follows:

Party to the contract

- The Company [“ Lessee ”] and
- Wat Lang Saan Prasit [“ Lessor ”]

Nature of contract

Rent space for use in the land, such as making a dock to deliver goods, laying pipelines or running oil pipes through the lessor's land to the lessee's land and/or making any other use in maintaining religious places for the public

benefit.

Contract period and contract renewal

The rental period is set for 3 years from 1 August 2022 to 31 July 2025 and the lessee can express their wish to renew the space rental contract from the lessor, and may renew the lease contract under the commitment to renew the lease contract for another 2 times, for 3 years each, at the same rental rate, with an advance of 3 years' rent to pay to the lessor at the end of the first 3 years ' rental period.

Rental rate

At the rate specified in the rental agreement

Termination of contract

Either party may terminate the contract before its expiration by notifying the other party in writing at least 90 days in advance.

However, this operation is in accordance with the law, as the Company has entered into a rental contract for the area of Wat Lang Saan Prasit, which has a rental period of 3 years. Therefore, there is no need to seek approval from the National Office of Buddhism and request approval from the Sangha Supreme Council, according to the Ministerial Regulations on the Maintenance and Management of Temple's Religious Property, B.E. 2564, Article 5 , paragraph two, which was issued by virtue of the Sangha Act B.E. 2505 [including additional amendments], Section 6 , first paragraph, together with Section 40 , third paragraph. However, in the case of a rental contract with a rental period of more than 3 years, the lessor will only have the duty to request approval from agencies as specified above. There is no duty to register the lease agreement with the relevant agencies in any way, including under the lease agreement for the said area. There is an agreement for the Company to express desire to continue renewing the space rental contract from the lessor. Throughout the years, the Company has always had a good relationship with the lessor in considering requests to renew the rental contract. For the renewal of the lease contract, the Company can express its intention to renew the lease contract under the lessor's promise to rent as

specified in the lease contract by bringing 3 years' rent in advance to pay to the lessor at the end of the first 3 years' rental period, so that the company can rent the space according to the lease contract for another 3 years, with the lessor having no rights to refuse to renew the lease according to the lessee's wishes.

5) Important financial contracts

The Company has entered into syndicate loan agreements with 2 financial institutions in Thailand, which can be summarized as follows:

party to the contract

- Two Thai financial institutions [the “ Lenders ”]
- The Company [the “ Borrower ”]

Type of loan limit

Syndicated Loan

Date of entering into contract

26 August 2022

Loan limit

(1) Not more than 1,200 million baht
and (2) Not more than 2,200 million baht
The total limit does not exceed 3,400 million baht.

Objective of the loan

To purchase shares in U.C. Marketing, which is a subsidiary of the company and for dividend payment of the company

Outstanding loan balance as of December 31, 2023

(1) Payment has been made in full
and (2) the amount of 1, 579.5 million baht

interest rate

At the rate specified by the financial institution

Loan repayment methods

- A limit of 1,200 million baht Paid when receiving additional capital from the initial public offering of common shares [IPO]. If repayment is not made by June 30, 2023, the lender stipulates that the loan will be repaid gradually on the last day of each month according to the calendar year, totaling 48 installments. The first installment

payment will begin on July 31, 2023, which the Company has already repaid on August 28, 2023.

- A limit of 2,200 million baht Payment is made on the last day of each month according to the calendar year, totaling 60 installments.

Important terms

- Maintain the debt-to-equity ratio [D/E] not more than 3.0 times as of 30 June 2023, not more than 2.5 times as of 31 December 2023, and not more than 2.0 times as of 31 December of every year, starting from 31 December 2024 until the end of Contract period
- Maintain debt service coverage ratio [DSCR] at not less than 1.2 times.
- One group of shareholders [Krongphanich Family] must maintain a shareholding percentage in the company totaling not less than 45 percent, which this group of shareholders is the owner of and is the true beneficiary of such shares directly and indirectly, except in the case where the Company increases registered capital by listing shares on the stock exchange, they must maintain a proportion of shareholding in the company, whether directly or indirectly, not less than 30 percent.
- One group of shareholders [Mr. Sint Krongphanich and Mr. Pavares Boontanonda] must maintain direct shareholding in the subsidiary, 1 share each.
- Certain executives [Mr. Sint Krongphanich and Mr. Sakesan Krongphanich] must hold executive positions of the Company throughout the duration of the contract

Guarantee

- Pawning shares of subsidiary companies which is held by the company: The Company has already released the pledge of the said shares after repaying debt of 1,200.0 million baht
- Mortgage of land and some buildings which is the property of the company

6) Making agreements as distributor with important major business partners

U.C. Marketing has entered into an agreement with the product owner to be a distributor in finding customers on behalf of the product owner in order to promote the product owner's products and services in Thailand. By entering into agreements, it is made in the form of short-term and long-term contracts. The contracts and/or agreements stipulate important matters on normal trading which include:

Party to the contract

- U.C. Marketing as a distributor
- Product owner

Term of contract

The contract is effective for a period of approximately 1 – 10 years.

Compensation

U.C. Marketing will pay for the product and services under this contract to the product owner according to the currency, method and period specified in the contract or at the rate agreed upon in writing. U.C. Marketing receives a Commission Rebate at the rate of 8.0 percent of the product purchase price from the product owner [except for raw material of 1 additive product, which the Company will receive a Commission Rebate at the rate of 6.0 percent of the product purchase price from the product owner, as specified in the contract]

Important rights and duties of the contracting parties

- U.C. Marketing must provide the Product Owner with periodic written reports on the plans and status of the business opportunity.
- The Product Owner is responsible for providing products, parts, and services to U.C. Marketing according to the details specified under the contract which may be amended or changed as agreed in writing.
- The Product Owner shall bear all transportation-related costs of transporting the product to the designated port of destination

and U.C. Marketing will be responsible for the expenses, including all shipping costs involved after the product reaches the designated port of destination.

- The product owner has the right to appoint other distributors, but must notify U.C. Marketing first before entering into a contract to appoint a distributor.
- U.C. Marketing and its affiliates will not enter into any contract or agreement to represent any person or entity that is a competitor of the Product Owner.

Other important requirements

U.C. Marketing agrees to indemnify the product owner and its affiliates from damages or any liability arising under the contract, unless it is damage caused by the intentional actions of the product owner.

Termination of contract

U.C. Marketing and the product owner can exercise their rights to terminate the contract by notifying the other party in advance according to the method and time period specified in the contract. In the event that any party breaches the contract, the other party may exercise its right to terminate the contract, or when the time specified for the cause of breach of contract has elapsed and has not been corrected within the specified time.

7) Memorandum of Agreement between the Krongphanich Family and the Company

Party to the contract

- Mr. Sint Krongphanich, Mr. Sakesan Krongphanich, Mr. Nattapon Krongphanich, Miss Alisa Krongphanich and Mrs. Uriluck Krongphanich [collectively referred to as the "Promisor"].
- The Company ["Company" or "Promisee"]

Date of entering into contract

March 2023

Promisor's Agreement

- Mr. Sint Krongphanich agrees that throughout the period that the Syndicate Loan

Agreement with two financial institutions in Thailand [the " Lenders"] [the " Syndicate Loan Agreement "] is in effect.

- Mr. Sint Krongphanich will be one of the directors authorized to sign to bind the company.
- Mr. Sint Krongphanich will maintain direct shareholding in U.C. Marketing of 1 share
- Mr. Sint Krongphanich will ensure Mr. Pavar-es Boontanonda maintains a direct shareholding in U.C. Marketing of 1 share
- The promisor agrees that from the first day of the company's securities trading in the stock exchange until the date this agreement ends, the promisor will maintain a proportion of shareholding in the company, whether directly or indirectly, together not less than 30 percent of the Company's issued and sold shares.
- Mr. Sint Krongphanich and Mr. Sakesan Krongphanich agreed that throughout the period that the Syndicate Loan Agreement is in effect, Mr. Sint Krongphanich and Mr. Sakesan Krongphanich will hold the position of executives of the Company,
- except in the case where the company has written consent and/or waiver of claims from the lender, according to the method specified in the Syndicate Loan Agreement, the Company can exempt from performing its duties according to the Syndicate Loan Agreement .

Validity of the agreement

- This Agreement is valid when both parties sign this Agreement.
- This agreement will terminate when the terms of the Syndicate Loan Agreement are no longer effective.

Amending the Agreement

This agreement may not be amended or substantially changed, unless agreed in writing between the parties. The amendments, additions, or changes must be approved by the shareholder meeting of the contractor with a vote of not less than three-quarters of the total number of votes of shareholders attending the meeting and having the right to vote without counting the votes of shareholders who

have interests

Joint debtor liability agreement

Each promisor agrees to be liable to the promisee under this agreement as a co-debtor.

Compensation for damages in the event of breach of contract

The promisor agrees that if the promisor breaches the terms of this agreement and is unable to correct the breach of agreement within a period not exceeding 30 days from the date that the promisor receives notification from the promisee. The promisor agrees to pay damages and/or loss of benefits to the promisee due to the promisor's breach of the terms of this agreement.

5.2 The legal dispute

As of December 31, 2023, the Company has no lawsuits, arbitration cases or any other legal proceedings that are significant and directly related to the Company which is believed to have a serious negative impact on the Company's assets, with an amount higher than 5 percent of shareholders' equity or affect financial status, performance, or business operations of the company significantly and future operating trends of the company

5.3 Frequently contacted financial institutions

Thiam Commercial Bank Public Company Limited

9 Ratchadapisek Road, Jatujak, Bangkok 10900

- Telephone : +66(0) 2544 0000
- Fax : +66(0) 2937 7931
- Website : www.scb.co.th

Bank of Ayudhya Public Company Limited.

1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120

- Telephone : +66(0) 2296 0000
- Fax : +66(0) 2683 1298
- Website : www.krungsri.co.th

The Kasikornbank Public Company Limited

400/22 Phahon Yothin Road, Sam Sen Nai, Phaya Thai , Bangkok 10400

- Telephone : +66(0) 2222 0000
- Fax : +66(0) 2470 1144
- Website : www.kasikornbank.co.th

Krungthai Bank Company Limited

35 Sukhumvit Road, Klong Toey Nua, Wattana, Bangkok 10110

- Telephone : +66(0) 2111 1111
- Fax : +66(0) 2255 9391-3
- Website : www.ktb.co.th

Citibank, N.A.

399 Sukhumvit Road, Interchange 21 Building [Asoke Intersection] Klongtoey Nua, Wattana, Bangkok 10110

- Telephone : +66(0) 2232 2484
- Website : www.citibank.co.th

United Overseas Bank (Thai) Public Company Limited

UOB Plaza Bangkok 690 Sukhumvit Road, Khlong Tan, Khlong Toei, Bangkok 10110

- Telephone : +66(0) 2343 3000
 - Fax : +66(0) 2287 2973-4
 - Website : www.uob.co.th
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Corporate Governance

- Corporate Governance Policy
- Corporate Governance Structure and Important Information about the Board, Sub-Committees, Executives, Employees, and Others
 - Corporate Governance Key Performance Report
 - Internal Control and Related Party Transactions

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policies and Guidelines

Since past operations, Board of Directors of the Company and its subsidiaries have complied with the laws, regulations, objectives, and resolutions of the shareholders' meetings of the Group, as well as adhering to and following Corporate Governance Code for Listed Companies 2017 in accordance with the guidelines set by the Securities and Exchange Commission Office (SEC) as guidelines for the Company's operations, to achieve efficiency and create transparency for investors, which will create confidence in the business operations of the Group to outsiders. The policy regarding good corporate governance of the Group covers 5 sections as follows:

- Section 1: Rights of Shareholders
- Section 2: Equitable Treatment of Shareholders
- Section 3: The Role of Interested Persons
- Section 4: Disclosure and Transparency
- Section 5: Responsibilities of the Board of Directors

The Board of Directors places importance on following the good corporate governance code, covers 8 principles of corporate governance as follows:

- Principle 1: Establish Clear Leadership Role and Responsibilities of the Board
- Principle 2: Define Objectives that Promote Sustainable Value Creation
- Principle 3: Strengthen Board Effectiveness
- Principle 4: Ensure Effective CEO and People Management
- Principle 5: Nurture Innovation and Responsible Business
- Principle 6: Strengthen Effective Risk Management and Internal Control
- Principle 7: Ensure Disclosure and Financial Integrity
- Principle 8: Ensure Engagement and Communication with Shareholders

(Please consider the corporate governance policy as attached to Attachment 5 " Policy and Practice of Corporate Governance and Code of Conduct")



6.1.1 Policies and guidelines related to the Board of Directors

The Company has policies and guidelines regarding the Board of Directors, which covers the nomination and remuneration for directors and executives, independence of the board of directors from the management, director development and the performance evaluation of directors, as well as governance of subsidiaries and associated companies.

6.1.1.1 Nomination and Remuneration of the Board of Directors and Sub-committees

The Board of Directors is responsible for ensuring that the nomination and selection of directors is transparency and clear process, in order to have a committee with qualifications specified, according to the following guidelines

1. The Board of Directors has appointed a Nomination and Remuneration Committee to carry out the duty of nominating qualified persons to serve as directors and sub-committee, as well as consider and determine policies framework and the remuneration model for directors and sub-committee, to propose the Board of Directors and/or propose to the shareholder meeting for further consideration and approval.
2. The Nomination and Remuneration Committee consists of at least three members, mostly independent directors. The Nomination and Remuneration Committee shall elect one member of the Committee, who is independent directors to hold the position of Chairman of the Nomination and Remuneration Committee.
3. The Nomination and Remuneration Committee will Nominate and propose person who have all the qualifications as specified in the Board of Directors Charter to hold the position of company director. The names of such persons will be propose to the Board of Directors for further propose to the shareholders' meeting for consideration and approval. The Company's directors are required to hold office for a term of 3 years. Independent directors shall have a continuous term of office not exceeding 9 years, unless the Board of Directors deems that

person suitable to serve as an independent director of the Company further for the highest benefit of the Company.

4. The shareholders' meeting will elect the Company directors, but in the case of selecting a director to fill a vacant position for any reason other than the expiration of the term, the Board of Directors shall select a person who has all qualifications as specified in the Board of Directors Charter to take up office as a director, unless the remaining term of the director is less than 2 months. The person who is appointed as a replacement director may hold office for only the remaining term of the retired director. However, the Board of Directors' resolution must consist of votes not less than three-fourths of the remaining directors.
5. The Board of Directors considers the remuneration for the Company's directors and sub-committees as proposed by The Nomination and Remuneration Committee in order to propose to shareholders' meeting for consideration and approval.

The nomination process for Company directors and sub-committees shall be fair, equal and transparent. Educational history, work experience, expertise, and other qualifications required for the position shall be clearly specified, to obtain person with skills, knowledge, experience and appropriateness for the nominated positions that will be beneficial to corporate governance.

6.1.1.2 Nomination and Remuneration for the Company's Executives

The Board of Directors will ensure that the nomination of the Chief Executive Officer, shall possess the knowledge, skills, experience, and characteristics necessary to drive the organization toward its goals. Moreover, the Chief Executive Officer will nominate person in positions lower than the Chief Executive Officer according to the following guidelines

1. The Board of Directors has appointed a Nomination and Remuneration Committee

to carry out the duty of nominating qualified person to serve as Chief Executive Officer, as well as consider and determine policies framework and the remuneration model for Chief Executive Officer, to propose to the Board of Directors and/or propose to the shareholders' meeting for further consideration and approval.

2. The Board of Directors grants the Chief Executive Officer the authority to nominate and select people in positions lower than the Chief Executive Officer, as well as consider and approve the criteria for salaries, bonuses and any other benefits, both monetary and non-monetary, for those positions lower than the Chief Executive Officer by operating within the framework set by the Executive Committee.
3. The process for nominating executives must be fair, equal and transparent. Educational history, work experience, expertise, and other qualifications required for the position must be clearly specified, to obtain person with skills, knowledge, experience and appropriateness for the recruited positions that will be beneficial to corporate governance.
4. When a position in the Executive Committee, Chief Executive Officers or an executive is vacant, or when the person holding the position is unable to perform his or her duties, the person holding a comparable position or a subordinate position as previously assigned by the Board of Directors or the Chief Executive Officer shall be acting as the deputy until there is nomination and selection of qualified person according to the framework and regulations set by the Board of Directors.
5. The Board of Directors has designated the Group to have a succession plan. The Chief Executive Officer must report the performance of the development and succession plan for the Chief Executive Officer and executives to The Nomination and Remuneration Committee for acknowledgment and have The Nomination and Remuneration Committee propose the report to the Board of Directors for acknowledgment, at least once a year.

6.1.1.3 Development of Directors, Executives and Employees

The Board of Directors of the Company and its Subsidiaries have a policy to promote and facilitate training and knowledge of those involved in the corporate governance system of the Group, such as directors, audit and corporate governance committee members, executives, company secretary, and employees, etc., in order to continuously improve operations. Training and education may be done within the Group, or outside institutions.

In the case that the Company and/or its subsidiary has changed directors or appoint new directors, the Company's department and/or the subsidiaries will provide documents and information that are beneficial to the operations of new directors, as well as providing an orientation to the nature of the business and practices of the Group to new directors.

The Board of Directors will arrange for the rotation of assigned work according to the aptitude of executives and employees by mainly considering the appropriateness of the work and period. The Chief Executive Officer will determine the time period and consider the performance to be a plan for the development and succession of the Company's work; to develop executives and employees to have more knowledge and ability to work, and be able to work as substitutes of each other.

6.1.1.4 The Performance Evaluation of the Board of Directors and Sub-Committees

The Board of Directors has an important role in governance the Company's management, including following up on the operations of the Company's sub-committees according to the following guidelines:

1. The Board of Directors should arrange the performance evaluation of the Board of Directors, Sub-committees, and individual directors at least once a year. The results of the evaluation will be used for improving performance of duties.
2. The performance evaluation should assess

both as a group and individually. At the least, it must have a self-evaluation method.

3. The results of the evaluation of the Board of Directors should be used to consider the appropriateness of the composition of the Board of Directors.

6.1.1.5 Governance of Subsidiaries and Associated Companies

The Company has a policy of investment and management in subsidiaries and associated companies, by investing in businesses that have the potential to grow and are consistent with goals and strategic plans for business expansion or in a business that benefits the Company (Synergy), as well as creating good returns from investment in order to strengthen the stability and operating results of the Company. The Company will consider the proportion of investment, expected profit, potential risks, and financial status of the Company before deciding to invest in various projects in order to screen the investments to be consistent with the Company's goals and strategic plan, rules, regulations, and requirements of the regulator. Such investment must be approved by the Company's Board of Directors and/or shareholders' meeting, as specified by the Delegation of Authority Guidelines.

The Company may consider investing in other businesses that are not the Company's current core business. The investment must be consistent with the business conditions, policies, goals, direction of business growth, and strategic plans of the Company, and must comply with the regulations related to maintaining the status of a listed company on the Stock Exchange of Thailand (SET)

In order to preserve the interests of the Company's investments. Therefore, the Company has established a mechanism for supervising subsidiaries and/or associated companies, with the following details: In supervising subsidiaries and associated companies in order to protect the interests of the Company, the Company will supervise the following matters:

1. The Company will send representatives to act as directors in such subsidiaries and/or associated companies at least in proportion to the Company's shareholding, except in the case where the Company's Board of Directors has considered and deemed appropriate otherwise, which is in the best interest of the Company. The Company will send its representative, who have qualifications and experience that are suitable for the business that the Company has invested in, to become a director in subsidiaries and/or associated companies of the Company. Such representative must be a person who has no conflict of interest with the business of those subsidiaries and/or associated companies that have been approved by the Board of Directors.
2. The Company will take necessary action and follow up to ensure that subsidiaries and/or associated companies, including persons appointed by the Company, make the subsidiaries disclose information regarding their operating results and financial status, so the Company can use it to prepare consolidated financial statements correctly and in a timely manner, supervise the storage of information and accounting records of subsidiaries and/or associated companies for the Company to inspect, as well as having a system for disclosing information and an internal control system that is adequate and appropriate for business operations.
3. The Company shall monitor and maintain the internal control system, risk management system, and anti-corruption system, including determining measures to follow up on the performance of subsidiaries from reporting on the performance of company representatives, who is a director in the subsidiary company, to ensure that the system is effective.
4. The Company determines duties and authorities for the persons appointed by the Company must ensure that the subsidiaries have been supervised regarding related transactions, acquisition or disposition of assets or making any other important transactions of the said company com-



pletely and correctly and use the criteria related to the disclosure of information regarding the above transactions in the same manner as the Company's criteria. The Company shall supervise related transactions, acquisition or disposition of assets or any other important transactions of the subsidiaries are in accordance with the relevant regulations. This includes but is not limited to the Notification of the Capital Market Supervisory Board and Notification of Stock Exchange of Thailand Board and also provide information to the Company for approving transactions or any action of the subsidiary company that is considered or is an acquisition or disposal of assets or related transactions. According to the announcements, regulations or related criteria above, the Company has a duty to request approval from the Company's Board of Directors and/or request approv-

al from the shareholders' meeting and/or request approval from relevant regulators according to law before entering into the transaction. Subsidiaries may enter into transactions or carry out such operations only after receiving approval from the Company's Board of Directors and/or the shareholders' meeting (as the case may be) and/or relevant regulators.

5. The Company will disclose information as appropriate. If the Company has an agreement between the Company and other shareholders in the management of subsidiaries and/or associated companies that are significant to the operations of the Group and agreement has a significant effect on the administration, or have control or the distribution of returns other than returns according to the Company's normal shareholding proportion.
6. The Company follows up and supervises

directors of subsidiaries and/or associated companies which are representatives of the Company to operate in accordance with the scope, duties and responsibilities of company representatives, to be in accordance with laws, regulations, policies and Delegation of Authority Guidelines, which including delegation of authority, and preventing the use of the Company's inside information for personal benefit or for securities trading, etc.

7. Any transactions or operations that is significant or have an effect on the financial position and operating results of the subsidiaries and/or associated companies, if it were a transaction or operation by the Company, such as providing loans, guarantees, entering into any legal acts that create financial obligations, delegation of authority, investment in businesses that are not normal operations or investment in new businesses that have never been operated before, establishment of a company or juristic person joint ventures, mergers and acquisitions, business dissolutions, etc., including capital increases, and allocation of shares, including the reduction of registered capital, and paid-up capital of subsidiaries, it must be in accordance with the laws, regulations, policies and Delegation of Authority Guidelines. Moreover, the Company's Board of Directors arranges the Board of Directors meetings and/or a shareholder meeting (as the case may be) to consider and approve the matter before the subsidiary and/or associated company holds a board meeting and/or shareholder meeting of the subsidiary and/or associated company (as the case may be) to consider and approve the transaction, or take action in that matter in addition to the above matters. If in entering into transactions or certain events of subsidiaries and/or associates that cause the Company has a duty to disclose information to the Stock Exchange of Thailand (SET) according to the criteria specified in the relevant announcement of the Stock Exchange of Thailand Board, directors representing the Company in such subsidiaries and/or

joint companies have a duty to notify the Company's management as soon as possible that a subsidiary and/or associated company plans to enter into the transaction or such event occurs, for executives to consider and give their opinions and submit them to the Executive Committee or the Board of Directors (as the case may be) for consideration and approval.

6.1.2 Policies and guidelines regarding shareholders and stakeholders

The Company has policies and guidelines regarding shareholders and stakeholders, which covers caretaking of shareholders, promotion of the exercise of rights of shareholders, equitable treatment of shareholders, prevention of use of inside information, prevention of conflicts of interest, responsibility to stakeholders, compensation in the event of rights violations, anti-corruption, and measures to take against those whose actions do not comply with the policies and guidelines, as follows:

6.1.2.1 Promotion of the Exercise of Rights of Shareholders

The Group is aware of and gives importance to basic rights of shareholders, both as securities investors and owners of the Company, such as the rights to buy, sell, and transfer the securities they hold, the rights to receive a share of profits from the Company, the rights to receive adequate information, the rights to attend meetings to exercise voting rights at the shareholders' meetings to appoint or remove directors, appoint an auditor, approval of important transactions which affect the direction of the Group's business operations, and other matters affecting the Group, such as dividend allocation, determining or amending the memorandum and articles of association of the Company, capital reduction or capital increase, and approval of special items, etc.

The Group has a mission to promote and facilitate the exercise of shareholders' rights as follows:

1. Support and encourage all shareholders to

- receive basic rights which include
- rights to buy, sell and transfer shares and rights to profit sharing
 - rights to receive timely and adequate information in a form appropriate to decisions affecting the Company and themselves
 - Rights to attend and vote at shareholder meetings to decide on important changes of the Company as required by law or policy, by facilitating and encouraging shareholders, as well as investors attending shareholder meetings
 - Other rights that shareholders should receive according to law
2. For shareholder meetings, the Company uses the Record Date criteria to give shareholders more time to consider meeting invitation documents and other information before the meeting.
 3. Provide information on the date, time, place, and meeting agenda, explanations and reasons for each agenda item or resolution requested as specified in the shareholders' meeting invitation letter or in documents attached to the meeting agenda, as well as the opinions of the Board of Directors on each meeting agenda for shareholders, along with attaching the annual report including all relevant information, and refraining from any actions that limit shareholders' opportunities to study the Company's information. The information must be sent to shareholders and the registrar not less than 14 days before the meeting and advertising the meeting notice in newspapers for 3 consecutive days, including publishing such information in advance on the Company's website at least 30 days before the meeting, unless there is any other necessary or appropriate reason. In this case, the Company will continue to follow the rules and conditions of the law or related announcements and do our utmost to provide shareholders with information in advance of the meeting date as soon as possible.
 4. Facilitate every group of shareholders to exercise their rights to attend meetings and vote appropriately and fully, and refrain from any actions that limit shareholders' opportunities to attend meetings, such as using locations that are convenient for travelling, with a map showing the location of the shareholder meeting attached to the meeting invitation letter, as well as choosing the appropriate day and time and allocating adequate time for meetings. Moreover, attending the meeting to vote should not be complicated or too expensive.
 5. Before the shareholder meeting date, the Company will provide opportunities for shareholders to submit comments, suggestions, or questions in advance of the meeting date, by clearly specifying the criteria for submitting questions in advance and informing shareholders, along with the delivery of the shareholder meeting invitation letter and the Company will publish the said criteria via the Company's website.
 6. Encourage shareholders to use a letter of authorization that allows shareholders to determine the direction of their voting. As for authorization of the Company, the Company will nominate at least 1 independent director as an alternative to the shareholder's authorization, as well as providing a letter of authorization, which has a detailed explanation of the documents and evidence required to authorize. The Company will send the letter of authorization to shareholders along with the invitation to the shareholder meeting.
 7. Before the meeting, the Company will provide an explanation of voting methods and vote counting to cast votes on each agenda, as well as requesting shareholder representatives as witnesses of the vote counting.
 8. In the shareholder meeting of the Company Group, the chairman of the meeting will allocate appropriate time and will give shareholders an opportunity to express their opinions, suggestions or ask questions on various related agenda items before voting on any agenda.
 9. Encourage directors and executives to participate in shareholder meetings to answer shareholders' questions.
 10. Arrange voting at the shareholder meet-

ing for each item in cases where there are multiple items on the agenda, such as the agenda for appointing directors, etc.

11. The Company will support the use of ballots in voting on various agendas for transparency and accountability in counting voting results.
12. The Company will arrange an independent person to assist in counting votes for each agenda and disclose them to the meeting, as well as recording them in the meeting minutes for transparency.
13. The Group promotes the use of technology in shareholder meetings as appropriate, both registration of shareholders, vote counting, and displaying results, so that meeting operations can be done quickly, correctly and accurately.
14. After the shareholder meeting, the Company will prepare a minutes of the meeting that records information accurately and completely in all essential matters, including recording important questions, comments, and suggestions in the minutes, so that shareholders can check them. In addition, the Company will published the voting results for each agenda, including meeting minutes, on the Company's website and channels of the Stock Exchange of Thailand for to be considered by shareholders
15. The Company will send a copy of the minutes of shareholder meeting to the Stock Exchange of Thailand (SET) within 14 days from the meeting date.

6.1.2.2 The Equitable Treatment of Shareholders

The Company Group has determined the equal treatment of all shareholders, whether it is a major shareholder or a minor shareholder, executive shareholders or non-executive shareholders, Thai shareholders or foreign shareholders. The guidelines are as follows:

1. Shareholders have the right to vote according to the number of shares they have and there is equality in access to information about the Company
2. Send invitation letter to shareholder meeting, which has an agenda and opinions of

the committee to the Stock Exchange of Thailand (SET), and publish it through the Company's website in advance not later than required by law. On the Book Closing Date, the Company will prepare a shareholder meeting invitation letter in English if it is found that there are foreign shareholders.

3. Establish criteria and procedures for all shareholders to nominate person to serve as directors. Nominations can be made through the Chairman of the Board of Directors in advance of the shareholders' meeting date, with information for consideration regarding the qualifications and consent of the nominee.
4. Set criteria for all shareholders to clearly propose additional agenda items in advance of the shareholder meeting date, to demonstrate fairness and transparency in considering whether to add an agenda that all shareholders propose or not.
5. Executive shareholders should not unnecessarily add items to the agenda that have not been informed in advance, especially important agendas that require shareholders to take time to study information before making a decision.
6. In conducting each shareholders' meeting, the Company will provide equal opportunities to all shareholders. Before starting the meeting, the chairman of the meeting will explain to shareholders the rules used in the meeting, how to exercise voting rights, voting rights according to each type of stock, and how to count the votes of shareholders who must vote on each agenda
7. In the agenda for the election of directors, the Company Group will support the election of individual directors.
8. The Group requires directors to report their interests in any meeting agenda at least before considering the relevant agenda in the Board of Directors' meeting and record such interests in the Board of Directors' meeting minutes, as well as prohibiting directors who have significant interests in such a way that they will not be able to express their opinions freely on the relevant agenda from participating in the meeting

on that agenda.

9. The Group has established written guidelines for preserving and preventing the use of inside information of the Company and communicate these guidelines to everyone in the Company to adhere to.
10. The Group determines that all directors and executives who are responsible for reporting their securities holdings according to law must submit such reports to the Company Secretary on a regular basis and disclose them in the Company's annual report.

6.1.2.3 Responsibility to Stakeholders

The Company Group places importance on the rights of all groups of stakeholders, whether they are internal stakeholders such as shareholders and employees of the Company, group or external stakeholders such as business partners and customers, etc. The Group realizes that support and opinions from all groups of stakeholders will be beneficial to the operations and business development of the Group. Therefore, the Group will comply with relevant laws and regulations, as well as setting a policy to treat each group of stakeholders by taking into account the rights of such stakeholders according to the law or according to the agreement with the Group and do not do anything that violates the rights of those stakeholders.

In conducting business of the Company, the Group takes into account the rights of all stakeholders, as well as setting guidelines for treatment of all stakeholders in the company code of conduct.

Moreover, stakeholders can inquire details, give complaint or clues to legal wrongdoing, inaccuracies in financial reports, defective internal control system or violation of the company code of conduct through independent directors or the audit and corporate governance committee. Information on complaints and clues reported to the Company will be kept secret. The independent directors or audit and corporate governance committee will order an investigation of the information and find solutions (if any) and report to the Board of Directors.

6.1.2.4 Disclosure and transparency

The Group places importance on disclosing important information related to the Group, both financial and non-financial information, accurately, completely, timely, and transparently, in accordance with the requirements of the Securities and Exchange commission (SEC) and the Stock of Exchange of Thailand (SET), as well as other information that may affect the price of the Company's securities. All of which affect the decision-making process of investors and stakeholders of the Company, as follows:

1. There is a mechanism to ensure that the information disclosed to investors is correct, not misleading, and sufficient for investors' decision making
2. Establish an investor relations section to communicate with investors or shareholders. The Company will publish company information, financial and general information of the Company to shareholders, securities analysts, creditworthiness rating companies, and relevant agencies through various channels, namely reporting to the Securities and Exchange commission Office, the Stock of Exchange of Thailand, etc. and the Company's website. The Company also places importance on regularly disclosing information in Thai. However, if there are foreign shareholders, information will be disclosed in English as well, so that shareholders receive news regularly through the Company's website. The information on the Company's website will be updated regularly. This information includes vision, mission, financial statements, press releases, annual report, company structure, Board of Directors, Sub-committees, executives, as well as the shareholding structure and major shareholders, meeting invitation letter, etc.
3. The Company will not disclose information that has not yet been disclosed to the public to unauthorized employees, groups of individuals, or any other persons. (including investors, media and analysts) until that information has been disclosed to the public. In the case of business

necessity or to comply with relevant laws, regulations, rules, or requirements, which the Company must disclose information to relevant people, auditors, government agencies, financial advisors, banks, legal advisors or other consultants, the Company will take steps to ensure that such persons take precautions to maintain confidentiality. If any information that should not be disclosed is published, the Company will immediately disclose such information to the public. The Company will comply with the rules of the Stock of Exchange of Thailand [SET] about disclosure and other related regulations. Or, if necessary, the Company will inform the Stock of Exchange of Thailand to request a temporary suspension of securities trading

4. Disclose the Company's financial statements which has been audited by an auditor who is independent, has knowledge, expertise and has all the qualifications required by law. The Company will publish financial statements according to the specified criteria and through the channels of the the Stock of Exchange of Thailand [SET], for the benefit of shareholders and investors. In addition, the Board of Directors has appointed the Audit and Corporate Governance Committee to review the reliability and accuracy of financial reports to ensure that the Company's financial statements are reliable
5. Support the preparation of Management Discussion and Analysis to accompany the disclosure of financial statements every quarter so that investors can receive information and better understand changes that have occurred in the financial position and operating results of the Company in each quarter, in addition to the numerical information in the financial statements alone
6. Reveal information about the roles and duties of the Board of Directors and the Company's sub-committees, number of meetings and attendance in the past year, and opinions from performing duties, including continuous training and development of professional knowledge in the annual report.

7. Reveal the compensation policy for directors and executives, including the form or nature of remuneration. The amount of remuneration disclosed should include the remuneration that each director receives from being a director of the subsidiary company. The disclosure of such information must be in accordance with the criteria announced in the relevant announcements.
8. Disclose audit fees and other fees of service provided by auditors, In addition to publishing information in the annual registration statement / annual report (Form 56-1 One Report) according to the specified criteria and through the channels of the Stock of Exchange of Thailand [SET]. The Board of Directors will disclose information in Thai, but if there is a foreign shareholder, it will disclose information in English through other channels as well, such as the Company's website, along with updating present information
9. Directors and executives of the Company must report to the Company about their interests or those of related persons who have interests related to the business management of the Company or subsidiary companies in accordance with the rules and procedures announced by the Capital Market Supervisory Board. Those who have been appointed to the position of directors and executives of the Company must report their own interests and those of related persons within 30 days from the date of appointment. In the event that the interests of oneself or the person involved therein change, directors and executives must report to the Company immediately or as soon as possible. The Company will report the above mentioned interests in the Board of Directors' meeting for acknowledgment on a quarterly basis.

6.1.2.5 Insider Trading Prevention

The Group places importance on preventing the use of inside information of the Group, with a policy prohibiting directors, executives, employees, and employees of the group from disclosing information which has not been disclosed to the public, which may affect price

or value of the Company's securities (inside information) to any person or seek benefit for oneself or others whether directly or indirectly, and whether or not they receive compensation or not. This includes not trading securities or entering into futures contracts related to the Company's securities by using inside information. The Company has established guidelines to prevent the use of inside information and specify disciplinary punishment for those who violate it, as follows:

1. The Group will establish an internal control system to prevent leakage of inside information, by specifying measures and processes for managing such information in written for all directors, executives, employees, and employees to follow, as well as reviewing of such measures and processes to be appropriate at all times.
2. The Group will limit the number of persons who have access to inside information on the need to know basis and the Group will ensure that directors, executives, employees, and employees of the Company Group with positions or lines of work responsible for dealing with inside information are aware of their duty to maintain confidentiality.
3. The Company will designate a responsible person who will serve as the center for disclosing information of the Group to the public.
4. The Group will assign an internal audit department to monitor and supervise compliance with the measures and processes specified in item 1. to report to the Audit and Corporate Governance Committee on a quarterly basis.
5. The Group will arrange for confidentiality agreements with advisors or other service providers before giving such persons access to transactions involving inside information. In selecting advisors or other service providers, the Company Group will consider whether the consultant or other service provider has an internal control system that is effective enough to prevent leakage of inside information.
6. Directors, executives and employees of the Company Group must not disclose inside information or confidential as well as confidentiality information of business partners that he or she has learned from performing duties, although the disclosure of such information would not cause any damage to the Group and/or business partners of the Group; such information must be used for the benefit of business operations only. Directors, executives, and employees of the Company Group are prohibited from using confidential and/or inside information for the benefit of themselves or others, whether directly or indirectly and whether or not they receive compensation.
7. The Company shall educate directors and executives of the Company on duties to prepare and submit reports on the holdings and changes in their holdings of securities and futures contracts of themselves, spouses or cohabiting person as husband and wife, and minor children, including juristic persons whose the director or executive, their spouses or cohabiting person as husband and wife, and minor children of directors or such executives hold shares totaling more than 30 percent of the total number of voting rights of such juristic person. The reports are to be submitted to the Securities and Exchange Commission Office in accordance with Section 59 and penalties according to Section 275 of the Securities and Exchange Act B.E. 2535 (including amendments) [the "Securities Act"], including sending a copy of the report on holdings and changes in securities holdings and futures contracts in accordance with Section 59 to the Company Secretary on the same day of sending report to the Securities and Exchange Commission Office, as well as reporting the acquisition or disposal of securities by oneself, spouse, and minor children to the Securities and Exchange Commission Office in accordance with Section 246 and the penalty in Section 298 of the Securities Act.
8. The Company requires that the directors and executives of the Company including spouses, cohabiting person, and minor children to prepare and disclose reports on

their holdings and changes in their holdings of securities and futures contracts to the Securities and Exchange Commission Office in accordance with Section 59 of the Securities Act and related announcements, as well as sending a copy of the report to the Company Secretary on the same day that the report is submitted to the Securities and Exchange Commission.

9. In this regard, the word "executive" in Section 7 and Section 8 above shall have the meaning according to the definition set in the announcement issued under Section 59 of the Securities Act. Directors, executives, employees, and employees of the Group, including former directors, executives, employees and employees of the Group has a duty to maintain inside information, and use inside information for the benefit of business operations only. It is forbidden to use inside information to buy or sell securities or entering into futures contracts related to securities of the Company, whether for the benefit of oneself or others, as well as prohibiting inside information from being disclosed to other people, whether directly or indirectly and by any means, knowing or should know that the recipient of the information may use that information for the benefit of buying or selling securities or entering into binding futures contracts related to the Company's securities, whether for the benefit of the recipient of the information or other persons and whether or not they receive compensation.

10. The Company Group requires that directors, executives, employees, and employees of the Group who received information of financial statements and/or any other inside information of the Group must refrain from trading in the Company's securities during the 30 days before the financial statement information and/or inside information will be disclosed to the public and during the 24 hour period after such information has been disclosed to the public. Those involved with the information must not disclose such information to others until the information has been reported to the Stock Exchange of Thailand .

11. However, if there is an action that violates the above regulations, the Group will consider it a disciplinary offense according to the work regulations and human resources management regulations of the Group. The punishment will be considered as appropriate to the case, which will take into account the intent of the act and the seriousness of the offense, from verbal warnings, written warnings, probation, as well as termination of employment from the Group. The penalties will be referenced from the Company's disciplinary punishment standards.

6.1.2.6 Prevention of Conflicts of Interest

The Group has established a policy regarding the prevention of conflicts of interest based on the principle that any decision in conducting business activities must be in the best interests of the Group and shareholders of the Company; and actions that may cause conflicts of interest should be avoided. That is, any actions in which those involved or have a stake in the transaction gain or lose benefit, whether directly or indirectly, from the agreement to enter into transactions of the Group. Those who are involved or have an interest in the item being considered are required to notify the Company Group (as the case may be) of their relationship or interest in the said transaction and they must not participate in the consideration and have no authority to approve entering into such transactions, with the important principles as follows:

1. Directors, members of sub-committees, executives and employees of the Group should refrain from carrying out business of the same nature and/or is in competition with the business of the Group, whether it is for personal gain or for others, which may cause damage to the Group, whether directly or indirectly. They should also refrain from becoming a partner or shareholder or take up the position of director, director in sub-committees, executive, or employee in businesses that operate businesses with the same nature and/or is in competition with the business of the Group (" Competitor Business "), unless it can be shown that there is a mechanism to ensure that the above ac-

tions will not have an impact on the Group, including measures that are in the best interests of the Group and shareholders of the Company as a whole.

In the case where the directors, directors in sub-committees or executives of the Group have shares or have control over or hold a position as a director, director in sub-committees, executive or employee of competing businesses [1] before assuming the position of director, member of the sub-committee, or executive of the Company Group or [2] before the Group started operating a business with the same nature as that competitor's business; or [3] acquire shares of a competitor's business through inheritance, directors, members of a sub-committee or executives of the Company Group must report to the Group (depending on the case) immediately according to the methods specified by the Board of Directors.

2. In the case of directors, directors in sub-committees, executives or employees of the Company Group holding shares or becoming a partner in another business in an amount of 10 percent or more of the total voting rights of that business or becoming a controlling person in another business, or holding a position as a director or advisor in another business, holding shares, becoming a partner or having controlling power or taking a position as a director or advisor in another business must not cause the director, directors in sub-committees, executives or employees of the Group to perform an act or refraining from doing an act that should be done according to one's duties or affect their work in the Group (depending on the case).

In the case where the directors, directors in sub-committees or executives of the Group have shares or have control over or hold a position as a director, director in sub-committees, executive or employee of other businesses [1] before assuming the position of director, member of the sub-committee, or executive of the Group or [2] acquire shares of the other business through inheritance, directors, members of a sub-committee or executives of the

Group must report to the Group (depending on the case) immediately or as soon as possible. In the case of directors, members of the sub-committee or executives of the Company, it must be reported to the Company Secretary, for the Company Secretary to report to the Board of Directors and/or the shareholders of the Company to be further informed (as the case may be). In the case of directors, members of the sub-committee or executives of the subsidiary company, it must be reported to the subsidiary company

3. Directors, members of the sub-committee and executives of the Group should disclose to the Company the business transactions or operations that are privately owned or of the family or of relatives or of their dependents which is a business or activity that may cause a conflict of business interests with the Group, such as

- Joint investments or any benefits with business partners who do business with the Group or customers of the Group
- Holding any position or being an advisor to a business partner doing business with the Group, or customers of the Group
- Trading goods or providing services to the Group directly or trading through other persons

4. Directors, members of sub-committees, executives and employees of the Group will not seek benefits for themselves or others by using confidential information and/or information that has not yet been disclosed by the Group, such as plans, income, resolutions of the Board of Directors' meetings and/or sub-committees and/or internal meetings of the Group, business predictions (e.g. forecasts and budgets), results of bidding research, whether it damages the Group or not, as well as strictly comply with the policy on the use of inside information of the Company.

5. Director and member of the sub-committees of the Group who has an interest or conflict of interest in any matter will not have the right to vote and will not participate in board of directors meetings and/or sub-committee meetings

[as the case may be] on agenda items in which they have an interest or conflict of interest, as well as having no authority to approve the entry into that transaction.

In addition, in the case where executives or employees of the Group have an interest or conflict of interest in any matter, they must not be involved in any action or participate in approving or deciding on that matter. In this case, executives or employees of the Group must report their Interests or conflicts of interest in such matters to their supervisors.

6. The Board of Directors will oversee that the Group has followed the procedures set out above carefully under the principles of reason and independence. There is to be a transparent process for approving transactions that may have conflicts of interest and fully taking into account the highest interests of the Group in accordance with the rules of the Securities and Exchange Commission Office, Capital Market Supervisory Board, and the Stock of Exchange of Thailand. In the case where the directors, directors in sub-committees, executives and employees of the Group have necessity to enter into a transaction or be involved in a transaction in which he or she has a conflict of interest, that person must not take part in the consideration and/or approval of such transactions

7. The Board of Directors will supervise the directors, directors in sub-committees and executives of the Company to disclose information on transactions that may have conflicts of interest correctly and completely in the annual registration statement / annual report (Form 56-1 One Report).

8. Directors, members of sub-committees, executives and employees of the Company Group must not play a role in deciding to recruit new personnel who are related to them in order to make the consideration of new personnel transparent and fair to those who have the same qualifications.

9. The Audit and Corporate Governance Com-

mittee will supervise, monitor, and review compliance with the contract and refrain from taking actions that may cause conflicts of interest, to prevent conflicts of interest. The Audit and Corporate Governance Committee will provide opinions on the results of the review before presenting them to the Board of Directors for consideration and acknowledgment or to take any other action (depending on the case) at least once a year.

6.1.2.7 Anti-Corruption

The Group has establish the Anti-Corruption Policy to prevent corruption in every business activity of the group, and so that decisions and business operations that may be at risk of corruption are carefully considered and operated. The directors, executives, and employees of the Group, as well as directors in the Company's sub-committee, must not demand, carry out or accept corruption in every form, directly or indirectly, for the benefit of the company, oneself, family, friends and acquaintances or for business benefits. This covers all businesses, both domestic and international, including all related departments of the Group. Compliance with this anti-corruption policy must also be regularly reviewed, as well as reviewing the guidelines and operating requirements to be consistent with changes in the business, rules, regulations, and legal requirements. Co-operation with corruption will be punished as specified in human resource management regulations, stating that one must not demand, receive, accept, or agree to receive money, property, or any other benefit from another person for oneself or others that causes damage to objectivity in conducting duties that one is responsible for or performing. The penalties are in accordance with the Company's disciplinary punishment standards. In addition , the Company has set the scope and guidelines. The details are summarized as follows.

[1] The Company requires that directors, executives, and employees of the Group, including directors in the Company's sub-committee, must work with caution to prevent corruption in all forms as follows:

• Giving and receiving bribes

Must not give or receive bribes in any form in return for business benefits, and must not authorize others to give or receive bribes on one's behalf.

• **Gifts, entertainment and other benefits**

Giving or receiving gifts, property, entertainment or any benefits from customers, business partners, or people involved with the Group must follow the company code of conduct.

• **Political Support**

The Company Group has a policy of not helping or supporting political parties, political group or politicians, whether directly or indirectly

• **Participating in political activities**

The Group conducts business with political neutrality, does not participate in and does not support any political party, or any person with political authority, does not use the Company's funds or resources to support, whether directly or indirectly, any political party or politician. The Company has no prohibitions for employees in exercising their political rights, such as voting or applying for election, etc. However, the Company prohibits employees from using the Company's name, resources or subsidiaries in political activities or election campaigning and/or use it in a way that may cause damage to the Company and/or the subsidiary company's reputation.

• **Accepting donations, donations for charity, public benefit and giving or receiving financial support**

The Group determines that accepting donations, charitable donation, public benefit, and giving or receiving financial support must meet the following requirements:

1. Must be transparent, legal and not contrary to morality, as well as not doing any act that will have a damaging effect on society as a whole.
2. Must not be relevant or used as an excuse for bribery.
3. Must follow the process for reviewing and approving charitable donations for public benefit or financial support according to the regulations of the Company Group

4. In case of suspicion that may have legal implications, seek written advice from legal authorities, or in other important matters at the discretion of the Executive Committee.

• **Conducting business, contacting, negotiating, bidding, and other operations with government or private agencies.**

Must be carried out transparently and according to the law. In addition, directors, executives, staff and employees of the Company Group must not give or receive bribes at any stage of operations.

[2] The Group is committed to creating and maintaining an organizational culture that adheres to corruption as unacceptable in transactions with both the public and private sectors.

[3] Directors, executives, and employees of the Group, including directors in the Company's sub-committee, must not neglect or ignore when seeing actions that are considered corruption related to the Group and must notify supervisors or responsible persons and cooperate in investigating various facts. The Company also provides whistleblowing channels for reporting clues or receiving complaints from stakeholders.

[4] Any actions regarding whistleblowing or complaints about corruption must follow the regulations set forth in the Whistleblowing Policy.

[5] The Group will be fair and protect employees who deny corruption or report corruption related to the Group. We will not demote, punish, or give negative consequences for employees who refuse

corruption even though that action will cause the Group loss of business opportunity

[6] Directors and executives of the Group, including directors in the Company's sub-committees, must show honesty and be a good

example in following the anti-corruption policy. Compliance department and Human Resources department are determined to be responsible for disseminating knowledge, creating understanding which covers personnel management processes from recruiting or selecting personnel, promotion, training, and evaluation of employee performance. and encouraging employees at all levels to strictly and continuously adhere to the anti-corruption policy, as well as strengthening it to be part of the organization's culture.

[7] Any action according to the anti-corruption policy must use the guidelines as specified in the good corporate governance, company code of conduct, as well as related regulations and operational manuals of the Group, as well as any other guidelines that the Company will establish.

[8] Corruption is considered a violation of the Company's anti-corruption policy and company code of conduct. The accused must be considered for disciplinary punishment according to the established regulations and if the corruption act is illegal, offenders may also be subject to legal punishment. For disciplinary punishment in accordance with the regulations of the Group, the decision of the Chief Executive Officer is final.

6.2 Code of Conduct

The Company and its subsidiaries have a code of conduct for operating business, which directors, executives, and employees of the Group must adhere to as a guideline for performing work as a representative of the Group. The Company has established a code of conduct for operating business as a good guideline which will help promote transparency in business operations, build confidence among investors, stakeholders, and all related parties. It can be summarized as follows.

Code of Conduct in Operating Business Towards Stakeholders

1. Shareholders

Conduct business under the corporate governance principles with transparency, efficiency, and credibility, to create sustainable business value and strive for outstanding performance and stable growth. financial positions, and Group sustainability with the best benefits for the shareholders over the long run. The disclosure of Company-related information, for example, is conducted under these principles.

2. Employees

All employees are to be treated equally and fairly, respectful of human rights, and compensated with appropriate welfare and benefits appropriate by legal stipulations and comparable to competitors in the same market and industry standard. The Group prioritizes the health and safety of all employees, as well as performance, development, and potential. Regular training courses and seminars are offered to hone necessary skills and knowledge. The Group proffers career opportunities with clear professional development and career paths to motivate and retain outstanding professionals to remain with and further develop the organization together. Anti-fraud and corruption guidelines are also set to instill employee awareness under the Corporate Compliance Policy, reflected, e.g., in the strict procedures and prohibitions against insider trading.

3. Business Partners

Provide a fair selection process for Group business partners to compete under the same information and evaluation criteria. A standard contract suitable and fair for all candidates is prepared while a monitoring system is in place to ensure contractual terms and conditions are fully met and prevent any potential fraud or misconduct throughout the selection process. The Group procures products from trading partners with strict compliance to contractual terms and obligations, ensuring related business information of the trading partner is not used for any unwarranted purposes.

4. Customers

Conduct business in a customer-responsible manner by maintaining the quality and stand-

ard of products and services and focusing on long-term customer satisfaction, responding to customer needs as thoroughly and inclusively as possible. The Group prioritizes health, safety, and fairness as the guiding principles for customer data privacy, product information provision, and accurate and complete customer service and after-sales service, including monitoring customer satisfaction to improve products and services in the future. Feedback channels are available for customers to comment and report issues with their experience, and for the Group to intake valuable information in taking prompt corrective-preventive actions required and making amends.

5. Creditor

Strictly comply with contractual terms, conditions, and obligations to creditors in its repayment of principal, interest, or collateral, or all, contingent on relevant clauses, as well as refraining from dishonest or unforthcoming methods or concealing information or facts, which can damage a creditor. Where the Group is unable to comply with any term or condition under a contract, the creditor is notified in advance without delay to consider mutual solutions together.

6. Competitors

Conduct business within the Code of Conduct framework of ethical, transparent, lawful, and good competition, including supporting and promoting a free and fair competition policy, without retaining confidential information of a competitor by unlawful means.

7. Central Policy

Conduct business under the principles of Good Corporate Governance, strictly complying with relevant laws and regulations and responding to the central policy under the Code of Conduct and Group business practices.

8. Social Responsibility

Uphold Corporate Social Responsibility by prioritizing the safety and sustainability of the community, society, and the environment, for the well-being of people involved or affected

by Group operations. Foster a professional corporate culture and awareness of its responsibility to the ecosystem and social fabric of the community it relies upon, ensuring that Group employees have a practical perspective and understanding, beyond the duty to comply, of underlying bodies of law and regulations. The PSP Group participates in activities that rebuild, maintain, and promote social fabrics, local culture, and communal ecological systems where it operates.

Code of Conduct for Operating Business for Directors, Executives, and Employees

1. Comply with Group bylaws, policies, requirements, announcements, orders, and overbearing supervisors guiding business operations.
2. Carry out duties with integrity, dutifully, responsibly, and cautiously, and report without delay developments that may lead to property or loss or defamation of the Group.
3. Be a polite and respectful professional to colleagues, eager to work as a team, adaptable to teamwork, and accepting of different opinions.
4. Perform duties with determination and perseverance, always maintaining order, pattern, and good governance of the Group.
5. Protect the interests and secrets of the Group, its customers, or any related party or matter under strict compliance under the Code of Conduct guidelines for classified business material. The disclosure or dissemination of information about Group finance, business, or persons may never take place without authorization and must be handled professionally with due diligence under procedures and guidelines. All employees are obliged to maintain the confidentiality of nonpublic Group information, during and after their employment. Unwarranted disclosure, where classified information is transmitted to or used by a third party in any manner other than performing authorized duty on the Group's behalf, will result in the responsible employee being

held accountable for all incurred damages or loss, or both, in all respects.

6. Inside information is only used by the Group for intended or authorized purposes and is never used for unauthorized trading on the stock exchange, either of Company securities or that of any other, or entering any derivative contract, regardless of the beneficiary or intent.
7. Handle Group assets with utmost care and protection against damage or loss from humans or natural disasters, and refrain from using any Group equipment or asset for personal purposes or the benefit of any unintended party or anyone uninvolved in Group business operations.
8. Manage and perform duties and business operations under the code of conduct to promote business ethics and corporate awareness at all Group levels, monitoring, overseeing, and managing Group conflicts of interest that may arise in the process.
9. Govern and closely supervise subordinates with fairness and without prejudice.
10. Lead by example and supervise strict compliance in the handling and using of Group computer systems computer data, or computer traffic data. Train and help employees under command understand and comply with Group policy, bylaws, regulations, announcements, and orders. Ensure the usage of Group computer systems comply with computer-related, copyright, and other relevant laws to prevent Group defamation.
11. Refrain from personal or any type of work irrelevant to the Group's interest during working hours.
12. Refrain from business undertakings of the same nature or in competition with that of the Group, or both, regardless of the beneficiary, including shareholding management power that may cause direct or indirect damage to the Group.
13. Refrain from behavior that may in any way defame one's self or the Group.
14. Refrain from misinformation or concealing facts that should be disclosed to the Group.
15. Refrain from negligence, dereliction of duty, or any inappropriate action in per-

forming one's duty to a complete, proper, and honest outcome.

16. Refrain from unforthcoming or misrepresented facts for self-interest or that of others, potentially leading to either direct or indirect damage to the Group.
17. Refrain from actions that obstruct Group personnel from carrying out authorized work or incite misled or unethical undertaking among them.
18. Refrain from violating civil, criminal, or Group bylaws, causing damage to oneself or others, regardless of intent.
19. Refrain from disclosing salary, wage, benefit, remuneration, or rate increase of oneself or others, regardless of intent.
20. Refrain from requesting or accepting valuables, assets, special receptions, or any other benefits from customers, business partners, competitors, or any other person doing business with the Group, except fashionable customary exchanges of traditional gifts, normal business receptions, or expenses to promote commerce or business reputation:
 - Normal business entertainment or occasional promotional expenses under Delegation of Authority Guidelines for specified limits.
 - Traditional gift limit per occasion not exceeding 3,000 Baht (three thousand Baht, net).
21. Refrain from offers, bribes, corruption, or any act damaging to the Group, either directly or indirectly, through a third party, undue influence of the authority, a client, or a counterparty considered in conflict with Group Policy.
22. Refrain from making additions, deletions, or corrections to any official record or information to change or distort Group performance, or deviate the accounting record for any purpose, regardless of intent.
23. Refrain from unforthcoming payments or business arrangements that could be perceived as a normal business procedure.
24. Refrain from copying work or intellectual property of others, as well as safeguard Group intellectual property and employee performance information.

25. Refrain from wrongfully seeking benefits for oneself or others.
26. Non-purchasing agencies are to refrain from suppliers' or business partners' support. Should such support benefit or be necessary to the Group, such agency may consult with purchasing agencies for proper implementation, except for joint marketing, whereby the Commercial and Business Development Department is the responsible agency.
27. Refrain from neglecting or facilitating any person seeking advantage through unauthorized or illegal access to or disturbance of Group computer systems or data or traffic data, or deliberately supporting or agreeing to violate a service provider contract under computer-related, copyright, or other pertaining legal provisions.
28. Group business operates with political neutrality by refraining from participating in or favoring any political party, politician, or person with political power, or supporting one with Group funds or resources, either directly or indirectly. While the exercise of political rights by Group employees, such as applying for elections or voting, among others, are encouraged, the Group prohibits employees from using Company or subsidiary names or Group resources for election campaigns or political purposes in any way that may defame the Group.

Disciplinary Action

(1) Misdemeanor:

the person is given a verbal warning and possibly a written reprimand stating the nature and principal grounds for the violation, with the opportunity to object or counter the accusations with the immediate supervisor. For the second violation where corrective action for the first offense remains neglected after a formal warning, the violator is subject to disciplinary action per Company disciplinary standards.

(2) Felony:

serious violations of regulations, and disciplinary standards, namely bribery, fraud, corruption, intellectual property infringement, unau-

thorized disclosure of classified information, and insider trading, as well as unforthcoming or concealment of important information or documentation from supervisors, and any act that may result in Company defamation. The Group may consider employment termination without severance pay or a written warning in advance.

(Please consider the Company Code of Conduct as attached to Attachment 5 " Policy and Practice of Corporate Governance and Code of Conduct")

6.3 Important changes and developments in policies, practices, and corporate governance systems over the past year.

The Group has complied with the good corporate governance code for listed companies in 2017 according to the guidelines set by the Securities and Exchange Commission Office. The Board of Directors has a process for reviewing the application of the good corporate governance code to be appropriate for the business context annually at least once a year to ensure corporate governance of the Company and subsidiaries are comprehensive and up to date with important developments in good corporate governance when there are changes.

In 2023, the Company has important changes and developments in policies, practices, and corporate governance systems, as follow:

1. The Board of Directors' Meeting No. 7/2023 on August 4, 2023 reviewed the Company's Delegation of Authority Guidelines to be consistent with the organizational structure improvement and to ensure efficient administration with decentralization of decision-making power according to duties and responsibilities and to increase flexibility in operations.
2. The Board of Directors' Meeting No. 8/2023 on September 21, 2023 has considered and approved the securities trading practice for directors, executives, and employees, including the Report on Securities Holdings and Changes in Holdings, to supervise and ensure that the directors, executives, and

employees of the Company comply with the Securities and Exchange Act B.E. 2535 regarding the trading of the Company's securities

3. The Board of Directors' Meeting No. 11/2023 on December 19, 2023 passed the following resolutions:

3.1. Amend the name of the Audit Committee to " Audit and Corporate Governance Committee " by specifying roles and responsibilities in corporate governance to raise the level of corporate governance operations. Moreover, to be in accordance with the Securities and Exchange Commission Office (SEC), the Company has sent a circular regarding good practices of the Audit Committee to prevent and deter inappropriate behavior of listed companies.

3.2. Review policies regarding good corporate governance and charter of the Company's board of directors to give non-executive directors the right to have the opportunity to meet with each other to discuss various problems about management that is of interest without the participation of the management team and notify the Chief Executive Officer

3.3. Set criteria for granting shareholders rights to propose agenda items for the 2024 Annual General Shareholders' Meeting (AGM) and nominate individuals to be considered for election as directors of the Company, to achieve fairness and equality for all shareholders in accordance with the principles of good corporate governance of listed companies. In order to provide convenience to shareholders, the Company has published these guidelines along with related forms on the Company's website, notifying shareholders in advance of the annual general meeting of shareholders.

3.4. Set Delegation of Authority Guidelines for subsidiaries, namely U.C. Market-

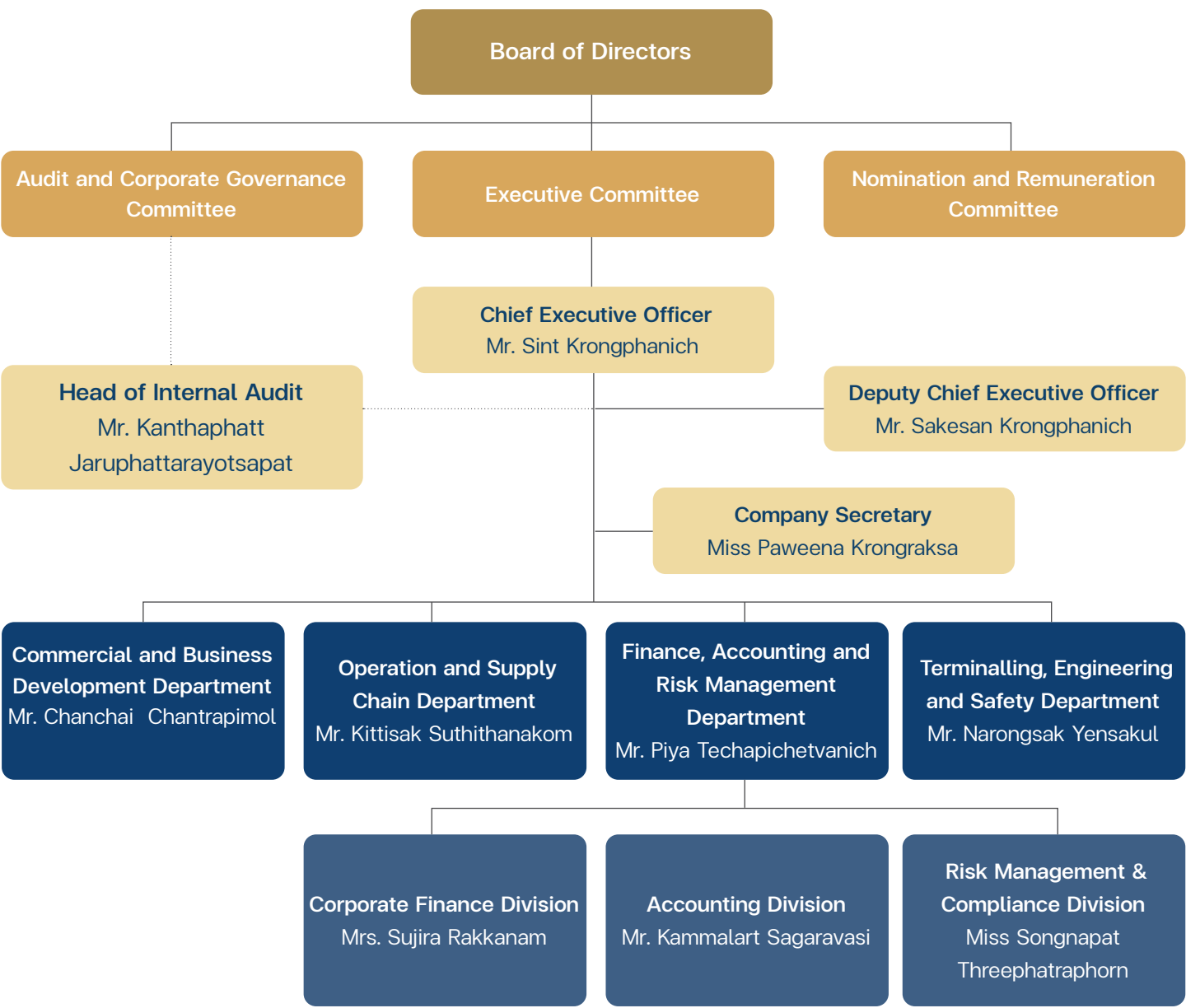
ing Company Limited, P.S.P. Logistics [Thailand] Company Limited, and Special Interfreight Company Limited, in accordance with policy on investment, governance of operations and management in subsidiaries to ensure that the subsidiary has an internal control system, decentralization, and proper and efficient operations in accordance with the Company's policies and regulations, including maintaining interest in the Company's investments.



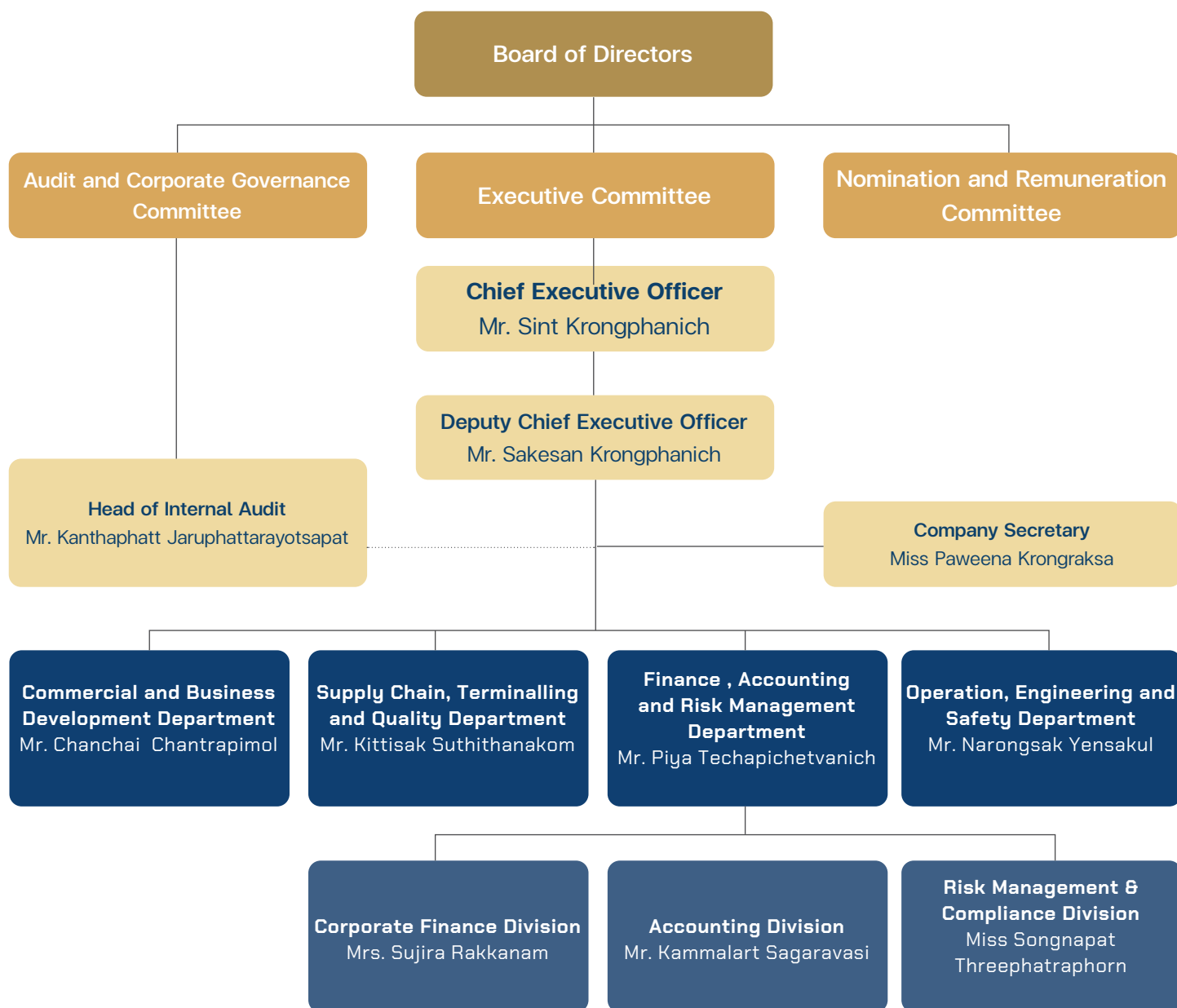
7. Corporate Governance Structure and Important Information about the Board, Sub-Committees, Executives, Employees, and Others

7.1. Corporate Governance Structure

As of December 31, 2023 , the Company's corporate governance structure consists of the Board of Directors and 3 sub-committees, namely [1] the Audit and Corporate Governance Committee, [2] the Executive Committee, and [3] the Nomination and Remuneration Committee, as follows:



In addition, the Board of Directors' meeting No. 11/2023 on December 19, 2023 approved changing the organizational structure, which came into effect on February 1, 2024 as follows:



7.2. Information about the Board of Directors

7.2.1 Composition of the Board of Directors

The Board of Directors consists of persons with knowledge, skills, and experiences that can benefit the Company. The board will play an important role in making policy and corporate overviews as well as supervising, monitoring, and evaluating the Company's performance in accordance with the plan.

The Board of Directors consists of at least 5 directors and shall consist of independent directors at least one-third of the number of the directors in the Board of Directors. But not be less than 3 persons have to be independent

directors to appropriately balance views and votes on various matters. All independent directors shall have qualifications as prescribed by the Capital Market Supervisory Board, regulations under stipulation from the Securities and Exchange Commission and the Stock Exchange of Thailand, including laws and other related rules.

The Company's Board of Directors has a term of office not exceeding 3 years at a time, as required by relevant laws. The independent directors will have a continuous term of office not exceeding 9 years, unless there is reason and necessity as the Board deems appropriate. In addition, the Company's directors may also serve as directors of other companies

provide the comply with the requirements of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand's rules, regulations and other related laws. This must be informed to the Board of Directors' meeting for acknowledgment. In this regard, each director should not serve as a director of more than 5 listed companies.

As of December 31, 2023, the Board of Directors consists of 9 directors, which is in accordance with relevant laws and the Company's regulations, including (1) executive directors (according to the definition of the announcement of the Securities and Exchange Commission No. Kor Jor. 17/2551 on Defining definitions in announcements related to the issuance and

offering of securities, (including amendments) totaling 2 people, (2) non-executive directors and non-independent directors, 4 people, and (3) independent directors, 3 people, with independent directors being not less than one - third of the total number of directors and all 3 independent directors have qualifications in accordance with relevant laws and regulations.

(Please consider the information and details of the Company's directors in Attachment 1 "Details of Directors, Executives, Controlling Persons, Holder of the Highest Accounting and Financial Position, Person Directly Assigned to Control Accounting, and the Company Secretary")

7.2.2 Individual Director Information

As of December 31, 2023, the Board of Directors consists of 9 directors as follows:

	Name	Position
1.	Mr. Yongyos Krongphanich	Chairman of the Board of Directors, Director, and Member of the Nomination and Remuneration Committee
2.	Mr. Pavares Boontanonda ¹	Director and Member of the Executive Committee
3.	Mr. Sint Krongphanich	Director, Chairman of the Executive Committee and Chief Executive Officer
4.	Mr. Sakesan Krongphanich	Director, Member of the Executive Committee and Deputy Chief Executive Officer
5.	Mr. Permsak Kosolbhand ²	Director
6.	Mr. Preecha Issarapanichkit	Director and Member of the Executive Committee
7.	Miss Charanya Sangsukdee	Independent Director, Chairman of the Audit and Corporate Governance Committee and Member of the Nomination and Remuneration Committee
8.	Mr. Choochai Eiamrungraj	Independent Director, Chairman of the Nomination and Remuneration Committee and Member of the Audit and Corporate Governance Committee
9.	Mr. Trinnawat Thanitnithiphan	Independent Director and Member of the Audit and Corporate Governance Committee

Remark:

1. Mr. Pavares Boontanonda has resigned from the position of Director and Member of the Executive Committee, effective from January 31, 2024
2. Mr. Permsak Kosolbhand has resigned from the position of Director of the Company, effective from January 31, 2024

7.2.3 Information about the roles and responsibilities of the Board of Directors, Chairman of the Board of Directors and Chief Executive Officer

7.2.3.1 Scope of authority and duties of the Board of Directors

The Board of Directors plays an important role in overseeing the management of the Company's work, including determining the Company's business direction, policy, and strategy for the highest benefit of the Company and shareholders. The Board of Directors has authority, duties and responsibilities as specified in the law, regulations, objectives and resolutions of the Company's shareholders' meeting as well as following up on the operations of the Company's various sub-committees.

In addition, the Board of Directors' meeting No. 11/2023 on December 19, 2023 approved amending the scope of powers, duties, and responsibilities of the Board of Directors as follows:

- [1] Define vision, mission, policy, direction, strategy, business plan, budget, business expansion plan, investment plan and management structure, and Delegation of Authority Guideline of the Company and subsidiaries as proposed by the Executive Committee or executives, along with supervising administration and the performance of the Chief Executive Officer or any person assigned to perform such duties. This is to comply with the established policies with efficiency and effectiveness in order to add maximum value to the Company and shareholders.
- [2] Appoint sub-committees such as the Audit and Corporate Governance Committee, the Executive Committee, the Nomination and Remuneration Committee and/or any other sub-committees to assist and support the performance of the duties of the Board of Directors as appropriate including determination of policy, roles, duties, responsibilities and work processes, and determine remuneration for directors

and various sub-committees as proposed by the Nomination and Remuneration Committee to present to shareholders for consideration and approval.

- [3] Appoint the Chief Executive Officer, including evaluating the performance and determining the compensation of the Chief Executive Officer as proposed by the Nomination and Remuneration Committee and determine the authorities, duties, and responsibilities of the Chief Executive Officer.
- [4] Appoint individuals to serve as directors or executives of subsidiaries, joint venture (in cases where operations can be performed under a joint venture contract), associated companies in an amount at least in proportion to the shareholding in the subsidiary companies, joint venture (in cases where operations can be performed under a joint venture contract) or associated companies. The scope of duties and responsibilities of appointed directors and executives are clearly established. This includes setting up a clear framework for the authorities to exercise discretion in voting in board meetings of subsidiaries, joint venture (in cases where operations can be performed under a joint venture contract) or associated companies in important matters which must be prior approved by the Board of Directors. This is in order to control management in accordance with the Company's policy and doing various transactions according to the law, including disclosing financial information, performance, inter-company transactions, and the acquisition or disposal of significant assets in a complete and accurate manner.
- [5] Supervise and follow up on the Company's operations and subsidiaries to be in line with the business plan and budget of the Company, as well as acknowledge the report and evaluate the performance of the Executive Committee and the Com-

- pany's sub-committees regularly in order to follow the plan and achieve the objectives.
- [6] Consider and approve the risk management framework and policy, the Company's Risk Appetite, and Enterprise Risk Management plan as proposed by the Executive Committee.
 - [7] Acknowledge important risk factors that may occur, give advice and give opinions on comprehensive and complete risk management to the Executive Committee, as well as supervising the Executive Committee to establish effective systems and processes for managing risks, including risk factors that may arise from seeking business opportunities.
 - [8] Supervise the Company to have an internal control system and internal audit system; consider and approve the assessment of the adequacy of the internal control system that has been reviewed by the Audit and Corporate Governance Committee; and supervise the Company to have an adequate and appropriate risk management system to cover the entire organization, including a mechanism for receiving complaints and taking action after receiving clues.
 - [9] Supervise and ensure continuous business operations in the long term and create a personnel development plan and the succession plan for Company.
 - [10] Consider and approve transaction for investment, carrying out various operations, borrowing or requesting any credit from financial institutions as well as becoming a guarantor for the normal business operations of the Company and/or subsidiaries under the rules and regulations of the Company, as well as any other related regulations of the SEC Office and the Stock Exchange of Thailand.
 - [11] Consider and approve entering into transactions as proposed by the sub-committees and/or the management, and supervise and manage the Company's transactions and/or subsidiaries to comply with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as announcements, regulations and various relevant criteria of the SEC and the SET, such as related party transactions and the acquisition or disposal of important assets, as long as it is not contrary to or inconsistent with other laws.
 - [12] Consider and approve the entry into any contracts or normal operations or making transactions to support the Company's normal business and/or subsidiaries which have normal trading conditions, opening and closing financial accounts, entering into financial transactions and using financial services with commercial banks or financial institutions.
 - [13] Supervise the Company and subsidiaries to have appropriate and efficient accounting systems; have reliable financial and auditing report, including preparing financial report and disclosing information in the financial statements and according to financial reporting standards and as required by law. Moreover, the Company submits financial statements to the Stock Exchange of Thailand and/or relevant agencies within the specified period.
 - [14] Consider and approve quarterly financial statements that have been reviewed by the auditor as well as consider and approve the annual financial statements



that have been audited by the auditor, to present to the shareholders' meeting at the Annual General Meeting of Shareholders for consideration and approval.

- [15] Consider and approve the selection and appointment of auditors, and consider appropriate compensation as proposed by the Audit and Corporate Governance Committee before presenting them to the shareholder's meeting for consideration and approval at the Annual General Meeting of shareholders.
- [16] Consider and approve the payment of interim dividends to the Company's shareholders and consider approving the annual dividend payment to propose to the shareholders' meeting for consideration and approval at the Annual General Meeting of shareholders.
- [17] Consider and approve policies regarding corporate governance of the Company according to the principles of good governance, social responsibility, anti-corruption and business ethics principles, etc. and arrange for effective enforcement of various policies and such ethics principles.
- [18] Monitor to prevent conflicts of interest between the Company's and/or subsidiaries' stakeholders in the case that any directors have stakes in any transaction with the Company and/or subsidiaries or have an increased or decreased proportion of shareholding in the Company and/or subsidiaries. The said director must inform the Company without delay.

- [19] Consider acknowledging the results of the review that comply with the contract of not taking action that may cause a conflict of interest as commented by the Audit and Corporate Governance Committee.
- [20] Notify the contractual partner according to the contract of not taking action that may cause a conflict of interest regarding the agenda items that have conflicts of interest as specified in the contract of not taking action that may cause a conflict of interest, which has been considered and approved by the Audit and Corporate Governance Committee.
- [21] Consider and approve entering into connected transactions (including inter-company transactions) of the Company and/or its subsidiaries (In the case that the size of the transaction does not need to be considered and approved by the shareholders' meeting), in order to comply with relevant laws, announcements and regulations and to consider and approve the principles of trade agreements with normal trading conditions in entering into transactions between companies and/or subsidiaries with directors, executives or related persons, to establish a framework for management to have the authority to carry out such transactions within the framework and scope of relevant laws and regulations.
- [22] Consider and approve the acquisition or disposal of assets (In cases where the size of the transaction does not need to be considered and approved by the shareholders' meeting), investment in new business, and any operations to be in accordance with relevant laws, announcements and regulations.
- [23] Arrange a Annual General Meeting of Shareholders within 4 months from the end of the Company's fiscal year.



- [24] Provide appropriate channels for communicating with each group of shareholders and supervise information disclosure to ensure accuracy, clarity, transparency, reliability and the highest standards.
- [25] Arrange for preparation of annual reports and be responsible for preparing and disclosing financial statements to reflect the financial position and operating results of the Company in the prior year to propose to the shareholders' meeting.
- [26] Consider and approve changes to the list of authorized directors.
- [27] Consider seeking the professional opinion of an expert if necessary, to make an appropriate decision.
- [28] Appoint a Company secretary to assist the Board of Directors in performing their duties so that the Company's business operations comply with relevant laws, an-

nouncements and regulations.

- [29] Assign one or more directors or any other person to perform any act on behalf of the Board of Directors.
- [30] Consider the results of performance evaluations, including guidelines for improving the operations of sub-committees to provide opinions and recommend further improvements to make operations more efficient.

(Please consider the information and details of the scope, authority, duties and responsibilities of the Board of Directors in Attachment 5 "Corporate Governance Policy and Practice and Business Code of Conduct" and "Charter of the Board of Directors")

Board Skills Matrix

The Board of Directors consists of directors who have knowledge, abilities, and skills that are outstanding and important to the Company's business operations. The information on the skills, experience, and expertise of individual company directors is as follows:

Director	Skills, Experience and Expertise										
	Lubricants Business	Director	Manufacturing	Management /Business Administration	Accounting	Finance	Engineering	Information Technology	Legal	Economics	Human Resources Management
1. Mr. Yongyos Krongphanich				X	X	X		X		X	
2. Mr. Pavares Boontanonda	X	X	X	X							
3. Mr. Sint Krongphanich	X	X	X	X			X				
4. Mr. Sakesan Krongphanich	X	X		X				X			
5. Mr. Permsak Kosolbhand	X	X					X				
6. Mr. Preecha Issarapanichkit	X		X	X			X				X
7. Miss Charanya Sangsukdee					X				X ¹		
8. Mr. Choochai Eiamrungraj	X	X		X			X	X		X	
9. Mr. Trinawat Thanitnithiphan		X		X		X		X			X

Note

1. Only Tax Law

7.2.3.2 Scope of authorities and duties of the Chairman of the Board of Directors

The Board of Directors' Meeting No. 1/2022 (after becoming a public company) on August 2, 2022 approved the scope of authorities, duties, and responsibilities of the Chairman of the Board of Directors as follows.

- [1] Call a meeting of the Board of Directors. The Chairman of the Board of Directors or the designated person must send a meeting invitation letter to the directors at least 3 days before the meeting date. However, in the cases of urgent necessity to preserve the rights or benefits of the Company, notification of meeting appointments may be sent via electronic media or any other method and the date of the Board of Directors' meeting may be set earlier than that.
- [2] Chairing the meeting of the Board of Directors and is the deciding vote in the event of equal votes at a meeting of the Board of Directors.
- [3] Chairing the shareholder meeting of the Company and is responsible for supervising and ensuring that shareholders' meetings comply with relevant laws and regulation, the Company regulations and the agenda specified in the meeting invitation letter and is the deciding vote in the case of equal vote when the resolution of the shareholders' meeting requires a majority vote.
- [4] Allocate appropriate time for the shareholders' meeting as specified in the meeting notice and provide opportunities for shareholders to express their opinions and ask questions to the meeting on matters related to the Company equally and ensure that shareholders' questions are answered appropriately and transparently. In addition, in the case where there are many items on an agenda, there should be separate voting for each item, such as shareholders exercising their right to

appoint individual directors in the agenda for appointing directors, etc.

- [5] Leading the Board of Directors in the following matters:
 - a] Supervise, follow up and ensure that the duties of the Board of Directors are carried out efficiently according to the scope of authorities, duties and responsibilities, achieving the main objectives and goals of the organization.
 - b] Make sure that all Company directors are involved in promoting an ethical corporate culture and good corporate governance.
 - c] Ensure that important matters are included in the agenda, as well as setting the agenda for the meeting of the Board of Directors. In the case where the Chairman of the Board of Directors is not an independent director, the Chairman, together with an independent director appointed by the Board of Directors, is required to jointly consider setting the meeting agenda for the Board of Directors to create balance between the Board of Directors and the Executive Committee.
- In the case where the Chairman of the Board of Directors is not an independent director, the Chairman, together with an independent director appointed by the Board of Directors, is required to jointly consider setting the meeting agenda for the Board of Directors to promote balance between the Board of Directors and the Executives.
- d] Allocate sufficient time for board meetings so that executives can propose matters to be enough for and the Company's directors can discuss important issues carefully among all, as well as encouraging the Company's directors to use careful discretion and express opinions freely while controlling the issues in the discussion and summarizing the meeting resolutions.

e] Strengthen good relationships between executive directors and non-executive directors, and between the Board of Directors and executives.

- [6] Perform any other duties as required by law and/or related regulations specified as the duty of the Chairman of the Board of Directors.
- [7] Perform any other duties assigned by the resolution of the Board of Directors' meeting and/or meeting resolutions of Company shareholders.

7.2.3.3 Scope of authorities and duties of the Chief Executive Officer

The Board of Directors' Meeting No. 11/2023 on December 19, 2023 approved the amendment of the scope of authorities, duties, and responsibilities of the Chief Executive Officer as follows:

- [1] Supervise, manage, operate, and perform routine tasks according to the Company's normal business operations to be in accordance with the vision, mission, policy, direction, strategy, business plan, budget, business expansion plan, investment plan, objectives, rules, regulations, requirements, orders, as well as the resolutions of the Board of Directors' meeting and/or the resolutions of the Company's shareholders' meeting, including the management structure and authority determined by the Board of Directors and/or as assigned by the Executive Committee and/or the Board of Directors while also follow up and evaluate the Company's operations regularly
- [2] Consider annual budget allocation and present it to the Executive Committee for comment and propose it to the Board of Directors for further consideration and approval, as well as controlling and overseeing the annual budget spending of each department.
- [3] Arrange for the Company and subsidiar-

ies to have a financial reporting system and disclose financial information correctly, completely and on time, including reporting to the Board of Directors and/or sub-committees which has been assigned by the Board of Directors at least once per quarter.

- [4] Arrange for the Company to comply with an appropriate internal control system, management system and risk management system according to the guidelines assigned by the Audit and Corporate Governance Committee and/or the Board of Directors.
- [5] Prepare annual business operations plan of the Company and subsidiaries and report progress to the Executive Committee every quarter for presentation to the Board of Directors.
- [6] Supervise, consider and approve the issuance of orders and/or amending regulations, announcements, or records to ensure operations are in line with goals, guidelines, and policies set by the Executive Committee and/or determined by the Board of Directors.
- [7] Consider and approve purchases and spending on matters related to the Company's normal business operations, including any other related services, operating expenses of the Company, sales expenses, and various investments within the limits specified in the Delegation of Authority Guideline.
- [8] Consider and approve entering into any contract or transaction related to the Company's normal business operations for the Company's business according to the Company's objectives within the amount specified in the Delegation of Authority Guideline.
- [9] Consider and approve any borrowing and credit applications from financial institutions, lending, as well as pawning, mortgaging, or becoming a guarantor of the

Company and / or its subsidiaries, within the limit specified in the Delegation of Authority Guideline, as well as consider and approve the taking of the Company's rights and assets to create other obligations with individuals, juristic persons, or financial institutions, within the amount specified in the Delegation of Authority Guideline.

- [10] Consider and approve employment, appointment, removal, transfer, promotion, and disciplinary punishment or dismissal of those holding positions lower than the Chief Executive Officer, according to the regulations set by the Board of Directors.
- [11] Consider and approve criteria for determining salaries, bonuses, and any other benefits, both monetary and non-monetary, for those holding positions lower than the Chief Executive Officer, under the framework and policies set by the Executive Committee.
- [12] Consider and approve the appointment of various consultants that are necessary for the operation and / or administration of the Company under the authority and financial limit as specified in the Delegation of Authority Guideline.
- [13] Perform duties as a representative of the Company and subsidiaries to communicate and maintain good relationships with the public, shareholders, customers, and stakeholders, for the good image of the Company and subsidiaries.
- [14] Perform any other duties assigned by the Executive Committee and/or the Board of Directors, with the power to take any action necessary to perform such duties.
- [15] Delegate authority and/or assign one or more persons to perform any task on behalf of the Chief Executive Officer as the CEO deems appropriate and within the specified period. The sub-authorization and/or delegation of such authority should be within the scope of authoriza-

tion according to the power of attorney and/or in accordance with the rules, regulations or orders set by the Company's Board of Directors. The Chief Executive Officer may cancel, revoke, change or amend persons who have been given authority or the authority as appropriate

7.2.4 Approval authority

The Board of Directors has the authority to set the Delegation of Authority Guidelines of the Company in order to ensure efficient operations. Authority is delegated to the Company's board of directors and executives to carry out various matters under specified regulations, such as matters about budget, human capital management, sales, marketing, product quality development, production, property operations, accounting, and financial management, etc.. The important items or transactions where the size of the transaction is significant, such as a large investment, business expansion, creation of debts or obligations, or entering into a transaction that is considered to be the acquisition or disposal of property, or connected transactions requires approval from the Company's Board of Directors and/or the Company's shareholders' meeting (as the case may be) before proceeding.

7.3 Information about the Sub-committee

7.3.1 Scope of duties and responsibilities of the sub-committees

As of December 31, 2023 , the Company has 3 sub-committees, namely [1] the Audit and Corporate Governance Committee, [2] the Executive Committee, and [3] the Nomination and Remuneration Committee.

Each committee has a charter which is approved by the Board of Directors. It specifies the objectives, composition, qualifications, term of office, powers, duties and responsibilities, meetings, quorum and voting, and evaluation. It is determined that the said charter must be reviewed as appropriate. Sub-committees must report their performance to the

Board of Directors.

7.3.1.1 List of names and scope of duties and responsibilities of the Audit and Corporate Governance Committee

As of December 31, 2023, the Audit and Corporate Governance Committee consists of 3 in-

dependent directors, with all audit committee members possessing all the qualifications as specified in the Audit and Corporate Governance Committee Charter and in accordance with relevant regulations and announcements. The names are as follows:

	Name	Position
1.	Miss Charanya Sangsukdee	Independent Director, Chairman of the Audit and Corporate Governance Committee and the Nomination and Remuneration Committee
2.	Mr. Choochai Eiamrungrroj	Independent Director, Member of the Audit and Corporate Governance Committee and the Chairman of Nomination and Remuneration Committee
3.	Mr. Trinawat Thanitnithiphan	Independent Director and Member of the Audit and Corporate Governance Committee

Miss Charanya Sangsukdee is the chairwoman of the Audit and Corporate Governance Committee, possessing sufficient knowledge and experience to be able to perform her duties in reviewing the reliability of the Company’s financial statements. Kanthaphatt Jaruphat-tarayotsapat, Head of Internal Audit, has been appointed as Secretary of the Audit and Corporate Governance Committee

Details, qualifications, and experience of all 3 members of the Audit and Corporate Governance Committee appear in the part of Details of Directors, Executives, and Company Secretary.

Scope of duties, authority and responsibilities of the Audit and Corporate Governance Committee

The Board of Directors’ Meeting No. 11/2023 on December 19, 2023 approved the amendment of the scope of powers, duties, and responsibilities of the Audit and Corporate Governance Committee as follows:

- [1] Review the Company’s financial reporting to be accurate, complete, and reliable; and disclose information correctly and adequately in accordance with laws and financial reporting standards, as well as con-

- sidering and approving quarterly financial statements and annual financial statements which have been reviewed or audited by an auditor to present to the Board of Directors meeting.
- [2] Consider, select and propose the appointment of an independent person to act as the Company’s auditor, as well as offering the auditor’s remuneration taking into account reliability adequacy of resources, the amount of audit work of the audit office, and experience of personnel assigned to audit the Company’s accounts.
- [3] Review to ensure that the Company has an Internal Control system and an Internal Audit system and a Risk Management system that are adequate, appropriate, and efficient.
- [4] Consider the independence of the internal audit department by considering the performance of duties and various reports, including the chain of command as well as giving approval to consider the appointment, transfer, and termination of the head of the internal audit department or any other agency responsible for internal auditing. Also, evaluating the performance of the head of the internal audit department and arranging for the Chief Executive Officer to compile the budget and manpower of the internal audit department and present it to

- the Board of Directors for consideration of the annual budget.
- [5] Review to ensure that the Company has an information technology system related to internal control, financial reporting, risk management, maintaining the security of information and network systems, as well as arranging for regular updates to be up-to-date.
 - [6] Review and approve "Evaluation form for the adequacy of the internal control system" which the internal audit department has inspected and evaluated, to ensure that the Company has an adequate internal control system and to present to the Board of Directors for consideration and approval.
 - [7] Review the accuracy of reference documents and self-assessment forms regarding the Company's anti-corruption measures according to the Collective Action Against Corruption project.
 - [8] Review the Company's compliance with securities and stock exchange laws, regulations, and announcements of the SEC Office and the Stock Exchange and related laws that are applicable to the Company and/or the Company's business.
 - [9] Consider and review the good practices of the Audit and Corporate Governance Committee to prevent and deter inappropriate behavior of listed companies.
 - [10] Consider and give opinions on connected transactions or transactions that may have conflicts of interest in accordance with the law on securities and exchange, regulations and announcements of the SEC office, Stock Exchange and related laws that are applicable to the Company and/or the Company's business, to ensure that the said transactions are reasonable and provide the utmost benefit to the Company and shareholders.
 - [11] Supervise to follow up on reviewing compliance with the contract of not taking action that may cause a conflict of interest; give opinions on the results of the review at least once a year to present to the Board of Directors for consideration and acknowledgment, or for taking any other action (depending on the case) as well as considering giving opinions to the Board of Directors for action if there is an agenda that may cause a conflict of interest as specified in the contract of not taking action that may cause a conflict of interest.
 - [12] Consider and review the good corporate governance policy, code of conduct, as well as anti-corruption policy and various related policies to be in accordance with the principles of good corporate governance at least once a year to present to the Board of Directors for consideration and approval.
 - [13] Monitor and supervise corporate governance operations to be as specified and report the results of work to the Board of Directors for acknowledgement.
 - [14] Provide advice and suggestions to the Company regarding good corporate governance and promote communication to make directors, executives, and employees aware and understand policies and practices regarding good corporate governance and code of conduct.
 - [15] Consider and give opinions in the evaluation report regarding the Company's corporate governance, social responsibility, and the Company's annual anti-corruption campaign.
 - [16] Arrange for a process for receiving complaints and receiving clues regarding wrongdoing, corruption, or non-compliance with laws, regulations, and the Company's code of conduct from employees who have doubts or have reasonable grounds to be believed in good faith that such actions have occurred and supervise the implementation of an independent audit process and follow up on progress in investigating such complaints appropriately.
 - [17] If any of the following items or actions are found or suspected, which may have a significant impact on the Company's financial position and operating results, the Audit and Corporate Governance Committee must report to the Board of Directors for correction within the time the Audit and Corporate Governance Committee deems appropriate.
 - a] Transactions that cause conflicts of interest
 - b] Fraud or abnormalities or significant de-

fects in the internal control system

- c] Violation of securities and stock exchange laws, regulations, and announcements of the SEC Office and the Stock Exchange and related laws that are applicable to the Company and/or the Company's business

If the Board of Directors or executives do not take corrective actions within the above time period, any member of the Audit and Corporate Governance Committee may report the above transactions or actions to the SEC Office or the Stock Exchange of Thailand.

- [18] Have authority to invite management, employees, or related persons to attend meetings to clarify information, and deliver and provide relevant information under the performance of duties in accordance with the scope of authority assigned by the Board of Directors, as well as being able to communicate directly with external auditors, internal auditor and the management of the Company and its subsidiaries.
- [19] Carry out inspections of those involved under the authority and duties of the Audit and Corporate Governance Committee and has the power to hire or bring in specialized experts to assist in auditing, to provide opinions or advice as necessary with the Company's payment.
- [20] Attend meetings with the head of the internal audit department to discuss important issues at least one (1) time per year without executives attending the meeting.
- [21] Prepare the report of the Audit and Corporate Governance Committee, which consists of information and opinions of the Audit and Corporate Governance Committee in various areas to present to the Board of Directors. This is disclosed in the Company's annual report. The report must be signed by the Chairman of the Audit and Corporate Governance Committee and must contain, at least, the following information:
 - a] Opinions on the accuracy, completeness, and reliability of the Company's financial reports.

- b] Opinions regarding the adequacy of the Company's risk management and internal controls system.

- c] Opinions regarding compliance with securities and stock exchange laws, regulations, and announcements of the SEC Office and the Stock Exchange and other related laws that are applicable to the Company and/or the Company's business.

- d] Opinions on the suitability of the auditor

- e] Opinions on transactions that may have conflicts of interest

- f] Number of Audit and Corporate Governance Committee meetings and meeting attendance of each member of the Audit and Corporate Governance Committee

- g] Overall opinions or observations that the Audit and Corporate Governance Committee received from performing duties according to the Charter

- h] Any other transactions that the Company's shareholders and general investors should know about within the scope of authority, duties and responsibilities assigned by the Board of Directors

- i] Opinions on corporate governance of the Company

- [22] Report operating results to the Board of Directors every 3 months.

- [23] Review and propose to the Board of Directors to consider amending the Audit and Corporate Governance Committee Charter to be consistent with the circumstances.

- [24] Consider appointing the head of the Company's internal audit department as secretary of the Audit and Corporate Governance Committee, to take care of various activities of the Audit and Corporate Governance Committee, as well as specifying the qualifications and experience of the secretary of the Audit and Corporate Governance Committee that are necessary and appropriate for the performance of duties in supporting the operations of the Audit and Corporate Governance Committee

- [25] Perform any other duties as assigned by the Board of Directors with the approval of the Audit and Corporate Governance Committee.

(Please consider the information and details of the scope, authority, duties and responsibilities of the Audit and Corporate Governance Committee in Attachment 5 "Corporate Governance Policy and Practice and Business Code of Conduct" – "Charter of the Audit and Corporate Governance Committee")

Report of Audit and Corporate Governance Committee

- [1] Prepare the report of the Audit and Corporate Governance Committee and disclose it in the Company's annual report, listed as specified by the Stock Exchange and signed by the Chairman of the Audit and Corporate Governance Committee.
- [2] Report on various activities regularly so that the Board of Directors is aware of the activities of the Audit and Corporate Governance Committee.
 - a] Meeting minutes of the Audit and Corporate Governance Committee, which clearly states opinions in considering various activities
 - b] Report on activities considered during the year
 - c] Report on opinions on financial reports and internal audit reports
 - d] Any other reports that the Board of Directors should know
- [3] Report findings immediately so that the Board of Directors can find timely solutions in the following matters:
 - a] Report fraud or abnormalities or significant defects in the internal control system
 - b] Report conflicts of interest

- c] Suspicion that there may be a violation of the law or any regulations of the Stock Exchange and other laws related to the Company's business
- d] Any other reports that the Board of Directors should know

- [4] If the auditor finds suspicious circumstances regarding corruption or violation of laws related to the performance of duties by directors and executives, the auditor shall report to the Audit and Corporate Governance Committee, to carry out the initial inspection. The Audit and Corporate Governance Committee must report results of such audit to the SEC Office and the auditor within 30 days from the date of notification from the auditor.

Self-evaluation of the Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee must evaluate their performance at least once a year and report the evaluation results to the Board of Directors. The Audit and Corporate Governance Committee has a policy to review the Charter of the Audit and Corporate Governance Committee regularly at least once a year.

7.3.1.2 List of names and scope of duties and responsibilities of the Executive Committee

The Executive Committee consists of at least 3 members appointed by the Board of Directors. Member of the Executive Committee is not required to hold the position of the Company director. As of December 31, 2023, The Executive Committee was composed of the following persons:

	Name	Position
1.	Mr. Sint Krongphanich	Director, Chairman of the Executive Committee and Chief Executive Officer
2.	Mr. Pavares Boontanonda	Director and Member of the Executive Committee
3.	Mr. Sakesan Krongphanich	Director, Member of the Executive Committee and Deputy Chief Executive Officer
4	Mr. Preecha Issarapanichkit	Director and Member of the Executive Committee
5	Mr. Piya Techapichetvanich	Member of the Executive Committee and Finance, Accounting and Risk Management Department Manager

Mr. Sint Krongphanich is the Chairman of the Executive Committee, who has sufficient knowledge and experience to be able to perform managerial duties. Miss Paweena Krongraksa, Company Secretary, was appointed as Secretary to the Executive Committee

Details, qualifications, and experience of all 5 members of the Executive Committee appear in the part of Details of Directors, Executives, and Company Secretary.

Scope of duties, authorities, and responsibilities of the Executive Committee

The Board of Directors' Meeting No. 11/2023 on December 19, 2023 approved the amendment of the scope of authorities, duties, and responsibilities of the Executive Committee as follows:

- (1) Develop vision, mission, policy, direction, strategy, business plan, budget, business expansion plan, investment plan, management structure and authority to present to the Board of Directors for consideration and approval, as well as taking action as approved by the Board of Directors and checking and monitoring such operations to ensure efficiency and effectiveness. And in the event that the situation changes, the Executive Committee may consider and review the use of the approved budget to be appropriate for the particular situation, as well as proposing it to the Board of Directors for approval. (depending on the case).
- (2) Manage and supervise business operations on a normal basis in accordance with the Company's vision, mission, policy, direction, strategy, business plan, budget, business expansion plan, investment plan, and operational objectives according to the policies established by the Board of Directors, as well as considering the allocation and management of resources to ensure efficiency and effectiveness in order to sustainably achieve the main objectives and goals and report to the Board of Directors at least once a quarter.
- (3) Approve work regulations, orders, requirements, regulations, and management policies, various regulations regarding operations, control, and management in every line of work according to the authority approved by the Board of Directors.
- (4) Consider and approve feasibility studies for new investment projects and investments or joint investments with any other person, juristic person or business organization in the form that the Executive Committee deems appropriate in order to carry out the business according to the Company's objectives, as well as approving the disbursement for such investments, the entering into legal contracts and/or any actions related to the matter until completion according to the authority assigned by the Board of Directors or as approved in principle by the Board of Directors as specified in the Delegation of Authority Guideline.
- (5) Follow up on the performance and progress of each investment project and report the results, including problems or obstacles that arise and guidelines for improvement, to the Board of Directors at least once a quarter.
- (6) Consider the profit and loss of the Company, provide advice regarding the Company's dividend payment and present it to the Board of Directors for consideration and approval of the entering into the contracts and/or any transactions related to normal business operations and supporting transactions of the Company's normal business operations (such as trading, investments, or joint ventures with other parties for the Company's normal transactions) which have general trading conditions and within the limit as specified in the Delegation of Authority Guideline or as determined by the Board of Directors.
- (7) Consider and approve loaning and

- requests of any loan from a financial institution, lending money, as well as pawning, mortgaging or becoming a guarantor of the Company and subsidiaries within the financial limit as specified in the Delegation of Authority Guidelines or as determined by the Board of Directors.
- [8] Set and review Risk management framework and policy while considering the Company's objectives, vision, mission, policies, main goals and business strategies, to present to the Board of Directors.
 - [9] Consider and approve the enterprise risk management plan and risk appetite level to be consistent with the strategy and direction of the business to present to the Board of Directors, the risk assessment must cover the topics specified in the risk management framework and policy.
 - [10] Consider and approve the risk management manual as proposed by the Risk Management Department, which must be reviewed at least once a year.
 - [11] Supervise compliance with the risk management framework and policy, in order to have effective and efficient risk management.
 - [12] Consider and supervise relevant risk owner departments to monitor the implementation of the risk management plan, to improve or correct the situation in timely manners if the risk changes or has a severe tendency.
 - [13] Consider and supervise the risk management unit to compile risk management monitoring results and report the results of such monitoring to the Executive Committee to consider and approve, suggest, improve, and change risk management practices or risk management plan, and present it to the Board of Directors for further consideration.
 - [14] Manage so that the Company has an adequate and appropriate risk management system in accordance with the risk management policy approved by the Board of Directors.
 - [15] Approve the appointment of various consultants necessary for the Company's operations under the budget framework approved by the Board of Directors each year.
 - [16] Authorize the Chief Executive Officer to carry out the Company's operations according to the scope of authority, duties and responsibilities, as determined by the Executive Committee under the governance of the Executive Committee.
 - [17] Supervise the administration and determine the management structure of the Company and subsidiaries to be able to manage and be responsible for the Company's and subsidiaries' operations efficiently, as well as following up on the management of the Company and subsidiaries to protect the interests of the Company.
 - [18] Consider and approve the framework and criteria for recruiting personnel for positions lower than the Chief Executive Officer. Ensure the existence of a transparent and fair selection process for these positions and oversee the implementation of a personnel selection system appropriately.
 - [19] Consider and approve the framework and policy for determining salary, salary increase, bonus, remuneration, and reward of personnel with lower positions than the Chief Executive Officer.
 - [20] Provide appropriate channels for communicating with the Board of Directors and/or each group of shareholders and supervise information disclosure to ensure accuracy, clarity, transparency, reliability and the highest standards.

- [21] Supervise the reporting of legal compliance results to the Executive Committee to consider, approve and give suggestions at least once a quarter.
- [22] Consider and give opinions on matters that require approval from the Board of Directors, except for any business which the Board of Directors has assigned other sub-committees to carry out.
- [23] Carry out any other actions as assigned by the Board of Directors or according to policies set by the Board of Directors.
- [24] Request independent opinions from other professional advisors when deemed necessary and appropriate with the budget of the Company.
- [25] Review and propose to the Board of Directors to consider amending the scope of authority, duties, and responsibilities of the Executive Committee to be consistent with the situation.
- [26] Appoint the secretary of the Executive Committee to assist the Executive Com-

mittee in performing their duties so that the Company’s business operations comply with relevant laws, announcements and regulations.

- [27] Authorize one or more persons to act on behalf of the Executive Committee.

(Please consider the information and details of the scope, authority, duties and responsibilities of the Board of Directors in Attachment 5 “Corporate Governance Policy and Practice and Business Code of Conduct” – “Charter of the Executive Committee”)

Self-evaluation of the Executive Committee

The Executive Committee must evaluate their performance at least once a year and report the evaluation results to the Board of Directors. The Executive Committee has a policy to review the Charter of the Executive Committee regularly at least once a year.

7.3.1.3 List of names and scope of duties and responsibilities of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of at least 3 members, mostly independent directors. As of December 31, 2023, the Nomination and Remuneration Committee was composed of the following persons:

	Name	Position
1.	Mr. Choochai Eiamrungrroj	Independent Director, Chairman of the Nomination and Remuneration Committee and Member of the Audit and Corporate Governance Committee
2.	Mr. Yongyos Krongphanich	Chairman of the Board of Directors, Director, and Member of the Nomination and Remuneration Committee
3.	Miss Charanya Sangsukdee	Independent Director, Chairman of the Audit and Corporate Governance Committee and Member of the Nomination and Remuneration Committee

Mr. Choochai Eiamrungrroj is the Chairman of the Nomination and Remuneration Committee, having sufficient knowledge and experience to be able to perform managerial duties. Miss Paweena Krongraksa, the Company secretary was appointed as Secretary of the Nomination and Remuneration Committee. Details, qualifications, and exp

erience of all 3 members of the Nomination and Remuneration Committee appear in the part of Details of Directors, Executives, and Company Secretary.

Scope of duties, authorities, and responsibilities of the Nomination and Remuneration Committee

The Board of Directors' Meeting No. 1/2022 (after becoming a public company) on August 2, 2022 approved the scope of authorities, duties, and responsibilities of the Nomination and Remuneration Committee as follows.

- [1] Consider the structure and composition of the Board of Directors in terms of the number of committee members to suit the size, type and complexity of the Company's business, including to keep in line with business operations strategies and the changing environment.
- [2] Set qualifications and criteria for recruiting the Board of Directors. Sub-Committees and Chief Executive Officer of the Company to propose to the Board of Directors for consideration and approval. Consider selecting people with appropriate knowledge, experience, and expertise to serve as directors, Sub-committees' members and Chief Executive Officer of the Company in order to submit names to the Board of Directors for consideration and/or submission to the shareholders' meeting for consideration and appointment (as the case may be).
- [3] Consider and review the independence qualifications of each independent director to ensure that the Company's independent directors are independent and have all qualifications according to relevant criteria.
- [4] Consider the format and the process of continuously developing knowledge of directors in order to strengthen and develop knowledge and skills in accordance with the Company's business, economic conditions, technology, laws or rules related to the Company's business.
- [5] Establish a succession plan for the Chief Executive Officer and executives in order to prepare the Company for succession, as well as creating and review plans for continuous knowledge development of



the Chief Executive Officer and executives in order to enhance and develop knowledge and skills in line with the Company's business, in order for the management of the Company to proceed continuously.

- [6] Present policy framework and methods of work compensation [both monetary and non-monetary] of directors, Sub-committees' member and Chief Executive Officer of the Company, both remuneration at a fixed rate (e.g. regular remuneration, meeting allowance) and remuneration according to the Company's performance [e.g. bonuses, pension, awards] by considering appropriateness, fairness and compliance with the law, to propose to the Board of Directors for consideration and approval.
- [7] Consider and review the criteria for evaluating the performance of the Company's Board of Directors, Sub-committees (corporate and individual) and Chief Executive Officer, to propose to the Board of Directors for consideration and approval.
- [8] Collect annual performance evaluations, including guidelines for the efficient operation of the sub-committees, and the Chief Executive Officer to present to the Board of Directors.

[9] Consider, review, study, and follow changes and trends in remuneration of directors, Sub-committee, and Chief Executive Officer of the Company regularly in order to propose a policy framework and compensation model for the Board of Directors to consider and approve.

[10] Consider remuneration for the work of directors, Sub-committee, and Chief Executive Officer of the Company under the policy framework and compensation model, to propose to the Board of Directors and/or the shareholders' meeting who will consider and approve them further. [depending on the case].

[11] Seek independent opinions from other professional advisors when deemed necessary with the Company's expense as appropriate, by disclosing the information and independence of the consultant in the annual report as well [if any].

[12] Request information from various departments of the Company for additional consideration on various matters.

[13] Carry out any other actions as assigned by the Board of Directors or according to policies set by the Board of Directors.

Self-evaluation of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee must evaluate their performance at least once a year and report the evaluation results to the Board of Directors. The Nomination and Remuneration Committee has a policy to review the Charter of the Nomination and Remuneration Committee regularly at least once a year.

7.3.2 Meetings of the Board of Directors and Sub-committees

Important regular agenda items to be presented to the Board of Directors' meeting every year are as follows:

Month	Regular agenda
January	<ol style="list-style-type: none"> 1. Acknowledge the operating results of the previous year and evaluate the Company's operations [Corporate KPIs]. 2. Evaluate work in the previous year and determine annual key performance indicators [KPIs] of top executives.
February	<ol style="list-style-type: none"> 1. Call a Annual General Meeting of Shareholders and consider the agenda that must be presented to the Annual General Meeting of Shareholders, including: <ul style="list-style-type: none"> • Financial statements of the previous year. • Dividend payment. • Appointment of an auditor and determination of compensation. • Election of directors to replace those who are due to retire by rotation and determination of the remuneration of directors. 2. Set an annual risk management plan and risk management reports. 3. Evaluate the adequacy of the Company's internal control system. 4. Evaluate the performance of the Board of Directors and Sub-committees. 5. Determine remuneration of the Directors, Sub-committees' member, and Chief Executive Officer.
March	Approve annual information and annual report (Form 56-1 One Report).
April	<ol style="list-style-type: none"> 1. Consider the agenda regarding the Company's operations. 2. Report progress for the preparation of the Annual General Meeting of Shareholders.
May	Consider the financial statements for the 1st quarter and the agenda regarding the Company's operations.
June	Consider the agenda regarding the Company's operations.
July	Consider the agenda regarding the Company's operations.

Month	Regular agenda
August	<ol style="list-style-type: none"> 1. Consider the financial statements for the 2nd quarter and the agenda regarding the Company's operations. 2. Consider interim dividends (if any). 3. Consider risk management progress reports.
September	Consider the agenda regarding the Company's operations.
October	Consider the agenda regarding the Company's operations.
November	Consider the financial statements for the 3rd quarter and the agenda regarding the Company's operations.
December	<ol style="list-style-type: none"> 1. Consider the agenda regarding the Company's operations. 2. Consider the operating plan and business goals (Business Plan) for the following year.

In 2023, the Company held a total of 11 Board of Directors meetings' and the attendance rate of directors was approximately 86 percent, as well as organized sub-committee meetings to enable the directors to discuss important matters together and strengthen good corporate governance of the Company.

Joint meeting between the Audit and Corporate Governance Committee and the Executive Committee

In 2023, there was 1 joint meeting between the Audit and Corporate Governance Committee and the Executive Committee to acknowledge the results of risk management, results of internal audits that are significantly relevant to the Company's risk issues, as well as other related matters and plan the joint work for the following year.

Details of meeting attendance in 2023 of individual directors are shown in the attached table:

Name	Number of Attendance/Total Number of Meetings						
	AGM [1 time]	EGM [1 time]	BOD [11 time]	AC [8 time]	NRC [3 time]	ExCom [11 time]	AC+ExCom* [1 time]
1. Mr. Yongyos Krongphanich	1/1	1/1	11/11	-	3/3	-	-
2. Mr. Sint Krongphanich	1/1	1/1	11/11	-	-	11/11	1/1
3. Mr. Sakesan Krongphanich	1/1	1/1	11/11	-	-	11/11	1/1
4. Mr. Permsak Kosolbhand	1/1	1/1	10/11	-	-	-	-
5. Mr. Preecha Issarapanichkit	1/1	1/1	11/11	-	-	11/11	1/1
6. Miss Charanya Sangsukdee	1/1	1/1	11/11	8/8	3/3	-	1/1
7. Mr. Choochai Eiamrungraj	1/1	1/1	11/11	8/8	3/3	-	1/1
8. Mr. Trinnawat Thanitnithiphan	1/1	1/1	8/10	7/8	-	-	1/1
9. Mr. Pavares Boontanonda	0/1	0/1	0/11	-	-	0/11	0/1
10. Mr. Piya Techapichetvanich						11/11	1/1

Note

*Excom - The Board of Directors has assigned the Executive Committee to oversee risk management, according to the Executive Committee Charter.

Definition: AGM = Annual General Meeting of Shareholders, EGM = Extraordinary General Meeting of Shareholders, BOD = the Board of Directors' Meeting, AC = the Audit and Corporate Governance Committee Meeting, NRC = the Nomination and Remuneration Committee Meeting, EXCOM = the Executive Committee Meeting, AC+EXCOM = joint meeting between the Audit and Corporate Governance Committee and the Executive Committee, Symbol - = not a Director at the time the Meeting was held.

Evaluation of the performance of the Board of Directors and Sub-committees

In order to comply with the principles of good corporate governance, the Board of Directors' and Sub-committees' performance must be evaluated at least once a year. The Nomination and Remuneration Committee shall consider and reviews the criteria for Self-Evaluation of the Board of Directors and Sub-committees, to propose to the Board of Directors for consideration and approval.

Evaluation of the performance of the Board of Directors and Sub-committees utilizes a scoring method that divides the score into 5 levels as follows:

- 0 = Strongly disagree or there is no operation on that matter
- 1 = Disagree or there is little operation on that matter.
- 2 = Agree or there has been sufficient operation on that matter.
- 3 = Quite agree or there is good operation on that matter.
- 4 = Strongly agree or there is excellent operation on that matter.
- N/A = information not available or not applicable.

In 2023, there are 4 assessment forms, consisting of the Board of Directors' self-assessment as a group / sub-committee self-assessment as a group / the Board of Directors' individual assessment and sub-committees' individual assessment / performance evaluation form of the Chief Executive Officer. All 4 evaluation forms have evaluation criteria calculated as a percentage from the full score for each item. The criteria are 90 - 100 = excellent, 80 - 89 = very good, 70 - 79 = good, 60 - 69 = fair, 50 - 59 = pass, less than 50 = fail. The evaluation results can be summarized as follows.

1. The Board of Directors' self-assessment as a group consists of 6 topics: structure and qualifications of the Board of Directors / roles, duties and responsibilities of the Board of Directors / Board meetings /

duties of the Directors / relationship with management / Self-development of the directors. The result of assessment of the entire committee in 6 topics is excellent, with an average score of 97.59 percent.

2. The sub-committee self-assessment as a group consists of 3 topics: structure and qualifications of the committees / the committee meetings / roles, duties and responsibilities of the committees. Overall results of the self-assessment of all 3 sub-committees, evaluated across 3 topics, showed that average score was in the excellent range. Details are as follows:

- 2.1 The Audit and Corporate Governance Committee scores was in the excellent range, equal to 95.57 percent.
- 2.2 The Executive Committee scores was in the excellent range, equal to 95.35 percent.
- 2.3 The Nomination and Remuneration Committee scores was in the excellent range, equal to 99.07 percent.

3. The Board of Directors' individual assessment and sub-committee individual assessment consists of 3 topics: Structure and qualifications of the Board/Committee / the Board/Committees meetings / roles, duties and responsibilities of the Board/Committee. Summary of the results of the individual assessment of the Board of Directors and Sub-committees in 3 topics has an average score in the excellent range, equal to 94.24 percent.

4. Performance evaluation form of the Chief Executive Officer. The Board of Directors will consider and approve the establishment of goals and key performance indicators (KPIs) of the Chief Executive Officer. The performance assessment consists of 10 topics: leadership / strategy setting / strategy implementation / financial planning and performance / relationship with the Board of Directors / external relationship / management and personnel relations / succession plan / knowledge of products

and services / personal characteristics. The average score is in the excellent range, equal to 98.75 percent.

7.3.3 Authorized Directors

Authorized Directors are consist of Mr. Pavares Boontanonda, Mr. Sint Krongphanich, Mr. Yongyos Krongphanich and Mr. Sakesan Krongphanich. Any two of these four directors jointly sign.

Due to the resignation of two directors one of which was an Authorized Director, the Board of Directors' Meeting No. 1/2024 on January 26, 2024 approved the change in the list of Authorized Directors to consist of Mr. Sint

Krongphanich, Mr. Yongyos Krongphanich and Mr. Sakesan Krongphanich and that any two of these three directors jointly sign.

7.4 Executives

7.4.1 Information about the Executives

As of December 31, 2023, the Company's executives, according to the definition specified in the announcement of the Securities and Exchange Commission Kor Jor. 17/2551 on Defining definitions in announcements related to the issuance and offering of securities, (as amended) (including Corporate Finance Division Manager and Accounting Division Manager), consist of 8 executives as follows:

	Name	Position
1.	Mr. Sint Krongphanich	Chief Executive Officer
2.	Mr. Sakesan Krongphanich	Deputy Chief Executive Officer
3.	Mr. Piya Techapichetvanich	Finance, Accounting and Risk Management Department Manager
4.	Mr. Chanchai Chantrapimol	Commercial and Business Development Department Manager
5.	Mr. Kittisak Suthithanakom	Operations and Supply Chain Department Manager
6.	Mr. Narongsak Yensakul	Terminalling, Engineering and Safety Department Manager
7.	Mrs. Sujira Rakkanam	Corporate Finance Division Manager
8.	Mr. Kammalart Sagaravasi	Accounting Division Manager

(Please consider the information and details of the Company's executives in Attachment 1 "Details of Directors, Executives, Controlling Persons, Holder of the Highest Accounting and Financial Position, Person Directly Assigned to Control Accounting, and the Company Secretary")

7.4.2 Policies and methods for determining management remuneration

The Board of Directors will evaluate the performance and determine the remuneration of the Chief Executive Officer, which has been considered by the Nomination and Remuneration Committee. The Chief Executive Officer will evaluate the performance and remuneration of executives in positions lower than the Chief Executive Officer under the framework and policies set by the Executive Committee. In principle, the Company's operating results, operation according to the policies received from the Board of Directors, ability to develop business and improve organizational efficiency, economic and social conditions will

be considered. Moreover, the compensation structure will be compared with those in the same industry. Performance of each individual will be evaluad based on Key Performance Indicators of individual executives.

7.4.3 Management remuneration

(1) Monetary compensation

For the year ending December 31, 2023, the Company paid compensation to executives (this does not include Corporate Finance Division Manager and Accounting Division Manager who are not at the same level as the fourth executive and does not include remuneration as a director) with the following details:

List	2022	2023
Number of executives (person)	7	7 ¹
Compensation (Baht)	45,915,698	45,329,449 ²

Note:

1. No. of executives includes Mr. Borvorn Venasakulchai, Corporate Services and Quality Department Manager, who retired from the Company on January 31, 2023

2. Compensation includes that of Mr. Borvorn Venasakulchai, Corporate Services and Quality Department Manager, who retired from the Company on January 31, 2023

(2) Other Compensations

For the fiscal year ending December 31, 2022 and for the year ending December 31, 2023, the Company has paid other compensation to executives, which consists of company car, representing a total of 3,037,361 baht and 3,769,692 baht, respectively.

(3) Accrued compensation or benefits

- None -

7.5. Information about employees

7.5.1 Number of personnel

As of December 31, 2023, the Company Group has a total of 587 employees. All of them were full-time employees. The details are as follows:

	Department	Number of employees as of December 31, 2022	Number of employees as of December 31, 2023
1.	Departments whose chain of command reports directly to the Chief Executive Officer and Deputy Chief Executive Officer	55	120
2.	Finance, Accounting and Risk Management Department	66	65
3.	Commercial and Business Development Department	49	45
4.	Operations and Supply Chain Department	212	213
5.	Terminalling, Engineering and Safety Department	128	144
6.	Corporate Services and Quality Department	82	- ¹
	Total number of employees	592	587

Remarks:

1. The Company has adjusted its organizational structure by transferring personnel in the Corporate Services and Quality Department to be part of the units where the line of command report directly to the Chief Executive Officer and Deputy Chief Executive Officer, Finance, Accounting and Risk Management Department and Terminalling, Engineering and Safety Department

7.5.2 Significant changes in the number of personnel over the past 3 years (2021 to December 31, 2023)

In 2021, there was an increase in the number of employees from 2020 by 50 people. As of December 31, 2022, there was an increase in the

number of employees from 2021 by 5 people in order to support the expansion of the Company's and subsidiaries' businesses, as well as preparing to register the Company in the Stock Exchange of Thailand. As of December 31, 2023, the number of employees decreased

from 2022 by 5 people due to employees retiring and/or resignation.

7.5.3 Employee Remuneration

Employee remuneration (excluding executives) of the Company and its subsidiaries for the fiscal year ending December 31, 2022, was equal to 400,342,437.78 Baht. For the fiscal year ending December 31, 2023, the remuneration was equal to 365,843,019.19 Baht. The employee remuneration includes salary, bonus, overtime pay, provident fund, and other remuneration, including duty officer's pay, shift pay, famine allowance and scholarships for employees and employees' children, etc.

7.5.4 provident fund

At present, the Company has established a provident fund under the name of "TISCO Master Pooled Registered Provident Fund" which was registered with the SEC Office. As of December 31, 2023, the Company had 544 employees with monthly compensation (including the first four executives according to the definition provided in the announcement of the Securities and Exchange Commission Kor Jor. 17/2551, Corporate Finance Division Manager and Accounting Division Manager) who participated in the provident fund project, representing 91.42 percent of all employees with monthly compensation.

Policy for selecting provident fund manager of the Company will use the resolution of the provident fund committee meeting. The provident fund committee will consider and vote at the meeting to select the provident fund manager by considering the qualifications to be able to manage the Company's provident fund efficiently and with maximum benefit.

7.5.5 Significant labor disputes over the past 3 years

- None -

7.5.6 Personnel development policy

The Board of Directors' Meeting No. 1/2022 (after becoming a public company) on August 2, 2022 approved the policy regarding personnel development. The details are as follows:

- [1] Promote and support personnel at all levels of the Company Group to develop skills, knowledge, and expertise from experience gained from actual work. It is the duty of supervisors in each department to provide opportunities for employees in learning, sharing experiences, practicing and giving regular advice.
- [2] Provide training courses that help increase knowledge in various fields and work potential for personnel at all levels, both by organizing internal training courses and sending employees to attend external training courses that are considered relevant and appropriate to the needs of personnel in each department.
- [3] The Human Resources Function is responsible for evaluating the wants and needs for personnel development at all levels and creating personnel development plans that are consistent with the business development plan in order to prepare the personnel of the Company Group to be ready for increased responsibilities, and present it to the Executive Committee and the Board of Directors for consideration and approval as well as following up on the implementation of the personnel development plan and evaluating it continuously.
- [4] Organize various activities as appropriate to create closeness, familiarity, and good relations between the Board of Directors, Sub-committees, executives and employees in all positions, to increase the quality of work and reflect professional work. This will result in maximum customer satisfaction.

7.6. Other important information

7.6.1 Person assigned to be directly responsible for supervising Accounting, Company Secretary, Head of Internal Audit, and Head of Compliance

- [1] **Person assigned to be directly responsible for supervising Accounting.**
Mr. Kammalart Sagaravasi ("Mr. Kammalart") is the Accounting Division Manager of the

Company, who is assigned to be directly responsible for supervising the Company's accounting. He is responsible for supervising the accounting transactions of the Company to be efficient and in accordance with the rules, regulations, criteria of the Company and accounting standards. Mr. Kammalart has experience working in accounting for not less than 3 years in the past 5 years.

(Please consider the information and details of the Company's person assigned to be directly responsible for supervising accounting in Attachment 1 "Details of Directors, Executives, Controlling Persons, Holder of the Highest Accounting Position, Person Directly Assigned to Control Accounting, and the Company Secretary")

(2) Company Secretary

The Board of Directors' Meeting No. 1/2022 (after becoming a public company) on August 2, 2022 appointed Miss Paweena Krongraksa ("Miss Paweena") as the Company Secretary. She has duties and responsibilities as specified in Section 89/15 and Section 89/16 of the Securities and Exchange Act B.E. 2535 (including amendments) with responsibility, caution, and honesty, as well as compliance with the law, objectives, Company regulations, resolution of the Board of Directors, as well as the resolutions of the shareholders' meeting.

(Please consider the information and details of the Company Secretary, as well as duties and responsibilities of the Company secretary in Attachment 1 "Details of Directors, Executives, Controlling Persons, Holder of the Highest Accounting Position, Person Directly Assigned to Control Accounting, and the Company Secretary")

(3) Head of Internal Audit

The Company has appointed Mr. Kanthaphatt Jaruphattarayotsapat ("Mr. Kanthaphatt") as the Head of Internal Audit since 2019. Mr. Kanthaphatt is knowledgeable in the Company's operation, good corporate governance code, and assessment of risks and internal controls both at the business level and overall.

(Please consider qualifications of the person holding the position of Head of the Internal Audit as per Attachment 3 "Details of the Head of the Internal Audit and Head of Compliance")

(4) Head of Compliance

The Company has assigned Miss Songnapat Threephatrathorn ("Miss

Songnapat") to hold the position of Head of Compliance of the Company in order to supervise compliance with the regulations of the official agencies that supervise business operations of the Company.

(Please consider the qualifications of the person holding the position of Head of Compliance according to Attachment 3 "Details of the Head of the Internal Audit and Head of Compliance")

7.6.2 Head of Investor Relations and Contact Information.

In order to disclose important information correctly, quickly and transparently, the Company has established an Investor Relations and assigned Mr. Keerati Temsiripong to hold the position of Head of Investor Relations as a center for disclosing important information to shareholders and investors including financial information such as operating results and quarterly financial statements, quarterly management reports and analysis, etc., for shareholders and investors to know regularly, equitably and completely.

The Investor Relations can be contacted at
Tel : +66 (0)63-569-5926
Email: psp-ir@psp.co.th

7.6.3 Auditor Remuneration

(1) Audit Fee

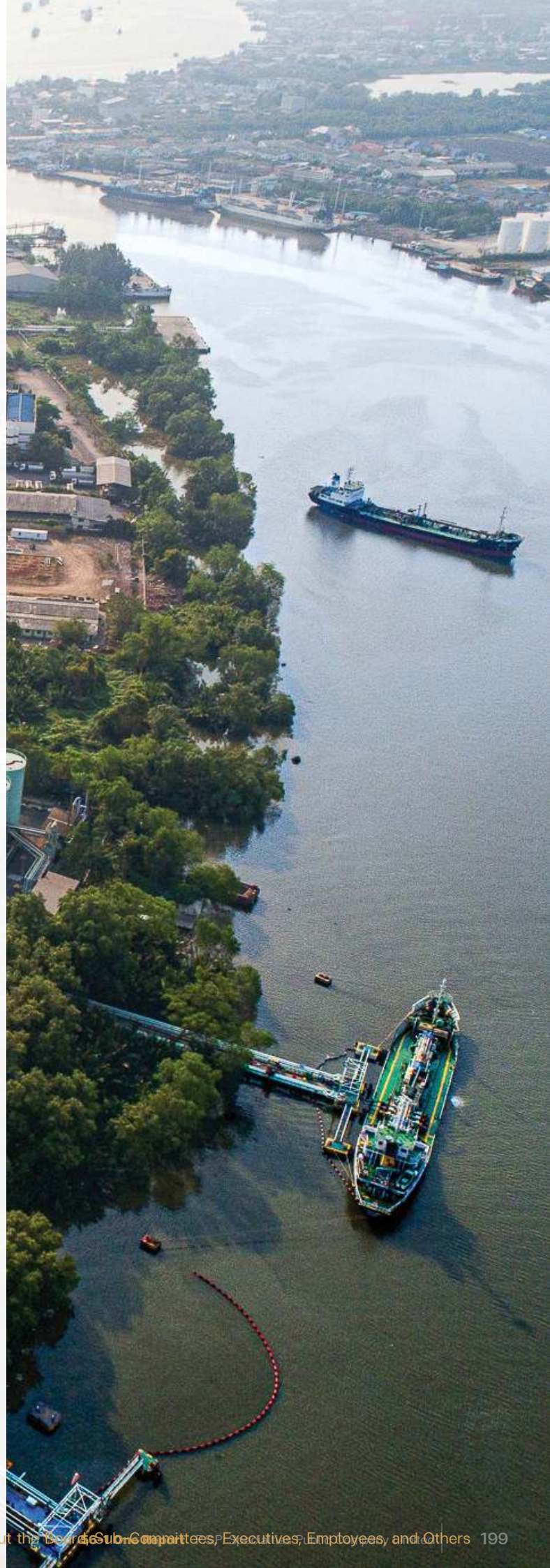
The Company's 2022 Annual General Meeting of Shareholders on April 22, 2022 resolved to appoint PricewaterhouseCoopers ABAS Limited ("PwC"), a certified auditor with permission from the SEC Office, to be the Company's auditor for the year 2022 and approved payment of compensation as the Company's audit in the amount of 3,150,000 baht, which consists of fee for reviewing quarterly financial statements and annual audit fees. In addition, the Company's subsidiaries appointed auditors from PwC and other auditing firms as the auditors for the year 2022 and approved audit fees totaling 1,545,000 baht and 6,300 US dollars. The Company's 2023 Annual General Meeting of Shareholders on April 28, 2023 resolved to appoint PwC, an auditor licensed by the SEC,

as the Company's auditor for 2023 and approved payment of compensation as the Company's audit in the amount of 3,300,000 baht, which consists of fee for reviewing quarterly financial statements and annual audit fees. In addition, the Company's subsidiaries appointed auditors from PwC and other auditing firms to be the auditors for the year 2023 and approved audit fees totaling 1,945,000 baht and 8,100 US dollars.

(2) Non-Audit Fee

For the fiscal year ending December 31, 2022, the Company and its subsidiaries had Out of Pocket Expenses, including support expenses for auditing and the actual duty disbursed in the amount of 41,060 baht and 100,580 baht, respectively.

In addition, in 2023, the Company paid to PwC for the Financial and Tax Due Diligence to support the investment for Recycle Engineering Company Limited. in the amount of 1,650,000 Baht and had Out of Pocket Expense of 800 Baht.



8. Corporate Governance Key Performance Report

8.1 Summary of the Board of Directors' Performance in the Previous Year

8.1.1 Recruitment, Development, and Performance Appraisal of the Board of Directors

The Company's Board of Directors has complied with the law, objectives, regulations and resolutions of the shareholders' meeting of the Company Group, including adhering to and following the principles of good corporate governance for the 2017 listed companies [Corporate Governance Code for Listed Companies 2017] according to the guidelines set by the SEC Office as guidelines for the operations of the company in order to achieve efficiency in operations and create transparency for investors, which will create confidence in the business operations of the group of companies to outsiders. The performance of the duties of the Board of Directors can be summarized as follows.

1. Independent Director

The Nomination and Remuneration Committee selects and nominates individuals to serve as independent directors by considering their qualifications without prohibited characteristics according to the Public Limited Company Act B.E. 2535 [1992] (and as amended), Securities and Exchange Act B.E. 2535 [1992] (and as amended), the Notification of the Capital Market Supervisory Board and relevant notifications, rules and/or regulations. In addition, the Board of Directors considers selecting independent directors from qualified experts with

consideration of their work experience and suitability in other areas to be in line with the Company's business operations. The candidates are nominated to the Board of Directors and then further presented at the shareholder meeting for election.

The Company has a policy of appointing independent directors at least one-third of the total number of directors and the number must not be less than 3 persons. As of December 31, 2023, the Board of Directors consists of 3 independent directors from a total of 9 directors, which is not less than one-third of the total number of directors. The qualifications of independent directors are as follows:

1. Hold shares not exceeding 1 percent of the total number of shares with voting rights of the parent company, subsidiaries, associated companies, major shareholders or controlling persons of the Company. This includes shares held by related persons of that independent director.
2. Not be or have been a director, employee, staff, advisor who receives a regular salary, or controlling person of the Company, parent company, subsidiaries, associated companies, subsidiaries at the same level, major shareholders or controlling persons of the Company unless he/she has retired from the aforementioned position for not less than 2 years before taking the position. However, such prohibited characteristics do not include the case where independent directors used to be government officials or consultants of government agencies who were major shareholders or controlling persons of the Company.
3. Must not be a person related by blood or by legal registration as the Company's or its subsidiaries' father, mother, spouse, sibling, and child, including the spouse and child of other directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives, or controlling persons.

4. Not have or have had a business relationship with the Company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company in a manner that may obstruct the exercise of independent judgment. Not have or have been a significant shareholder or controlling person of a person who has a business relationship with the Company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company unless he/she has retired from the aforementioned position for at least two years prior to taking office.

Such business relationships include commercial transactions in the ordinary course of business, the renting or leasing of real property, transactions involving assets or services, or providing or receiving financial assistance by accepting or lending, guaranteeing, or providing collateral for liabilities as well as any other similar actions that result in the Company or the counterparty having an obligation to pay to the other party from 3 percent of the net tangible assets of the Company or from 20 million baht and above, whichever is lower. The calculation of such indebtedness shall be in accordance with the method for calculating the value of related transactions pursuant to the notification of the Capital Market Supervisory Board on the rules of related transactions which mutatis mutandis is said to include indebtedness incurred during one year prior to the date of the business relationship with the same person.

5. Must not be or have been an auditor of the Company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company, or a significant shareholder, controlling person, or partner of an audit firm that has auditors of the Company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company unless he/she has retired from such a position for not less than 2 years

before taking office.

6. Must not be or have been a professional service provider. This includes providing legal or financial advisory services that receive service fees of more than 2 million baht per year from the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling person of the Company and not being a significant shareholder, controller, or partner of that professional service provider, unless he/she has retired from such a position for not less than 2 years before taking office.
7. Not be a director appointed to represent the Company's directors, major shareholders or shareholders who are related to the major shareholders
8. Must not operate a business that has the same nature and is in significant competition with the business of the Company or its subsidiaries, or be a significant partner in a partnership, or be a director who takes part in the management, be an employee, be an advisor who receives a regular salary, or hold more than 1% of the total number of voting shares of any other Company that operates a business of the same nature and is in significant competition with the business of the Company or its subsidiaries.
9. Individuals cannot have any other characteristics that would prevent them from giving independent opinions about the Company's operations.

2. Recruitment and Appointment of the Directors and Top Executives

Recruitment of Directors, Sub-Committees' members, and Chief Executive Officer of the Company

The Board of Directors' Meeting No. 1/2022 [after becoming a public company] on August 2, 2022 determined the scope of powers, duties,

and responsibilities of the Nomination and Remuneration Committee. The important details are summarized as follows.

1. Consider the structure and composition of the Board of Directors in terms of the number of committee members to suit the size, type and complexity of the Company's business, including to keep in line with business operations strategies and the changing environment.
2. Set qualifications and criteria for recruiting the Board of Directors. Sub-committees and Chief Executive Officer of the Company to propose to the Board of Directors for consideration and approval. Consider selecting people with appropriate knowledge, experiences, and expertise to serve as directors, Sub-committees' members and Chief Executive Officer of the Company in order to submit names to the Board of Directors for consideration and/or submission to the shareholders' meeting for consideration and appointment (as the case may be).
3. Consider and review the independence qualifications of each independent director to ensure that the company's independent directors are independent and have all qualifications according to relevant criteria.
4. Consider the model and process of continuous knowledge development of directors to strengthen their knowledge and skills in accordance with the Company's business, economic conditions, technologies, laws or rules related to the Company's business.

In 2023, there was an orientation for the new independent director (Mr. Trinnawat Thanitnithiphan) covering organizational structure, the Company's business / performance, directors' remuneration, activities of each department, safety and internal controls.

In addition, the Board of Directors are encouraged to continuously develop and en-

hance their knowledge including participating in workshops to jointly review business plans and strategies with the Company's executives.

5. Establish a succession plan for the Chief Executive Officer and executives in order to prepare the company for succession, as well as creating and reviewing plans for continuous knowledge development of the Chief Executive Officer and executives in order to enhance and develop knowledge and skills in line with the Company's business, in order for the management of the company to proceed continuously.
 - 5.1. Supervise the preparation of plans and processes for recruiting successors for key positions, as well as personnel development plans to equip them with necessary knowledge, skills, experience, characteristics and establishing appropriate number of successors.
 - 5.2. The Chief Executive Officer reports the performance according to the development and succession planning of the Chief Executive Officer and Executives to the Nomination and Remuneration Committee for acknowledgment. The Nomination and Remuneration Committee shall present the said report to the Board of Directors for acknowledgment at least once a year.
 - 5.3. The Company continuously monitors and evaluates the progress in developing successors, as well as conducting a business needs assessment and anticipating changes in the labor market in advance. This enables the Company to adjust its recruitment and development plan and develop effective succession planning in line with business changes to ensure that there are suitable successors of key positions of the Company Group.

The Chief Executive Officer presented the succession plan of the Chief Ex-

ecutive Officer and Executives, as well as the personnel development plan for succession, to the Nomination and Remuneration Committee for consideration and approval before presenting it to the Board of Directors for consideration and approval. Progress was reported to the Nomination and Remuneration Committee and the Board of Directors for acknowledgment.

6. Present the policy framework and models of work remuneration, both monetary and non-monetary, for the Company's Directors, Sub-committees, and Chief Executive Officer, both for fixed-rate remuneration (e.g., fixed remuneration, meeting allowance) and for The Company performance remuneration (e.g., bonus, pension), by considering appropriateness, fairness, and the laws, to present for the Board's consideration and approval.
7. Consider and review the criteria for evaluating the performance of the Board of Directors, Sub-committees (corporate and individual), and Chief Executive Officer to propose to the Board of Directors for consideration and approval.
8. Collect annual performance evaluations, including guidelines for the efficient operation of the Sub-committees, and the Chief Executive Officer to present to the Board of Directors.
9. Consider, review, study, and follow up changes and trends in remuneration of directors, Sub-committees' members and Chief Executive Officer of the Company regularly in order to propose a policy framework and compensation model to the Board of Directors to consider and approve.
10. Consider the remuneration for the work of the directors, Sub-committees' members, and Chief Executive Officer of the Company within the policy framework and compensation model to propose to the Board of Directors and/or the shareholders' meeting

for consideration and approval. [depending on the case]

11. Seek independent opinions from other professional consultant when deemed necessary at the Company's expense as appropriate and disclose the information and independence of the consultant in the annual report [if any].
12. Request information from various departments of the company for additional consideration on various matters.
13. Carry out any other actions as assigned by the Board of Directors or according to policies set by the Board of Directors.

Recruitment and Appointment Criteria of Directors and Top Executives

1. The Nomination and Remuneration Committee is responsible for reviewing and determining the qualifications and criteria for recruiting the Board of Directors, members of the sub-committees and the Chief Executive Officer by considering and selecting individuals with knowledge, skills, experience, and qualifications necessary to drive the organization toward its goals and in line with the Company's business strategies. The committee then nominates the candidates to the Board of Directors and/or at the shareholders' meeting [depending on the case] for consideration and appointments.
2. The recruitment process of the Board of Directors and members of the sub-committees shall be conducted in a fair, equitable, and transparent manner. The recruitment and screening of suitable individuals to serve as directors is required to take into account the structure of the Board of Directors and the "Board Skills Matrix" to ensure that the nominated persons are equipped with appropriate skills, knowledge and experience to the positions being recruited, which will be beneficial to corporate governance.

Furthermore, in order to protect the rights of the Company's shareholders, the Nomination and Remuneration Committee provides an opportunity for shareholders to nominate qualified persons to be considered for election as directors of the Company in advance. Regarding the voting method for director election, shareholders shall cast all of their votes to elect nominated persons to serve as directors one by one.

Appointment and Termination of Directors

The Board of Directors' Meeting No. 1/2022 (after becoming a public company) on August 2, 2022 determined the appointment and terms of office of the Company Directors. The important details are summarized as follows:

1. The Nomination and Remuneration Committee will select and nominate individuals who have all the qualifications as specified in the Board of Directors Charter to hold the position of the Company's director. The names of such persons will be presented to the Board of Directors for further submission to the shareholders' meeting for consideration and election. The Company's directors are required to hold office for a term of 3 years. Independent directors will have a continuous term of office not exceeding 9 years, unless the Board of Directors deems that person suitable to serve as an independent director of the Company further for the highest benefit of the company.
2. The shareholders' meeting will elect the Company's directors, but in the case of selecting a director to fill a vacant director position for any reason other than the expiration of the term, the Board of Directors shall select a person who has all qualifications as determined in the Board of Directors Charter to take up office as a director, unless the remaining term of the director is less than 2 months. The person who is appointed as a replacement director may hold office for only the remaining term of

the retired director. However, the Board of Directors' resolution must consist of votes of not less than three-fourths of the remaining directors.

3. At every Annual General Meeting of Shareholders one-third (1/3) of total number of directors at that time shall retire from office. If the number of directors cannot be divided equally into three parts, the number of directors closet to one-third (1/3) shall retire from office. The directors retiring may be reappointed. The directors to retire from office in the first and second years after the registration of the Company shall be determined by raffles. In subsequent years, the directors who have stayed longest in the position shall retire.

In addition to retiring by rotation as mentioned, the company director vacates the office when

- 1) Deceased
- 2) Resignation
- 3) Lack qualifications to be a company director or have any prohibited characteristics as required by law according to Public Limited Companies Act or have any characteristics that indicate a lack of suitability to be entrusted to manage business which public is the shareholders according to the Securities and Exchange Commission laws
- 4) The shareholders' meeting resolution to remove the director from the position
- 5) Retirement by court order

In this regard, any Company director who will resign from the position must submit a resignation letter to the Company.

4. For resignation of a director before the end of his or her term of office, the director must submit a resignation letter along with explaining the reasons for the resignation to the Chairman of the Board of Directors, at least 30 days in advance, except in case where it is necessary and appropriate.

8.1.2 Meeting Attendance and Remuneration of Directors

Attendance of the Board of Directors' meetings for the year 2023 [from January 1, 2023 to December 31, 2023] has the following details:

Name	Number of Attendance/Total Number of Meetings		
	Board of Directors' Meeting	The Shareholders' Meeting	
	Jan 1 – Dec 31, 2023	AGM	EGM
1. Mr. Yongyos Krongphanich ¹	11/11	1/1	1/1
2. Mr. Sint Krongphanich	11/11	1/1	1/1
3. Mr. Sakesan Krongphanich	11/11	1/1	1/1
4. Mr. Permsak Kosolbhand	10/11	1/1	1/1
5. Mr. Preecha Issarapanichkit	11/11	1/1	1/1
6. Miss Charanya Sangsukdee	11/11	1/1	1/1
7. Mr. Choochai Eiamrungraj	11/11	1/1	1/1
8. Mr. Trinawat Thanitnithiphan ¹	8/10	1/1	1/1
9. Mr. Pavares Boontanonda	0/11	0/1	0/1

Remark:

1. Mr. Yongyos Krongphanich was appointed as Chairman of the Company's Board of Directors and Mr. Trinawat Thanitnithiphan was appointed as an independent director and member of the Audit and Corporate Governance Committee by the Board of Directors' meeting No. 1/2023 on 16 January 2023

Cash Remuneration

The 2023 Annual General Shareholders' Meeting on April 28, 2023 approved cash remuneration of the Company's directors and members of the sub-committees as follows:

Committee	Meeting Allowance per (Baht / Attendance)	Monthly Remuneration (Baht/Month)
The Board of Directors		
• Chairman	25,000	50,000
• Director	18,000	30,000
The Audit and Corporate Governance Committee		
• Chairman	20,000	-
• Member	15,000	-
The Executive Committee		
• Chairman	20,000	-
• Member	15,000	-
The Nomination and Remuneration Committee		
• Chairman	20,000	-
• Member	15,000	-

Total cash remuneration for the Company's directors and members of the sub-committees in 2023 was 7,214,000 Baht. Details are as follows:

Name	Position	Monthly Remuneration	Meeting Allowance (Baht)					Bonus	Total
			The Board of Directors	The Audit and Corporate Governance Committee	The Nomination and Remuneration Committee	The Executive Committee	The Audit and ² Corporate Governance Committee and The Executive Committee		
1. Mr. Yongyos Krongphanich ¹	Chairman of the Board Directors / Director	600,000	275,000	-	45,000	-	-	150,000	1,070,000
2. Mr. Sint Krongphanich	Director	360,000	198,000	-	-	220,000	20,000	90,000	888,000
3. Mr. Sakesan Krongphanich	Director	360,000	198,000	-	-	165,000	15,000	90,000	828,000
4. Mr. Permsak Kosolbhand	Director	360,000	180,000	-	-	-	-	90,000	630,000
5. Mr. Preecha Issarapanichkit	Director	360,000	198,000	-	-	165,000	15,000	90,000	828,000
6. Miss Charanya Sangsukdee	Independent Director	360,000	198,000	160,000	45,000	-	20,000	90,000	873,000
7. Mr. Choochai Eiamrunroj	Independent Director	360,000	198,000	120,000	60,000	-	15,000	90,000	843,000
8. Mr. Trinawat Thanitnithiphan ¹	Independent Director	360,000	144,000	105,000	-	-	15,000	-	624,000
9. Mr. Pavares Boontanonda	Director	360,000	0	-	-	0	0	90,000	450,000
10. Mr. Piya Techapichetvanich	Finance , Accounting and Risk Management Department Manager					165,000	15,000		180,000
Total		3,480,000	1,589,000	385,000	150,000	715,000	115,000	780,000	7,214,000

Remark:

1. Mr. Yongyos Krongphanich was appointed Chairman of the Board of Directors and Mr. Trinawat Thanitnithiphan was appointed Independent Director and Member of the Audit and Corporate Governance Committee by the Board of Directors' Meeting on January 16, 2023.
2. The meeting between the Audit and Corporate Governance Committee and the Executive Committee was on the subject of Risk Management.

Others Remuneration

-None-

8.1.3 Supervision of Subsidiaries and Associated Companies

The Company has established a mechanism for supervising subsidiaries and/or associated companies in order to protect the Company's interests. The Company will supervise the following matters:

1. The company sends representatives to be directors in such subsidiaries. and associated companies at least in proportion to the Company's shareholding, except in the case where the Company's Board of Directors has considered and deemed appropriate otherwise, which is in the best interest of the company. The company sends its representatives who have appropriate qualifications and experience and is a person who has no conflict of interest with the business of the Company, subsidiaries, and associated companies.
2. The company supervise subsidiaries and associated companies to disclose of information regarding operating results and financial status so that the company can utilize the information to prepare consolidated financial statements correctly and in a timely manner. Moreover, supervises the storage of information and accounting records of subsidiaries and associated companies for the Company to inspect, including having a system for disclosing information and an internal control system that is adequate and appropriate
3. The company monitors and maintains the internal control system, risk management system, and anti-corruption system, including determining measures to follow up on the performance of subsidiaries from reporting on the performance of company representatives, who is a director in the subsidiary company, to ensure that the system is effective
4. The Company ensures that the subsidiaries have been supervised regarding in related transactions, acquisition or disposition of assets or making any other important transactions of the said company completely and correctly and use the criteria related to the disclosure of information regarding the above transactions in the same manner as the Company's criteria. The Company supervises related transactions, acquisition or disposition of assets or any other important transactions of the subsidiaries are in accordance with the relevant regulations. This includes but is not limited to the Notification of the Capital Market Supervisory Board and Notification of Stock Exchange of Thailand's Board and also provide information to the company for approving transactions or any action of the subsidiary company that is considered or is an acquisition or disposal of assets or related transactions. According to the announcements, regulations or related criteria above, the company has a duty to request approval from the company's Board of Directors and/or request approval from the shareholders' meeting and/or request approval from regulators according to law before entering into the transaction. Subsidiaries may enter into transactions or carry out such operations only after receiving approval from the Company's Board of Directors and/or the shareholders' meeting (as the case may be) and/or regulators.
5. The company follows up and supervises directors of subsidiaries and/or associated companies which are representatives of the Company to operate in accordance with the scope, duties and responsibilities of company representatives, to be in accordance with laws, regulations, policies and Delegation of Authority Guidelines, which including delegation of authority, and preventing the use of the company's inside information for personal benefit or for securities trading
6. The Company determines that any transactions or operations that have a significant or effect on the financial position and operating results of subsidiaries and/or associated companies, must be in accordance with laws, regulations, policies and Delegation

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tion of Authority Guidelines. In addition, entering into transactions or certain events of subsidiaries and/or associated companies that cause the Company has a duty to disclose information to the Stock Exchange of Thailand (SET), according to the criteria specified in the relevant Notification of the Stock Exchange of Thailand Board. Directors who represent the Company in subsidiaries and/or associated companies have a duty to notify the Company as soon as possible, for executives to consider giving their opinions and submit them to the Executive Committee or the Board of Directors (as the case may be) to consider and approve.

(Please consider the policies and guidelines for good corporate governance as attached to Attachment 5 "Policy and Practice of Corporate Governance and Code of Conduct" Investment Policy and Associate Supervision")

8.1.4 Corporate Governance Policy and Practice Supervision

The company is confident that Good Corporate Governance helps ensure good, efficient and effective, concise, transparent, auditability, builds trust and confidence to shareholders, stakeholders and all related parties. This includes helping the company achieve the strategy, objectives, and goals, have good revenue; able to adapt to suit the changes and create value for the business to grow steadily and sustainably in the long term.

The Company has prepared a written policy regarding good corporate governance and proposed to the Board of Directors for approval. The purpose of the policy regarding corporate governance is to provide guidance to directors, executives, and employees in complying with the policy. The Company review of the policy on an annual basis.

In 2023, the company has followed up on operations to ensure compliance with the good corporate governance code in various matters as follows:

(Please consider the policies and guidelines for good corporate governance as attached to Attachment 5 "Policy and Practice of Corporate Governance and Code of Conduct- " Corporate Governance Policy")

(1) Prevention of Conflicts of Interest

The Company has established policies to elim-

inate conflicts of interest, with honesty, reasonable and independent manner, under the framework of good ethics, taking into account the interests of the Group.

The company has criteria for entering into related parties transactions. and/or connected transactions of the company that complies with the law. Entering into transactions between the companies and/or subsidiaries and related persons and/or persons having conflicts with the Company which may lead to conflict of interests must be carefully considered by the company's audit committee. If it is a Related Party Transaction and/or an important connected transaction, entering into the transaction must be approved by the Board of Directors and/or shareholders' meeting (as the case may be). In this case, if the Company and/or its subsidiaries need to enter into Related Party Transaction and/or related transactions with persons who may have conflicts of interest and/or connected persons of the company, entering into such transactions must be subject to general commercial terms by setting a fair price and on fair and at arms' length basis. In the event that a fair price cannot be determined, the Company will refer to the report of an independent expert appointed by the Company to set a fair price for both the company and and related persons of the company

In addition, the directors and executives of the company have submitted a report on interests of himself and related persons to the company secretary so the Company has information to support operations in accordance with the Regulations for Related Party Transactions, which are transactions that may cause conflicts of interest and may lead to the transfer of benefits of the Company and/or subsidiaries

In the past year, the Company has not had any cases that may cause conflicts of interest.

(Please consider the policy and guidelines for preventing conflicts of interest according to Attachment 5 "Policy and Practice of Corporate Governance and Code of Conduct" - "Conflict of Interest Policy")

(2) Insider Trading Prevention

The Group places importance on preventing the use of inside information of the Group, with a policy prohibiting directors, executives, employees, and employees of the group from disclosing inside information to any person or seek benefit for oneself or others whether directly or indirectly, and whether or not they receive compensation or not. This includes not trading securities or entering into futures contracts related to the Company's securities by using inside information. The Company has established guidelines to prevent the use of inside information and specify disciplinary punishment for those who violate it.

The Company requires directors and executives to have a duty to prepare and submit reports on the holdings and changes in holdings of securities and futures contracts of themselves, spouses or cohabiting person as husband and wife, and minor children, including juristic persons whose the director or executive, their spouses or cohabiting person as husband and wife, and minor children of directors or such executives hold shares totaling more than 30 percent of the total number of voting rights of such juristic person. The reports are submitted to the Office of the Securities and Exchange Commission ["SEC"] in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 and related announcements. Moreover, they must send a copy of the said report to the company secretary to be delivered to the Chairman of the Board of Directors and Chair-

man of the Audit and Governance Committee, as well as reporting to the Board of Directors on a quarterly basis.

In addition, the Company determines that directors, executives, and employees designated by the Company as persons with knowledge of inside information do not trade the Company's securities during the 30 days before and during the 24 hours after the budget or information of internal information which affects the security price has been disclosed to the public. The company sends an email notifying the directors of the Blackout Period every quarter to the directors, executives, and employees designated by the company as persons with inside information. If there is an action that violates the said regulations, the company will consider disciplinary punishment. In the past year, the directors, the executives and the employees specified by the company as mentioned above was not found to did any trading of securities during the period that the company specified prohibiting the trading of the company's securities.

(Please consider the policy and guidelines for use of inside information of the company according to Attachment 5 " Policy and Practice of Corporate Governance and Code of Conduct" - " Inside Information Policy")

Report on securities holdings of company directors and executives as of December 31 , 2023

Information on the Company's securities holdings in positions of directors and executives is information as of December 31, 2023 [information in this table includes indirect shareholding, which is the shareholding of a spouse, live and cohabit together as husband and wife, Minor Children, and juristic persons in which such persons hold shares exceeding 30 percent of the total voting rights and have the largest percentage of shares held in that juristic person]



	Name	Number of ordinary shares ¹			Increase (Decrease) During the Year	Total of Ordinary shares	%
		Directly	Indirectly	Total			
1	Mr. Yongyos Krongphanich	-	-	-	-	-	-
2	Mr. Pavares Boontanonda ²	40,950,000	-	40,950,000	-	40,950,000	2.93
3	Mr. Sint Krongphanich	33,462,000	38,796,000	72,258,000	-	72,258,000	5.16
4	Mr. Sakesan Krongphanich	176,916,000	-	176,916,000	2,600,000	179,516,000	12.82
5	Mr. Permsak Kosolbhand ³	98,000,000	-	98,000,000	-	98,000,000	7.00
6	Mr. Preecha Issarapanichkit	-	-	-	-	-	-
7	Miss Charanya Sangsukdee	-	-	-	-	-	-
8	Mr. Choochai Eiamrungraj	-	-	-	-	-	-
9	Mr. Trinawat Thanitnithiphan	-	-	-	-	-	-
10	Mr. Piya Techapichetvanich	-	-	-	-	-	-
11	Mr. Chanchai Chantrapimol	-	-	-	-	-	-
12	Mr. Kittisak Suthithanakom	150,000	-	150,000	-	150,000	0.01
13	Mr. Narongsak Yensakul	100,000	-	100,000	10,000	110,000	0.01
14	Mrs. Sujira Rakkanam	-	-	-	-	-	-
15	Mr. Kammalart Sagaravasi	-	-	-	3,000	3,000	0.00
	Total	349,578,000	38,796,000	388,374,000	2,613,000	390,987,000	27.93

Remark:

1. First day to trade Securities of the Company will begin (First Trading Day) on 30 August 2023.
2. Mr. Pavares Boontanonda has resigned from the position of director and executive director. Effective from January 31, 2024
3. Mr. Permsak Kosolbhand has resigned from the position of director of the company. Effective from January 31, 2024

(3) Anti-Corruption

The Group has realized the importance of fighting corruption and is committed to conducting business with ethics under the framework of good corporate governance, by adhering to the principles of good governance, code of conduct and ethics in business operations, responsible to society, the environment, and all stakeholders and conduct business with transparency, fairness and auditability.

The company established anti-corruption pol-

icy to ensure that the group have appropriate guidelines to prevent corruption in every business activity of the group and to ensure that decisions and business operations that may be at risk of corruption are carefully considered and treated. The policy can be summarized as follows.

1. Directors, executives and employees of the group, including sub-committee members, are prohibited from requesting or accepting any form of bribery or corruption, directly or indi-

rectly, for the benefit of any organization or business, either domestically or internationally, including any party related to the Group, or their family or family member, friend, or acquaintance.

2. The Company must regularly review the compliance with the Anti-Corruption Policy as well as business guidelines and rules to ensure they are in line with changes in business, rules, regulations, and laws. Any acts which support or involve corruption will be punished as stipulated by the Company. As specified in human resource management regulations stating that one must not demand, receive, accept, or agree to receive money, property, or any other benefit from another person for oneself or others that causes damage to objectivity in the duties one is responsible for or performing. The punishment is in accordance with the company's disciplinary punishment standards.

In addition, the Company intends to join the Thai Private Sector Collective Action Against Corruption project : CAC] The Company is in the process of studying the guidelines and preparing to improve the organization in order to be certified as a member of the Thai Private Sector Collective Action Against Corruption from CAC.

(Please consider the policies and guidelines for anti-corruption operations according to Attachment 5 " Policy and Practice of Corporate Governance and Code of Conduct" - " Anti-Corruption Policy")

(4) Channels for whistleblowing

The Board of Directors has established a mechanism for receiving complaints and taking action in the case where there are clues to legal wrongdoing, inaccuracies in financial reports, defective internal control system or violation of the company's business ethics through independent directors or the audit committee. Information on complaints and clues reported to the company will be kept secret. The independent directors or audit committee will order an investigation of the information and find solutions (if any) and report to the Board of Directors. Complainants can report clues or complaints through the following channels:

1. Notify via email channel of the Chairman of the Audit and Corporate Governance Committee/Member of the Audit and Corporate Governance Committee at hotline@psp.co.th or postal mail to the following address:

Chairman of the Audit and Corporate Governance Committee/Audit and Corporate Governance Committee

P.S.P. Specialties Public Company Limited
100/149 Village No. 1 , Wichian Chodok Road,
Tha Chin Sub-district, Mueang District, Samut Sakhon Province 74000

2. Notify via email of the head of the internal audit department at internal.audit@psp.co.th or postal mail to the following address:

Head of Internal Audit

P.S.P. Specialties Public Company Limited
100/149 Village No. 1 , Wichian Chodok Road,
Tha Chin Sub-district, Mueang District, Samut Sakhon Province 74000

3. Notify via email from the company secretary: comsec@psp.co.th or postal mail to the following address:

Company Secretary

P.S.P. Specialties Public Company Limited
100/149 Village No. 1 , Wichian Chodok Road,
Tha Chin Sub-district, Mueang District, Samut Sakhon Province 74000

(Please consider the policies and guidelines for whistleblowing as attached to Attachment 5 "Policy and Practice of Corporate Governance and Code of Conduct- "Company Whistleblowing Policy")



9. Internal Control and Related Party Transactions

9.1. Internal Control System

9.1.1 Board of Directors' Opinions on the Internal Control System

The Board of Directors recognizes the importance of having a good internal control system, which is efficient, sufficient and appropriate for operations in accordance with the good corporate governance code. Therefore, the Audit and Corporate Governance Committee has been assigned as reviewer of the internal control system. There is an internal audit unit that is independent and directly reports to the Audit and Corporate Governance Committee, responsible for reviewing the operations of various departments continuously in accordance with professional standards for internal auditing and report the results to the Audit and Corporate Governance Committee, so they can review and evaluate effectiveness and adequacy in order to achieve business operations according to objectives and goals, and reduce losses that may occur. Moreover, financial reports are prepared reliably and accurately before being fully and sufficiently disclosed in a reasonable period of time.

The company's internal control system has been continuously developed and improved in accordance with the guidelines of the Securities and Exchange Commission of Thailand according to the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), which consists of 5 elements as follows:

1. Control environment

The company is committed to ensuring that every department has a culture and environment of good and effective internal control. The executives and employees are assigned roles and responsibilities for internal control

to work honestly, adhere to what is righteous and transparent, treat stakeholders with honesty, according to the Code of Conduct and the Corporate Governance Policy. The Company has communicated these to executives and employees to follow. Compliance is monitored and evaluated through internal audit processes and performance evaluations of executives and employees.

Executives, together, set goals and business plans for the Company in the short and long terms, including corporate key performance indicators: Corporate KPI to evaluate the performance of various departments. The Board of Directors has appointed subcommittees to assist and support the operations of the Board of Directors' duties, including the Audit and Corporate Governance Committee, Executive Committee, and recruitment and remuneration committee. There are charters of the various committees clearly defining their roles and duties.

The Company has clearly defined the roles and responsibilities of the Board of Directors, separated from those of the management. In terms of management, an organizational structure has been established to support business operations to achieve their objectives, suitability from various factors are considered. There is segregation of duties to enable inspection according to the principles of good internal control. The Company determine that reporting be along the chain of command in the organizational structure and specify duties and responsibilities in the job description document. For operation, the Company has established Delegation of Authority Guidelines to establish hierarchical authority for approving transactions in a systematic way.

The company has a human resource management policy, to recruit personnel with knowledge and abilities with features according to the company's needs. Moreover, the Company promotes and develops personnel continuously to use their knowledge and ability to its full potential in business operation.

2. Risk assessment

The company has established a risk management policy as part of its good corporate governance policy, including a specific policy on such matters. This is in accordance with the risk management framework. Training on risk management and administration has been organized for executives and employees so they can integrate it as an important part of the business administration process in all departments of the company.

The company's risk management process follows a good risk management framework, which consists of risk identification and risk assessment covering both internal and external factors that may affect operations to achieve goals, including strategic, financial, and operational risks, compliance with laws and regulations, etc. The process evaluates the likelihood of occurrence and the level of impact that may occur. The company requires all executives and employees to be responsible for risk management and has a risk management unit. Its duties are to coordinate, provide advice, and follow up on risk management among various agencies, to summarize progress reports and present them to the Executive Committee regularly, to analyze and determine adequate and appropriate measures to avoid or reduce potential impacts on the company.

3. Control activities

The company has specified operational controls in the manual and operating procedures for various work processes, such as setting the level and limit of approval authority, segregation of responsibilities for approval, recording accounting transactions and information, taking care of and separated property from each other to be able to check and balance each other. There are both measures for preventive control and for detecting abnormalities. The company establishes measures to control system security through the information technology system security policy and guidelines on the appropriate use of information technology resources. In addition, there is an inspection of the work performance by the internal audit

department and auditor to further improve internal control of information systems.

The company has established a policy to prevent conflicts of interest, which is part of the good corporate governance policy. It prohibits directors, executives, and employees from seeking personal benefits. The company also has established a policy on related transactions to be used as a guideline in cases where the company has transactions with people who may have conflicts of interest or related persons. The consideration of connected transactions must be reported to the Audit and Corporate Governance Committee meeting.

The company has an internal audit department, which has personnel with knowledge and expertise in internal control systems and appointed Dharmniti Internal Audit Company Limited to support the development of the main business processes of various departments within the company continuously to be appropriate and consistent with changing organizational or business conditions. There is analysis, design, preparation of procedures, and preparation of internal control measures appropriately to the risks, including setting guidelines for various work and give advice to agencies on developing appropriate and adequate internal controls.

4. Information and Communication

The company places importance on information systems and data communications that are accurate, reliable, and timely. The information system is managed to cover operations, including data communication in order to use information to make decisions in a timely manner, as well as having a data security system and setting up an effective emergency backup plan to protect information system security in the event of a serious accident causing the system to be unable to function. In addition, the company has established guidelines for document storage, classified into categories appropriately, completely, and verifiably.

The company has established an investor relations department. This is a unit that coordinates with various investors and is the

center for disclosing important information to shareholders and investors, including financial information for shareholders and investors to know regularly, equitably, and completely, and truthfully. Investors or those interested can contact the company for information at +66 (0)63-569-5926 or psp-ir@psp.co.th. In addition, the company has provided channels for insiders or outsiders to report various complaints through the email channel of the Chairman of the Audit and Corporate Governance Committee / Audit and Corporate Governance Committee: hotline@psp.co.th or channels for receiving complaints through the website: www.psp.co.th or by sending a letter to the Chairman of the Audit and Corporate Governance Committee/ Member of the Audit and Corporate Governance Committee or head of internal audit department/ company secretary

5. Monitoring system

The company has an internal audit department which reports directly to the Audit and Corporate Governance Committee and receive work advice from the Audit and Corporate Governance Committee. The internal audit department conducts audits of all business units according to the annual audit plan approved by the Audit and Corporate Governance Committee, to evaluate the adequacy and efficiency of the internal control system that has been put in place. This includes compliance with the company's policies and procedures, which are in accordance with international standards for the professional practice of internal auditing. By designing the structure of the company internal audit department, information and various operations of the company can be accessed fully and without limitations, including being able to freely express opinions on the inspection results.

Audit issues and audit results will be reported to the department's executive and Chief Executive Officer as a summary and reviewed by the Audit and Corporate Governance Committee meeting. The executives of the agency are directly responsible for correcting deficiencies in the internal control system with support from the internal audit department.

The internal audit department is responsible for regularly following up on progress in resolving such deficiencies, as well as reporting overall progress on issues that are currently being resolved to the department's executives periodically, to ensure that corrective actions are carried out on time and in an appropriate manner. This year, the Audit and Corporate Governance Committee held a meeting to consider various matters as assigned by the Board of Directors, including reviewing the summary of the audit results and the efficiency of the management's corrective actions to follow up on the correction of internal control system deficiencies with the internal audit department, as well as reviewing financial reports and disclosing adequate information to the management.

At the Board of Directors' meeting No. 02/2024 on February 27, 2024, the Board of Directors assessed the adequacy of internal controls. In summary, the opinion is consistent with the review assessment of the Audit and Corporate Governance Committee that the company's internal control system is adequate, corresponding to the size and complexity of the business and the current situation of the company. No internal control issues were found that were significant to operations. The Board of Directors supports the management to continue to develop and improve internal control work, with management with a good internal control system which will build confidence in corporate governance, allowing the company to grow and create sustainable value for shareholders and stakeholders in the long term.

Opinions of the Audit and Corporate Governance Committee

For the independence of certified public accountants and internal auditors, the Audit and Corporate Governance Committee arranged a joint meeting between the Audit Committee and the Corporate Governance Committee, Certified Public Accountant, and internal auditors without the participation of management at least once a year, to ensure that the certified auditor is allowed to express opinions on the company's audit issues to the Audit

and Corporate Governance Committee independently and honestly. The Audit and Corporate Governance Committee asked the certified public accountant about the cooperation of the auditor and being limited in the scope of inspection. The certified public accountant has provided a report to the Audit and Corporate Governance Committee that they received good cooperation and coordination from those receiving the inspection, that they have independence in performing work and is not limited in the scope of inspection. Moreover, the certified public accountant did not find any material deficiencies from the evaluation and testing of internal controls related to the audit of the financial statements.

Internal Audit

The internal audit department reports directly to the Audit and Corporate Governance Committee, which oversees the audit work to be independent, fair, ethical, and perform duties

in a professional manner according to professional standards for internal auditing.

Head of Internal Audit Department perform duties as secretary of the Audit and Corporate Governance Committee to support the Audit and Corporate Governance Committee to perform duties as assigned by the Board of Directors and as a consultant to provide advice in various areas, such as internal control Risk management Compliance with laws and regulations, etc.

The internal audit department organizes the annual internal audit plan in accordance with the strategic direction of the company. The plan covers the operating processes of the company and its subsidiaries, using the principles of risk as a basis. It focuses on important risks that affect the company's business operations, objectives and strategies. The audit plan is approved by the Audit and Corporate Governance Committee. The scope of work of the internal audit department covers inspection, monitoring, control, testing, reviewing, evaluating adequacy and the efficiency of the company's internal control system. Then, inspection results and the follow up on compliance with recommendations found from the audit (Follow up Internal Audit) will be reported to the Audit and Corporate Governance Committee for consideration regularly.

However, the Board of Directors recognizes that no internal control system can guarantee against all damages resulting from errors, but it can protect or provide confidence at a reasonable level.

9.2. Related Party Transactions

9.2.1 Details of a person who may have a conflict of interest.

Persons who may have conflicts of interest with the Company due to transactions with the Company and its subsidiaries for the year ended December 31, 2023, are as follows:



No.	Name of person or juristic person who may have conflicts	Nature of Business	Relationships
1	Thai Petroleum & Trading Company Limited (“ Thai petroleum oil”)	Operates the business of manufacturing and distributing lubricating oils and greases under the brands “ PULZAR” and “ STATES” and produce grease on contract (OEM).	<p>As of December 31, 2022 and before August 30, 2023 , which is the first trading day of securities on the Stock Exchange (First Trading Day) , Thai petroleum oil had been a major shareholder and person who may have a conflict of interest with the company but was not a major shareholder or person who may have a conflict with the company from 30 August 2023 onward, because Mr. Sompob Tingthanathikul (“Mr. Sompob”), Mr. Sumphan Tingthanathikul (“Mr. Sumphan”), Mr. Phiriya Tingthanathikul (“Mr. Phiriya”) and Mr. Pherath Tingthanathikul (“Mr. Pherath”) [together referred to as the “Mr. Sompob Tingthanathikul family”) sold shares of the Company on August 30, 2023. The family of Mr. Sompob Tingthanathikul's shareholding proportion decreased from 23.0 percent of the total number of shares of the Company before 30 August 2023, remaining at 9.9 percent of the total number of shares of the Company. Effective from the said date, Mr. Sompob Tingthanathikul's family and Thai Petroleum is no longer a major shareholder and person who may have a conflict of interest with the Company.</p> <p>In this regard, there are details of common shareholders before the family of Mr. Sompob Tingthanathikul sold the company's shares as follows:</p> <ul style="list-style-type: none"> • There are 4 common shareholders: <p>[1] Mr. Sompob and Son (No. [2] – [4])</p> <p>[2] Mr. Sumphan</p> <p>[3] Mr. Phiriya and</p> <p>[4] Mr. Pherath, Mr. Sompob Tingthanathikul's family, used to have a total shareholding proportion of 23.0 percent in the company. Mr. Sompob Tingthanathikul's family holds 9.9 percent of shares in Thai Petroleum. The family of Mr. Sompob Tingthanathikul includes members of the family of Mr. Sompob's siblings. (Together called “Tingthanathikul Family Group”) They have a shareholding percentage in Thai Petroleum both directly and indirectly in the proportion of 100.0%.</p>
2	Time Ventures Company Limited (“Time Ventures”)	Operates a business selling (Trading) petroleum products and gas stations.	<p>As of December 31, 2022 and before January 15, 2023, Time Ventures is a person who may have a conflict with the company but is not a person who may have a conflict with the Company as of December 31, 2023, because Mr. Somkeirt Hatthakosol (“Mr. Somkeirt”) has resigned from the position of Chairman of the Board, Independent Director and Audit Committee Member, which is effective from January 15, 2023. After that date, Mr. Somkeirt and Time Ventures was no longer be a person who may have a conflict with the Company.</p>

No.	Name of person or juristic person who may have conflicts	Nature of Business	Relationships
			<p>The details of the joint directors before Mr. Somkeirt resigned from the positions of Chairman of the Board, Independent Director, and Audit Committee Member are as follows:</p> <ul style="list-style-type: none"> • There is 1 common director, Mr. Somkeirt (Mr. Somkeirt previously held the positions of Chairman of the Board of Directors, Independent Director, and Member of the Audit Committee of the Company during the period of 15 May 2021 - 15 January 2023) • Mr. Somkeirt and his children, which are (1) Ms. Chatrapa Hatthakosol ("Miss Chatrapa") and (2) Mr. Pankwan Hatthakosol ("Mr. Pankwan") hold shares together in the proportion of 100.0 percent.
3	Petroplus Corporation Company Limited ("Petroplus Corporation")	Operates a business selling [Trading] petroleum products and gas stations.	<p>As of December 31, 2022 and before January 15, 2023, Petroplus Corporation is a person who may have a conflict with the company but is not a person who may have a conflict with the Company as of December 31, 2023, because Mr. Somkeirt has resigned from the position of Chairman of the Board, Independent Director and Audit Committee Member, which is effective from January 15, 2023. After that date, Mr. Somkeirt and Petroplus Corporation was no longer be a person who may have a conflict of interest with the Company. The details of the joint directors before Mr. Somkeirt resigned from the positions of Chairman of the Board, Independent Director, and Audit Committee Member are as follows:</p> <ul style="list-style-type: none"> • There is 1 common director, Mr. Somkeirt (Mr. Somkeirt previously held the positions of Chairman of the Board of Directors, Independent Director, and Member of the Audit Committee of the Company during the period of 15 May 2021 - 15 January 2023) • Mr. Somkeirt and his children, which are (1) Ms. Chatrapa and (2) Mr. Pankwan hold shares together in the proportion of 100.0 percent.

No.	Name of person or juristic person who may have conflicts	Nature of Business	Relationships
4	Ruam Packs (Thailand) Company Limited ("Ruam Packs (Thailand)")	Import-export, retail, wholesale and cultivation of flowering plants, ornamental plants, including all types of plants.	<p>As of December 31, 2022 and before January 15, 2023, Ruam Packs (Thailand) is a person who may have a conflict with the company but has not been a person who may have a conflict with the Company since December 31, 2024, because Mr. Pavares Boontanonda has resigned from the position of Director and Executive Director, which is effective from January 31, 2024.] After that date, Mr. Pavares and Ruam Packs (Thailand) was no longer be a person who may have a conflict of interest with the Company.</p> <p>The details of the joint directors before Mr. Pavares resigned from the positions of Director and Executive Director are as follows:</p> <ul style="list-style-type: none"> • There is a joint director, Mr. Pavares • There is 1 common shareholder¹, namely, Mr. Pavares. Mr. Pavares has a proportion of shareholding¹ in the company in the proportion of 2.9 percent of the company. Mr. Pavares, Mrs. Suwalee (Mr. Pavares's younger sister), Miss Naphat (Mr. Pavares's niece), Miss Suwadee (Mr. Pavares's niece) Res] and LILAC CO., LTD. (which is a company in which Mr. Pavares, Mrs. Suwalee, Miss Naphat, Miss Suwadee hold all shares) have a combined proportion of shareholding in Boonta Flowers of 90.0% • The company's executive is Mr. Kittisak Sutthithanakom, who has a 10 percent shareholding in Ruam Packs (Thailand).
5	Boonta Flowers Company Limited ("Boonta Flowers")	Distributing food, drinks and flowers.	<p>As of December 31, 2022 and before January 15, 2023, Boonta Flowers is a person who may have a conflict with the company but has not been a person who may have a conflict with the Company since December 31, 2024, because Mr. Pavares Boontanonda has resigned from the position of Director and Executive Director, which is effective from January 31, 2024.] After that date, Mr. Pavares and Boonta Flowers was no longer be a person who may have a conflict of interest with the Company.</p> <p>The details of the joint directors before Mr. Pavares resigned from the positions of Director and Executive Director are as follows:</p> <ul style="list-style-type: none"> • There is a joint director, Mr. Pavares • There is 1 common shareholder¹, namely, Mr. Pavares. Mr. Pavares has a proportion of shareholding in the company in the proportion of 2.9 percent of the company. Mr. Pavares, Miss Naphat (Mr. Pavares's niece), Miss Suwadee (Mr. Pavares's niece) Res] and LILAC CO., LTD. (which is a company in which Mr. Pavares, Miss Naphat, Miss Suwadee hold all shares) have a combined proportion of shareholding in Boonta Flowers of 100.0%

1. The Krongphanich family purchased shares of the company in the proportion of 32.0 percent from Ambretta Company Limited, whose Ultimate Shareholder is Miss Naphat Boontanonda, resulting in as of June 1, 2022 onwards, Miss Naphat Boontanonda has no shares in the company.

No.	Name of person or juristic person who may have conflicts	Nature of Business	Relationships
6	U.C. Marketing Company Limited ("U.C. Marketing")	Distributing additives	<p>Before 28 January 2022 U.C. Marketing was a person who may have a conflict with the Company but has not been a person who may have a conflict with the Company as of December 31, 2022 and December 31, 2023 because the Company acquired shares of U.C. Marketing in all proportions from the Krongphanich family group and the Boontanonda family on January 28, 2022. After the acquisition, U.C. Marketing is considered a subsidiary that the Company holds all shares. Transactions between the Company and U.C. Marketing will no longer be considered a related party transaction.</p> <p>In this regard, there are details of common directors and shareholders before the Company purchased U.C. Marketing is as follows:</p> <ul style="list-style-type: none"> • There are 2 joint directors : [1] Mr. Sint Krongphanich ("Mr. Sint") and [2] Mr. Pavares Boontanonda ["Mr. Pavares"]³. • There are 6 common shareholders⁴ : <ol style="list-style-type: none"> 1. Ms. Naphat Boontanonda ("Miss Naphat") who holds shares in the Company indirectly through Nasrin Company Limited ["Nasrin"] and Ambretta Company Limited ["Ambretta"], where Miss Naphat holds all shares in Nasrin and Nasrin hold all shares in Ambretta . Ambretta is a shareholder in the Company, holding 32.0% and is a shareholder in U.C. Marketing, holding 50.0% 2. Mr. Sint and his son [No. [3] – [5]] include : 3. Mr. Nattapol Krongphanich ["Mr. Nattapol"] 4. Mr. Sakesan Krongphanich ["Mr. Sakesan"] 5. Ms. Alisa Krongphanich ["Ms. Alisa"] [Mr. Sint, his children, together with Mrs. Urailuck Krongphanich ["Mrs. Urailuck"], are called the " Krongphanich Family"], which holds shares in the company of 22.1 percent in total. They are shareholders in U.C. Marketing, holding 50.0% 6. Mr. Pavares, who holds shares in the company of 3.9%, is a shareholder in U.C. Marketing in the proportion of 0.0 percent [together with Miss Naphat, Miss Suwadee Boontanonda ["Miss Suwadee"] and Mrs. Suwalee Boontanonda ["Mrs. Suwalee"], called the "Boontanonda Family"]

³ Mr. Pavares Boontanonda has resigned from the position of director and executive committee of the company, effective from January 31, 2024. After that date, Mr. Pavares will no longer be a person who may have a conflict with the Company.

⁴ Krongphanich family purchased the Company's shares in the proportion of 32.0% from Ambretta Company Limited with Ms. Naphat Boontanonda is the ultimate Shareholder, resulting in as of June 1, 2022, onwards, the Krongphanich family has a proportion of shareholding in the Company of 54.1% and Ms. Naphat Boontanonda has no shareholding in the Company. In addition, Mr. Sompob Tingthanathikul's family sold the Company's shares on August 30, 2023, which was the first trading day for securities on the Stock Exchange of Thailand, to a group of buyers, including Mr. Sakesan Krongphanich by Mr. Sompob Tingthanathikul's family resulting the shareholding proportion to decrease from 23.0% of the total shares of the Company before the initial offering of common shares to the general public with remaining of 9.9% of the total shares of the Company as of the first trading day on the Stock Exchange of Thailand. After the mentioned share trading, the Krongphanich family has a proportion of shareholding in the Company at 41.7% of the total shares of the Company after the initial public offering of common shares.

No.	Name of person or juristic person who may have conflicts	Nature of Business	Relationships
7	MG Brits Autohaus Company Limited (“MG Brits Autohaus”) (Ceased Operation)	Car dealers and maintenance center	<p>Before January 31, 2022, MG Brits Autohaus is a person who may have a conflict with the Company but is not a person who may have a conflict with the Company as of December 31, 2022 and December 31, 2023 because MG Brits Autohaus has ceased operations on January 31, 2022</p> <p>The details of the directors and shareholders before MG Brits Autohaus ceased operations are as follows:</p> <ul style="list-style-type: none"> • There are 2 joint directors: 1) Mr. Sint and 2) Mr. Pavares • There are 4 common shareholders: <ol style="list-style-type: none"> 1. Mr. Sint 2. Mr. Nattapol 3. Mr. Sakesan 4. Ms. Alisa <p>(Mr. Sint, Mr. Nattapol, Mr. Sakesan and Ms. Alisa together account for 48.7 percent⁵ of the total number of shares of the company before the Initial Public Offering. Mr. Sint, Mr. Nattapol, Mr. Sakesan and Ms. Alisa are indirect shareholders in MG Brits Autohaus, with a combined proportion of 50.0 percent. Mr. Sint, Mr. Nattapol, Mr. Sakesan and Ms. Alisa, Mr. Pavares, Ms. Naphat and Ms. Suwadee holding shares in MG Brits Autohaus Indirectly through Unique Chema Company Limited (" Unique Chema") , in which they hold 100 percent shares in Unique Chema and Unique Chema is a shareholder in MG Brits Autohaus of 50.0 percent.</p> <p>The family of Mr. Sompob Tingthanathikul and the buyer group, which includes Mr. Sakesan Krongphanich, traded the Company's shares on August 30, 2023 , which was the first trading day of securities on the Stock Exchange (First Trading Day) . The Krongphanich family together holds 41.7 percent shares of the total number of the Company shares]</p>

⁵ Mr. Sint, Mr. Nattapol, Mr. Sakesan and Ms. Alisa also hold shares in SUSAN Group Co., Ltd. , which is a shareholder of 1.3 percent in the company.

No.	Name of person or juristic person who may have conflicts	Nature of Business	Relationships
8	Mr. Sompob Tingthanathikul	-	<p>As of December 31, 2022 and before August 30, 2023 , which is the first trading day of securities on the Stock Exchange [First Trading Day] , Mr. Sompob is a company shareholder, holding direct share of 2.0 percent. When combined with shares of Mr. Sumphan, Mr. Phiriya, and Mr. Pherath, who are Mr. Sompob's children (Mr. Sompob Tingthanathikul's family), the shares are 23.0 in total. Thus, they had been a major shareholder and person who may have a conflict with the company but was not a major shareholder or person who may have a conflict with the company from 30 August 2023 onward, because Mr. Sompob Tingthanathikul family sold shares of the Company on August 30, 2023. The family of Mr. Sompob Tingthanathikul's shareholding proportion decreased from 23.0 percent of the total number of shares of the Company before 30 August 2023 , to the remaining of 9.9 percent of the total number of shares of the Company. Effective from the said date, Mr. Sompob Tingthanathikul's family is no longer a major shareholder and person who may have a conflict of interest with the Company.</p>
9	Mr. Sint Krongphanich	-	<p>Mr. Sint is a shareholder, director and executive of the company. Mr. Sint holds direct shares in the Company of 2.4 percent of the total number of shares of the Company before the Initial Public Offering. When including the shareholding percentage of Mrs. Urailuck Krongphanich, who is the spouse of Mr. Sint, Ms. Alisa, Mr. Sakesan, and Mr. Nattapol, who is the son of Mr. Sint, and SUSAN Group Co., Ltd , which have Mr. Sint, Mrs. Urailuck, Ms. Alisa, Mr. Sakesan, and Mr. Nattapol as the Ultimate Shareholders together in the proportion of 100.0 percent, it was found they hold shares in the company accounting for 54.1 percent in total.</p> <p>The family of Mr. Sompob Tingthanathikul and the buyer group, which includes Mr. Sakesan, traded the Company's shares on August 30, 2023 , which was the first trading day of securities on the Stock Exchange [First Trading Day] . Mr. Sompob Tingthanathikul family sold their shares to Mr. Sakesan Krongphanich after said date, resulting in the Krongphanich family together holding 41.7 percent shares of the total number of the Company shares</p>

No.	Name of person or juristic person who may have conflicts	Nature of Business	Relationships
10	Mr. Pavares Boontanonda	-	<p>As of December 31, 2022 and before January 15, 2023, Mr. Pavares is a person who may have a conflict with the company but has not been a person who may have a conflict with the Company since December 31, 2024, because Mr. Pavares Boontanonda has resigned from the position of Director and Executive Director, which is effective from January 31, 2024.] After that date, Mr. Pavares was no longer be a person who may have a conflict of interest with the Company.</p> <p>The details of the directors before Mr. Pavares resigned from the positions of Director and Executive Director are as follows:</p> <ul style="list-style-type: none"> • Mr. Pavares is a shareholder and directors of the company. Mr. Pavares holds direct shares in the company in the proportion of 2.9 percent. As of May 31, 2022, Ms. Naphat, who is the niece of Mr. Pavares, also holds shares in the Company indirectly through Nasrin and Ambretta. Ms. Naphat holds shares in Nasrin in its entire proportion and Nasrin is a shareholder in Ambretta in its entire proportion. Ambretta is a shareholder in the Company in the proportion of 32.0 percent. • The Krongphanich family purchased shares of the company in the proportion of 32.0 percent from Ambretta Company Limited, whose Ultimate Shareholder is Miss Naphat Boontanonda, resulting in as of June 1, 2022 onwards, Miss Naphat Boontanonda has no shares in the company.
11	Mrs. Suwalee Boontanonda	Food distribution	<p>Mrs. Suwalee is Mr. Pavares's younger sister⁶, who is a shareholder and director of the Company. In addition, as of May 31, 2022, Ms. Naphat, who is the niece of Mr. Pavares, also holds shares of the Company indirectly through Nasrin and Ambretta, where Ms. Naphat holds all of the shares of Nasrin and Nasrin holds all of the shares of Ambretta. Ambretta is a shareholder in the Company in the proportion of 32.0 percent.</p> <p>The Krongphanich family purchased shares of the company in the proportion of 32.0 percent from Ambretta Company Limited, whose Ultimate Shareholder is Miss Naphat Boontanonda, resulting in as of June 1, 2022 onwards, Miss Naphat Boontanonda has no shares in the company.</p>

⁶ Mr. Pavares Boontanonda has resigned from the position of director and executive committee of the company, effective from January 31, 2024. After that date, Mr. Pavares will no longer be a person who may have a conflict of interest with the Company.

No.	Name of person or juristic person who may have conflicts	Nature of Business	Relationships
12	The Krongphanich Family Group and the Boontanonda Family Group	-	<ul style="list-style-type: none"> The Krongphanich family consists of <ol style="list-style-type: none"> Mr. Sint Mrs. Urailuck Ms. Alisa Mr. Sakesan Mr. Nattapol SUSAN Group Co., Ltd , whose Ultimate Shareholders are (1) Mr. Sint Krongphanich (2) Mrs. Urailuck Krongphanich (3) Ms. Alisa Krongphanich (4) Mr. Sakesan Krongphanich and (5) Mr. Nattapol Krongphanich The Boontanonda family consists of <ol style="list-style-type: none"> Mr. Pavares⁷ Mrs. Suwalee Miss Naphat Miss Suwadee Nasrin , whose shareholder of the entire proportion is Miss Naphat Boontanonda. Ambretta Company Limited⁸ whose Ultimate Shareholder is Ms. Naphat Boontanonda (Miss Naphat is an indirect shareholder in Ambretta in its entire proportion).

⁷ Mr. Pavares Boontanonda has resigned from the position of director and executive committee of the company, effective from January 31, 2024. After that date, Mr. Pavares will no longer be a person who may have a conflict with the Company.

⁸ As of May 31, 2022, Ambretta holds 32.0 percent of the company shares. The Krongphanich family purchased shares of the company in the proportion of 32.0 percent from Ambretta Company Limited, resulting in as of June 1, 2022 onward, Ambretta Company Limited has no shares in the company.

9.2.2 Related party transactions of the company and its subsidiaries with persons who may have a conflict of interest for the year ended on 31 December 2022 and for the year ended on 31 December 2023 can be summarized as follows:

Transactions that will not happen and/or will not be considered a related party transaction in the future.

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
1. Thai petroleum oil	• Revenue from sale raw materials	534.3	230.9	<p>The company distributes base oil to third parties, including Thai petroleum, which are purchased to be used as raw materials in production. Because the company order large quantities of base oil, it results in low costs with the benefit of economies of scale. In addition, Thai Petroleum also orders solvent extraction from the company to use as raw materials for production of grease.</p> <p>The Company has a guideline for setting the price at a price equal to the Company's costs plus a profit margin. The profit margin that the Company sell to persons who may have conflicts is within the range of the company's profit margins selling to other customers and normal trading conditions.</p> <p>- Since August 30, 2023, which is the first day of securities trading on the Stock Exchange (First Trading Day), the family of Mr. Sompob Tingthanathikul has sold the company's shares, decreasing the shareholding proportion from 23.0 percent to 9.9 percent of the total number of shares of the company. Therefore, after said date, the family of Mr. Sompob Tingthanathikul was no longer considered a major shareholder and a person who may have conflict of interest with the Company, and the said transaction will no longer be considered a related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the said transaction is valid and in accordance with the Company's normal business operations. The profit margin that the Company sell to persons who may have conflicts is within the range of the company's profit margins selling to other customers and normal trading conditions.</p>
	• Trade account receivable	3.0	-	

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
				<p>- However, since August 30, 2023, which is the first day of securities trading on the Stock Exchange (First Trading Day), the family of Mr. Sompob Tingthanathikul has sold the company's shares, decreasing the shareholding proportion from 23.0 percent to 9.9 percent of the total number of shares of the company. Therefor, after said date, the family of Mr. Sompob Tingthanathikul was no longer considered a major shareholder and a person who may have conflict of interest with the Company, and the said transaction will no longer be considered a related party transaction.</p>
	<ul style="list-style-type: none"> Revenue from sales of goods Trade account receivable 	<p>57.5</p> <p>-</p>	<p>9.3</p> <p>-</p>	<p>U.C. Marketing sells Chevron Oronite additives to third parties, including Thai petroleum oil, which are purchased to be used as raw materials in production due to U.C. Marketing being a distributor (Non-exclusive distributor) in Thailand, Cambodia, and Laos of Chevron Oronite additives, which is 1 of the 4 well-known and internationally recognized additive brands. Ordering Chevron Oronite additive raw materials in Thailand for U.C. Marketing's products, must be ordered through U.C. Marketing only. Moreover, U.C. Marketing is the sole distributor (Sole and Exclusive distributor) of products such as Markers and other products of Authentix.</p> <p>U.C. Marketing set selling prices based on cost plus profit margin of each product. The profit margin that U.C. Marketing sells to Thai petroleum oil is set within the range of the company's profit margins selling to other customers and normal trading conditions.</p> <p>- Since August 30, 2023, which is the first day of securities trading on the Stock Exchange (First Trading Day), the family of Mr. Sompob Tingthanathikul has sold the company's shares, decreasing the shareholding proportion from 23.0 percent to 9.9 percent of the total number of shares of the company. Therefor, after said date, the family of Mr. Sompob Tingthanathikul was no longer considered a major shareholder and a person who may have conflict of interest with the Company, and the said transaction will no longer be considered a related party transaction.</p>

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
				<p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the said transaction was valid and in accordance with U.C. Marketing's normal business operations. The profit margin that U.C. Marketing sells to Thai petroleum oil is set within the range of the company's profit margins selling to other customers and normal trading conditions.</p> <p>- However, since August 30, 2023, which is the first day of securities trading on the Stock Exchange (First Trading Day), the family of Mr. Sompob Tingthanathikul has sold the company's shares, decreasing the shareholding proportion from 23.0 percent to 9.9 percent of the total number of shares of the company. Therefore, after said date, the family of Mr. Sompob Tingthanathikul was no longer considered a major shareholder and a person who may have conflict of interest with the Company, and the said transaction will no longer be considered a related party transaction.</p>
2. Time Ventures ⁹	<ul style="list-style-type: none"> Revenue from sale raw materials Trade account receivable 	0.7	-	<p>The Company distributes base oil to third parties, including Time Ventures. The Company has a guideline for setting the price at a price equal to the Company's costs plus a profit margin. The profit margin that the Company sell to Time Ventures is within the range of the company's profit margins selling materials to other customers and normal trading conditions.</p> <p>Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member since 15 January 2023 After said date, Mr. Somkeirt and Time Ventures was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the said transaction is valid and in accordance with the Company's normal business operations. The profit margin that the Company sell to Time Ventures is within the range of the company's profit margins selling materials to other customers and normal trading conditions.</p>

⁹ In addition to revenue from selling products to Time Ventures above, the company also has miscellaneous income (Cost for making entry-exit passes). The said item has an immaterial value (less than 100 baht) (please consider additional details in the notes to the company's financial statements)

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
				Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member, effective from 15 January 2023 After said date, Mr. Somkeirt and Time Ventures was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.
	<ul style="list-style-type: none"> Raw material costs Trade account payable 	30.5	-	<p>The company orders base oil from Time Ventures. This is because in the 2nd quarter of 2022, the company's sales volume increased and the demand for raw materials increased. Therefore, it is necessary to temporarily source raw materials from other suppliers who sell raw materials with properties consistent with the Company's needs to support the production of the Company's lubricant products. The Company procures such raw materials from many suppliers, including Time Ventures. The company has compared the selling prices of raw materials of Time Ventures with the prices of other distributors and the selling price of raw materials of Time Ventures is lower than the selling prices of other compared vendors, including normal trading conditions.</p> <p>Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member since 15 January 2023 After said date, Mr. Somkeirt and Time Ventures was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee The Audit and Corporate Governance Committee considered that the said transaction is valid and in accordance with the Company's normal business operations. The raw material sale price of Time Ventures is lower than other distributors' prices, including normal trading conditions.</p> <p>Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member since 15 January 2023 After said date, Mr. Somkeirt and Time Ventures was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.</p>

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
	<ul style="list-style-type: none"> Expenses product samples Trade account payable 	Below 0.1	-	<p>The company has ordered extract products from Time Ventures to be a sample of products sent to customers. The said products have never been sold by the company. Therefore, it is necessary to find a distributor who sells products with properties consistent with customer needs. Since the order is a low quantity order, the Company procures such raw materials from a raw material supplier that can sell raw materials in low quantities, which includes Time Ventures. Time Ventures is a distributor that has passed the selection criteria and quality assessment to be a distributor in the Company's Approved List for Material (AVLM). The Company has compared the prices of Time Ventures' products with the prices of other distributors and the selling price of Time Ventures products is lower than the selling price of other distributors, including normal trading conditions.</p> <p>Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member since 15 January 2023 After said date, Mr. Somkeirt and Time Ventures was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered an related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the said transaction is valid and in accordance with the Company's normal business operations. The product sale price of Time Ventures is lower than other distributors' prices, including normal trading conditions.</p> <p>Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member since 15 January 2023 After said date, Mr. Somkeirt and Time Ventures was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.</p>

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
3. Petroplus Corporation	• Revenue from sales of goods	20.7	0.7 ¹⁰	<p>The Company provides service to develop and manufacture resin for third parties, including Petroplus Corporation who ordered for distribution to customers. The Company has a guideline for setting the price at a price equal to the Company's costs plus a profit margin, same as other customers. The profit margin that the Company sell to Petroplus Corporation is within the range of the company's profit margins selling materials to other customers and normal trading conditions.</p> <p>Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member since 15 January 2023 After said date, Mr. Somkeirt and Petroplus Corporation was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the said transaction is valid and in accordance with the Company's normal business operations. The profit margin that the Company sell to Petroplus Corporation is within the range of the company's profit margins selling materials to other customers and normal trading conditions. Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member, effective from 15 January 2023. After said date, Mr. Somkeirt and Petroplus Corporation was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.</p>
	• Trade accounts receivable	0.7	-	

¹⁰ The transactional amount in 2023 is the value from January 1 – January 15, 2023, as Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member since 15 January 2023. After said date, Mr. Somkeirt and Petroplus Corporation was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
	<ul style="list-style-type: none"> Office space rental revenue Trade account receivable 	0.1 Below 0.1	Below 0.1 ¹¹ -	<p>Petroplus Corporation rent some space in the Company's office building for use in the operations of Petroplus Corporation. The rental area is approximately 23 square meters. The said lease contract has a rental period of 2 years, which the current contract starts from 1 January 2023 - 31 December 2024. The rate of rent is equal to 8,398.5 baht per month and there is a condition of paying monthly rent by the 7th of the following month. Petroplus Corporation is responsible for the electricity and telephone bills. The rental rate that the company collects from Petroplus Corporation is within the range of space rental cost to third parties and have normal trading conditions.</p> <p>Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member since 15 January 2023 After said date, Mr. Somkeirt and Petroplus Corporation was no longer is a person who may have with the Company and the said transaction is no longer considered a related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee is of the opinion that the said transaction is valid and beneficial to the Company, as it helps to increase the company's income. The company charges a rental rate from Petroplus Corporation within the range of the rental rate for the nearby space that the company has rented to third parties and have normal trading conditions.</p> <p>Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member since 15 January 2023 After said date, Mr. Somkeirt and Petroplus Corporation was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.</p>

¹¹ The transactional value in 2023 is the value from January 1 – January 15, 2023, as Mr. Somkeirt has resigned from his position as Chairman of the Board, Independent Director and Audit Committee Member since 15 January 2023. After said date, Mr. Somkeirt and Petroplus Corporation was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
4. Ruam Packs (Thailand)	<ul style="list-style-type: none"> Revenue from sales of goods Trade account receivable 	0.9	-	<p>The company sells grease to Ruam Packs (Thailand). The company has set a selling price equal to cost plus profit (Cost plus margin) The profit margin that the company sells grease to Ruam Packs (Thailand) with a profit margin within the range of the company's profit margin sold to other customers and have normal trading conditions.</p> <p>Mr. Pavares has resigned from his position as director and executive director since 31 January 2024. After said date, Mr. Pavares and Ruam Packs (Thailand) was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the said transaction was valid because the profit margin that the company sold grease to Ruam Packs (Thailand) is within the range of the company's profit margin sold to other customers and has normal trading conditions. In addition, Mr. Pavares and Ruam Packs (Thailand) was no longer is a person who may have conflicts with the Company and the said transaction is no longer considered a related party transaction.</p>
	<ul style="list-style-type: none"> Rental income Other receivable 	0.2 0.1	Below 0.1 -	

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
				<p>[Thailand] ended the lease and handed the space back to the company in February 2023, therefore, the said transaction will not occur again in the future.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee is of the opinion that the said transaction is valid and beneficial to the Company, as it helps to increase income for the company. This land is currently awaiting development for the future benefit of the Company. The rental rates are set for Ruam Packs [Thailand] based on rental rates for nearby areas and have normal trade conditions. In addition, the Company and Ruam Packs canceled the space lease agreement in February 2023, so the said transaction will not occur again in the future.</p>
	<ul style="list-style-type: none"> Decorative flower expense Trade account payable 	<p>Below 0.1</p> <p>-</p>	<p>-</p> <p>-</p>	<p>The company orders decorative flowers from Ruam Packs [Thailand] for use in decorating office buildings for the convenience of the company's operations and management. Ruam Packs [Thailand]'s price for decorative flowers is within the flower price range of other flower sellers. Ruam Packs [Thailand] provides a credit term to the company for a period of 30 days, including delivery services to the company.</p> <p>Mr. Pavares has resigned from his position as director and executive director since 31 January 2024. After said date, Mr. Pavares and Ruam Packs [Thailand] was no longer is a person with possible conflicts with the Company and the said transaction is no longer considered a related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the said transaction was valid and for the convenience of the Company's operations. The price is within the range of flower prices of other flower sellers. Ruam Packs [Thailand] provides a credit term to the company for a period of 30 days, including delivery services to the company while other sellers have cash payment terms.</p> <p>In addition, Mr. Pavares and Ruam Packs [Thailand] will no longer be persons with possible conflicts with the Company and the said transaction will no longer be considered a related party transaction.</p>

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
5. Boonta Flowers	<ul style="list-style-type: none"> Revenue from services :Delivery plan preparatiion Other receivable 	1.1 0.1	0.5 -	<p>The Company entered a contract to provide services for managing plans for the delivery of plants and flowers to customers for Boonta Flowers because the company has the necessary computer system for planning product delivery, including procuring skilled labor to provide such services (this service does not include product delivery). The current employment contract has a period of 2 months from 1 December 2022 - 31 January 2023. The company determines that the rate of a product delivery plan service is at 1,500 baht per trip, which is a rate higher than the cost of providing the company's services. In determining the service price, the company considers the cost of providing the company's services, (Number of working hours, Salary rates, personnel wages, number of trips, and various materials and equipment) with normal trading conditions. After the current contract expires, the Company and Boonta Flowers will not renew the contract to provide such services any longer. Therefore, such transaction will not occur again in the future.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee is of the opinion that the said transaction is valid. The Company charges a service fee for preparing the product delivery plan based on the cost of providing services plus profit margins and has normal trading conditions. Moreover, after the current contract expires, the Company and Boonta Flowers will no longer renew the contract to provide such services. Therefore, such transaction will not occur again in the future.</p>

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
6. U.C. Marketing	<ul style="list-style-type: none"> • Raw material costs • Trade account payable 	39.8 ¹²	-	<p>The company orders additive raw materials from U.C. Marketing due to U.C. Marketing being a distributor (Non-exclusive Distributor) in Thailand, Cambodia, and Laos of Chevron Oronite additives, which is 1 of the 4 well-known and internationally recognized additive brands. Ordering Chevron Oronite additive raw materials in Thailand for U.C. Marketing's products, must be ordered through U.C. Marketing only. Moreover, U.C. Marketing they is the sole distributor (Sole and Exclusive distributor) of products such as Markers and other products of Authentix.</p> <p>However, each brand of additive raw material has different properties. As a result, it is suitable for use in the production of different types of products. Additive from Chevron Oronite is an additive raw material that is mainly suitable for use in the production of lubricants for diesel engines. U.C. Marketing sets the selling price based on cost plus profit margin. The profit margin that U.C. Marketing sells to the company is within the range of profit margins U.C. Marketing obtained from selling raw materials to other customers and have normal trading conditions.</p> <p>However, the company has purchased shares of U.C. Marketing in all proportions from the Krongphanich family group and the Boontanonda family in January 2022. After the acquisition, U.C. Marketing is considered a subsidiary that the Company holds all shares. Transactions between the Company and U.C. Marketing will no longer be considered a related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the said transaction was valid and in accordance with the company's normal business operations. The profit margins that U.C. Marketing sells to the company is within the range of profit margins U.C. Marketing obtained from selling raw materials to other customers and have normal trading conditions. In addition, after the Company purchased shares of U.C. Marketing in January, transactions between the Company and U.C. Marketing will no longer be considered a related party transaction.</p>

¹² The transaction value in 2022 is the transaction value between 1 January - 28 January 2022 because the company received transfer of U.C. Marketing shares on January 28, 2022 (Closing Date) . After that date, U.C. is considered a subsidiary that the Company holds all shares. Transactions between the Company and U.C. Marketing will no longer be considered a related party transaction.

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
	<ul style="list-style-type: none"> Revenue from sales of goods Trade account receivable 	10.8	-	<p>U.C. Marketing has ordered the company to blend and package Additive to get products in accordance with U.C. Marketing's requirements.</p> <p>The company has set a price for selling products equal to cost plus profit margin (Cost plus margin) of each product. The trade conditions are the same as transactions with third parties. The profit margin that the company charges from U.C. Marketing is within range of sales to other customers and have normal trading conditions.</p> <p>However, the company has purchased shares of U.C. Marketing in all proportions from the Krongphanich family group and the Boontanonda family in January 2022. After the acquisition, U.C. Marketing is considered a subsidiary that the Company holds all shares. Transactions between the Company and U.C. Marketing will no longer be considered a related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the said transaction was valid and in accordance with the company's normal business operations. The profit margins that the company charged from U.C. Marketing is within the profit margins from selling raw materials to other customers and have normal trading conditions. In addition, after the Company purchased shares of U.C. Marketing in January, transactions between the Company and U.C. Marketing will no longer be considered a related party transaction.</p>
	<ul style="list-style-type: none"> Revenue from Shared Service Trade accounts receivable 	0.5	-	<p>U.C. Marketing has entered into a service agreement with the company to provide services to support business operations. Such services include provide a service collecting of distributing Additive, Fixed asset maintenance, administrative work, finance and accounting, and personnel support, etc.</p>

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
				<p>The contract (Service Agreement) has a period of 1 year from 1 April 2021 - 31 March 2022. The company charges a service rate of 540,000 baht per month. The service fee is determined by the company based on the number of personnel, Number of working hours, Personnel wages, and various expenses that supports service, including setting normal trading conditions.</p> <p>However, the company has purchased shares of U.C. Marketing in all proportions from the Krongphanich family group and the Boontanonda family in January 2022 . After the acquisition, U.C. Marketing is considered a subsidiary that the Company holds all shares. Transactions between the Company and U.C. Marketing will no longer be considered a related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee is of the opinion that the said transaction is valid and beneficial to the Company. By entering into such service agreement, it increases the source of income for the company. Moreover, it helps increase the efficiency of using the company's resources. The company charges service fees based on the cost of providing services plus profit margins. Moreover, the trading conditions are in accordance with normal trading conditions. In addition, after The company purchased shares of U.C. Marketing in January, transactions between the Company and U.C. Marketing will no longer be considered a related party transaction.</p>
	• Revenue from logistics service	0.2	-	<p>P.S.P. Logistics (Thailand) Company Limited ("PSP Logistics") has provided services for U.C. Marketing in cross-border transportation and carry out customs procedures Including the transportation of goods within the country, PSP Logistics has service rates calculatd based on distance and the cost of providing services plus profit. The profit rate that PSP Logistics charges from U.C. Marketing is within the range of profit margins that PSP Logistics charges other customers, with normal trading conditions.</p>

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
				<p>However, the company has purchased U.C. Marketing in all proportions from the Krongphanich family group and the Boontanonda family in January 2022. After the acquisition, U.C. Marketing is considered a subsidiary that the Company holds all shares. Transactions between the Company and U.C. Marketing will no longer be considered a related party transaction.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee is of the opinion that the said transaction is valid and in accordance with the normal business operations of PSP Logistics. The profit rate that PSP Logistics charges from U.C. Marketing is within the profit margins that PSP Logistics charges other customers and have normal trading conditions. In addition, after the Company purchased U.C. Marketing in January, transactions between the Company and U.C. Marketing will no longer be considered a related party transaction.</p>
7. MG Brits Autohaus	<ul style="list-style-type: none"> Purchasing automobile Other payable 	1.1 -	- -	<p>MG Brits Autohaus has ceased operations on January 31, 2022, pending vehicle sales and assets for liquidation. Therefore, there is a proposal for selling vehicles at a higher discount than other car dealers. The company has therefore chosen to order 2 pickup trucks for use in admin services and to support the company's various operations from MG Brits Autohaus with payment terms in cash.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered the transaction to be valid, given that MG Brits Autohaus sells vehicles at a higher discount than other car dealers and has payment terms in cash.</p> <p>Additionally, MG Brits Autohaus ceased operations on Jan. 31, 2022 and this transaction is a transaction that occurs from time to time. Therefore, this transaction will not occur again in the future.</p>

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
	<ul style="list-style-type: none"> Purchasing office chair Other payable 	Below 0.1 -	- -	<p>MG Brits Autohaus has ceased operations on January 31, 2022, pending vehicle sales and assets for liquidation. Therefore, there is a proposal for selling remaining products, including office chairs (used) in a price close to prices of office chairs (used) of other vendors. The company has therefore chosen to order office chairs to use in the company, with credit terms of 15 days.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the transaction was valid. MG Brits Autohaus selling remaining products in a price close to prices of office chairs (used) of other vendors, with credit terms of 15 days.</p> <p>Additionally, MG Brits Autohaus ceased operations on Jan. 31, 2022 and this transaction is a transaction that occurs from time to time. Therefore, this transaction will not occur again in the future.</p>
8. Mr. Sint Krongphanich (Mr. Sint), Mr. Pavares Boontanonda (Mr. Pavares) and Mr. Sompob Tingthanathikul (Mr. Sompob)	<ul style="list-style-type: none"> List of credit line guarantees for the company 	No compensation is paid for Guarantee.	No compensation is paid for Guarantee.	<p>The Company has opened credit lines with 2 financial institutions. The Company has used such credit lines for use in operating the business of the Group of Companies. Mr. Sint, Mr. Pavares and Mr. Sompob have provided guarantees for the Company. etc. for the credit limit with the said financial institution, the total amount of 964.0 million baht and 6.0 million USD. The guarantee of the said credit line is in accordance with the conditions set by the financial institution and the Company. No compensation has been paid for entering the said guarantee in any way.</p> <p>As the financial institution has issued a letter confirming the withdrawal of the mentioned personal guarantee after the company became a listed company on the Stock Exchange because the company has become a listed company on the Stock Exchange since August 30, 2023, which is the first day of securities trading on the Stock</p>

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
				<p>Exchange (First Trading Day). The two financial institutions have therefore issued a letter notifying the cancellation of the guarantee by the said person to the company effective from 27 October 2023 onwards. Therefore, the said transaction will not occur again in the future.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the said transaction was valid and beneficial to the Company's business operations. This transaction is a transaction that occurs as necessary to request credit support from a financial institution for use in the Company's business operations. Moreover, the Company has not paid any compensation for entering such guarantee and such transaction will not occur again in the future.</p>
9. Mrs. Suwalee Boontanonda (Mrs. Suwalee)	<ul style="list-style-type: none"> Purchasing ice cream 	Below 0.1	-	<p>The company purchased ice cream from Ms. Suwalee, which has a business selling ice cream to be used for welcoming guests in company meetings. Ms. Suwalee has an off-site ice cream delivery service. This helps facilitate the operation of the company. The selling price of Ms. Suwalee's ice cream is equal to the selling price of third parties' ice cream and have normal trading conditions. This transaction will not occur again in the future.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee is of the opinion that the said transaction is valid and for the benefit of the Company's management. The selling price of food and ice cream of Ms. Suwalee is equal to the selling price of food and ice cream of third parties and have normal trading conditions. Moreover, this transaction will not occur again in the future.</p>

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
10. The Krongphanich Family Group and the Boontanonda Family Group (Krongphanich family and Boontanonda family)	<ul style="list-style-type: none"> List of shares purchase in U.C. Marketing 	1,372.0	-	<p>The company has purchased shares of U.C. Marketing from the Krongphanich family and the Boontanonda family, which is a shareholder in U.C. Marketing in all proportions. U.C. Marketing is one of the main distributors of additive raw materials in the Company's production and the Company is considered one of the important customers. The Company has purchased from U.C. Marketing in a significant proportion to the Company and U.C. Marketing. U.C. Marketing is a distributor (Non-exclusive Distributor) in Thailand, Cambodia, and Laos of Chevron Oronite additives, which is 1 of the 4 well-known and internationally recognized additive brands. Ordering Chevron Oronite products for U.C. Marketing's products, must be ordered through U.C. Marketing only. Moreover, they are the sole distributor (Sole and Exclusive distributor) of Authentix's additives in Thailand.</p> <p>The company is considering purchasing U.C. Marketing to prevent potential conflicts of interest. Purchasing U.C. Marketing is considered a vertical business expansion (Vertical Acquisition) of the company, which will result in the company having a business that covers the value chain even more, while also increasing the stability of the company's raw material procurement, both in terms of cost and continuity of raw materials. This will help promote the Company's competitiveness and profitability. In addition, after the acquisition of the Company and U.C. Marketing, personnel can be used together, in which the company and U.C. Marketing may benefit from the maximum use of resources (Utilization Resource) The shares trading price of U.C. Marketing is set by referring to the estimated price from an independent financial advisor (KPMG Phoomchai Business Advisory Company Limited) who is not a financial advisor approved by the SEC. The Company has payment conditions that are in accordance with the terms of the share purchase agreement. This is a payment condition that is beneficial to the Company. The Company has received the transfer of shares of U.C. Marketing on January 28, 2022 (Closing Date). The Company has paid the seller on February 28, 2022.</p>

Persons who may have conflicts.	Nature of Transaction	Transaction amount (million baht)		Necessity and reasonability of the transactions
		For the year ended on December 31, 2022	For the year ended on December 31, 2023	
				<p>In addition, in approving the acquisition of U.C. Marketing, The Board of Directors has considered the expected benefits from acquiring the said business, including additional financial costs and the ability to repay the loan from the institution used to make the said purchase.</p> <p>Opinions of the Audit and Corporate Governance Committee</p> <p>The Audit and Corporate Governance Committee considered that the said transaction was valid and to the company's benefits, due to U.C. Marketing being one of the main distributors of additive raw materials in the company's production. In addition, the trading price of shares of U.C. Marketing is determined by referring to the estimated price from an independent financial advisor (KPMG Phoomchai Business Advisory Company Limited) and also has payment terms that are beneficial to the company.</p>

9.2.2.1 Policy and tendency of future related party transactions

1. Approval measures and procedures for intercompany or related party transactions

A related party transaction is any transaction between the Company and its subsidiary with persons who may have a conflict.

Connected transactions refers to any transaction between the Company or its subsidiaries with the persons connected with the company. Connected transactions can be separated into 5 types as follow:

1. An ordinary business transaction is a commercial transaction that a company or its subsidiary normally makes to operate the business under general commercial conditions e.g., a contract to manufacture lubricant, grease, or a specialized product such as rubber or transformer oil, among others,

to provide a service collecting or distributing fuel, or a distribution center service.

2. An ordinary business support transaction is a transaction made to support ordinary business under general commercial conditions. , e.g., transportation hiring, providing a basic firefighting training course, and product quality testing services, among others.
3. Real estate rental transactions for a period not longer than a 3-year span is the rental transactions with no more than a 3-year contract period and without proof of general commercial conditions.
4. Transactions relating to assets or services are the transactions about the acquisition or disposition of assets, or the right to get or receive the service, such as buying the machine, selling a building, or selling the land leasehold or concession.
5. Providing or receiving financial assistance is a transaction to provide or receive fi-

financial assistance to or from a connected person who may have conflicts of interest with the company or its subsidiaries, e.g., borrowing loans, paying fees for the connected persons' credit line used by the company, paying fees to connected persons regarding the loan guarantee.

Any transactions made by a company or its subsidiary with the person connected with the company, the company will strictly comply with applicable laws of the Securities and Exchange Act B.E. 2535 and its Amendments (the "Securities Act"), Capital Market Supervisory Board and Stock Exchange of Thailand (SET), and the Securities and Exchange Commission (SEC), including, the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of List the office of Securities Exchange Commission ("SEC office"). and financial reporting standards under the Federation of Accounting Professions under the Royal Patronage (FAP), among other relevant criteria. Stakeholders are not able to participate in the approval process of the transactions.

In case the mentioned law prescribed that the connected transactions shall be approved by the Board of Directors and/or shareholders. The company will arrange a meeting of the Audit Committee to consider and offer an opinion on the necessity and reasonability of the transaction, the transaction of ordinary business supporting transactions which trade agreements with general commercial conditions and the transactions which are not the general commercial conditions shall be done according to the following principles:

(1) For ordinary business transactions or ordinary business support transactions under general commercial conditions:

If the Board of Directors comes to a resolution to approve that the transaction scope aforementioned is an ordinary commercial transaction and/or with directors, executives, major shareholders, any connected person or

related party, the company shall be done with commercial conditions in the same way that a reasonable person shall do with counterparties in the same situation with the trading negotiation power without influence caused by the position of the board, director, or related person (as the case may be). The conditions shall also not cause the transfer of interest or be able to show that the transaction is done by the reasonable or fair price determination. The management of the company would be able to proceed with the approval transaction complying with the specified scope. The company would issue a summary report of such transactions in order to report in the Audit Committee's meeting and the Board of Directors' meetings every quarter.

(2) Other Related and Connected Transactions:

The Audit Committee considers and renders their opinion on other Related and Connected Transactions before presenting them to the board or shareholders, or both, as the case may be, for further approval the Company will comply with the requirements under the Securities and Exchange Act, notifications, orders, and relevant requirements of the Capital Market Supervisory Board and/or the Securities and Exchange Commission and/or the Stock Exchange of Thailand including, including applicable legal provisions, requirements, and Federation of Accounting Professions (TFAC) reporting standards, among other relevant criteria.

In the case that the Audit Committee does not have expertise in considering the connected transactions which might occur, the company would appoint specialized professionals such independent auditor or independent property appraiser to give opinions relating to the connected transactions in order for the Audit Committee and/or Board of Directors and/or shareholders (as the case may be) to use as information for decision making. This is done to ensure that the transaction is necessary and reasonable and done by mainly considering the company's benefits. The company would disclose the connected transactions in

the annual report (Form 56-1 One Report) and financial statements inspected by the auditor or other form of reports (as the case may be) in accordance with the relevant regulations and laws.

2. Policy for the future related party transactions and connected transactions.

For any new connected transaction, the Board of Directors will ensure that such transactions are carried out in compliance with the Sec Act, rules, relevant notifications, and regulations of the Capital Market Supervisory Board, the SEC and the SET. and the accounting standards relating to the Company or its related persons as prescribed by the Federation of Accounting Professions.

When a transaction is scheduled in the future and changes have been made to the stakeholding terms and conditions regarding a related or connected person, directors, executives, major shareholders, or persons with a possible conflict of interest or a connected person of the Company, it is prohibited for interested directors and/or directors who are connected persons to attend the meeting and to have the rights to vote on the approval for the transactions.


In addition, the company also has a sales pricing policy to enforce for all customers, effective from February 1, 2023

9.2.2.2 Trends in future related party transactions

In the future, if there are ordinary business transactions or transactions supporting the company and its subsidiaries' ordinary business, the Company will ensure that prices and payment conditions are in accordance with normal trading conditions.





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- Financial Statement

Financial Statement

Report on Responsibilities of the Board of Directors for Financial Report

The Board of Directors is responsible for the consolidated financial statements of P.S.P. Specialties Public Company Limited and its subsidiaries and the separate financial statements of P.S.P. Specialties Public Company Limited, which are prepared in accordance with financial reporting standards. Appropriate accounting policies are considered and adhered to regularly. Financial statements are prepared with careful discretion and reasonable estimate. Important information are adequately and transparently disclosed for the benefits of stakeholders.

The Board of Directors has good corporate governance and has established risk management and internal control systems to ensure that accounting information is recorded accurately, completely and in a timely manner, showing factual information in essence as well as preventing corruption or significantly abnormal operations.

The Board of Directors has appointed the Audit Committee consisting of independent directors to review the reliability and accuracy of financial reports, the efficiency and effectiveness of the internal control process, as well as supervising internal audits to be efficient. The Audit Committee's opinion on this matter is documented in the Audit Committee Report which is included in the annual report.

The Board of Directors is of the opinion that the Company's internal control and internal audit systems can assure that the consolidated financial statements of P.S.P. Specialties Public Company Limited and its subsidiaries and the separate financial statements of P.S.P. Specialties Public Company Limited for the year ended December 31, 2023 accurately show the financial position, performance and cash flow in essence according to financial reporting standards. The auditor [PricewaterhouseCoopers ABAS Company Limited] has examined and expressed their opinion in the auditor's report which is included in the annual report.



Mr. Yongyos Krongphanich
Chairman of the Board



Mr. Sint Krongphanich
Director and Chief Executive Officer



Independent Auditor's Report



Independent Auditor's Report

To the Shareholders and the Board of Directors of P.S.P Specialties Public Co., Ltd.

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of P.S.P Specialties Public Co., Ltd (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC 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 consolidated and separate financial statements of the current period. I determined one key audit matter: Recognition of revenue from sales. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p>Recognition of revenue from sales</p> <p>Refer to Note 4.17 to the consolidated and separate financial statements on accounting policy in revenue recognition.</p> <p>Revenue from sales represents the major operating revenue of the Group. During the year, the Group and the Company recognised revenue from sales of Baht 11,713.48 million and Baht 11,143.68 million, respectively, which represent 96% of total revenue in 2023.</p> <p>The revenue is determined based on the contractual price and quantity of the products delivered to the customers. The selling price is calculated based on the factors determining in individual agreement for each customer. For contracts that include variable factors according to the raw material price, the Company calculates the impact and adjust sales transactions at the end of financial period. The recognition of revenue is at the point in time when the control of the products is transferred to the customers.</p> <p>I focused on revenue recognition of revenue from sales because the balance and transaction volume of revenue are materially high. In addition, there is a risk of misstatement related to transactions occurring close to the year-end, as transactions could be recorded in the incorrect financial period.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> evaluating and testing IT general controls over accounting systems, including the access right to programs and data, evaluating and testing the significant internal control in place over the revenue process, particularly focusing on the updating of the price change in selling price master data, delivery, and invoicing process, testing samples of sales by tracing to relevant supporting documents, including sales invoices, delivery notes and cash receipts, testing samples of revenue cut-off prior to and after year end to test whether they are recorded in appropriate timing, based on terms and conditions set out in sales invoices and delivery documents and testing samples of credit notes and debit notes after year end to test the price adjustments and goods return transactions. sending debtor confirmations and performing subsequent receipt testing on the outstanding customer balances for which confirmations were not received from the customers. <p>Based on my procedures, I noted no significant issues.</p>

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate 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 and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 the audit committee 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 the audit committee 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 the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate 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.

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink, appearing to read "P. Thangtanagul".

Pisit Thangtanagul
Certified Public Accountant (Thailand) No. 4095
Bangkok
27 February 2024



Financial Statement

P.S.P. Specialties Public Company Limited

Statement of Financial Position

As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	9	640,375,275	239,153,866	509,551,769	153,244,532
Financial assets measured at fair value through profit or loss	6, 11	342,264,625	70,026,031	182,516,268	7,250,384
Trade and other receivables	12	1,357,445,700	1,417,838,848	1,246,630,687	1,256,519,382
Inventories	13	1,924,720,939	2,817,554,671	1,882,468,799	2,764,007,151
Other current assets		103,767,047	126,287,073	103,001,970	119,326,634
Total current assets		4,368,573,586	4,670,860,489	3,924,169,493	4,300,348,083
Non-current assets					
Restricted bank deposits	10	82,930,485	82,557,385	82,930,485	82,557,385
Investments in subsidiaries	14	-	-	1,519,915,129	1,519,915,129
Investments in associate and interest in joint venture	14	132,819,077	161,310,267	-	32,890,147
Property, plant and equipment	15	2,385,993,104	2,338,515,067	2,380,695,468	2,329,654,055
Intangible assets	17	26,577,870	8,114,959	25,456,911	6,916,648
Right-of-use assets	16	25,336,149	30,873,561	25,336,149	30,873,561
Deferred taxes assets	18	29,278,560	25,608,501	26,997,444	23,804,445
Other non-current assets		10,057,619	8,313,253	9,650,173	7,814,565
Total non-current assets		2,692,992,864	2,655,292,993	4,070,981,759	4,034,425,935
Total assets		7,061,566,450	7,326,153,482	7,995,151,252	8,334,774,018

The accompanying notes are an integral part of these consolidated and separate financial statements.

P.S.P. Specialties Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 December 2023

		Consolidated		Separate	
		financial statements		financial statements	
		31 December	31 December	31 December	31 December
		2023	2022	2023	2022
Notes		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings from financial institutions	19	333,044,745	2,952,300,994	328,044,745	2,932,300,994
Current portion of long-term borrowings	19	442,443,320	441,550,966	442,443,320	441,550,966
Trade and other payables	20	1,259,270,482	1,327,732,372	1,171,856,530	1,297,825,422
Financial liabilities measured at fair value through profit or loss	6	4,366,885	1,899,786	1,087,606	681,074
Current portion of lease liabilities	21	3,070,167	5,205,961	3,070,167	5,205,961
Contract liability	22	384,186,701	264,346,324	383,826,749	263,981,634
Income tax payable		36,453,616	47,444,879	12,551,020	22,080,820
Other current liabilities		12,097,877	15,469,666	9,545,448	12,723,542
Total current liabilities		2,474,933,793	5,055,950,948	2,352,425,585	4,976,350,413
Non-current liabilities					
Lease liabilities	21	13,793,127	13,785,330	13,793,127	13,785,330
Long-term borrowings from financial institutions	19	1,129,162,638	1,671,441,369	1,129,162,638	1,671,441,369
Provision for decommission		2,300,023	2,178,566	2,300,023	2,178,566
Employee benefit obligations	23	155,490,013	137,017,561	155,490,013	137,017,561
Other non-current liabilities		559,011	3,086,611	559,011	3,086,611
Total non-current liabilities		1,301,304,812	1,827,509,437	1,301,304,812	1,827,509,437
Total liabilities		3,776,238,605	6,883,460,385	3,653,730,397	6,803,859,850
Equity					
Share capital					
Authorised share capital					
Ordinary shares, 1,400,000,000 shares of par Baht 1 each					
(2022 : Ordinary shares, 1,000,000,000 shares of par Baht 1 each)	24	1,400,000,000	1,000,000,000	1,400,000,000	1,000,000,000
Issued and paid-up share capital					
Ordinary shares, 1,400,000,000 shares of paid-up Baht 1 each					
(2022 : Ordinary shares, 750,000,000 shares of paid-up Baht 1 each)	24	1,400,000,000	750,000,000	1,400,000,000	750,000,000
Premium on paid-up capital	24	1,777,084,570	-	1,777,084,570	-
Discount from business combination under common control		(1,173,761,396)	(1,173,761,396)	-	-
Retained earnings					
Appropriated - legal reserve	25	94,800,000	75,000,000	94,800,000	75,000,000
Unappropriated		1,207,400,903	811,972,211	1,069,536,285	705,914,168
Other components of equity		(20,196,232)	(20,517,718)	-	-
Equity attribute to owners of the parent		3,285,327,845	442,693,097	4,341,420,855	1,530,914,168
Non-controlling interests		-	-	-	-
Total equity		3,285,327,845	442,693,097	4,341,420,855	1,530,914,168
Total liabilities and equity		7,061,566,450	7,326,153,482	7,995,151,252	8,334,774,018

The accompanying notes are an integral part of these consolidated and separate financial statements.

P.S.P. Specialties Public Company Limited
Statements of comprehensive income
For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Revenue	8				
Revenues from sales		11,713,476,458	12,632,873,298	11,143,684,551	12,010,273,318
Revenues from services		543,715,182	571,513,397	407,815,336	409,770,681
Total revenues		<u>12,257,191,640</u>	<u>13,204,386,695</u>	<u>11,551,499,887</u>	<u>12,420,043,999</u>
Costs					
Cost of sales		10,572,697,101	11,278,855,578	10,228,800,592	10,872,732,431
Cost of services		320,011,829	390,626,897	210,927,834	262,023,719
Total costs		<u>10,892,708,930</u>	<u>11,669,482,475</u>	<u>10,439,728,426</u>	<u>11,134,756,150</u>
Gross profit		1,364,482,710	1,534,904,220	1,111,771,461	1,285,287,849
Other income	26	21,679,816	20,359,641	200,964,445	46,452,181
Other gains (losses) - net	27	42,877,239	32,185,109	6,455,187	(50,400,232)
Selling expenses		(204,942,583)	(271,063,157)	(222,021,356)	(279,596,647)
Administrative expenses		(491,362,498)	(498,431,554)	(471,974,698)	(492,339,353)
Share of loss of associates and joint ventures accounted for using the equity method	14	(28,812,676)	(46,272,346)	-	-
Finance costs		<u>(166,561,317)</u>	<u>(71,447,295)</u>	<u>(165,922,207)</u>	<u>(71,305,393)</u>
Profit before income taxes		537,360,691	700,234,618	459,272,832	438,098,405
Income taxes	29	<u>(109,816,211)</u>	<u>(153,863,421)</u>	<u>(63,534,927)</u>	<u>(105,856,435)</u>
Net profit for the year		<u>427,544,480</u>	<u>546,371,197</u>	<u>395,737,905</u>	<u>332,241,970</u>

The accompanying notes are an integral part of these consolidated and separate financial statements.

P.S.P. Specialties Public Company Limited
Statements of Comprehensive income (Cont'd)
For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of post - employment benefit obligations, net of tax		(12,315,788)	(10,487,638)	(12,315,788)	(10,487,638)
Items that will be reclassified subsequently to profit or loss					
Currency translation differences	14	321,486	(2,352,900)	-	-
Other comprehensive income for the year, net of tax		(11,994,302)	(12,840,538)	(12,315,788)	(10,487,638)
Total comprehensive income for the year		<u>415,550,178</u>	<u>533,530,659</u>	<u>383,422,117</u>	<u>321,754,332</u>
Profit attributable to:					
Owners of the parent		427,544,480	537,264,375	395,737,905	332,241,970
Non-controlling interests		-	9,106,822	-	-
Net profit for the year		<u>427,544,480</u>	<u>546,371,197</u>	<u>395,737,905</u>	<u>332,241,970</u>
Total comprehensive income attributable to:					
Owners of the parent		415,550,178	524,423,837	383,422,117	321,754,332
Non-controlling interests		-	9,106,822	-	-
Total comprehensive income for the year		<u>415,550,178</u>	<u>533,530,659</u>	<u>383,422,117</u>	<u>321,754,332</u>
Basic earnings per share attributable to owners of the parent					
- Basic (Baht per share)	30	0.38	1.11	0.35	0.69

The accompanying notes are an integral part of these consolidated and separate financial statements.

P.S.P. Specialties Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2023

Consolidated financial statements									
Notes	Attributable to owners of the parent						Non-controlling interests		
	Share capital	Share premium	Discount from business combination under common control	Legal reserve	Unappropriated retained earnings	Other comprehensive income		Total owners of the parent	Other owner interests before of business combination under common control
						Translation of financial statements			
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Total equity Baht
Opening balance at 1 January 2022	228,000,000	-	-	22,800,000	3,442,491,674	(18,164,818)	3,675,126,856	269,129,038	3,944,255,894
Dividends paid to Non-controlling interests	-	-	-	-	-	-	-	(80,000,000)	(80,000,000)
Impact of business combination under common control	-	-	(1,173,761,396)	-	-	-	(1,173,761,396)	(198,235,860)	(1,371,997,256)
Share increase	24 522,000,000	-	-	-	-	-	522,000,000	-	522,000,000
Dividends	31 -	-	-	-	(3,105,096,200)	-	(3,105,096,200)	-	(3,105,096,200)
Legal reserve	25 -	-	-	52,200,000	(52,200,000)	-	-	-	-
Total comprehensive income for the year	-	-	-	-	526,776,737	(2,352,900)	524,423,837	9,106,822	533,530,659
Closing balance at 31 December 2022	<u>750,000,000</u>	<u>-</u>	<u>(1,173,761,396)</u>	<u>75,000,000</u>	<u>811,972,211</u>	<u>(20,517,718)</u>	<u>442,693,097</u>	<u>-</u>	<u>442,693,097</u>
Opening balance at 1 January 2023	750,000,000	-	(1,173,761,396)	75,000,000	811,972,211	(20,517,718)	442,693,097	-	442,693,097
Share increase	24 650,000,000	1,777,084,570	-	-	-	-	2,427,084,570	-	2,427,084,570
Legal reserve	25 -	-	-	19,800,000	(19,800,000)	-	-	-	-
Total comprehensive income for the year	-	-	-	-	415,228,692	321,486	415,550,178	-	415,550,178
Closing balance at 31 December 2023	<u>1,400,000,000</u>	<u>1,777,084,570</u>	<u>(1,173,761,396)</u>	<u>94,800,000</u>	<u>1,207,400,903</u>	<u>(20,196,232)</u>	<u>3,285,327,845</u>	<u>-</u>	<u>3,285,327,845</u>

The accompanying notes are an integral of these consolidated and separate financial statements.

P.S.P. Specialties Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2023

		Separate financial statements				
		Share capital	Share premium	Legal reserve	Unappropriated retained earnings	Total
	Notes	Baht	Baht	Baht	Baht	Baht
Opening balance at 1 January 2022		228,000,000	-	22,800,000	3,541,455,836	3,792,255,836
Share increase	24	522,000,000	-	-	-	522,000,000
Dividends	31	-	-	-	(3,105,096,000)	(3,105,096,000)
Legal reserve	25	-	-	52,200,000	(52,200,000)	-
Total comprehensive income for the year		-	-	-	321,754,332	321,754,332
Closing balance at 31 December 2022		<u>750,000,000</u>	<u>-</u>	<u>75,000,000</u>	<u>705,914,168</u>	<u>1,530,914,168</u>
Opening balance at 1 January 2023		750,000,000	-	75,000,000	705,914,168	1,530,914,168
Share increase	24	650,000,000	1,777,084,570	-	-	2,427,084,570
Legal reserve	25	-	-	19,800,000	(19,800,000)	-
Total comprehensive income for the year		-	-	-	383,422,117	383,422,117
Closing balance at 31 December 2023		<u>1,400,000,000</u>	<u>1,777,084,570</u>	<u>94,800,000</u>	<u>1,069,536,285</u>	<u>4,341,420,855</u>

The accompanying notes are an integral of these consolidated and separate financial statements.

P.S.P. Specialties Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax		537,360,691	700,234,618	459,272,832	438,098,405
Adjustments for:					
Depreciation	15	156,872,370	181,858,663	152,970,679	179,577,057
Amortisation		8,627,827	7,497,667	8,332,775	7,347,012
Share of loss from investments in associate and joint venture	14	28,812,676	46,272,346	-	-
Gain from disposal of property, plant and equipment		(6,964,306)	(1,989,726)	(6,964,306)	(1,989,726)
Loss on write-off of property, plant and equipment	15	480,347	68,092	333,377	68,068
Loss on write-off of intangible asset		763	-	763	-
Loss on termination of right-of-use		-	3,873	-	3,873
Expected credit losses on financial assets (reversal)		389,127	2,041,905	(1,120,992)	2,015,858
Loss on declined value of inventories (reversal)		538,021	(10,033,535)	816,799	(9,018,750)
Loss on impairment investment in joint venture	14	-	-	32,890,147	88,683,363
Employee benefits obligations	23	22,193,518	11,445,468	22,193,518	11,445,468
Unrealised (gain) loss on exchange rate		(356,398)	1,178,949	119,405	2,083,669
Loss (gain) from measurement on financial assets and liabilities at fair value through profit or loss	27	276,438	952,026	(409,352)	68,270
Interest income	26	(2,828,644)	(542,864)	(2,333,537)	(539,449)
Dividend	26	-	-	(159,999,680)	(11,918,573)
Finance cost		166,561,317	71,447,295	165,922,207	71,305,393
		911,963,747	1,010,434,777	672,024,635	777,229,938
Changes in operating assets and liabilities					
Trade and other receivables		59,453,967	188,473,455	11,424,070	189,303,811
Inventories		892,295,710	(986,924,739)	880,721,553	(1,006,509,132)
Other current assets		18,520,024	(63,184,054)	12,324,662	(63,136,448)
Other non-current assets		(1,744,366)	1,489,914	(1,835,609)	1,861,663
Trade and other payables		(3,743,988)	67,653,105	(62,753,183)	95,080,903
Other current liabilities		(3,371,789)	(376,001)	(3,178,094)	(1,810,487)
Contract liability		119,840,377	62,943,435	119,845,115	62,578,745
Employee benefit payments	23	(19,115,801)	(13,937,648)	(19,115,801)	(13,937,648)
Other non-current liabilities		(2,527,600)	(617,198)	(2,527,600)	(617,198)
Cash flows generated from operations		1,971,570,281	265,955,046	1,606,929,748	40,044,147
<u>Less</u> Income tax paid		(111,669,729)	(163,885,327)	(63,449,921)	(117,852,063)
Interest and financial service fee paid		(157,281,084)	(87,443,463)	(156,641,974)	(87,301,561)
Net cash generated from (used in) operating activities		1,702,619,468	14,626,256	1,386,837,853	(165,109,477)

The accompanying notes are an integral of these consolidated and separate financial statements.

P.S.P. Specialties Public Company Limited
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2023

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Restricted bank deposits		(373,100)	6,832,058	(373,100)	(154,542)
Purchase of investment in subsidiaries	14	-	(1,371,997,256)	-	(1,391,997,056)
Purchase of financial assets measured at fair value through profit or loss	11	(3,542,300,000)	(4,065,300,000)	(3,231,300,000)	(3,814,300,000)
Proceeds from disposals of financial assets measured at fair value through profit or loss		3,272,252,068	4,089,520,000	3,056,850,000	3,824,520,000
Purchase of property, plant and equipment		(269,835,967)	(182,003,288)	(269,350,681)	(170,397,141)
Proceeds from disposals of building and equipment		7,225,150	3,121,611	7,225,150	3,121,611
Purchase of intangible asset		(15,034,500)	(1,683,090)	(14,767,232)	(796,980)
Payment for acquisition of lease liabilities		(741,251)	-	(741,251)	-
Payment of loan to related parties		-	-	-	(5,000,000)
Proceeds from loan to related parties		-	-	-	5,000,000
Dividend received		-	-	159,999,680	99,999,800
Interest received		2,828,644	542,864	2,333,537	539,449
Net cash used in investing activities		(545,978,956)	(1,520,967,101)	(290,123,897)	(1,449,464,859)
Cash flows from financing activities					
Dividend paid to non-controlling interests		-	(80,000,000)	-	-
Proceeds from short-term borrowings from financial institutions		5,434,227,289	8,276,343,357	5,339,227,289	8,256,343,357
Repayment to short-term borrowings from financial institutions		(6,857,704,441)	(6,120,891,790)	(6,747,704,441)	(6,120,891,790)
Proceeds from long-term borrowings from financial institutions	19	-	2,200,000,000	-	2,200,000,000
Repayment to long-term borrowings from financial institutions	19	(1,746,160,000)	(74,360,000)	(1,746,160,000)	(74,360,000)
Payment of dividends	31	-	(3,105,096,200)	-	(3,105,096,000)
Repayment to lease liabilities	21	(5,780,483)	(10,903,055)	(5,780,483)	(10,903,055)
Proceeds from issuance of new shares	24	2,470,000,000	522,000,000	2,470,000,000	522,000,000
Payment for transaction costs directly attributable to the issue of new shares		(48,644,288)	-	(48,644,288)	-
Net cash generated from financing activities		(754,061,923)	1,607,092,312	(739,061,923)	1,667,092,512
Net increase in cash and cash equivalents		402,578,589	100,751,467	357,652,033	52,518,176
Cash and cash equivalents at beginning of the year		239,153,866	139,253,846	153,244,532	100,938,704
Exchange loss on cash and cash equivalents		(1,357,180)	(851,447)	(1,344,796)	(212,348)
Cash and cash equivalents at end of the year	9	640,375,275	239,153,866	509,551,769	153,244,532
Non-cash items					
Acquisition of right-of-use assets		2,814,747	22,498,458	2,814,747	22,498,458
Acquisition of property, plant and equipment and intangible asset, not yet paid		31,749,019	93,529,796	31,749,019	93,480,228
Conversion of short-term borrowings to long-term borrowings		1,200,000,000	-	1,200,000,000	

The accompanying notes are an integral of these consolidated and separate financial statements.

1 General information

P.S.P. Specialties Public Company Limited (“the Company”) is incorporated and resident in Thailand. The address of the Company’s registered office is as follows:

Headquarter

1 Boromrachachonanee Road, Arun-Amarin, Bangkoknoi, Bangkok, 10700, Thailand.

Branches

76 Moo 7 T.Thachin, A.Muang Samutsakorn, 74000 Thailand;
100/149 Moo 1 T.Thachin, A.Muang Samutsakorn, 74000 Thailand;
76/1 Moo 7 T.Thachin, A.Muang Samutsakorn, 74000 Thailand;
99/1 Moo 2 T.Thachin, A.Muang Samutsakorn, 74000 Thailand;
100/155 Moo 1 T.Thachin, A.Muang Samutsakorn, 74000 Thailand;
99/18 Moo 2 T.Thachin, A.Muang Samutsakorn, 74000 Thailand; and
34/19 Moo 7 T.Thachin, A.Muang Samutsakorn, 74000 Thailand.

The principal business operations of the Company and its subsidiaries (together “the Group”) are producing and selling lubricant oil and grease oil, providing storage, warehouses services and transportation services.

2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except certain financial assets and liabilities (including derivative instrument).

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3 New and amended financial reporting standards

3.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2023 and have significant impacts to the Group

- a) **Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) **Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- c) **Amendment to TFRS 9 - Financial Instruments** clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

Management has assessed that the new and amended financial reporting standard does not have material impact to the Group.

3.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2024 and have significant impacts to the Group

The following amended TFRSs were not mandatory for the current reporting period and the Group has not early adopted them.

- a) **Amendment to TAS 1 - Presentation of financial statements** revised the disclosure from '*significant* accounting policies' to '*material* accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) **Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revised to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.
- c) **Amendments to TAS 12 - Income taxes** Companies must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.

3.3 Amended financial reporting standards that is effective for the accounting period beginning on or after 1 January 2025 and has significant impacts on the Group.

The Group have not early adopted the amended financial reporting standards before effective date and assessed the impact of the amended financial reporting standards that are effective for accounting period beginning or after 1 January 2025, there is no impact of this amendment to the Group.

4 Accounting policies

4.1 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using cost method.

c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method.

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduction of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

4.2 Business combination

Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

4.3 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's and the Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the date of revaluation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

c) Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

4.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

4.5 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business. They are generally due for settlement within 30 - 60 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 4.7(f).

4.6 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the weighted average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

4.7 Financial asset

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains (losses) - net together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets are derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains (losses) - net. Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains (losses) - net in the period in which it arises.

e) Equity instruments

- The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as dividend income when the right to receive payments is established.
- Changes in the fair value of financial assets at FVPL are recognised in other gains (losses) - net in the statement of comprehensive income.
- Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

f) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables and other receivables, which applies lifetime expected credit loss, from initial recognition, for all trade receivables and other receivables.

To measure the expected credit losses, receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment and reversal of impairment losses are recognised in profit or loss and included in administrative expenses.

4.8 Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building and building improvement	20 years
Machinery and equipment	5-10 years
Furniture, fixture and office equipment	3-5 years
Vehicles	3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other gains (losses) - net.

4.9 Intangible assets

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 10 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company will be recognised as intangible assets when the criteria of intangible assets are met.

Direct attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet the criteria of intangible assets are recognised as an expense as incurred. Development cost previously recognised as an expense are not recognised as an asset in a subsequent period.

4.10 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

4.11 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise office equipment and small factory equipment.

4.12 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains (losses) - net in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains (losses) - net in profit or loss.

4.13 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised; and
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.14 Employee benefits

Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, profit-sharing and bonuses, and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

Defined contribution plan

The Group pay contributions to a separate fund on a voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity / presented as a separate item in statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

Other long-term benefits

The Group provides gold rewards to employees who have service year of 10 years, 20 years, and 30 years.

These obligations are measured similar to defined benefit plans except remeasurement gains and losses that are charged to profit or loss.

4.15 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

4.16 Share capital

Ordinary shares with discretionary dividends are classified as equity. Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

4.17 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Sale of goods

The Group manufactures and sells lubricant oil and grease oil. Sales are recognised when control of the products has transferred, being when the products are delivered, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Services

The Group recognised service contracts with a continuous service provision as revenue on a service rendered to customers, regardless of the payment pattern.

Revenues from services represent revenue from oil storage, warehouse management service and transportation service which is recognised when the services are completed.

Interest income is recognised on a time proportion basis, taking account of the principle outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

Contract liabilities

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

The Group's obligation to provide sales rebate to customer when purchasing amount meets the criteria specified in the contract. The obligation will be recognised as Trade and other payables and sales discount which presents as net revenue from sales.

4.18 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

4.19 Derivatives and hedging activities

Embedded derivative that is separately accounted for and derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other gains (losses).

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

4.20 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under TFRS 9; and
- the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

5 Financial risk management

The Group's risk management is controlled by a central treasury department under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and other financial instruments as well as investment of excess liquidity.

5.1 Financial risk

5.1.1 Market risk

a) Foreign exchange risk

The Group operates internationally and is exposed to foreign currency risks from trading transactions that are denominated in foreign currencies. The risk is managed by entering into forward exchange contracts, balancing the level of the same foreign currency purchase and sales transactions.

The Group hedges the foreign currency exposure of its contract commitments to purchase raw materials mainly in US dollar. The forward contracts used in its programme mature in six months or less, consistent with the related purchase commitments.

The Group does not apply hedge accounting. The foreign currency forwards accounted for as held for trading, with gains (losses) recognised in profit or loss.

Exposure

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated financial statements							
	As at 31 December 2023				As at 31 December 2022			
	US Dollar Baht	Singapore Dollar Baht	Malaysia Ringgit Baht	Chinese Yuan Baht	Pound Sterling Baht	US Dollar Baht	Singapore Dollar Baht	Euro Baht
Cash and cash equivalents	73,544,958	-	-	5,523	-	34,262,230	-	-
Trade and other receivables	109,006,333	-	234,693	-	-	235,060,243	-	40,151
Foreign currency forwards	4,366,885	-	-	-	-	1,899,786	-	-
Trade and other payables	292,871,423	6,061,929	836,857	-	116,202	387,742,715	5,918,486	6,424,320

	Separate financial statements							
	As at 31 December 2023				As at 31 December 2022			
	US Dollar Baht	Singapore Dollar Baht	Malaysia Ringgit Baht	Chinese Yuan Baht	Pound Sterling Baht	US Dollar Baht	Singapore Dollar Baht	Euro Baht
Cash and cash equivalents	68,963,902	-	-	5,523	-	12,471,927	-	-
Trade and other receivables	92,593,251	-	-	-	-	182,551,568	-	-
Foreign currency forwards	1,087,606	-	-	-	-	681,074	-	-
Trade and other payables	166,996,251	5,838,669	-	-	-	341,275,063	5,918,486	-

The aggregate net foreign gains/losses recognised in profit before income tax for the year were Baht 36.19 million and Baht 31.97 million (2022: Baht 31.15 million and Baht 36.36 million) in the consolidated and separate financial statements, respectively.

Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Baht and US Dollar exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar.

	Consolidated financial statements	
	Impact to net profit	
	2023	2022
	Baht	Baht
US Dollar to Baht exchange rate - increase 10%* (2022: 10%)*	(26,865,368)	(16,726,994)
US Dollar to Baht exchange rate - decrease 10%* (2022: 10%)*	26,865,368	16,726,994

* Holding all other variables constant

	Separate financial statements	
	Impact to net profit	
	2023	2022
	Baht	Baht
US Dollar to Baht exchange rate - increase 10%* (2022: 10%)*	(7,396,466)	(17,651,627)
US Dollar to Baht exchange rate - decrease 10%* (2022: 10%)*	7,396,466	17,651,627

* Holding all other variables constant

b) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Most of the Group's financial assets and liabilities bear fixed interest rates. The Group is exposed to interest rate risk relates primarily to its long-term borrowings which the interest rate is MLR. However, long-term borrowings interest rates are close to the market rate. The Group assesses that risk of future changes in market interest rates is insignificant. The Group will use interest rate swap to manage the risk when necessary.

The Group and the Company do not apply hedge accounting.

Details of borrowing's interest are disclosed in Note 19.

Sensitivity

Profit or loss is sensitive to higher or lower interest income from long-term borrowings as a result of changes in interest rates.

	Consolidated and separate	
	financial statements	
	Impact to net profit	
	2023	2022
	Baht	Baht
Interest rate - increase 1.0%*	(9,780,527)	(3,617,450)
Interest rate - decrease 1.0%*	9,780,527	3,617,450

* Holding all other variables constant

5.1.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'BBB-' are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

The Group's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

b) Security

For some trade receivables the Group may obtain security in the form of guarantees, or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

c) Impairment of financial assets

The Group has financial assets that are subject to the expected credit loss model as follows:

- a) cash and cash equivalents; and
- b) trade and other receivables

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade and other receivables

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade and other receivables.

To measure the expected credit losses, receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 24 months before 31 December 2023 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP in which it sells its goods and services to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor.

On that basis, the expected credit losses for trade receivables as at 31 December 2023 was determined in Note 12.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments or cannot be contacted for a period greater than 365 days past due.

Impairment losses on trade receivables and contract assets are presented as administrative expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

5.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 618.03 million (2022: Baht 239.15 million) that are expected to readily generate cash inflows for managing liquidity risk.

Due to the dynamic nature of the underlying businesses, the group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining financing plans.

a) Financing arrangements

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Floating rate				
Expiring within one year				
- Bank overdraft	95,900,000	95,900,000	80,900,000	80,900,000

b) Maturity of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturity of financial liabilities	Consolidated financial statements				
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount
As at 31 December 2023					
Short-term loan from financial institutions	333,044,745	-	-	333,044,745	333,044,745
Trade and other payables	1,259,270,482	-	-	1,259,270,482	1,259,270,482
Financial liabilities measured at fair value	4,366,885	-	-	4,366,885	4,366,885
Long-term borrowings from financial institutions	520,826,573	1,213,734,681	-	1,734,561,254	1,571,605,958
Lease liabilities	3,383,563	15,672,567	-	19,056,130	16,863,294
Total financial liabilities	2,120,892,248	1,229,407,248	-	3,350,299,496	3,185,151,364
As at 31 December 2022					
Short-term loan from financial institutions	2,979,684,939	-	-	2,979,684,939	2,952,300,994
Trade and other payables	1,327,732,372	-	-	1,327,732,372	1,327,732,372
Financial liabilities measured at fair value	1,899,786	-	-	1,899,786	1,899,786
Long-term borrowings from financial institutions	520,903,095	1,805,261,935	-	2,326,165,030	2,112,992,335
Lease liabilities	5,461,707	16,071,253	-	21,532,960	18,991,291
Total financial liabilities	4,835,681,899	1,821,333,188	-	6,657,015,087	6,413,916,778

	Separate financial statements				
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount
As at 31 December 2023					
Short-term loan from financial institutions	328,044,745	-	-	328,044,745	328,044,745
Trade and other payables	1,171,856,530	-	-	1,171,856,530	1,171,856,530
Financial liabilities measured at fair value	1,087,606	-	-	1,087,606	1,087,606
Long-term borrowings from financial institutions	520,826,573	1,213,734,681	-	1,734,561,254	1,571,605,958
Lease liabilities	3,383,563	15,672,567	-	19,056,130	16,863,294
Total financial liabilities	2,025,199,017	1,229,407,248	-	3,254,606,265	3,089,458,133
As at 31 December 2022					
Short-term loan from financial institutions	2,959,684,939	-	-	2,959,684,939	2,932,300,994
Trade and other payables	1,297,825,422	-	-	1,297,825,422	1,297,825,422
Financial liabilities measured at fair value	681,074	-	-	681,074	681,074
Long-term borrowings from financial institutions	520,903,095	1,805,261,935	-	2,326,165,030	2,112,992,335
Lease liabilities	5,461,707	16,071,253	-	21,532,960	18,991,291
Total financial liabilities	4,784,556,237	1,821,333,188	-	6,605,889,425	6,362,791,116

5.1.4 Raw material price volatility risk

The Group has a risk in oil price volatility which depends on the global oil price. The Group manages the risk by maintain a level of oil stock corresponding to the trend of global oil price.

5.2 Capital management

Risk management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital based on the basis of the following gearing ratio.

Loan covenants

According to credit facilities conditions with commercial bank, the Group has to comply with financial covenants stated in the agreement such as to maintain Debt-to-Equity ratio and maintain Debt service coverage ratio. If the Group cannot maintain those financial covenants, the Group might be called up for immediate debt settlement.

6 Fair value

The fair value of current financial assets and liabilities equal to their carrying value. In addition, the interest rate of loans from financial institutions are approximate to market rate. Management believes that the carrying value equal to their fair value.

Consolidated financial statements				
	Fair value through profit or loss (FVPL) Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
31 December 2023				
<i>Financial assets measured at fair value (FV)</i>				
Financial assets at FVPL				
Investment in debt securities	342,264,625	-	342,264,625	342,264,625
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	- 640,375,275	640,375,275	640,375,275	640,375,275
Restricted bank deposits	- 82,930,485	82,930,485	82,930,485	82,930,485
Trade and other receivables	- 1,328,673,086	1,328,673,086	1,328,673,086	1,328,673,086
Other non-current assets	- 10,057,619	10,057,619	10,057,619	10,057,619
	- 2,062,036,465	2,062,036,465	2,062,036,465	2,062,036,465
<i>Financial liabilities measured at fair value</i>				
Derivatives				
- Foreign exchange contracts	4,366,885	-	4,366,885	4,366,885
<i>Financial liabilities not measured at fair value</i>				
Short-term borrowings from financial institutions	- 333,044,745	333,044,745	333,044,745	333,044,745
Trade and other payables	- 1,259,270,482	1,259,270,482	1,259,270,482	1,259,270,482
Long-term borrowings	- 1,571,605,958	1,571,605,958	1,571,605,958	1,571,605,958
	- 3,163,921,185	3,163,921,185	3,163,921,185	3,163,921,185
31 December 2022				
<i>Financial assets measured at fair value (FV)</i>				
Financial assets at FVPL				
Investment in debt securities	70,026,031	-	70,026,031	70,026,031
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	- 239,153,866	239,153,866	239,153,866	239,153,866
Restricted bank deposits	- 82,557,385	82,557,385	82,557,385	82,557,385
Trade and other receivables	- 1,337,842,500	1,337,842,500	1,337,842,500	1,337,842,500
Other non-current assets	- 8,313,253	8,313,253	8,313,253	8,313,253
	- 1,667,867,004	1,667,867,004	1,667,867,004	1,667,867,004
<i>Financial liabilities measured at fair value</i>				
Derivatives				
- Foreign exchange contracts	1,899,786	-	1,899,786	1,899,786
<i>Financial liabilities not measured at fair value</i>				
Short-term borrowings from financial institutions	- 2,952,300,994	2,952,300,994	2,952,300,994	2,952,300,994
Trade and other payables	- 1,327,732,372	1,327,732,372	1,327,732,372	1,327,732,372
Long-term borrowings	- 2,112,992,335	2,112,992,335	2,112,992,335	2,112,992,335
	- 6,393,025,701	6,393,025,701	6,393,025,701	6,393,025,701

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		Separate financial statements			
		Fair value through profit or loss (FVPL) Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
31 December 2023					
<i>Financial assets measured at fair value (FV)</i>					
Financial assets at FVPL					
Investment in debt securities		182,516,268	-	182,516,268	182,516,268
<i>Financial assets not measured at fair value</i>					
Cash and cash equivalents	-	509,551,769	509,551,769	509,551,769	509,551,769
Restricted bank deposits	-	82,930,485	82,930,485	82,930,485	82,930,485
Trade and other receivables	-	1,220,229,109	1,220,229,109	1,220,229,109	1,220,229,109
Other non-current assets	-	9,650,173	9,650,173	9,650,173	9,650,173
	-	1,822,361,536	1,822,361,536	1,822,361,536	1,822,361,536
<i>Financial liabilities measured at fair value</i>					
Derivatives					
- Foreign exchange contracts		1,087,606	-	1,087,606	1,087,606
<i>Financial liabilities not measured at fair value</i>					
Short-term borrowings from financial institutions	-	328,044,745	328,044,745	328,044,745	328,044,745
Trade and other payables	-	1,171,856,530	1,171,856,530	1,171,856,530	1,171,856,530
Long-term borrowings	-	1,571,605,958	1,571,605,958	1,571,605,958	1,571,605,958
	-	3,071,507,233	3,071,507,233	3,071,507,233	3,071,507,233
31 December 2022					
<i>Financial assets measured at fair value (FV)</i>					
Financial assets at FVPL					
Investment in debt securities		7,250,384	-	7,250,384	7,250,384
<i>Financial assets not measured at fair value</i>					
Cash and cash equivalents	-	153,244,532	153,244,532	153,244,532	153,244,532
Restricted bank deposits	-	82,557,385	82,557,385	82,557,385	82,557,385
Trade and other receivables	-	1,188,103,944	1,188,103,944	1,188,103,944	1,188,103,944
Other non-current assets	-	7,814,565	7,814,565	7,814,565	7,814,565
	-	1,431,720,426	1,431,720,426	1,431,720,426	1,431,720,426
<i>Financial liabilities measured at fair value</i>					
Derivatives					
- Foreign exchange contracts		681,074	-	681,074	681,074
<i>Financial liabilities not measured at fair value</i>					
Short-term borrowings from financial institutions	-	2,932,300,994	2,932,300,994	2,932,300,994	2,932,300,994
Trade and other payables	-	1,297,825,422	1,297,825,422	1,297,825,422	1,297,825,422
Long-term borrowings	-	2,112,992,335	2,112,992,335	2,112,992,335	2,112,992,335
	-	6,343,118,751	6,343,118,751	6,343,118,751	6,343,118,751

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The following table presents fair value of financial assets and liabilities recognised by their fair value hierarchy.

Consolidated financial statements								
Level 1		Level 2		Level 3		Total		
2023	2022	2023	2022	2023	2022	2023	2022	
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Assets								
Financial assets at fair value through profit or loss								
Investment in debt securities	-	-	342,264,625	70,026,031	-	-	342,264,625	70,026,031
Liabilities								
Financial liabilities at fair value through profit or loss								
Derivatives								
- Foreign exchange contracts	-	-	4,366,885	1,899,786	-	-	4,366,885	1,899,786
Separate financial statements								
Level 1		Level 2		Level 3		Total		
2023	2022	2023	2022	2023	2022	2023	2022	
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Assets								
Financial assets at fair value through profit or loss								
Investment in debt securities	-	-	182,516,268	7,250,384	-	-	182,516,268	7,250,384
Liabilities								
Financial liabilities at fair value through profit or loss								
Derivatives								
- Foreign exchange contracts	-	-	1,087,606	681,074	-	-	1,087,606	681,074

Financial assets and financial liabilities are approximately to the carrying amounts as follows:

- Cash and cash equivalent
- Trade and other receivables
- Short term borrowings
- Trade and other payables

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand.
Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
Level 3: The fair value of financial instruments is not based on observable market data.

Valuation technique used to derive Level 2 fair value.

Trading securities are fair valued using a Net Asset Valuation ("NAV") approach as at period end date. The data is publicly available on the Bond Market Association, which is calculated by fund manager of the mutual fund.

Fair value of foreign exchange contracts is determined using forward exchange rates that are quoted in an active market. Fair value of interest rate swaps is determined using forward interests extracted from observable yield curves. The effects of discounting are generally insignificant for Level 2 derivatives.

7 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Estimated impairment of assets

The Group tests whether asset, which comprise investments in subsidiaries, associates and interests in joint ventures, has suffered any impairment, in accordance with the accounting policy stated in note 4.10. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

b) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

c) Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in note 23.

8 Segment information

Segment information is presented in respect of the Group's business segments. The primary format, business segments is based on the Group's management and the internal report structure provided to the chief decision maker.

Segment results, asset and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

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Significant information relating to revenue and profit of the reportable segments are as follows.

	Consolidated financial statements									
	For the year ended 31 December (Million Baht)									
	Sales segment		Services segment		Total		Elimination		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue from operations	12,238	13,190	638	629	12,876	13,819	(619)	(615)	12,257	13,204
Cost of operations	(11,102)	(11,832)	(393)	(436)	(11,495)	(12,268)	602	599	(10,893)	(11,669)
Operating profit	1,136	1,358	245	193	1,381	1,551	(17)	(16)	1,364	1,535
Other gains (losses) - net	-	-	-	-	43	(56)	-	88	43	32
Selling expenses	-	-	-	-	(227)	(281)	22	10	(205)	(271)
Administrative expenses	-	-	-	-	(514)	(515)	23	17	(491)	(498)
Other income	-	-	-	-	205	49	(183)	(29)	22	20
Finance cost	-	-	-	-	(167)	(72)	-	-	(167)	(72)
Profit before taxes	-	-	-	-	721	676	(155)	70	566	746
Share of loss from investments in associate and joint venture	-	-	-	-	(29)	(46)	-	-	(29)	(46)
Operating results before taxes	-	-	-	-	692	630	(155)	70	537	700
Income tax	-	-	-	-	(109)	(154)	-	-	(109)	(154)
Net profit	-	-	-	-	583	476	(155)	70	428	546
Timing of revenue recognition										
At a point in time	12,238	13,190	113	114	12,351	13,304	(524)	(557)	11,827	12,747
Over time	-	-	525	515	525	515	(95)	(58)	430	457
Total revenue	12,238	13,190	638	629	12,876	13,819	(619)	(615)	12,257	13,204
Total assets									7,062	7,326
Total liabilities									3,776	6,883

Separate financial statements for the year ended 31 December 2023, the Company had revenues recognised at a point in time amount of Baht 11,257.27 million (2022: Baht 12,124.54 million) which comprised of sales segment amount of Baht 11,143.68 million (2022: Baht 12,010.27 million) and services segment amount of Baht 113.58 million (2022: Baht 114.27 million) had revenues recognised over time amount of Baht 294.23 million (2022: Baht 295.50 million) which comprised of only services segment.

Major Customers

For the year ended 31 December 2023, the Group has 3 major customers (2022: 3 major customers) generating total revenue of Baht 5,579.77 million (2022: Baht 5,511.68 million), representing 45.52% of total revenue (2022: 41.74%).

For the year ended 31 December 2023, the Company has 3 major customers (2022: 3 major customers) generating total revenue of Baht 4,948.04 million (2022: Baht 4,856.06 million), representing 49.31% of total revenue (2022: 39.10%).

9 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Cash at bank and on hand	751,208	830,719	562,771	555,879
Short-term bank deposits	639,624,067	238,323,147	508,988,998	152,688,653
Total	640,375,275	239,153,866	509,551,769	153,244,532

The average interest rate on deposits was 0.30% to 2.00% per annum (2022: 0.25% to 0.45% per annum).

10 Restricted bank deposits

The restricted bank deposit consists of the pledged fixed bank deposit for debt payment under a types of credit limit make with financial institutions such as foreign exchange rate contacts, letter of credit and trust receipt.

11 Financial assets measured through profit and loss

At 31 December 2023, the Group classifies financial assets and financial liabilities at amortised cost except investment in debt securities, investment in equity securities and derivative liabilities as follows:

11.1 Investment in debt securities

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Financial assets				
Current assets				
Financial assets measured at fair value through profit or loss	342,264,625	70,026,031	182,516,268	7,250,384
	342,264,625	70,026,031	182,516,268	7,250,384

The following gains/(losses) were recognised in profit or loss during the year as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Financial assets				
Current assets				
Fair value gains (losses) on debt investments at FVPL	817,999	66,317	44,936	(230)
	817,999	66,317	44,936	(230)

Movement of financial asset measured at fair value through profit or loss are as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Opening net book amount	70,026,031	93,797,674	7,250,384	17,228,839
Additions	3,542,300,000	4,065,300,000	3,231,300,000	3,814,300,000
Disposals	(3,270,879,405)	(4,089,137,960)	(3,056,079,052)	(3,824,278,225)
Change in fair value of investments	817,999	66,317	44,936	(230)
Closing net book amount	342,264,625	70,026,031	182,516,268	7,250,384

The fair value of TMB Thanarat fund is based website of fund which the Company has invested in. The fair values are within level 2 of the fair value hierarchy. Fair value of the financial instrument is based on the closing price.

11.2 Investment in equity securities

At 31 December 2023 and 2022, the Company has investment in Samut Sakhon City Development (Social Enterprise) Co., Ltd. amounting to Baht 1 million which loss on fair value measurement is fully recognised.

11.3 Derivative liabilities

Detail of foreign currency forward contracts are disclosed in Note 6.

12 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade receivables - third party	1,257,362,513	1,271,852,341	1,146,380,543	1,131,847,297
Trade receivables - related party (Note 32)	39,021,595	23,384,593	47,988,224	31,138,600
<u>Less</u> Expected credit loss	(2,568,099)	(2,178,972)	(1,030,887)	(2,151,879)
Trade receivables - net	1,293,816,009	1,293,057,962	1,193,337,880	1,160,834,018
Accrued income	21,586,671	36,032,559	21,931,637	22,183,107
<u>Less</u> Expected credit loss	-	-	-	-
Accrued income - net	21,586,671	36,032,559	21,931,637	22,183,107
Trade receivables and accrued income - net	1,315,402,680	1,329,090,521	1,215,269,517	1,183,017,125
Prepayments	27,009,861	25,398,821	25,621,423	25,117,251
Advance payment for goods	982,598	40,909,063	-	40,708,161
Amount due from related parties	968,285	2,203,549	4,625,331	4,072,873
Advance payment	780,155	13,688,464	780,155	2,590,026
Others	12,302,121	6,548,430	334,261	1,013,946
Trade and other receivables	1,357,445,700	1,417,838,848	1,246,630,687	1,256,519,382

Impairments of trade receivables

The expected credit loss for trade receivables were determined as follows:

	Consolidated financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
As of 31 December 2023						
Gross carrying amount						
- trade receivables	856,319,231	422,775,692	16,093,657	728,416	467,112	1,296,384,108
- accrued income	21,586,671	-	-	-	-	21,586,671
Expected credit loss	(605,930)	(444,393)	(335,414)	(715,250)	(467,112)	(2,568,099)
As of 31 December 2022						
Gross carrying amount						
- trade receivables	947,676,450	323,540,520	11,253,701	12,731,130	35,133	1,295,236,934
- accrued income	36,032,559	-	-	-	-	36,032,559
Expected credit loss	(779,299)	(1,364,034)	-	(506)	(35,133)	(2,178,972)

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	Separate financial statements					Total Baht
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	
As of 31 December 2023						
Gross carrying amount						
- trade receivables	798,567,887	380,135,893	15,664,987	-	-	1,194,368,767
- accrued income	24,549,783	-	-	-	-	24,549,783
Expected credit loss	(579,589)	(408,164)	(43,134)	-	-	(1,030,887)
As of 31 December 2022						
Gross carrying amount						
- trade receivables	875,267,030	267,562,054	8,006,866	12,114,814	35,133	1,162,985,897
- accrued income	24,370,016	-	-	-	-	24,370,016
Expected credit loss	(772,168)	(1,344,072)	-	(506)	(35,133)	(2,151,879)

As at 31 December 2023, management expected that accrued income amounting to Baht 21.60 million in the consolidated financial statement and Baht 24.55 million in the separate financial statements will be invoiced to customers within 1 month.

The reconciliations of expected credit loss for trade receivables for the year ended 31 December are as follow:

	Consolidated financial statements	
	Trade receivables 2023 Baht	2022 Baht
Opening expected credit loss as at 1 January	2,178,972	137,067
Increase in expected credit loss	389,127	2,041,905
As of 31 December	2,568,099	2,178,972
	Separate financial statements	
	Trade receivables 2023 Baht	2022 Baht
Opening expected credit loss as at 1 January	2,151,879	136,021
(Decrease) increase in expected credit loss	(1,120,992)	2,015,858
As of 31 December	1,030,887	2,151,879

13 Inventories

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Raw materials	1,334,657,679	2,060,046,972	1,346,332,555	2,076,303,874
Raw materials in transit	269,184,813	406,214,876	230,910,700	390,987,612
Finished goods	323,502,612	353,378,967	307,845,863	298,519,185
	1,927,345,104	2,819,640,815	1,885,089,118	2,765,810,671
<u>Less</u> Allowance for inventories	(2,624,165)	(2,086,144)	(2,620,319)	(1,803,520)
Total	1,924,720,939	2,817,554,671	1,882,468,799	2,764,007,151

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During the year ended 31 December 2023 and 2022, amounts recognised as cost of sales in profit or loss are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Cost of sales	10,388,877,589	11,099,951,882	10,044,948,522	10,693,627,767
Allowance for obsolete inventories (reversal)	2,112,682	(11,399,916)	2,391,459	(10,385,131)
(Reversal) write-down of inventories to net realisable value	(1,574,661)	1,366,381	(1,574,660)	1,366,382

14 Investments in subsidiaries, associates and joint ventures

14.1 Investments in subsidiaries

At 31 December 2023 and 2022 the subsidiaries included in consolidated financial statement. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Name of entity	Nature of Business	Country of incorporation	% of ownership interest		Investment at cost method (Baht)	
			2023	2022	2023	2022
U.C. Marketing Co., Ltd.	Trading of fuel, lubricant and chemicals	Thailand	99.99	99.99	1,283,916,029	1,283,916,029
P.S.P. Logistics (Thailand) Co., Ltd	Transportation service provider	Thailand	99.99	99.99	19,999,800	19,999,800
Special Interfreight Co., Ltd.	Freight forwarder	Thailand	99.99	99.99	19,999,800	19,999,800
P.S.P Specialties 2014 Co., Ltd.	Cease operation	Thailand	99.99	99.99	4,999,700	4,999,700
P.S.P. Ventures Co., Ltd	Holding company	Thailand	99.99	99.99	190,999,800	190,999,800
					1,519,915,129	1,519,915,129

The total non-controlling interests at 31 December 2023 and 2022 is considered immaterial to the Group's equity.

Movement in investments in subsidiaries

	Separate financial statements	
	2023 Baht	2022 Baht
For the year ended 31 December		
Opening net book value	1,519,915,129	215,999,300
Additional investments	-	1,391,997,056
Decrease in investment	-	(88,081,227)
Closing net book value	1,519,915,129	1,519,915,129

On 28 January 2022, the Company invested in ordinary shares of U.C. Marketing which operates in trading of lubricant oil and grease oil industry, totaling Baht 1,372.00 million, representing 99.99% of U.C. Marketing's equity, comprising 999,998 ordinary shares, at par value of Baht 100 per share. All shares are fully paid.

On 9 June 2022, the Company incorporated new subsidiary by invested in ordinary shares of Special Interfreight Co., Ltd ("Special Interfreight") in which operates in freight forwarder, totaling Baht 20 million, representing 99.99% of Special Interfreight's equity, comprising 199,998 ordinary shares at par value of Baht 100 per share. All shares were fully paid.

On 27 June 2022, U.C. Marketing distributed dividends to the Company totaling Baht 99.99 million which the dividends amount of Baht 88.08 million were paid in respect of operation before the Company invested in ordinary shares of U.C. Marketing. The Company therefore recognised the aforementioned dividend as investment deduction. The dividends amount of Baht 11.92 million were paid in respect of operation after the Company invested in ordinary shares of U.C. Marketing. The Company therefore recognised the aforementioned dividend as dividend income in the statements of comprehensive income for the year ended 31 December 2022.

14.2 Investments in associates

As at 31 December 2023 and 2022, the investments in associates are as follows:

Entity name	Country of incorporation	Nature of business	% of ownership interest		Consolidated financial statements		Separate financial statements	
					Investment at equity method		Investment at cost method	
			2023 %	2022 %	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Associate under P.S.P. Ventures Co., Ltd.:								
WhatsEgg (Thailand) Co., Ltd.	Thailand	Service provider of automotive digital marketplace	30.00%	30.00%	132,819,077	151,591,638	-	-
Total					132,819,077	151,591,638	-	

Movement in investments in associates are as follows:

	Consolidated financial statements		Separate financial statements	
	Investment at equity method		Investment at cost method	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
For the year ended 31 December				
Opening net book value	151,591,638	172,997,386	-	-
Increase in investment	-	-	-	-
Share of loss	(18,772,561)	(21,405,748)	-	-
Closing net book value	132,819,077	151,591,638	-	-

Summarised financial information for joint ventures

The table below is summarised of financial information for joint ventures that are material to the Group. The financial information is included in joint ventures own financial statements which has been amended to reflect adjustments necessary for the equity method, including adjusting fair value and differences in accounting policy.

	WhatsEgg (Thailand) Co., Ltd.
	Baht
For the year ended 31 December 2023	
<i>Summarised of performance</i>	
Revenue	168,059,253
Net loss	(61,608,560)
At 31 December 2023	
<i>Summarised of statement of financial position</i>	
Current assets	88,921,210
Non-current assets	7,353,373
Current liabilities	(53,426,785)
Non-current liabilities	(2,648,714)
Net assets	40,199,084
As at 31 December 2023	
Reconciliation to carrying amounts:	
Closing net assets (Baht)	40,199,084
Group's share in associate (%)	30%
Group's share in associate (Baht)	12,059,725
Goodwill (Baht)	120,759,352
Associate's carrying amount (Baht)	132,819,077

WhatsEgg (Thailand) Co., Ltd. is limited company and there is no market offer in the market.

14.3 Investments in joint ventures

As at 31 December 2023 and 2022, the investments in joint ventures are as follows:

Entity name	Country of incorporation	Nature of business	% of ownership interest		Consolidated financial statements Investment at equity method		Separate financial statements Investment at cost method	
			2023	2022	2023	2022	2023	2022
			%	%	Baht	Baht	Baht	Baht
Joint venture: Pacific - PSP Syntech Co., Ltd.	Myanmar	Manufacture of lubricant and grease	50.00	50.00	-	9,718,629	32,890,147	121,573,510
<u>Less</u> Provision for impairment of investments					-	-	(32,890,147)	(88,683,363)
Total					-	9,718,629	-	32,890,147

Movement in investments in joint ventures are as follows:

	Consolidated financial statements Investment at equity method		Separate financial statements Investment at cost method	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
For the year ended 31 December				
Opening net book value	9,718,629	36,938,127	32,890,147	121,573,510
Share of loss	(10,040,115)	(24,866,598)	-	-
Exchange rate differences	321,486	(2,352,900)	-	-
<u>Less</u> Allowance for impairment	-	-	(32,890,147)	(88,683,363)
Closing net book value	-	9,718,629	-	32,890,147

The management assessed the impairment of investment in joint venture due to the continuance of loss from operations, instability in Myanmar and the rising market interest rate. The recoverable amount was determined under value in use approach which estimated from 5-year future cash flows with no long-term growth discounted by pre-tax discount rate at 13.61% per annum. The Company recognised loss on impairment of investment amounting to Baht 32.89 million in the statements of comprehensive income for the year ended 31 December 2023.

There are no contingent liabilities in respect of the Group's interest in associates and joint ventures.

Summarised financial information for joint ventures

The table below is summarised of financial information for joint ventures that are material to the Group. The financial information is included in joint ventures own financial statements which has been amended to reflect adjustments necessary for the equity method, including adjusting fair value and differences in accounting policy.

	Pacific - PSP Syntech Co., Ltd.	
	2023	2022
	Baht	Baht
<i>Summarised of performance</i>		
Revenue	88,063,812	65,667,693
Cost of sales	(51,110,677)	(55,675,823)
Gross profit (loss)	36,953,135	9,991,870
Administrative expense	(73,288,740)	(59,725,066)
Net loss	(36,335,605)	(49,733,196)
<i>Summarised of statement of financial position</i>		
Cash and cash equivalents	46,826,439	5,640,815
Other current assets	13,597,559	12,285,905
Total current assets	60,423,998	17,926,720
Property, plant and equipment	184,946,752	199,240,106
Long-term land lease	-	-
Other non-current assets	-	-
Total non-current assets	184,946,752	199,240,106
Total assets	245,370,750	217,166,826
Short-term loan	(179,550,504)	(78,834,800)
Other short-term loan	(42,231,770)	(50,537,021)
Total current liabilities	(221,782,274)	(129,371,821)
Long term loan	(39,335,625)	(67,803,750)
Employee benefit obligations	(508,226)	(553,998)
Total non-current liabilities	(39,843,851)	(68,357,748)
Total liabilities	(261,626,125)	(197,729,569)
Net assets	(16,255,375)	19,437,257
Reconciliation to carrying amounts:		
Opening net assets	19,437,257	73,876,253
Loss for the year	(36,335,605)	(49,733,196)
Exchange rate differences	642,973	(4,705,800)
Closing net assets	(16,255,375)	19,437,257
Group's share in joint ventures (%)	50%	50%
Joint ventures' carrying amount	-	9,718,629

Pacific - PSP Syntech Co., Ltd. is limited company and there is no market offer in the market.

15 Property, plant and equipment

	Consolidated financial statements						Total Baht
	Land and land improvement Baht	Building and building improvement Baht	Machinery and equipment Baht	Furniture, fixture and office equipment Baht	Vehicle Baht	Asset under construction Baht	
At 1 January 2022							
Cost	1,146,310,070	1,644,130,659	664,397,334	104,101,037	139,013,956	83,867,405	3,781,820,461
<u>Less</u> Accumulated depreciation	-	(786,628,407)	(519,737,876)	(75,883,179)	(123,407,855)	-	(1,505,657,317)
Net book amount	1,146,310,070	857,502,252	144,659,458	28,217,858	15,606,101	83,867,405	2,276,163,144
For the year ended 31 December 2022							
Opening net book amount	1,146,310,070	857,502,252	144,659,458	28,217,858	15,606,101	83,867,405	2,276,163,144
Additions	89,443,750	2,227,493	22,710,986	16,214,533	1,083,477	111,999,614	243,679,853
Disposals, net	-	-	(918,760)	(168,898)	(44,227)	-	(1,131,885)
Transfer in (out)	-	38,958,309	34,732,533	1,824,969	-	(75,515,811)	-
Transfer from right of use asset	-	-	-	-	1,730,710	-	1,730,710
Write-off, net	-	(4)	(23,312)	(44,776)	-	-	(68,092)
Depreciation	-	(94,016,449)	(65,740,960)	(11,798,341)	(10,302,913)	-	(181,858,663)
Closing net book amount	1,235,753,820	804,671,601	135,419,945	34,245,345	8,073,148	120,351,208	2,338,515,067
At 31 December 2022							
Cost	1,235,753,820	1,684,581,393	705,402,933	119,145,978	134,561,099	120,351,208	3,999,796,431
<u>Less</u> Accumulated depreciation	-	(879,909,792)	(569,982,988)	(84,900,633)	(126,487,951)	-	(1,661,281,364)
Net book amount	1,235,753,820	804,671,601	135,419,945	34,245,345	8,073,148	120,351,208	2,338,515,067

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	Consolidated financial statements						Total Baht
	Land and land improvement Baht	Building and building improvement Baht	Machinery and equipment Baht	Furniture, fixture and office equipment Baht	Vehicle Baht	Asset under construction Baht	
For the year ended 31 December 2023							
Opening net book amount	1,235,753,820	804,671,601	135,419,945	34,245,345	8,073,148	120,351,208	2,338,515,067
Additions	75,713,746	2,351,204	24,646,266	6,038,601	-	93,178,686	201,928,503
Disposals, net	-	(1)	(14,457)	(315)	(246,071)	-	(260,844)
Transfer in (out)	-	68,086,093	41,657,927	2,109,632	-	(111,853,652)	-
Transfer from right of use asset	-	-	-	-	3,163,095	-	3,163,095
Write-off, net	-	(29,906)	(354,672)	(95,769)	-	-	(480,347)
Depreciation	-	(77,378,440)	(59,578,635)	(14,659,730)	(5,255,565)	-	(156,872,370)
Closing net book amount	1,311,467,566	797,700,551	141,776,374	27,637,764	5,734,607	101,676,242	2,385,993,104
At 31 December 2023							
Cost	1,311,467,566	1,754,651,244	762,511,248	120,272,649	111,720,248	101,676,242	4,162,299,197
Less Accumulated depreciation	-	(956,950,693)	(620,734,874)	(92,634,885)	(105,985,641)	-	(1,776,306,093)
Net book amount	1,311,467,566	797,700,551	141,776,374	27,637,764	5,734,607	101,676,242	2,385,993,104

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	Separate financial statements						Total Baht
	Land and land improvement Baht	Buildings and building improvement Baht	Machines and equipment Baht	Office equipment and furniture Baht	Motor vehicles Baht	Construction in progress Baht	
At 1 January 2022							
Cost	1,150,889,475	1,645,432,780	649,460,556	102,531,688	139,013,956	79,130,405	3,766,458,860
<u>Less</u> Accumulated depreciation	-	(786,623,302)	(505,028,894)	(74,772,161)	(123,407,855)	-	(1,489,832,212)
Net book amount	1,150,889,475	858,809,478	144,431,662	27,759,527	15,606,101	79,130,405	2,276,626,648
For the year ended 31 December 2022							
Opening net book amount	1,150,889,475	858,809,478	144,431,662	27,759,527	15,606,101	79,130,405	2,276,626,648
Additions	89,443,750	2,227,493	22,266,123	15,735,326	1,083,477	101,317,536	232,073,705
Disposals, net	-	-	(918,760)	(168,898)	(44,225)	-	(1,131,883)
Transfer in (out)	-	40,663,023	17,608,741	1,824,969	-	(60,096,733)	-
Transfer from right of use asset	-	-	-	-	1,730,710	-	1,730,710
Write-off, net	-	(4)	(23,308)	(44,756)	-	-	(68,068)
Depreciation	-	(94,100,269)	(63,721,802)	(11,452,074)	(10,302,912)	-	(179,577,057)
Closing net book amount	1,240,333,225	807,599,721	119,642,656	33,654,094	8,073,151	120,351,208	2,329,654,055
At 31 December 2022							
Cost	1,240,333,225	1,687,588,228	677,067,898	117,751,561	134,561,101	120,351,208	3,977,653,220
<u>Less</u> Accumulated depreciation	-	(879,988,507)	(557,425,242)	(84,097,467)	(126,487,950)	-	(1,647,999,165)
Net book amount	1,240,333,225	807,599,721	119,642,656	33,654,094	8,073,151	120,351,208	2,329,654,055

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	Separate financial statements						Total Baht
	Land and land improvement Baht	Building and building improvement Baht	Machinery and equipment Baht	Furniture, fixture and office equipment Baht	Vehicle Baht	Asset under construction Baht	
For the year ended 31 December 2023							
Opening net book amount	1,240,333,225	807,599,721	119,642,656	33,654,094	8,073,151	120,351,208	2,329,654,055
Additions	75,713,746	2,351,204	24,646,266	5,522,514	-	93,209,488	201,443,218
Disposals, net	-	(1)	(14,457)	(315)	(246,071)	-	(260,844)
Transfer in (out)	-	68,086,093	41,657,927	2,109,632	-	(111,853,652)	-
Transfer from right of use asset	-	-	-	-	3,163,095	-	3,163,095
Write-off, net	-	(29,906)	(207,702)	(95,769)	-	-	(333,377)
Depreciation	-	(77,462,116)	(55,987,156)	(14,265,842)	(5,255,565)	-	(152,970,679)
Closing net book amount	1,316,046,971	800,544,995	129,737,534	26,924,314	5,734,610	101,707,044	2,380,695,468
At 31 December 2023							
Cost	1,316,046,971	1,757,753,365	734,278,879	118,418,238	111,720,251	101,707,044	4,139,924,748
Less Accumulated depreciation	-	(957,208,370)	(604,541,345)	(91,493,924)	(105,985,641)	-	(1,759,229,280)
Net book amount	1,316,046,971	800,544,995	129,737,534	26,924,314	5,734,610	101,707,044	2,380,695,468

Significant transactions

The management conducted the review of economic useful life of pipe in some types according to the inspection and maintenance of those assets. Accordingly, management extended the useful life of certain assets commencing 1 January 2023 onward. The changes in estimation over useful life of assets effects to the decrease in depreciation charge of Baht 12.95 million which is recognised in statement of comprehensive income for the nine-month period ended 31 December 2023.

As at 31 December 2023, the Group has mortgaged land and buildings with the net book value of Baht 930.93 million (2022: baht 967.69 million) with financial institution to secure the long-term loan.

The Group presented right-of-use assets as a separate line item in the statement of financial position as a result of changes in note 16.

16 Right-of-use assets

	Consolidated and Separate financial statements		
	Land Baht	Vehicles Baht	Total Baht
Balance as at 1 January 2022	1,697,911	14,121,789	15,819,700
Additions	15,430,080	7,068,378	22,498,458
Transfer out to vehicle	-	(1,730,710)	(1,730,710)
Amortisation	(1,562,704)	(3,302,228)	(4,864,932)
Write-off	(848,955)	-	(848,955)
Balance as at 31 December 2022	14,716,332	16,157,229	30,873,561
Balance as at 1 January 2023	14,716,332	16,157,229	30,873,561
Additions	-	3,555,998	3,555,998
Transfer out to vehicle	-	(3,163,095)	(3,163,095)
Amortisation	(1,713,932)	(4,216,383)	(5,930,315)
Balance as at 31 December 2023	13,002,400	12,333,749	25,336,149

The expense relating to leases that not included in the measurement of lease liabilities and right-of-use and cash outflows for leases is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Expense relating to short-term leases	8,229,570	10,499,510	5,467,580	8,547,082
Total cash outflow for leases	14,010,053	21,402,565	11,248,063	19,450,137

17 Intangible assets

	Consolidated financial statements	Separate financial statements
	Baht	Baht
At 1 January 2022		
Cost	42,710,657	42,233,146
<u>Less</u> Accumulated amortisation	(33,695,621)	(33,631,398)
Net book amount	9,015,036	8,601,748
For the year ended 31 December 2022		
Opening net book amount	9,015,036	8,601,748
Additions	1,732,658	796,980
Amortisation charge	(2,632,735)	(2,482,080)
Closing net book amount	8,114,959	6,916,648
At 31 December 2022		
Cost	44,443,314	43,030,126
<u>Less</u> Accumulated amortisation	(36,328,355)	(36,113,478)
Net book amount	8,114,959	6,916,648
For the year ended 31 December 2023		
Opening net book amount	8,114,959	6,916,648
Additions	21,161,186	20,943,486
Disposal	(763)	(763)
Amortisation charge	(2,697,512)	(2,402,460)
Closing net book amount	26,577,870	25,456,911
At 31 December 2023		
Cost	65,604,500	63,973,612
<u>Less</u> Accumulated amortisation	(39,026,630)	(38,516,701)
Net book amount	26,577,870	25,456,911

18 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
Deferred tax assets	34,690,016	30,918,394	32,236,526	29,100,019
Deferred tax liabilities	(5,411,456)	(5,309,893)	(5,239,082)	(5,295,574)
Deferred tax asset (net)	29,278,560	25,608,501	26,997,444	23,804,445

The movements in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements			
	At	(Increase)	(Increase)	At
	1 January	decrease to	decrease to	31 December
	Baht	income	other	Baht
		statement	component	
		Baht	of equity	
			Baht	
Deferred tax assets				
For the year ended 31 December 2023				
Employee benefit obligation	27,403,513	615,543	3,078,947	31,098,003
Provision for impairment of inventory	417,228	107,604	-	524,832
Provision for impairment of loss allowance	435,794	77,826	-	513,620
Provision for impairment of investment in associate/ financial assets measured at fair value through profit or loss	769,464	(569,464)	-	200,000
Fair value adjustment of investments	(252)	(8,987)	-	(9,239)
Financial liabilities measured at fair value through profit or loss	379,958	493,419	-	873,377
Machinery and equipment	1,512,689	(23,266)	-	1,489,423
	30,918,394	692,675	3,078,947	34,690,016
For the year ended 31 December 2022				
Employee benefit obligation	25,280,039	(498,435)	2,621,909	27,403,513
Provision for impairment of inventory	2,423,935	(2,006,707)	-	417,228
Provision for impairment of loss allowance	27,414	408,380	-	435,794
Provision for impairment of investment in associate/ financial assets measured at fair value through profit or loss	769,464	-	-	769,464
Fair value adjustment of investments	(298)	46	-	(252)
Financial liabilities measured at fair value through profit or loss	99,881	280,077	-	379,958
Machinery and equipment	1,525,235	(12,546)	-	1,512,689
	30,125,670	(1,829,185)	2,621,909	30,918,394

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Consolidated financial statements				
	At 1 January Baht	Increase (decrease) to income statement Baht	Increase (decrease) to other component of equity Baht	At 31 December Baht
Deferred tax liabilities				
For the year ended 31 December 2023				
Deferred debt issuance cost	(3,560,380)	1,798,905	-	(1,761,475)
Leases	(1,735,194)	847,008	-	(888,186)
Fair value adjustment of investments	(14,319)	(158,055)	-	(172,374)
Equipment	-	(2,589,421)	-	(2,589,421)
	(5,309,893)	(101,563)	-	(5,411,456)
For the year ended 31 December 2022				
Deferred debt issuance cost	-	(3,560,380)	-	(3,560,380)
Leases	(945,174)	(790,020)	-	(1,735,194)
Fair value adjustment of investments	(1,496)	(12,823)	-	(14,319)
	(946,670)	(4,363,223)	-	(5,309,893)
Separate financial statements				
	At 1 January Baht	(Increase) decrease to income statement Baht	(Increase) decrease to other component of equity Baht	At 31 December Baht
Deferred tax assets				
For the year ended 31 December 2023				
Employee benefit obligation	27,403,513	615,543	3,078,947	31,098,003
Provision for impairment of inventory	360,704	163,360	-	524,064
Provision for impairment of loss allowance	430,375	(224,198)	-	206,177
Provision for impairment of investment in associate/ financial assets measured at fair value through profit or loss	769,464	(569,464)	-	200,000
Fair value adjustment of investments	(252)	(8,987)	-	(9,239)
Financial liabilities measured at fair value through profit or loss	136,215	81,306	-	217,521
	29,100,019	57,560	3,078,947	32,236,526
For the year ended 31 December 2022				
Employee benefit obligation	25,280,039	(498,435)	2,621,909	27,403,513
Provision for impairment of inventory	2,164,454	(1,803,750)	-	360,704
Provision for impairment of loss allowance	27,205	403,170	-	430,375
Provision for impairment of investment in associate/ financial assets measured at fair value through profit or loss	769,464	-	-	769,464
Fair value adjustment of investments	(298)	46	-	(252)
Financial liabilities measured at fair value through profit or loss	74,252	61,963	-	136,215
	28,315,116	(1,837,006)	2,621,909	29,100,019

	Separate financial statements			
	At 1 January Baht	Increase (decrease) to income statement Baht	Increase (decrease) to other component of equity Baht	At 31 December Baht
Deferred tax liabilities				
For the year ended 31 December 2023				
Deferred debt issuance cost	(3,560,380)	1,798,905	-	(1,761,475)
Lease asset	(1,735,194)	847,008	-	(888,186)
Equipment	-	(2,589,421)	-	(2,589,421)
	(5,295,574)	56,492	-	(5,239,082)
For the year ended 31 December 2022				
Deferred debt issuance cost	-	(3,560,380)	-	(3,560,380)
Lease asset	(945,174)	(790,020)	-	(1,735,194)
	(945,174)	(4,350,400)	-	(5,295,574)

19 Borrowings

Short-term borrowings

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Promissory Notes	5,000,000	490,000,000	-	470,000,000
Trust Receipts	328,044,745	1,266,521,897	328,044,745	1,266,521,897
Loan from financial institutions	-	1,195,779,097	-	1,195,779,097
	333,044,745	2,952,300,994	328,044,745	2,932,300,994

Long-term borrowings

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Loan from financial institutions				
- current	442,443,320	441,550,966	442,443,320	441,550,966
- non-current	1,129,162,638	1,671,441,369	1,129,162,638	1,671,441,369
Total	1,571,605,958	2,112,992,335	1,571,605,958	2,112,992,335

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Movement of borrowings can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Opening amount as at 1 January	2,112,992,335	-	2,112,992,335	-
Cash items:				
Addition	-	2,200,000,000	-	2,200,000,000
Financial service fee	-	(13,669,282)	-	(13,669,282)
Repayment	(1,746,160,000)	(74,360,000)	(1,746,160,000)	(74,360,000)
Non-cash items:				
Amortisation of financial service fee	4,773,623	1,021,617	4,773,623	1,021,617
Transfer from short-term borrowings to long-term borrowings	1,200,000,000	-	1,200,000,000	-
Closing amount as at 31 December	1,571,605,958	2,112,992,335	1,571,605,958	2,112,992,335

Short term loans from financial institutions of the Group comprised of trust receipts totaling Baht 328.04 million with a maturity date in January 2024 which the annual interest rate does not exceed 3.05% per annum, a promissory note of Baht 5 million with a maturity in January 2024 which the interest rate is MLR minus margin per annum.

Short term loans from financial institutions of the Company comprised of trust receipts totaling Baht 328.04 million with a maturity date in January 2024 which the annual interest rate does not exceed 3.05% per annum.

The bank borrowings are secured over a part of the land and buildings of the Group (Note 15) and over the letter of guarantee by the director of the Company.

The loan agreements contain covenants imposed on the Group as specified in the agreements, related to such matters as dividend payment, reduction of share capital, merger or consolidation with any other entities and maintenance of certain debt to equity and debt service coverage ratios.

During the year, the Group converted short-term borrowings from financial institutions totaling Baht 1,200 million with a maturity in June 2023, into long-term borrowings. The interest rate is MLR minus margin per annum. The loan conversion was carried out in accordance with the conditions specified in the agreement. However, the Group fully repaid the entire loan amount in August 2023.

The carrying amounts and fair values of long-term borrowings are as follows:

	Consolidated and separate financial statements			
	Carrying amounts		Fair values	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Long-term borrowings from financial institutions	1,571,605,958	2,112,992,335	1,571,605,958	2,112,992,335

The fair value of borrowings which is within level 2 approximates to their carrying amount, as the impact of discounting is not significant.

20 Trade and other payable

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade payable	875,274,040	584,093,678	762,110,390	518,842,810
Trade payables-related parties (Note 32)	-	-	64,210,787	66,214,016
Other payable	226,938,817	335,648,087	225,944,804	335,072,411
Accrued expenses	157,057,625	407,990,607	119,590,549	377,696,185
	1,259,270,482	1,327,732,372	1,171,856,530	1,297,825,422

21 Lease liabilities

The present value of lease liabilities are as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Not later than 1 year	3,070,167	5,205,961
Later than 1 year but not later than 5 years	13,793,127	13,785,330
Later than 5 years	-	-
	16,863,294	18,991,291

Movements in lease liabilities can be analysed as follows:

	Consolidated and separate financial statements		
	Principle	Deferred interest	Lease liabilities
At 1 January 2022	10,922,748	(405,000)	10,517,748
Cash flow out:			
Payment	(10,903,055)	-	(10,903,055)
Non cash transaction:			
Additions	21,513,267	(2,653,859)	18,859,408
Interest recognition	-	517,190	517,190
At 31 December 2022	21,532,960	(2,541,669)	18,991,291
At 1 January 2023	21,532,960	(2,541,669)	18,991,291
Cash flow out:			
Payment	(5,780,483)	-	(5,780,483)
Non cash transaction:			
Additions	3,303,652	(488,904)	2,814,748
Interest recognition	-	837,738	837,738
At 31 December 2023	19,056,129	(2,192,835)	16,863,294

22 Contract liability

Contract liability is advance received from customers for payment of products and services. The Group will recognise revenue according to the number of products delivering to customers and services rendering to customers.

The Group has recognised the contract liabilities in current liabilities.

Revenue recognised in relation to contract liabilities

The table below is summarised of revenue recognised in the current reporting period relates to carried-forward contract liabilities.

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Revenue recognised that was included in the contract liability balance at the beginning of the period	264,200,361	201,277,003	263,853,211	201,277,003
	264,200,361	201,277,003	263,853,211	201,277,003

23 Employee benefit obligations

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Statement of financial position:		
Retirement benefits	138,325,680	129,567,730
Other long term benefit	17,164,333	7,449,831
Liability in the statement of financial position	155,490,013	137,017,561

The Company has other long-term benefit which is Long Service Award Plan (LSA) that provide gold for any employees of the Company who have service year equals to 10 years, 20 years, and 30 years.

The movement in the defined benefit obligation over the year is as follows:

	Consolidated and separate financial statements			
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	129,567,730	117,298,232	7,449,831	9,101,962
Current service cost	8,950,881	9,934,584	1,127,302	1,008,397
Past service cost	-	-	8,140,647	-
Interest expense	3,528,135	1,923,864	198,642	97,860
Benefit paid	(19,115,801)	(12,698,497)	-	(1,239,151)
	122,930,945	116,458,183	16,916,422	8,969,068
Remeasurements:				
Gain from change in financial assumptions	7,625,988	(21,477,071)	(6,090)	(617,021)
Experience loss/(gain)	7,768,747	34,586,618	254,001	(902,216)
	15,394,735	13,109,547	247,911	(1,519,237)
At 31 December	138,325,680	129,567,730	17,164,333	7,449,831

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The significant actuarial assumptions used were as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Retirement benefits:		
Discount rate	3.04%	3.15%
Inflation rate	3.00%	3.00%
Salary growth rate	4.50%	4.00%
Other long term benefit:		
Discount rate	2.76%	2.75%
Inflation rate	3.00%	3.00%
Gold price	34,150 Baht/ 1 Baht (Gold)	30,350 Baht/ 1 Baht (Gold)

Sensitivity analysis for each significant assumption used is as follows:

	Consolidated and separate financial statements					
	Change in assumption		Impact on defined benefit obligation			
	2023	2022	Increase in assumption		Decrease in assumption	
			2023	2022	2023	2022
Retirement benefits:						
Discount rate	0.50%	0.50%	Decrease by 4.60%	Decrease by 4.29%	Increase by 4.98%	Increase by 4.63%
Salary growth rate	1.00%	1.00%	Increase by 10.11%	Increase by 9.47%	Decrease by 8.81%	Decrease by 8.27%
Other long term benefit:						
Discount rate	0.50%	0.50%	Decrease by 3.96%	Decrease by 3.40%	Increase by 4.24%	Increase by 3.58%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation, include Retirement benefits and Other long-term benefit are 14 years and 12 years (2022: 14 years and 10 years).

Expected maturity analysis of undiscounted retirement and post-employment medical benefits are as follows:

	Consolidated and separate financial statements				
	Less than 1 year Baht	Between 1-2 years Baht	Between 2-5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2023					
Retirement benefits	9,448,673	11,080,164	25,163,917	147,192,885	192,885,639
Post-employment medical benefits	1,114,134	2,835,239	3,555,892	14,412,768	21,918,033
Total	10,562,807	13,915,403	28,719,809	161,605,653	214,803,672
At 31 December 2022					
Retirement benefits	17,591,553	6,793,800	27,002,140	127,751,079	179,138,572
Post-employment medical benefits	503,823	1,343,379	1,688,073	5,585,589	9,120,864
Total	18,095,376	8,137,179	28,690,213	133,336,668	188,259,436

24 Share capital and share premium

	Authorised			Issued and paid-up			Share premium
	Number of Shares Shares	Par value Baht	Total Baht	Number of shares Shares	Par value Baht	Total Baht	Baht
At 1 January 2022	2,280,000	100	228,000,000	2,280,000	100	228,000,000	-
Change in par value from Baht 100 per share to Baht 1							
Baht per share	225,720,000	1	-	225,720,000	1	-	-
Issue of shares	772,000,000	1	772,000,000	522,000,000	1	522,000,000	-
At 1 January 2023	1,000,000,000	1	1,000,000,000	750,000,000	1	750,000,000	-
Share decrease	(250,000,000)	1	(250,000,000)	-	-	-	-
Issue of shares	650,000,000	1	650,000,000	650,000,000	1	650,000,000	1,777,084,570
At 31 December 2023	1,400,000,000	1	1,400,000,000	1,400,000,000	1	1,400,000,000	1,777,084,570

On 27 June 2022, The Extraordinary General Meeting of Shareholders of the Company no. 2/2022 passed a resolution to approve the decrease of par value from Baht 100 per share to Baht 1 per share. It resulted to increase number of ordinary shares from 2,280,000 shares to 228,000,000 shares.

On 27 June 2022, The Extraordinary General Meeting of Shareholders of the Company no. 2/2022 passed a resolution to approve the increase of the Company's registered capital in the amount of Baht 772,000,000 from the current registered capital of Baht 228,000,000 to be the registered capital of Baht 1,000,000,000 by issuing 772,000,000 new ordinary shares at a par value of Baht 1 by issuing 522,000,000 new ordinary shares at a par value of Baht 1 by way of Right Offering and issuing 250,000,000 new ordinary shares at a par value of Baht 1 for an initial public offering (IPO). The Company has already registered the transformation of the Company to public Company, decrease of par value and the increase of the Company's registered capital to the Department of Business Development, Ministry of Commerce on 6 July 2022.

On 6 February 2023, the Extraordinary General Meeting of Shareholders of the Company no.1/2023 has passed the following important resolutions:

- 1) Approved the reduction of registered capital of the Company by Baht 250,000,000 from the existing registered capital of Baht 1,000,000,000 to the new registered capital of Baht 750,000,000 by cancelling 250,000,000 unissued shares with a par value of Baht 1 each.
- 2) Approved the increase of the Company's registered capital in the amount of Baht 650,000,000 from the current registered capital of Baht 750,000,000 to be the registered capital of Baht 1,400,000,000 by issuing 300,000,000 new ordinary shares at a par value of Baht 1 by way of Right Offering and issuing 350,000,000 new ordinary shares at a par value of Baht 1 for an initial public offering (IPO).

On 9 February 2023, the Company has already registered the reduction of its registered capital and amending the Company's Memorandum of Association in order to be in line with the reduction of the Company's registered capital and submitting with the Department of Business Development, the Ministry of Commerce.

On 10 February 2023, the Company's registered capital to the Department of Business Development, Ministry of Commerce. On 13 February 2023, the Company called for payment of 300,000,000 shares at a par value of Baht 1 total amount of Baht 300,000,000.

On 30 August 2023, the Company made an initial public offering of 350,000,000 ordinary shares with a par value of Baht 1.00 per share, offering price of Baht 6.20 per share, totaling Baht 2,170,000,000. The Company recorded the cost of distribution of shares, net of tax, at the amount of Baht 42,915,430 which deducted in the account of premium on paid-up capital of ordinary shares. The Company's ordinary shares has started trading on the Stock Exchange of Thailand (SET) since 30 August 2023.

25 Legal reserve

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
At 1 January	75,000,000	22,800,000
Appropriation during the year	19,800,000	52,200,000
At 31 December	94,800,000	75,000,000

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. This reserve is not available for dividend distribution.

26 Other income

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Dividend	-	-	159,999,680	11,918,573
Other service income	8,842,969	7,373,290	29,251,402	22,123,137
Income from damage compensation	4,412,163	4,867,505	4,389,263	4,867,505
Interest income	2,828,644	542,864	2,333,537	539,449
Others	5,596,040	7,575,982	4,990,563	7,003,517
Total	21,679,816	20,359,641	200,964,445	46,452,181

27 Other gains (losses) - net

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Gain from exchange rate	36,189,371	31,147,409	31,971,676	36,361,675
Gain from disposal on fixed assets	6,964,306	1,989,726	6,964,306	1,989,726
Gain from remeasurement of financial assets	2,190,661	448,356	815,884	241,544
Loss on remeasurement of financial liabilities	(2,467,099)	(1,400,382)	(406,532)	(309,814)
Loss on provision for impairment of investments (Note 14)	-	-	(32,890,147)	(88,683,363)
Total	42,877,239	32,185,109	6,455,187	(50,400,232)

28 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Changes in inventories of finished goods	10,265,667,493	10,917,021,832	9,921,774,677	10,510,720,140
Purchase of raw materials	8,917,503,804	11,560,753,435	8,554,885,995	11,080,813,416
Raw material and consumables used	123,210,096	182,930,051	123,173,845	182,907,626
Employee benefit expense (Note 23)	22,193,518	11,445,468	22,193,518	11,445,468
Staff cost	449,536,359	502,145,423	449,529,440	502,075,099
Depreciation and amortization	165,205,145	189,356,330	161,303,454	186,924,069
Impairment charges on inventories (reversal)	644,407	(9,889,229)	923,185	(8,874,445)
Expense relating to short-term leases (Note 16)	8,229,570	10,499,510	5,467,580	8,547,082

29 Income tax expense

Income tax expense for the year comprises the following:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current tax	110,407,323	147,671,013	63,648,979	99,669,029
Adjustments in respect of prior year	-	-	-	-
Total current tax for the year	110,407,323	147,671,013	63,648,979	99,669,029
Deferred income taxes (Note 18)				
(Increase) decrease in deferred tax assets	(692,675)	1,829,185	(57,560)	1,837,006
Decrease (increase) in deferred tax liabilities	101,563	4,363,223	(56,492)	4,350,400
Total deferred income tax	(591,112)	6,192,408	(114,052)	6,187,406
Income tax expense	109,816,211	153,863,421	63,534,927	105,856,435

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Profit before tax	537,360,691	700,234,618	459,272,832	438,098,405
Tax calculated at a tax rate of 20%	(107,472,138)	(140,046,924)	(91,854,566)	(87,619,681)
Tax effect of:				
Associates' and joint venture's result	(5,762,535)	(9,254,469)	-	-
Income not subject to tax	-	-	31,999,936	2,383,715
Expenses additional deductible for tax purpose	11,287,750	6,539,907	11,073,942	6,539,907
Expenses not deductible for tax purpose	(8,806,509)	(9,615,716)	(14,754,239)	(27,160,376)
Other	937,221	(1,486,219)	-	-
Tax charge	(109,816,211)	(153,863,421)	(63,534,927)	(105,856,435)

30 Earnings per share

Basic earnings per share attributable to shareholders is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue and paid-up during the period.

During 2022, the Company adjusted par value of its ordinary shares from Baht 100 per share to Baht 1 per share (Note 24). For comparative purposes, the weighted average number of shares for the year ended 31 December 2022 is adjusted to reflect the par value adjustment as if the event had occurred at the beginning of the year 2022.

On 10 February 2023, the Company issued the authorised share capital of Baht 300,000,000 at par value of Baht 1 each. And 30 August 2023, the Company issued shares to public for the first time of Baht 350,000,000 at par value of Baht 1 each (Note 24).

	Consolidated financial information		Separate financial information	
	2023	2022	2023	2022
Profit attributable to shareholders (Baht)	427,544,480	537,264,375	395,737,905	332,241,970
Weighted average number of ordinary shares (Shares)	750,000,000	2,280,000	750,000,000	2,280,000
Increase in number of ordinary shares from par value adjustment (Shares) (Note 24)	-	225,720,000	-	225,720,000
Increase in number of ordinary shares from Issuing shares (Shares) (Note 24)	388,356,164	255,994,521	388,356,164	255,994,521
Total weighted average number of ordinary shares (Shares)	1,138,356,164	483,994,521	1,138,356,164	483,994,521
Basic earning per share (Baht)	0.38	1.11	0.35	0.69

There are no potential dilutive ordinary shares issued during 2023 and 2022.

31 Dividends

2022

On 10 June 2022, the meeting of Board of Directors No. 6/2022, the directors approved an interim dividend in respect of operation for 31 March 2022 amounting to Baht 263.20 per share, totaling Baht 600.10 million. The dividends were paid to the shareholders on 6 July 2022.

On 4 October 2022, the meeting of Board of Directors No. 4/2022, the directors approved an interim dividend in respect of operation for 30 June 2022 amounting to Baht 3.34 per share, totaling Baht 2,505.00 million. The dividends were paid to the shareholders on 21 October 2022.

32 Related party transactions

Enterprises and individuals that, directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Company's name	Type of business	Relationship
U.C. Marketing Co., Ltd.	Trading of fuel, lubricant and chemicals	Subsidiary
Special Interfreight Co., Ltd	Freight forwarder	Subsidiary
P.S.P. Ventures Co., Ltd.	Holding company	Subsidiary
P.S.P. Logistics (Thailand) Co., Ltd.	Transportation service provider	Subsidiary
P.S.P Specialties 2014 Co., Ltd.	Cease operation	Subsidiary
WhatsEgg (Thailand) Co., Ltd.	Service provider of automotive digital marketplace	Associate
Pacific - PSP Syntech Co., Ltd.	Manufacture of lubricant	Joint venture
Thai Petroleum & Trading Co., Ltd.	Distribute of lubricant and battery	Common directors
Ruam Packs (Thailand) Co., Ltd.	Wholesales of import and export flowers and plants	Common directors
MG Brits Autohaus Co., Ltd	Distributor of automotive vehicles	Common directors
Boonta Flowers Co., Ltd	Restaurant	Common directors

Thai Petroleum & Trading Co., Ltd. was not considered as related party since 30 August 2023.

a) Transactions with related parties

Transactions with related parties for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Sales of goods, services and others				
Subsidiary	-	-	146,677,649	152,572,790
Joint venture	56,932,360	47,111,631	56,932,360	47,111,631
Other related parties	242,549,396	615,367,475	232,040,762	557,889,150
Total	299,481,756	662,479,106	435,650,771	757,573,571
Purchases of goods and services				
Subsidiary	-	-	478,078,208	469,373,920
Other related parties	-	31,316,520	-	31,212,690
Total	-	31,316,520	478,078,208	500,586,610
Other revenue - dividend				
Subsidiary	-	-	159,999,680	11,918,573

b) Outstanding balances arising from sales and purchases of goods, services and others

The outstanding balances at 31 December in relation to transactions with related parties are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade receivables and others				
Subsidiary	-	-	12,875,522	9,623,331
Joint venture	39,738,033	21,628,740	39,738,033	21,628,740
Other related parties	251,847	3,959,402	-	3,959,402
Total	39,989,880	25,588,142	52,613,555	35,211,473
Trade payables and others				
Subsidiary	-	-	64,210,787	66,214,016

c) Key management compensation

Key management includes directors (executive and non-executive), members of the executive managements. The compensation paid or payable to key management are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Salaries and other short-term employee benefits	46,272,649	46,858,898	46,272,649	46,858,898
Post-employment benefits	21,522,335	18,401,301	21,522,335	18,401,301
Other long-term benefits	135,193	31,849	135,193	31,849
Total	67,930,177	65,292,048	67,930,177	65,292,048

33 Commitments and contingent liabilities

a) Capital commitments

Capital expenditure contracted as at the statement of financial position date but not recognised as liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Property, plant and equipment	31,123,977	44,607,354	31,123,977	44,607,354
Intangible assets	71,766,200	95,956,750	71,766,200	95,956,750

b) Bank guarantees and letter of credits

As at 31 December 2023, the Group has outstanding bank guarantees and letter of credits given to third parties amounting to Baht 207.93 million and USD 6.3 million (31 December 2022: Baht 203.90 million and USD 6.30 million). The Company pledged land and buildings for the bank guarantees. The letter of credits amounting to Baht 0.14 million (31 December 2022: nil).

c) Contingencies

As at 31 December 2023, the Company has provided Standby Letter of Credits for bank loans granted to joint venture for a total of USD 5.50 million (31 December 2022: USD 5.50 million).

The Company has guaranteed credit facilities made by a bank to related parties to a total amount of Baht 245.00 million (2022: Baht 1,377.40 million).

34 Litigations

On 26 December 2023, an insurance company filed a lawsuit against the subsidiaries with the Central Intellectual Property and International Trade Court claiming for the compensation for goods damaged during transportation amounting to Baht 5.49 million. The ultimate outcomes of the aforementioned cases are presently unable to be determined, and accordingly, no recognition of provision for possible liabilities have been made in the financial statements for the year ended 31 December 2023.

35 Events occurring after the reporting report

On 19 January 2024, the Extraordinary General Meeting No. 1/2024 of a subsidiary approved the increase of the Company's registered capital in the amount of Baht 125,000,000 from the current registered capital of Baht 191,000,000 to be the registered capital of Baht 316,000,000 by issuing 1,250,000 new ordinary shares at a par value of Baht 100 to acquire 25% ordinary share of Geneus Genetics Company Co., Ltd, total amount of Baht 125,000,000. The share subscription was fully paid in on 31 January 2024.

On 12 February 2024, the Company has executed the agreements pertaining to the investment in the shares of Recycle Engineering Co., Ltd. The acquisition of shares is equivalent to 65% of the registered capital of Recycle Engineering Co., Ltd at the value of Baht 70 per share, total amount of Baht 409,500,000. The investment is subject to various conditions as prescribed in the relevant agreements. The investment is expected to complete by the 3rd quarter of 2024.

On 27 February 2024, the meeting of Board of Directors No. 2/2024, the directors approved the dividend in respect of operation for 31 December 2023 amounting to Baht 0.15 per share, totaling Baht 210 million. The dividends will be paid to the shareholders on 20 May 2024.

36 Authorisation of financial statements

These consolidated and separate financial statements were authorised for issue by the authorised directors on 27 February 2024.



Attachment

P.S.P.SPECIALTIES PUBLIC COMPANY LIMITED

Attachment 1

Details of the Directors, Executive, Controlling Person Holder of the Highest Accounting and Financial Position Person Directly Assigned to Control Accounting, and the Company Secretary

Attachment 1

Details of Directors, Executives, Controlling Persons, Holder of the Highest Accounting and Financial Position, Person Directly Assigned to Control Accounting, and the Company Secretary

1. Details of Directors, Executives, Holder of the Highest Accounting and Financial Position, Person Directly Assigned to Control Accounting, and the Company Secretary

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
1) Mr.Yongyos Krongphanich Chairman of the Board of Directors, Director, and Member of the Nomination and Remuneration Committee Date of Appointment: June 27, 2022	63	- Master of Accounting, Thammasat University - Bachelor of Accounting, Chulalongkorn University - Director Accreditation Program (DAP) Class 185/2564 - The Corporate Governance: Regulation and Disclosure Training 2017	None	- Mr. Sint Krongphanich's sibling - Mr. Sakesan Krongphanich's uncle	Relevant Important Positions in Listed Company		
					2023 - present	Chairman of the Board of Directors	P.S.P. Specialties Public Company Limited
					2022 - present	Director and Member of the Nomination and Remuneration Committee	P.S.P. Specialties Public Company Limited
					2021 - 2022	Director and Member of the Nomination and Remuneration Committee	P.S.P. Specialties Company Limited
					2019 - 2020	Assistant Managing Director, Strategy and Corporate Financial Management	PTT Public Company Limited
					2018	Deputy Managing Director, Financial and Accounting	PTT Exploration and Production Public Company Limited

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
					Other Experiences/Other Activities		
					2020	Director	Alpha Com Company Limited
					2019 - 2020	Chairman of the Board of Directors	PTT Global Management Company Limited
					2019 - 2020	Chairman of the Board of Directors	PTT Regional Treasury Pte. Ltd.
2) Mr.Pavares Boontanonda Director and Member of the Executive Committee Date of Appointment: June 27, 2022	71	- Doctor of Philosophy (Chemistry) Queen's University of Belfast, United Kingdom - Bachelor of Science Program in Medical Technology, Mahidol University - Director Accreditation Program (DAP) Class 168/2563	2.93	None	Relevant Important Positions in Listed Company		
					2022 - present	Director and Member of the Executive Committee	P.S.P. Specialties Public Company Limited
					1989 - present	Director and President	P.S.P. Specialties Company Limited
					Other Experiences/Other Activities		
					2021– present	Director	P.S.P. Ventures Company Limited
					2014 - present	Director	P.S.P. Specialties 2014 Company Limited
					2015 - present	Director	Pacific-PSP Syntech Company Limited
					2022 - present	Director	Chmap Wagyu Company Limited
					2019 - present	Director	MG Brits Autohaus Company Limited

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
					2019 - present	Director	Boonta Flowers Company Limited.
					2018 - present	Director	PVB (2018) Company Limited
					2010 - present	Director	PP & M Nobile Company Limited
					2009 - present	Director	DSD Blossom Company Limited
					2007 - present	Director	Unique Chema Company Limited
					1994 - present	Director	P.S.P. Quality Company Limited
					1989 - present	Director	Intervent Company Limited
					1989 - present	Director	Ruam Packs (Thailand) Company Limited
3) Mr.Sint Krongphanich Director, Chief Executive Officer, Chairman of the Executive Committee Date of Appointment: June 27, 2022	68	<ul style="list-style-type: none"> - Master of Business Administration, Thammasat University - Bachelor of Engineering, Chulalongkorn University Director Accreditation Program (DAP) Class 168/2563 	5.16	<ul style="list-style-type: none"> - Mr. Sakesan Krongphanich's Father - Mr. Yongyos Krongphanich's sibling 	Relevant Important Positions in Listed Company		
					2022 - present	Director, , Chairman of the Executive Committee and Chief Executive Officer	P.S.P. Specialties Public Company Limited
					2020 – 2022	Director, Chairman of the Executive Committee and Chief Executive Officer	P.S.P. Specialties Company Limited
					1989 - 2020	Director and Managing Director	P.S.P. Specialties Company Limited

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
					Other Experiences/Other Activities		
					2021 - present	Director	P.S.P. Ventures Company Limited
					2014 - present	Director	P.S.P. Specialties (2014) Company Limited
					1989 - present	Director	U.C. Marketing Company Limited.
					2015 - present	Director	Pacific-PSP Syntech Company Limited
					2016 - present	Director	MG Brits Autohaus Company Limited
					2010 - present	Director	PP & M Nobile Company Limited
					2009 - present	Director	DSD Blossom Company Limited
					2007 - present	Director	Unique Chema Company Limited
					1994 -present	Director	P.S.P. Quality Company Limited
					1989 - present	Director	Intervent Company Limited
4) Mr.Sakesan Krongphanich	33	- Master of Marketing Management, Northumbria University	12.82	- Mr. Sint Krongphanich's child	Relevant Important Positions in Listed Company		
					2022 - present	Director, Member of the Executive Committee,	P.S.P. Specialties Public Company Limited)

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
Director and Member of the Executive Committee Date of Appointment: June 27,2022		<ul style="list-style-type: none"> - Bachelor of Technology Management, SIIT, Thammasat University - Director Certification Program (DCP) Class 314/2565 		Mr.Yongyos Krongphanich's grandchild		Deputy Chief Executive Officer	
					2020 - 2021	Sales Manager	P.S.P. Specialties Company Limited
					2018 - 2020	Sales Executive	P.S.P. Specialties Company Limited
					2016 - 2018	Management Trainee	P.S.P. Specialties Company Limited
					Other Experiences/Other Activities		
					2022 - present	Director	P.S.P. Ventures Company Limited
					2022 - present	Director	Special Interfreight Company Limited
					2021 - present	Director	P.S.P. Logistics (Thailand) Company Limited
					2021 - present	Director	WhatsEgg (Thailand) Company Limited
					2012 - present	Director	P One Distribution Systems Company Limited
					2018 - present	Director	Sabujung Company Limited
					2019 - present	Director	Fresher Kitchen Company Limited

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
					2012 - present	Director	Shinkou Corporation Company Limited
					2014 - present	Director	Mind English Company Limited
					2021 - present	Director	SYG Management Company Limited
					2021 - present	Director	SYG Fertilizer Company Limited
					2021 - present	Director	SYG Smart Farm Company Limited
					2021 - present	Director	Singhyim Industrial Agricultural Company Limited
					2021 - present	Director	KR Holding Company Limited
5) Mr.Perm Sak Kosolbhand Director Date of Appointment: June 27, 2022	69	<ul style="list-style-type: none"> - Master of Mechanical Engineering, Lamar University, Texas, United States of America - Bachelor of Mechanical Engineering, Mapua Institute of Technology, Philippines - Director Accreditation Program (DAP) Class 185/2564 	7.00	None	Relevant Important Positions in Listed Company		
					2022 - 2024	Director	P.S.P. Specialties Public Company Limited
					2021 - 2022	Director	P.S.P. Specialties Company Limited
					Other Experiences/Other Activities		
					1998 - 2018	President	Valvoline (Thailand) Company Limited

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
6) Mr. Preecha Issarapanichkit Director and Member of the Executive Committee Date of Appointment: June 27, 2022	67	<ul style="list-style-type: none"> - Master of Business Administration, Thammasat University - Bachelor of Mechanical Engineering, Chulalongkorn University - Director Accreditation Program (DAP) Class 189/2565 	None	None	Relevant Important Positions in Listed Company		
					2022 - present	Director and Member of the Executive Committee	P.S.P. Specialties Public Company Limited
					2022 - present	Advisor	P.S.P. Specialties Public Company Limited
					2021 - 2022	Advisor	P.S.P. Specialties Company Limited
					Other Experiences/Other Activities		
					2017 - present	Independent Observer	Anti-Corruption Organization of Thailand
7) Miss Charanya Sangsukdee Independent Director, Chairman of the Audit and Corporate Governance Committee and Member of the Nomination and Remuneration Committee	59	<ul style="list-style-type: none"> - Master of Business Administration, Kasetsart University - Bachelor's Degree, School of Management Science, Sukhothai Thammathirat Open University - Director Certification Program (DCP) Class 96/2550 	None	None	Relevant Important Positions in Listed Company		
					2022 - present	Independent Director, Chairman of the Audit and Corporate Governance Committee and Member of the Nomination and Remuneration Committee	P.S.P. Specialties Public Company Limited
					2021 - 2022	Independent Director, Member of the Audit and Corporate Governance Committee	P.S.P. Specialties Company Limited

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
Date of Appointment : June 27, 2022		<ul style="list-style-type: none"> - Director Accreditation Program (DAP) Class 62/2550 - Audit Committee Program (ACP) Class 27/2552 - Certificate of Completion Advanced Audit Committee Program Class 1/2552 - CAE Chief Audit Executive Professional Leadership Program Class 2/2565 - Business Health Audit Course, Class 2/2565 			2011 - present	Director, Independent directors, Committee chairman Audit and Corporate Government and Risk Management	Panjawattana Plastic Public Company Limited
					Other Experiences/Other Activities		
					2021 - present	Managing Director	Dharmakhun Business and Tax Advisory Company Limited
					1997 - present	Managing Director	Tax Specialist Company Limited
8) Mr.Choochai Eiamrungrroj Independent Director, Chairman of the Nomination and Remuneration Committee and Member of the Audit and Corporate	69	<ul style="list-style-type: none"> - Bachelor of Mechanical Engineering, Chulalongkorn University - Director Accreditation Program (DAP) Class 120/2558 	None	None	Relevant Important Positions in Listed Company		
					2022 - present	Independent Director, Chairman of the Nomination and Remuneration Committee and Member of Audit and Corporate Governance Committee	P.S.P. Specialties Public Company Limited

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
Governance Committee, and Date of Appointment : June 27, 2022					Other Experiences/Other Activities		
					2019 - 2021	Subcommittee for considering and screening the open innovation project for Central Region, Bangkok and surrounding areas.	National Innovation Agency, Ministry of Science and Technology
					2017 - 2021	Freelance Lecturer	P & P Consultant Company Limited
					2017 - 2020	Employee training coach	Siam Lubricant Company Limited.
9) Mr. Trinnawat Thanitnithiphan Independent director and Member of the Audit and Corporate Governance Committee Date of Appointment: January 16, 2023	53	<ul style="list-style-type: none"> - PhD. Business Administration, Thammasat University - Master of Financial/International Banking, The University of Birmingham, United Kingdom - Master of Business Administration, Chulalongkorn University 	None	None	Relevant Important Positions in Listed Company		
					2023 - present	Independent director and Member of the Audit and Corporate Governance Committee	P.S.P. Specialties Public Company Limited
					2014 - present	Director, Member of the Nomination and Remuneration Committee, Risk Management Committee, Chairman of the Executive Committee, and Chief Executive Officer	Inter Pharma Public Company Limited

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
		- Bachelor of Pharmacy, Chulalongkorn University - Director Certification Program (DCP) Class 167/2556			Other Experiences/Other Activities		
					2022 - present	Director	Nakhon Patana Company Limited
					2022 - present	Director	Inter Wellness Company Limited
					2022 - present	Director	Drug Care Company Limited
					2022 - present	Director	Inter Pharmacy Company Limited.
					2021 - present	Director	Interpharma-Zeavita Company Limited
					2020 - present	Director	Modern Pharma Company Limited
					2018 - present	Director	Inter Petrina Company Limited
					2014 - present	Director and Chief Executive Officer	Inter Vetta Company Limited
10) Mr.Piya Techapichetvanich Member of the Executive Committee and Finance,	51	- Master of Finance and Investment, University of Exeter, United Kingdom - Bachelor of Accounting, Chulalongkorn University	None	None	Relevant Important Positions in Listed Company		
					2022 - present	Member of the Executive Committee and Finance, Accounting and Risk Management Department Manager	P.S.P. Specialties Public Company Limited

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
Accounting and Risk Management Department Manager Date of Appointment : August 2, 2022		- Director Certification Program (DCP) Class 285/2562			2020 - 2022	Finance, Accounting and Risk Management Department Manager	P.S.P. Specialties Company Limited
					2011 - 2019	Finance and Accounting Division Manager	P.S.P. Specialties Company Limited
11) Mr.Chanchai Chantrapimol Commercial and Businesss Development Department Manager Date of Appointment : August 2, 2022	54	- Bachelor of Engineering, Chulalongkorn University	None	None	Relevant Important Positions in Listed Company		
					2022 - present	Commercial and Businesss Development Department Manager	P.S.P. Specialties Public Company Limited
					2020 - 2022	Commercial and Businesss Development Department Manager	P.S.P. Specialties Company Limited
					2010 - 2019	Commercial and Marketing Division Manager	P.S.P. Specialties Company Limited
12) Mr.Kitisak Suthithanakom Operations and Supply Chain Department Manager Date of Appointment : August 2, 2022	56	- Master of Engineering, New Jersey Institute of Technology, United States of America - Bachelor of Engineering, Chulalongkorn University	0.01	None	Relevant Important Positions in Listed Company		
					2022 - present	Operations and Supply Chain Department Manager	P.S.P. Specialties Public Company Limited
					2020 - 2022	Operations and Supply Chain Department Manager	P.S.P. Specialties Company Limited
					2010 - 2019	Procurement and Business Development Division Manager	P.S.P. Specialties Company Limited

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
13) Mr.Narongsak Yensakul Terminalling, Engineering and Safety Department Manager Date of Appointment : August 2, 2022	53	- Bachelor of Production Engineering, King Mongkut's University of Technology Thonburi	0.007	None	Relevant Important Positions in Listed Company		
					2022 - present	Terminalling, Engineering and Safety Department Manager	P.S.P. Specialties Public Company Limited
					2020 - 2022	Terminalling, Engineering and Safety Department Manager	P.S.P. Specialties Company Limited
					2017 - 2019	Terminalling Division Manager	P.S.P. Specialties Company Limited
					2014 - 2017	Terminalling Section Manager	P.S.P. Specialties Company Limited
					2012 - 2014	Maintenance Engineering Section Manager	P.S.P. Specialties Company Limited
14) Mr.Sujira Rakkanam Corporate Finance Division Manager Date of Appointment : August 2, 2022	44	- Master of Applied Finance, The University of Newcastle, Australia - Bachelor of Accounting, Chulalongkorn University	None	None	Relevant Important Positions in Listed Company		
					2022 - present	Corporate Finance Division Manager	P.S.P. Specialties Public Company Limited
					2020 - 2022	Corporate Finance Division Manager	P.S.P. Specialties Company Limited
16) Mr.Kammalart Sagaravasi	45	- Bachelor of Accounting, Asia-Pacific International University	0.0002	None	Relevant Important Positions in Listed Company		
					2022 - present	Accounting Division Manager	P.S.P. Specialties Public Company Limited

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (Percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization / Company Name
Accounting Division Manager Date of Appointment : August 2, 2022					2020 - 2022	Accounting Division Manager	P.S.P. Specialties Company Limited
					2011 - 2020	Accounting 2 Section Manager	P.S.P. Specialties Company Limited

1.2 Details about the Company Secretary and responsibilities of the Company Secretary

Name / Position Date of Appointment	Age (Years)	Educational Qualifications / Training Record	Shareholding in the Company (percentage)	Family Relations among Directors and Executives	Working Experiences		
					Period	Position	Organization / Company Name
Miss Paweena Krongraksa Company Secretary Date of Appointment : August 2, 2022	46	- Bachelor of Personnel Management, Siam University	0.005	None	Relevant Important Positions in Listed Company		
					2022 - present	Company Secretary	P.S.P. Specialties Public Company Limited
					2020 - 2022	Company Secretary	P.S.P. Specialties Company Limited
					2012 - 2019	Packaging Procurement Section Manager	P.S.P. Specialties Company Limited
					2014 - 2012	Packaging Procurement Supervisor	P.S.P. Specialties Company Limited

Scope of duties and responsibilities of the Company Secretary

The Board of Directors' Meeting No. 1/2022 (after becoming a public company) on August 2, 2022, passed a resolution to appoint Ms. Paweena Krongraksa as the Company Secretary to comply with Section 89/15 and Section 89/16 of the Securities and Exchange Act B.E. 2535 (including additional amendments) whereby the Company Secretary has the following duties and responsibilities:

1. Organize shareholders' meetings and the Board of Directors' meetings in accordance with the law, company regulations and related practices, as well as coordinating to ensure compliance with the resolutions of the shareholders' meeting and the Board of Directors' meeting.
2. Prepare and maintain a register of Company Directors, shareholder register, meeting appointment letter, Minutes of meeting, and supporting documents for Board of Directors' meetings and shareholders' meetings, including the annual information form/annual report (Form 56-1 One Report) and reports on securities holdings and changes in securities holdings of directors and executives as specified in the announcement of the Securities and Exchange Commission.
3. Archive reports of conflicts of interest reported by directors or executives of the Company and perform other actions as specified in the announcement of the Capital Market Supervisory Board, and submit a copy of the report of interest in accordance with Section 89/14 of the Securities and Exchange Act B.E. 2535 (including additional amendments), prepared by the directors and executives of the Company, allowing the Chairman of the Board of Directors and the Chairman of the Audit and Corporate Governance Committee to know within 7 business days from the date the Company receives the report.
4. Establish a system for archiving documents and evidence related to the display of information in accordance with Section 89/20 of the Securities and Exchange Act B.E. 2535 (including any amendments), as well as ensuring that such documents or evidence are kept correctly, completely and can be examined within a period of not less than 5 years from the date the documents or such information were created. In addition, there will be a system for maintaining documents and other evidence as further specified by the Capital Market Supervisory Board announcement. This includes keeping it in a computer system or any other system that can be retrieved without changing the contents in accordance with Section 89/17 of the Securities and Exchange Act B.E. 2535 (including additional amendments)
5. Organize training and orientation and provide basic advice regarding laws and regulations of the Company that the Board of Directors must know and monitor to ensure that they are followed correctly and consistently, as well as reporting any significant changes in regulations or laws to the Board of Directors.
6. Follow up and ensure that information is disclosed and reported in areas that are responsible to relevant agencies in accordance with the rules and regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand, and other relevant regulatory agencies.

7. Supervise the activities of the Board of Directors and any other actions to comply with the laws and/or as required by the Securities and Exchange Commission and the Stock Exchange of Thailand and/or as assigned by the Board of Directors

2. Positions held by directors, executives, and controlling persons in the Company, subsidiaries, associated companies, and related companies (Information as of December 31, 2023)

Company Name	List of directors / executives ⁽¹⁾														
	Mr. Yongyos Krongphanich	Mr. Pavares Boontanonda	Mr. Sint Krongphanich	Mr. Sakesan Krongphanich	Mr. Permsak Kosolbhand	Mr. Preecha Issarapanichkit	Miss Charanya Sangsukdee	Mr. Choochai Eiamrungrroj	Mr. Piya Techapichetvanich	Mr. Chanchai Chantrapimol	Mr. Kittisak Suthithanakom	Mr. Narongsak Yensakul	Mrs. Sujira Rakkanam	Mr. Kammalart Sagaravasi	Mr. Trinawat Thanitnithiphan
1) P.S.P. Specialties Public Company Limited	XX	/, //	/, //, /	/, //, /	/	/, //	/	/	//, /	/	/	/	/	/	/
2) P.S.P. Ventures Company Limited		/	/	/											
3) P.S.P. Logistics (Thailand) Company Limited				/											
4) U.C. Marketing Company Limited			/												
5) P.S.P. Specialties 2014 Company Limited		/	/												
6) Special Interfreight Company Limited				/											
7) Pacific-PSP Syntech Co., Ltd. ⁽²⁾		/	/												
8) WhatsEGG (Thailand) Company Limited				/											
9) Champ Wagyu Company Limited		/													
10) MG Brits Autohaus Company Limited		/	/												
11) Boonta Flowers Company Limited		/													

Company Name	List of directors / executives ⁽¹⁾														
	Mr. Yongyos Krongphanich	Mr. Pavares Boontanonda	Mr. Sint Krongphanich	Mr. Sakesan Krongphanich	Mr. Permsak Kosolbhand	Mr. Preecha Issarapanichkit	Miss Charanya Sangsukdee	Mr. Choochai Eiamrungraj	Mr. Piya Techapichetvanich	Mr. Chanchai Chantrapimol	Mr. Kittisak Suthithanakom	Mr. Narongsak Yensakul	Mrs. Sujira Rakkhanam	Mr. Kammalart Sagaravasi	Mr. Trinawat Thanitnithiphan
12) PVB (2018) Company Limited		/													
13) PP & M Nobile Company Limited		/	/												
14) DSD Blossom Company Limited		/	/												
15) Unique Chema Company Limited		/	/												
16) P.S.P. Quality Company Limited		/	/												
17) Intervent Company Limited		/	/												
18) Ruam Packs (Thailand) Company Limited		/													
19) P One Distribution Company Limited				/											
20) Sabujung Company Limited				/											
21) Fresher Kitchen Company Limited				/											
22) Shinkou Corporation Company Limited				/											
23) Mind English Company Limited				/											
24) SYG Management Company Limited				/											
25) SYG Fertilizer Company Limited				/											
26) SYG Smart Farm Company Limited				/											
27) Singhyim Industrial Agricultural Company Limited				/											
28) KR Holding Company Limited				/											

Company Name	List of directors / executives ⁽¹⁾														
	Mr. Yongyos Krongphanich	Mr. Pavares Boontanonda	Mr. Sint Krongphanich	Mr. Sakesan Krongphanich	Mr. Permsak Kosolbhand	Mr. Preecha Issarapanichkit	Miss Charanya Sangsukdee	Mr. Choochai Eiamrungrroj	Mr. Piya Techapichetvanich	Mr. Chanchai Chantapimol	Mr. Kittisak Suthithanakom	Mr. Narongsak Yensakul	Mrs. Sujira Rakkhanam	Mr. Kammalart Sagaravasi	Mr. Trinawat Thanitthiphon
29) Dharmakhun Business and Tax Advisory Company Limited							/								
30) Panjawattana Plastic Public Company Limited							/								
31) Tax Specialist Company Limited							/								
32) Interpharma-Zeavita Company Limited															/
33) Modern Pharma Company Limited															/
34) Inter Petrina Company Limited															/
35) Inter Pharma Public Company Limited															/, //, /V
36) Inter Vetta Company Limited															/, /V
37) Nakhon Patana Company Limited															/
38) Inter Wellness Company Limited															/
39) Drug Care Company Limited															/
40) Inter Pharmacy Company Limited															/

Remark:

(1) XX = Chairman / = Director // = Executive Director /V = Executive

(2) It is a joint venture of the Company in the audited consolidated financial statements of the Company. However, the said company is considered a subsidiary of the Company according to the Securities Act.

- (3) Related companies shall mean the definition of legal entities of persons with possible conflicts according to the announcement of the Securities and Exchange Commission No. Kor Jor. 17/2551 regarding the Determination of Definition in the Notification relating to Issuance and Offer of Securities (as further amended)

P.S.P.SPECIALTIES PUBLIC COMPANY LIMITED

Attachment 2

Details of Subsidiaries' Directors

Details of Subsidiaries' Directors ¹

List of Subsidiaries List of Directors	P.S.P. Ventures	P.S.P. Logistics	U.C. Marketing	Special Interfreight	Pacific-PSP Syntech
1) Mr.Pavares Boontanonda ²	/				/
2) Mr.Sint Krongphanich	/		/		/
3) Mr.Sakesan Krongphanich	/	/		/	
4) Mr.Ben Umasivadol		/		/	
5) Mr.Nattapol Krongphanich		/	/	/	
6) Ms.Prayoon Sripanjank			/		
7) Ms.Daw Saw Nay Nwe					/
8) Mr.U Zaw Moe Khine					/

¹ Excluding P.S.P.Specialties 2014 Co, Ltd. which is in the process of dissolution.

² According to the resolution of Borad Of Director No.2/2024 on 27 Feburary 2024, Mr.Piya Techapichetvanich was appointed to be director of P.S.P. Ventures and Mr.Sakesan Krongphanich was appointed to be director of Pacific-PSP Syntech.

P.S.P.SPECIALTIES PUBLIC COMPANY LIMITED

Attachment 3

Details of Head of Internal Audit and Head of Compliance

Details of Head of Internal Audit and Head of Compliance

Name-Surname / Position	Age (Years)	Educational Qualifications/Training Record	Shareholding in the Company (percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization/Company Name/Type of Business
Mr. Kanthaphatt Jaruphattarayotsapat Head of Internal Audit	51	<u>Educational Qualifications</u> <ul style="list-style-type: none"> Master of Economics, Kasetsart University Bachelor of General Management (Accounting), Rajabhat Rajanagarindra University <u>Training Record</u> <ul style="list-style-type: none"> Certified Internal Auditors (CIA) Certification in Risk Management Assurance (CRMA) Anti-Corruption Practical Guide (ACPG), 59/2565, CAC, IOD 	-None-	-None-	2019 - present	Head of Internal Audit	P.S.P. Specialties Public Company Limited
					2018 - 2019	Senior Manager Internal Audit Department	Calsonic Kansei (Thailand) Co., Ltd.
					2017 - 2018	Head of Commercial Audit	Osotspa Public Company Limited

Name-Surname / Position	Age (Years)	Educational Qualifications/Training Record	Shareholding in the Company (percent)	Family Relations among Directors and Executives	Working Experiences in the 5 Preceding Years		
					Period	Position	Organization/Company Name/Type of Business
Ms. Songnapat Threephatraphorn Head of Compliance	46	<u>Educational Qualifications</u> <ul style="list-style-type: none"> Master of Accounting Information System, Chulalongkorn University Bachelor of Accounting, Thammasat University 	-None-	-None-	2020 - present	Head of Compliance	P.S.P. Specialties Public Company Limited
		<u>Training Record</u> <ul style="list-style-type: none"> Enterprise Risk Management, Class 19, Chula Unisearch, Chulalongkorn University Compliance Management and Regulations that need to be Prepared, Class 5, National Institute of Development Administration 			2018 - 2020	Accounts Payable and Fixed Asset Section Manager	P.S.P. Specialties Company Limited
					2013 - 2018	Accounting System and Budgeting Section Manager	P.S.P. Specialties Company Limited

Duties and Responsibilities of the Compliance Unit

- Responsible for creating policies, criteria, guidelines, notifications, and reviewing the rules and regulations manual to serve as operational guidelines for employees and related parties to ensure that they are efficient, transparent, and in accordance with good corporate governance principles. This is to build confidence among stakeholders and create sustainable value for the Company.

- Responsible for communicating criteria, guidelines, rules and regulations for operations so that employees are aware of and adhere to them strictly and consistently.
- Supervise and monitor compliance with the laws and regulations of each department to ensure that the Company completely and accurately complies with both internal and external relevant laws and regulations.
- Responsible for overseeing the Delegation of Authority Guidelines to ensure that the preparation, improvement, and request for approval are accurate and complete according to the Company's established regulations.
- Supervise and monitor the inspection and collection of information regarding persons connected with the company and related party transactions to ensure that the Company's operations comply with the regulations specified by the SEC and/or the Stock Exchange of Thailand.

P.S.P.SPECIALTIES PUBLIC COMPANY LIMITED

Attachment 4

Assets Used in Business Operations

Attachment 4

Assets Used in Business Operations

1. Fixed Assets Used in Business Operations

1.1 Property, plant and Equipment

As of December 31, 2023, the Company has property, plant and equipment used in business operations, divided into 6 categories as follows: (1) Land and land improvements, (2) Buildings and building improvements, (3) Machinery and equipment, (4) Furniture, fixture and Office equipment, (5) Vehicles, and (6) Assets under construction.

The net value of property, plant and equipment according to the Company's consolidated financial statements is 2,386.0 million baht, or 33.8% of total assets. The details are as follows:

Assets	Net Book Value as of December 31, 2023 (million baht)	Type of Possession	Obligation
1. Land and land improvements	1,311.5	Owner	Yes
2. Buildings and building improvements	797.7	Owner	Yes
3. Machinery and equipment	141.8	Owner	None
4. Furniture, fixture and Office equipment	27.6	Owner	None
5. Vehicles	5.7	Owner	None
6. Assets under construction	101.7	Owner	None
รวม	2,386.0		

Details of the Company's main fixed assets used in business operations as of December 31, 2023 can be summarized as follows:¹

No.	Facility	Holder / User	Objective	Land Size (rai - ngan - square wa)	Value of Land, Buildings and Improvements based on Net Book Value as of December 31, 2023 (million baht)		Obligation
					Land and Land Improvements	Buildings and Building Improvements	
1	Head office (Boromarachachonanee Road, Arun Amarin, Bangkok Noi, Bangkok)	The company	Office building	38 square wa	2.0	2.0	None
2	Manufacturing plant 1 (Tha Chin, Mueang, Samut Sakhon)	The company	Produce lubricant and grease	26 rai 2 ngan 51.2 square wa	279.7	305.6	Partial mortgage / guarantee
3	Manufacturing plant 2 and fuel distribution center (Tha Chin, Mueang, Samut Sakhon)	The company	Produce rubber oil and transformer oil, fuel distribution center	73 rai 2 ngan 42 square wa	414.9	129.5	Partial mortgage / guarantee

¹ Pacific -PSP Syntech is considered a subsidiary of the Company, according to the definition of a subsidiary under the Notification of the Securities and Exchange Commission Kor Jor. 17/2551 regarding the Determination of Definition in the Notification relating to Issuance and Offer of Securities ("Kor Jor. 17/2551"). The said company is classified as a joint venture according to the Company's consolidated financial statements according to Financial Reporting Standards No. 10 on Consolidated Financial Statements.

No.	Facility	Holder / User	Objective	Land Size (rai - ngan - square wa)	Value of Land, Buildings and Improvements based on Net Book Value as of December 31, 2023 (million baht)		Obligation
					Land and Land Improvements	Buildings and Building Improvements	
4	Warehouse and distribution center (Tha Chin, Mueang, Samut Sakhon)	The company	Distribution center for products manufactured by the Company such as lubricant, grease, and rubber oil	104 rai 3 ngan 88.6 square wa	320.4	360.5	Partial mortgage / guarantee
5.	Others include Ratchapruek, Bang Khun Thian, and Bang Ya Phraek.	The company	Support business expansion in the future	86 rai 2 ngan 7.2 square wa	294.5	0.1	None

1.2 Right-of-use Assets

As of December 31, 2023, the Company's main right-of-use assets used in business operations were vehicles and land. The net value of the right-of-use assets according to the Company's consolidated financial statements was 25.3 million baht, or 0.4% of total assets. The details are as follows:

Item	Net Book Value as of December 31, 2023 (million baht)	Type of Ownership	Obligation
1. Land	13.0	Rental contract	None
2. Vehicles	12.3	Lease and rental contract	None
Total	25.3		


1.3 Intangible Assets



As of December 31, 2023, the Company's intangible assets used in conducting business was the right to use computer programs. The net value of the intangible assets according to the Company's consolidated financial statements was 26.6 million baht, or 0.4% of total assets.

2. Trademarks, Patents and Petty Patents

2.1 Trademarks

As of December 31, 2023, the Company owned 1 trademark registered with the Department of Intellectual Property and submitted 2 applications for trademark and service registration as follows:

No.	Owner / Registrant	Trademarks	Registration Number / Request Number	Country of Registration	Product / Service Type	Expiration Date / Application Date
Trademark that has been registered with the Department of Intellectual Property						
1	The Company		231118843	Thailand	Lubricant, automotive lubricant, industrial lubricant, automotive grease, mechanical grease, industrial grease, lubricating grease, multi- purpose grease, rubber process oil, transformer oil	August 15, 2032

No.	Owner / Registrant	Trademarks	Registration Number / Request Number	Country of Registration	Product / Service Type	Expiration Date / Application Date
Trademarks that the Company has applied for registration with the Department of Intellectual Property						
1	The Company		230118917	Thailand	○ Category 3: Air conditioner cleaning spray ○ Category 5: Room deodorizing spray	June 1, 2023
2	The Company		230118913	Thailand	Category 4: Lubricant	June 1, 2023

2.2 Patents and Petty Patents

None

3. Insurance for Business and Assets Used in Business Operations

No.	Policy Type	Insured Property	Insurance Limits	Insurance Period
1	Accidental Damage (Property) Insurance	<ul style="list-style-type: none"> Manufacturing plant 1 Manufacturing plant 2 and fuel distribution center 	8,203.7 million baht (Property: 2,534.4 million baht and inventory 5,711.3 million baht)	From September 26, 2023 to September 26, 2024
2	Public Liability Insurance	<ul style="list-style-type: none"> Warehouse and distribution center Head office 	Not exceeding 100.0 million baht per each accident and throughout the insured period, Extended legal liability coverage for damage or loss to tenants' office equipment (except for all types of stock/inventory), Limit of liability of 500,000 baht per each event and throughout the insured period.	From September 26, 2023 or September 26, 2024

No.	Policy Type	Insured Property	Insurance Limits	Insurance Period
3	Marine Hull Policy		8.8 million baht	From September 26, 2023 to September 26, 2024
4	กรมธรรม์ประกันภัยธุรกิจ หุคชะงัก		500.0 million baht	From September 26, 2023 to September 26, 2024

In addition, the Company has other insurance such as Legal Liability Insurance for Unsafe Products and Directors' and Officers' Liability Insurance, etc.

4. Investments in Subsidiaries, Joint Venture and Associates

(1) Investments in Subsidiaries

As of December 31, 2023, the Company had 5 subsidiaries. Investments in subsidiaries had an investment value according to the cost method of 1,519.9 million baht, or 19.0% of total assets according to the separate financial statements.

(2) Investments in Associates

As of December 31, 2023, the Company Group had 1 associates. Investments in associates had a net value according to the consolidated financial statements of 132.8 million baht, or 1.9% of total assets.

(3) Investments in Joint Venture

As of December 31, 2023, the Company Group had investments in 1 joint venture,² which recognized total share of loss according to the equity method.

² Pacific -PSP Syntech is considered a subsidiary of the Company, according to the Kor Jor 17/2551. The said company is classified as a joint venture according to the Company's consolidated financial statements according to Financial Reporting Standards No. 10 on Consolidated Financial Statements.

P.S.P. SPECIALTIES PUBLIC COMPANY LIMITED

Attachment 5

Policy and Practice of Corporate Governance and Code of Conduct

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Company Code of Conduct

P.S.P. Specialties Public Company Limited

Company Code of Conduct

P.S.P. Specialties Public Company Limited (The “**Company**”) and its subsidiaries (The “**Group**”) have a code of conducting business that Group directors, executives, and employees must adhere to as a guideline for performing their duties. Representatives of the Group. The code of conduct is established as a good practice promoting transparency in business operations and building confidence among investors, stakeholders, and all parties involved. The Code of Conduct guidelines are as follows:

Terms and Definitions:

Company or PSP	denotes	P.S.P. Specialties Public Company Limited.
Subsidiaries	denotes	Companies where their business is controlled by either: <ol style="list-style-type: none"> 1) PSP; or 2) a company under 1); or 3) a company under 2), with a succession of control in a descending order starting with companies in 1) under the direct control of PSP.
Group	denotes	P.S.P. Specialties Public Company Limited and its subsidiaries.
Executive(s)	denotes	The Chief Executive Officer and the first four executives immediately under the Chief Executive Officer, and all fourth-level executive equivalent positions, including those in accounting and finance.
Management	denotes	Section managers and equivalent, up to the Chief Executive Officer.
Employee(s)	denotes	Permanent, temporary, and special contractors under management.
Associate(s)	denotes	A person with any of the following relationships: <ol style="list-style-type: none"> 1) A person or a director of a juristic person with control power over the company. 2) The spouse, child, or adopted minor of a director, executive, or a person under 1). 3) A juristic person where the person under 1) or 2) has control power over the business. 4) Any other person with characteristics specified by the Capital Market Supervisory Board.
Stakeholder(s)	denotes	Shareholders, investors, business partners, customers, creditors, competitors, the government, society at large, and the public.

Disclosure	denotes	The disclosure of information details related to activities of the disclosure related to the company's business activities according to the Public Company Act. Limited B.E. 2535 and the Securities Act B.E. 2551, as well as the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.
Conflict of Interest	denotes	Any undertaking that involves personal stakeholdings or that of a related person influencing the decision-making process.
Inside Information	denotes	Any information that has not been released to the public, classified for Company purposes only, and not to be used in any way for personal use, including temporary Company information stored and undisclosed, such as pending SET-submission financial statements, dividend payments, potential commercial and acquisition contracts and prospects.
Controlling Power	denotes	Holding over 50 percent of total shares with voting rights in a juristic person. Having control over the majority vote in the shareholders' meeting of a juristic person, directly or indirectly, for any reason. Having control over the appointment or removal of more than half of all directors, directly or indirectly.

Code of Conduct for Stakeholders

- 1. Shareholders**

Conduct business under the Corporate Governance principles with transparency, efficiency, and creditability, to create sustainable business value and strive for outstanding performance and stable growth, financial positions, and Group sustainability with the best benefits for the shareholders over the long run. The disclosure of Company-related information, for example, is conducted under these principles.
- 2. Employees**

All employees are to be treated equally and fairly, respectful of human rights, and compensated with appropriate welfare and benefits appropriate by legal stipulations and comparable to competitors in the same market and industry standard. The Group prioritizes the health and safety of all employees, as well as performance, development, and potential. Regular training courses and seminars are offered to hone necessary skills and knowledge. The Group proffers career opportunities with clear professional development and career paths to motivate and retain outstanding professionals to remain with and further develop the organization together. Anti-fraud and corruption guidelines are also set to instill employee awareness under the Corporate Compliance Policy, reflected, e.g., in the strict procedures and prohibitions against insider trading.

- 3. Business Partners**

Provide a fair selection process for Group business partners to compete under the same information and evaluation criteria. A standard contract suitable and fair for all candidates is prepared while a monitoring system is in place to ensure contractual terms and conditions are fully met and prevent any potential fraud or misconduct throughout the selection process. The Group procures products from trading partners with strict compliance to contractual terms and obligations, ensuring related business information of the trading partner is not used for any unwarranted purposes.
- 4. Customers**

Conduct business in a customer-responsible manner by maintaining the quality and standard of products and services and focusing on long-term customer satisfaction, responding to customer needs as thoroughly and inclusively as possible. The Group prioritizes health, safety, and fairness as the guiding principles for customer data privacy, product information provision, and accurate and complete customer service and after-sales service, including monitoring customer satisfaction to improve products and services in the future. Feedback channels are available for customers to comment and report issues with their experience, and for the Group to intake valuable information in taking prompt corrective-preventive actions required and making amends.
- 5. Creditors**

Strictly comply with contractual terms, conditions, and obligations to creditors in its repayment of principal, interest, or collateral, or all, contingent on relevant clauses, as well as refraining from dishonest or unforthcoming methods or concealing information or facts, which can damage a creditor. Where the Group is unable to comply with any term or condition under a contract, the creditor is notified in advance without delay to consider mutual solutions together.
- 6. Competitors**

Conduct business within the Code of Conduct framework of ethical, transparent, lawful, and good competition, including supporting and promoting a free and fair competition policy, without retaining confidential information of a competitor by unlawful means.
- 7. Central Policy**

Conduct business under the principles of Good Corporate Governance, strictly complying with relevant laws and regulations and responding to the central policy under the Code of Conduct and Group business practices.
- 8. Social Responsibility**

Uphold Corporate Social Responsibility by prioritizing the safety and sustainability of the community, society, and the environment, for the well-being of people involved or affected by Group operations. Foster a professional corporate culture and awareness of its responsibility to the ecosystem and social fabric of the community it relies upon, ensuring that Group employees have a practical perspective and understanding, beyond the duty to comply, of underlying bodies of law and regulations. The PSP

Group participates in activities that rebuild, maintain, and promote social fabrics, local culture, and communal ecological systems where it operates.

Code of Conduct for Group Personnel

1. Comply with Group bylaws, policies, requirements, announcements, orders, and overbearing supervisors guiding business operations.
2. Carry out duties with integrity, dutifully, responsibly, and cautiously, and report without delay developments that may lead to property or loss or defamation of the Group.
3. Be a polite and respectful professional to colleagues, eager to work as a team, adaptable to teamwork, and accepting of different opinions.
4. Perform duties with determination and perseverance, always maintaining order, pattern, and good governance of the Group.
5. Protect the interests and secrets of the Group, its customers, or any related party or matter under strict compliance under the Code of Conduct guidelines for classified business material. The disclosure or dissemination of information about Group finance, business, or persons may never take place without authorization and must be handled professionally with due diligence under procedures and guidelines. All employees are obliged to maintain the confidentiality of nonpublic Group information, during and after their employment. Unwarranted disclosure, where classified information is transmitted to or used by a third party in any manner other than performing authorized duty on the Group's behalf, will result in the responsible employee being held accountable for all incurred damages or loss, or both, in all respects.
6. Inside information is only used by the Group for intended or authorized purposes and is never used for unauthorized trading on the stock exchange, either of Company securities or that of any other, or entering any derivative contract, regardless of the beneficiary or intent.
7. Handle Group assets with utmost care and protection against damage or loss from humans or natural disasters, and refrain from using any Group equipment or asset for personal purposes or the benefit of any unintended party or anyone uninvolved in Group business operations.
8. Manage and perform duties and business operations under the code of conduct to promote business ethics and corporate awareness at all Group levels, monitoring, overseeing, and managing Group conflicts of interest that may arise in the process.
9. Govern and closely supervise subordinates with fairness and without prejudice.

10. Lead by example and supervise strict compliance in the handling and using of Group computer systems computer data, or computer traffic data. Train and help employees under command understand and comply with Group policy, bylaws, regulations, announcements, and orders. Ensure the usage of Group computer systems comply with computer-related, copyright, and other relevant laws to prevent Group defamation.
11. Refrain from personal or any type of work irrelevant to the Group's interest during working hours.
12. Refrain from business undertakings of the same nature or in competition with that of the Group, or both, regardless of the beneficiary, including shareholding management power that may cause direct or indirect damage to the Group.
13. Refrain from behavior that may in any way defame one's self or the Group.
14. Refrain from misinformation or concealing facts that should be disclosed to the Group.
15. Refrain from negligence, dereliction of duty, or any inappropriate action in performing one's duty to a complete, proper, and honest outcome.
16. Refrain from unforthcoming or misrepresented facts for self-interest or that of others, potentially leading to either direct or indirect damage to the Group.
17. Refrain from actions that obstruct Group personnel from carrying out authorized work or incite misled or unethical undertaking among them.
18. Refrain from violating civil, criminal, or Group bylaws, causing damage to oneself or others, regardless of intent.
19. Refrain from disclosing salary, wage, benefit, remuneration, or rate increase of oneself or others, regardless of intent.
20. Refrain from requesting or accepting valuables, assets, special receptions, or any other benefits from customers, business partners, competitors, or any other person doing business with the Group, except fashionable customary exchanges of traditional gifts, normal business receptions, or expenses to promote commerce or business reputation:
 - Normal business entertainment or occasional promotional expenses under Delegation of Authority Guidelines for specified limits.
 - Traditional gift limit per occasion not exceeding 3,000 Baht (three thousand Baht, net).
21. Refrain from offers, bribes, corruption, or any act damaging to the Group, either directly or indirectly, through a third party, undue influence of the authority, a client, or a counterparty considered in conflict with Group Policy.

22. Refrain from making additions, deletions, or corrections to any official record or information to change or distort Group performance, or deviate the accounting record for any purpose, regardless of intent.
23. Refrain from unforthcoming payments or business arrangements that could be perceived as a normal business procedure.
24. Refrain from copying work or intellectual property of others, as well as safeguard Group intellectual property and employee performance information.
25. Refrain from wrongfully seeking benefits for oneself or others.
26. Non-purchasing agencies are to refrain from suppliers' or business partners' support. Should such support benefit or be necessary to the Group, such agency may consult with purchasing agencies for proper implementation, except for joint marketing, whereby the Commercial and Business Development Department is the responsible agency.
27. Refrain from neglecting or facilitating any person seeking advantage through unauthorized or illegal access to or disturbance of Group computer systems or data or traffic data, or deliberately supporting or agreeing to violate a service provider contract under computer-related, copyright, or other pertaining legal provisions.
28. Group business operates with political neutrality by refraining from participating in or favoring any political party, politician, or person with political power, or supporting one with Group funds or resources, either directly or indirectly. While the exercise of political rights by Group employees, such as applying for elections or voting, among others, are encouraged, the Group prohibits employees from using Company or subsidiary names or Group resources for election campaigns or political purposes in any way that may defame the Group.

Disciplinary Action

- (1) Misdemeanor: the person is given a verbal warning and possibly a written reprimand stating the nature and principal grounds for the violation, with the opportunity to object or counter the accusations with the immediate supervisor. For the second violation where corrective action for the first offense remains neglected after a formal warning, the violator is subject to disciplinary action per Company disciplinary standards.
- (2) Felony: serious violations of regulations, and disciplinary standards, namely bribery, fraud, corruption, intellectual property infringement, unauthorized disclosure of classified information, and insider trading, as well as unforthcoming or concealment of important information or documentation from supervisors, and any act that may result in Company defamation. The Group may consider employment termination without severance pay or a written warning in advance.

This Company Code of Conduct is approved by the Board of Directors and is effective from the 2nd of August, 2022, onwards.

Corporate Governance

P.S.P. Specialties Public Company Limited

Corporate Governance

The Board of Directors of P.S.P. Specialties Public Company Limited (The “**Company**”) and its subsidiaries (The “**Group**”) abide by the Principles of Corporate Governance of Listed Companies (2012 and 2017), namely integrity, sustainability, accountability, transparency, and verifiability as guidelines for optimal business operations that infuse confidence among Group investors, customers, partners and the public alike in the pursuit of favorable outcomes under the Company Outlook, the meeting resolutions of shareholders and Board of Directors, and the Corporate Compliance Policy, namely the Corporate Governance principles of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) as well as the legal provisions and requirements thereof. The principles of Corporate Governance are presented in 5 categories as follows:

Section 1: The right of Shareholders

Basic shareholder rights include the right to 1) buy, sell, or transfer shares 2) share in the profit of the company 3) obtain relevant and adequate information on the company in a timely manner and on a regular basis 4) participate and vote in shareholder meetings to elect or remove members of the board, appoint the external auditor, and make decisions on any transactions that affect the company, such as dividend payment, amendments to the company’s articles of association or bylaws, capital increases or decreases, or the approval of extraordinary transactions. The Company has the mission of promoting and facilitating the exercise of such shareholder's rights as follows.:

- (1) Support and encourage all shareholders’ basic rights, including:
 - a. The right to buy, sell, and transfer shares and right to dividends.
 - b. The right to receive adequate, timely information.
 - c. To attend and vote in the shareholders’ meetings per legal provisions or policy to decide important Company changes, with encouraged and facilitated attendance of shareholders and investors to the meetings.
 - d. To exercise other basic shareholder rights under pertaining legal provisions.
- (2) For each shareholders’ meeting, a Record Date comes into force to give shareholders more time to peruse meeting notices and other information ahead of the meeting.
- (3) Information packages relating to the meeting date, time, venue, and agenda are provided together with explanations and reasons supporting each agenda, or proposals for consideration as specified in the Notice to the Annual Meeting. Any action that limits the opportunity of the shareholders to study the information on the Company is avoided. The meeting notice must be sent to attendees and the registrar no less than 14 days before the meeting, with 3 consecutive days of advertisement through a newspaper medium and no less than 30 days of publication on the Company website before the meeting unless necessary or reasonable otherwise, in which case the Company is

obliged to continually comply with relevant bylaws and announcements with the utmost ability to allow shareholders to receive information as soon as possible before the meeting date.

- (4) Facilitate all shareholder participation and voting in meetings and refrain from any action that could limit the opportunities of the shareholders to attend the meeting. The procedures for attending and voting should not be complicated or too costly for shareholders, and the meeting location should have a sufficient size and be easily accessible.
- (5) Before a scheduled meeting date, shareholders are given the opportunity to send their opinions and recommendations by clearly determining the criteria for submission of questions in advance and publishing on the Company's website.
- (6) The company encourages shareholders to use the proxy form format that shareholders can assign directions to vote and nominate independent directors at least 1 person as an alternative to shareholder's proxy. Moreover, the company provides the proxy form which is enclosed in the meeting invitation letter proxy with details of the documents and evidence.
- (7) Clearly inform the shareholders of the regulations controlling the shareholders' meeting and the voting procedures at the beginning of the meeting.
- (8) Before the meeting, the President and Chief Executive Officer explain the ballot-casting procedure and ballot-casting on each agenda item. The President and Chief Executive Officer also solicit shareholders' volunteers to witness ballot counting.
- (9) Encourage all directors and executives to attend the shareholders' meetings to respond to questions and acknowledge the opinions of shareholders.
- (10) In the Shareholders' Meeting, voting is made separately for each item in the case of several items in an agenda, such as the election of directors.
- (11) The Company will encourage the use of ballots on every agenda, for transparency and verification of vote counting.
- (12) The Company will have an independent person help in the counting of votes on each agenda and disclose to the meeting also recorded in the minutes.
- (13) The company encourages the use of technology in the Shareholders' Meetings, including registration of the attending shareholders and vote counting and reporting, so that the meeting can be conducted quickly, accurately, and precisely.
- (14) After the shareholders' meeting has been completed the company will prepare the minutes accurately and completely in all material matters, minutes of the meeting which include important

questions, comments, and suggestions, for review by shareholders. The Company shall submit the resolution of the shareholders' meeting to the channel of the SET and disclose it on the Company's website for the shareholders' consideration.

- (15) The Company shall submit the resolution of the shareholders' meeting to the SET and disclose on the Company's website within 14 days after the shareholders' meeting.

Section 2: Equitable Treatment of Shareholders

The Group has devised policies and guidelines for fair treatment of all shareholders, whether minor investors or institutional ones, both in and outside the country, to exercise their rights as follows :

- (1) Shareholders are entitled to vote in accordance with the number of shares that they hold, and all users have equal access to information and functionality.
- (2) The board of directors should ensure that the company releases its annual general meeting notice, with detailed agenda and explanatory circulars, not less than prescribes by laws before the date of the meeting.
- (3) The Company will set rules on how to provide shareholders, to nominate a director, by submitting details of nominees and consent letters to the Chairman of the Board prior to the Shareholders' Meeting. Including, supporting information for consideration, such as detailed information on the qualifications of the proposed candidates, and the candidates' letters of consent.
- (4) The board, in advance of the meeting date, should have pre-determined criteria for allowing shareholders to propose any agenda item and screening those proposed by them.
- (5) If a shareholder in a management position wishes to add any agenda item, he/she should notify other shareholders in advance, especially if it is an issue that will require shareholders to spend a good deal of time studying before deciding.
- (6) In each conducted shareholders 'meeting, the company will provide an equal opportunity for all shareholders. Before the meeting starts, the Chairman will inform the rules of the meeting, the shareholder voting process, and how the shareholders can vote on each item.
- (7) The process used in the election of directors should allow shareholders to vote on individual nominees.
- (8) The board should require that directors inform the board of their conflicts of interest regarding each agenda item before consideration by the board; such conflicts should be minuted. Including, board

members are prohibited to abstain from participating in the board discussion on a particular agenda item in which a given director has a conflict of interest.

- (9) The group should be written procedures concerning the use and protection of inside information in order to establish these procedures and communicate them to everyone in the company.
- (10) Every director and executive should regularly submit to the board a report on their ownership of the company's shares and this information should be disclosed in the firm's annual report.

Section 3: The Role of Interested Persons

The Group values and prioritizes the rights of stakeholders, be they internal stakeholders, such as shareholders and Group employees, or external stakeholders, such as partners and customers. The support and opinions from all stakeholding groups are beneficial to operational success and business development. The Group thus complies with pertinent legal provisions, requirements, and bylaws and any actions that can be considered in violation of stakeholders' legal rights should be prohibited. Any violation should be effectively addressed with policies set to treat each group according to their unique rights and existing agreements without violating the rights of any stakeholder.

The Group accounts for the rights of all stakeholding groups in conducting business and follows the Company Code of Conduct guidelines for fair, open, and accessible treatment to all.

Stakeholders may at any time query Company details and report complaints or clues on wrongdoing through the designated whistleblowing channel, composed of independent Company directors or the Audit and Corporate Governance Committee, be it inaccurate financial reports, insider trading, defective internal control systems, or other violations of Company bylaws. The Company keeps reported complaints and submits whistleblowing clues and evidence confidential while the designated whistleblowing agent investigates the case, finds, and reports solutions to the Board of Directors, if any.

Section 4: Information Disclosure and Transparency

Paramount importance is placed on the disclosure of accurate, complete, timely, and transparent Group information under SEC—SET standards, be it financial reports or other information that may affect the price of Company securities and the decision-making outcome of investors and stakeholders as follows:

- (1) Set its meeting schedule and agenda in advance and notify each director of the schedule so that each member of the board can manage time to attend meetings.
- (2) An Investor Relations Unit (IRU) is established to communicate with investors and shareholders. Company financial and general information is disclosed to shareholders, securities analysts, credit

rating agencies, and other relevant agencies through various channels, namely the SEC and SET, including the Company's website. While Company information is disclosed in Thai regularly, it is also disclosed on the Company's website in English for foreign shareholders to receive regular updates. The information on the Company's website is constantly updated and includes the Company vision and mission, financial statements, press releases, and Annual Reports, as well as the structures of the Company, shareholdings, major shareholders, the Board of Directors, subcommittees, and executives, along with meeting invitations and other information.

- (3) The Company shall not disclose the company's significant information which has not yet been disclosed to the public to any unauthorized employee, any persons, or other parties (including investors, the media, and analysts) until such information has been disclosed to the public. Where disclosure is necessary, the company shall adhere to the rules, regulations, announcements, or notifications. Also, the company is obliged to disclose such information to the authority or an authorized person, be it an auditor, government agent, an adviser of financial, banking, legal, or other capacities, the Company will take steps to ensure that such person takes precautions in maintaining confidentiality. Where necessary, the Company immediately notifies the SET to temporarily suspend trading of securities that have been made public without authorization.
- (4) The Company will disclose the financial statements that have been reviewed or audited by the Company's auditor, knowledge, expertise, and qualify as specified by law, and ensure that information dissemination is made in accordance with the specified requirements and through the Stock Exchange's channel for the benefits of shareholders and investors. Moreover, the Board of Directors assigns the Audit and Corporate Governance Committee to be responsible for reviewing the reliability and accuracy of financial reporting.
- (5) The board should encourage the company to make a Management Discussion and Analysis (MD&A) for each quarterly financial statement, to help investors better understand changes in the company's financial status and performance each quarter, not just be presented with the figures by themselves.
- (6) The board should ensure that its roles and responsibilities, together with those of its committees, the number of meetings held, the attendance record of each director, and the results of tasks assigned, including ongoing professional education or training of its directors, are disclosed in the annual report.
- (7) The disclosure of its remuneration according to regulations, should also disclose remuneration policies for directors and executives that correspond to the contributions and responsibilities of each person. Also, the board should disclose the forms and the amounts of payment to each person. If any director of the company is also a director of its subsidiaries, the amount paid by

each subsidiary to each director should be disclosed per relevant legal requirements and bylaws as well.

- (8) Disclose auditors' audit and non-audit fees. In addition to disclosing information as specified in regulations through the SET, annual statements (Form 56-1), and annual reports, the board should disclose information, both in Thai and English, via other channels, such as the company's website. All disclosed information should be up to date.
- (9) The director and executive are required to file with the company a report on his interest or a related person's interest in relation to the management of the company or the subsidiary by filling out the Form for Reporting on Interest of the Director and Executive as per announced Capital Market Supervisory Board guidelines. A person appointed as a director, or an executive is required to submit a stakeholder report of their own or any related parties within thirty days from the appointment. Also, directors or executives and require to immediately report and submit the conflict of interest report form with specified details of changes, either of themselves or their related person to the company. Conflicts of interest are reported in Board of Directors meetings quarterly.

Section 5: Roles and responsibilities of the board

1. Structure of the Board of Directors and Committees

The Board of Directors consists of persons with knowledge, skills, and experiences that can benefit the company. The board will play an important role in making policy and corporate overviews as well as supervising, monitoring, and evaluating the Company's performance in accordance with the plan.

The Board of Directors consists of at least 5 directors and shall consist of independent directors at least one-third of the number of the directors in the Board of Directors. But not be less than 3 persons have to be independent directors to appropriately balance the views and votes on various matters. All independent directors shall have qualifications as prescribed by the Capital Market Supervisory Board, regulations under stipulation from the Securities and Exchange Commission and Stock Exchange of Thailand, including laws and other related rules.

Independent directors have a term of office of 3 consecutive years but not more than 9 terms under the law unless there is an overriding necessity as deemed appropriate by the Board. Company directors can h

The Board of Directors has set up the following sub-committees to assist in the supervision of the company's operations. as follows:

- (1) **The Executive Committee** consists of at least 3 executive directors to assist the Board of Directors in overseeing and monitoring the administration, including risk management in accordance with the policies, rules, regulations, plan and set forth within the framework assigned by the Board of Directors.

- (2) **The Audit and Corporate Governance Committee** must consist of at least three independent directors, in order to provide oversight of business operations and management under proper, internal control, and to comply with relevant laws, including preparing financial reports and ensuring that Company operations and information disclosure are transparent and reliable.
- (3) **The Nomination and Remuneration Committee** consists of not less than 3 members, with the majority being independent directors. The Chairman must be elected from and by the committee and must be an independent director. Including, reviewing and considering remuneration forms and criteria on the Board of Directors, subcommittees, and Chief Executive Officer in order to propose to the shareholder's meeting for approval accordingly.

The Company has appointed the Company Secretary to perform duties related to the Board of Directors meetings and the shareholders' meetings. Including, serving the board by providing legal advice, taking care of the board's activities, and monitoring compliance with board resolutions.

2. Roles, Duties, and Responsibilities of the Board of Directors

The Board of Directors is responsible to the shareholders in overseeing the company's business operations to set the corporate vision, direct policies and important action plans, and align them with long-term benefits to shareholders under the framework of regulations and code of conduct. The Company also considers the benefits of all stakeholders. The board is responsible for Company operations under the following policies:

(1) **Corporate Governance**

The Company shall afford a good corporate governance policy and propose it to the board of directors for approval. Moreover, corporate governance is intended to serve the directors, executives, and employees as internal guidelines and practices and make regular reviews thereof within the proper timeframe to ensure updated and alignment with the current circumstances.

(2) **Code of Conduct**

The Company is committed to conducting its business with transparency, morality, and accountability to its stakeholders. The company has set a written code of conduct which is approved by the Board of Directors and has set the code of conduct for the Board of Directors, executives, and employees to strictly adhere to and follow.

(3) **Conflicts of Interest Policy**

The Company has carefully established a policy to help eliminate conflicts of interest with honesty, reasonableness, and independence under a framework of good ethics, taking into

account, primarily, the interest of the Group. Transactions between the Company and/or its subsidiaries and connected persons and/or conflicting persons of the Company which may lead to conflicts of interest must be thoroughly considered by the Company's Audit and Corporate Governance Committee. Important related transactions and/or connected transactions must be approved by the Board of Directors or the shareholders' meeting, or both, as the case may be. The nature and size of the transaction must be in accordance with the relevant Capital Market Supervisory Board and the Securities and Exchange Commission regulations, whereby the parties involved or connected to the transaction are required to disclose stakeholders and relationship information to the Company and forfeit their rights to participate in the consideration and approve such transactions. However, if the company and/or its subsidiaries need to enter into a related transaction and/or a connected transaction with a person who may have a conflict of interest and/or become a connected person of the company, the entering into such transaction must be under general commercial terms with fair prices and on a fair and at arms' length basis. In the event a fair price cannot be determined, the reports of an independent expert appointed by the Company will be relied upon to determine a fair price for both parties.

The Company has the policy to enter related transactions and/or connected transactions that are in line with the laws and regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board, the SEC Office, and the Stock Exchange of Thailand, whereby the items are disclosed in the Annual Registration Statement/Annual Report (Form 56-1 One Report), as well as disclosed in the Company's financial statements in accordance with relevant financial reporting standards.

(4) Internal Control

The Company's Internal Control system is responsible for assuring supervisory and operational effectiveness-efficiency, reliable financial reporting, and compliance with laws, regulations, and policies, while the Internal Audit Unit (IAU) is responsible for evaluating the adequacy and efficiency of the Internal Control system under the audit plans approved by the Audit and Corporate Governance Committee, reporting audit results to the committee for consideration, and proposing to the Board of Directors for acknowledgment.

(5) Risk Management

The Company has set up a risk management policy or risk management process to minimize the impact on the Company's business properly. The Executive Committee set the following risk management and control internal and external of the company that is consistent with the direction, and strategies of the Company and presents it to the board for approval.

(6) Professional Development of directors, executives, and employees

Company representatives are approved and appointed by the Board of Directors to directorships in subsidiaries or associates ("Associate") to supervise and report operational results to the board every quarter. The proportion of representatives should according to the shareholding proportion of the Company and/or the agreement between the subsidiary and associated companies. Such a representative needs approval from a Board meeting. Moreover, in setting important policies on any important agenda of a subsidiary, the company needs approval by the board of directors in advance.

For Company subsidiaries, the representative is also responsible for supervising its (i) disclosure of the Company related transactions and any person who may have conflicts including acquisition-disposition of assets and reporting it to the Company for acknowledgment, (ii) preparation of financial statements that are accurate, complete, and timely for the Company's consolidated financial statements, and (iii) compliance with relevant legal stipulations, requirements, standards, and bylaws in so doing.

(7) Whistleblowing Channels

There should be an effective way for stakeholders to communicate to the board any concerns about illegal or unethical practices, incorrect financial reporting, insufficient internal control, etc. The rights of any person who communicates such concerns should be protected. However, Whistleblowing mechanisms and channels are put in place for whistleblowers to report or file complaints against Code of Conduct violations, be it unlawful wrongdoing, financial report inaccuracy, or defective internal control, among others. The Company whistleblowing authority is composed of independent directors and Audit and Corporate Governance Committee members. Complaints and reported clues remain confidential throughout the investigation-solution process, if any, and are reported to the board for acknowledgment.

(8) Financial Reports

The Audit and Corporate Governance Committee is responsible for reviewing financial reports alongside the accounting department and auditors and presenting them to the board quarterly, whereas the board is responsible for the Company's financial statements and information published in the Annual Report.

3. The Board of Directors' Code of Conduct

Principle 1: Establish Clear Leadership Roles and Responsibilities of the Board

The board should demonstrate a thorough understanding of its leadership role, assume its responsibilities in overseeing the company, and strengthen good governance.

Principle 2: Define Objectives that Promote Sustainable Value Creation

To achieve sustainable value creation, the board should exercise its leadership role and pursue the following governance outcomes.

Principle 3: Strengthen Board Effectiveness

The board should ensure that all directors and executives perform their responsibilities in compliance with their fiduciary duties and that the company operates in accordance with applicable laws and standards.

Principle 4: Ensure Effective Chief Executive Officer and People Management

The board should demonstrate a thorough understanding of the division of board and management responsibilities. The board should clearly define the roles and responsibilities of management and monitor management's proper performance of its duties.

Principle 5: Nurture Innovation and Responsible Business

The board should prioritize and promote innovation that creates value for the company and its shareholders together with benefits for its customers, other stakeholders, society, and the environment, in support of the sustainable growth of the company and ensure that management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the company to meet its objectives.

Principle 6: Strengthen Effective Risk Management and Internal Control

The board should ensure that the company has effective and appropriate risk management and internal control systems that are aligned with the company's objectives, goals and strategies, and comply with applicable laws and standards. Moreover, the board should manage and monitor conflicts of interest that might occur between the company, management, directors, and shareholders. The board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.

Principle 7: Ensure Disclosure and Financial Integrity

The board must ensure the integrity of the company's financial reporting system and that timely and accurate disclosure of all material information regarding the company is made consistent with applicable requirements.

Moreover, the board should ensure that risks to the financial position of the company or financial difficulties are promptly identified, managed, and mitigated and that the company's governance framework provides for the consideration of stakeholder rights.

Principle 8: Ensure Engagement and Communication with Shareholders

The board should ensure that shareholders have the opportunity to participate effectively in decision-making involving significant corporate matters.

4. Board of Directors Meetings and Self-Assessment

The Board should set its meeting at least once per quarter and hold additional special meetings as and when necessary, in advance. In summoning a meeting of the board of directors, the company shall send a written notice summoning a meeting to directors not less than three days prior to the date of the meeting except that, in the case of necessity or urgency for the purpose of protecting rights or benefits of the company, a summons of a meeting may be notified by other means and an earlier date of the meeting may be fixed. Special agendas can be added as necessary, provided there is proper documentation of meeting minutes and supporting documents for future reference. Meeting attendance of executives and persons with useful agenda-related knowledge is necessary to provide accurate and timely information in the decision-making process. Besides, The Board shall encourage the Non-Executive Directors to have a meeting, when necessary, with no Executives attended, to discuss any concerned difficulties in management, and inform the result of the Meeting to the Chief Executive Officer.

The board meeting resolutions of the Company and its subsidiary are decided by the majority vote, where every attendee is entitled to one vote. Directors with any conflicts of interest related to a board meeting agenda must abstain from attending and voting on that agenda. For tied vote counts, the meeting Chairman can cast a tiebreaker vote to decide the resolution.

The board encourages performance assessment at least once a year to keep abreast of potential business improvements, whereby the board and subcommittees undergo a self-assessment as a collective panel. SET assessment guidelines suitable to the nature and structure of the board are adopted with clearly defined assessment topics in advance. Useful opinions from completed assessments are gathered and presented in a board meeting, where the criteria, procedures, and overall evaluation results are disclosed in the subsequent annual report.

5. Remuneration

Board remuneration should be comparable to the industry level in which the company operates, and reflect the experience, obligations, scope of work, accountability, responsibilities, and contributions of each director. Members who are assigned to more tasks, such as committees, should be paid more. Presented by the Nomination and Remuneration Committee, the board decides the remuneration policy for board members and subcommittee members, monetary and non-monetary, where the shareholders' meeting decides and approves remuneration for the board. The remuneration process must be transparent and suitable for considering the prescribed work scope and comparable to business practices in the same industry.

6. Board and management training

The board should encourage and facilitate training for all internal parties related to corporate governance such as directors, members of the Audit and Corporate Governance Committee, executives, and the company secretary, etc. Training will enable them to continuously improve their performance and can be either internal or external training. New directors should be provided with all the documents and information useful to perform their duties, including an introduction to the nature of the business and the operations of the company.

The board should request the managing director to present them with the firm's succession plan on a regular basis. The managing director and top executives should assign successors in case they cannot perform their duties.

This Corporate Governance Policy is approved by the Board of Directors and is effective from the 19th of December 2023 onwards.

Corporate Social Responsibility Policy

P.S.P. Specialties Public Company Limited

Corporate Social Responsibilities Policy

P.S.P. Specialties Public Company Limited (The “**Company**”) and its subsidiaries (The “**Group**”) conduct business under the framework of good governance with transparency and accountability and are committed to business development that is in balance with a sustainable economy, society, and the environment at large under the Principles of good Corporate Governance, Corporate Social Responsibilities, and Business Ethics, in so doing, efficiently generating returns for shareholders by taking into account the impact of business operations on those involved with the Group in all aspects. The Company has thus established a Corporate Social Responsibilities Policy in the following areas:

1. **Business Ethics**

The Group is committed to conducting an honest, fair, and transparent business with the disclosure of verifiable important information and commitment to fair competition in compliance with applicable Business Ethics guidelines and bylaws. As such, any unfair barrier to entry or open competition is rejected, namely seeking and soliciting competitors' confidential information for undue trading advantage, or, preventing a startup from entering the market and competing, among other barriers.

While the barriers are eliminated from the partner selection criterion, a management and monitoring system is established to ensure contracts are fully complied with and that the payment process in place works per agreed payment terms within the specified timeframe. The Company arranges annual assessments for suppliers and partners with feedback and recommendations for continuous quality improvement, meanwhile, leaving the door open for partners to inform, complain, or voice concerns.

The Group has a strict policy against any action that may lead to intellectual property infringement, be it of a copyright, patent, trademark, trade secret, classified information, insider trading, confidentiality, or any other intellectual property violation prohibited by law, namely computer program and software copyright. The Group information technology department is the only agency authorized to check, install, run, and manage computer programs in order to prevent software piracy, hackers, and cybersecurity breaches, among others.

2. **Anti-Corruption Policy**

The Group operates the business under the principles of good Corporate Governance and business ethics where transparency is prioritized under Anti-Corruption and legal prevention requirements against giving or accepting bribes to/from government officials or the private sector. The Company structure is thus set up with clear chains of command and lines of duties, responsibilities, and work processes for appropriate checks and balances between departments.

Group personnel abides by the following guidelines:

2.1 Group directors, executives, and employees of any department or agency, including those of a subsidiary, are prohibited from conducting or accepting any form of corruption, directly or indirectly. Anti-Corruption Policy compliance is audited regularly alongside changes in business conditions, rules, regulations, and legal requirements.

2.2 Company and subsidiary directors, executives, and employees must report any acts of corruption related to the Company or its subsidiaries, by notifying the immediate supervisor or responsible person and cooperating in the fact-finding process.

2.3 The Group provides proper and fair protection to whistleblowers who report suspicious activities throughout their cooperation in the investigation process.

2.4 The board of directors, executive committee, and executives have a duty as Anti-Corruption Policy role models to promote and support the policy with clear and concise communication to all Group personnel and related parties, including reviewing the appropriateness of related policies and measures to suit changes in business conditions, rules, regulations, and legal requirements.

2.5 Anti-Corruption Policy violators are subject to disciplinary action under Group bylaws and may be punishable by law if proven guilty in court.

2.6 The Group communicates the Anti-Corruption Policy to all levels of departments through various channels across the organization, via employee training and internal communication programs, among others, to alert relevant parties and encourage policy implementation.

2.7 The Group promotes a variety of whistleblowing channels for employees and stakeholders to report suspicious wrongdoings and clues, with measures in place to protect the whistleblower's identity, avoiding undue penalties, work transfers, or treatment in the process. A whistleblowing investigator is appointed to scrutinize clues and complaints submitted by whistleblowers.

2.8 The Group encourages contractual parties, business partners, and any person performing Group-related duties to report any Anti-Corruption Policy violations.

2.9 A Company policy is in place to recruit-select personnel, promote, train, evaluate performance, and determine fair remuneration of staff and employees to build confidence and prevent internal corruption.

2.10 Group disbursement and procurement procedures are set per Delegation of Authority Guidelines, with payment amounts suitable to the transaction and the recipient of whom is required to produce clear and sufficient supporting documents.

2.11 The Company Code of Conduct in high-corruption risk situations requires Group personnel to behave with caution, clarity, and Anti-Corruption Policy compliance as follows:

- (1) The giving or accepting of gifts or reception parties must be transparent per Company Code of Conduct guidelines.
- (2) The giving or accepting donations or funding must be transparent and legal, ensuring the generosity is not a pretense or disguise for bribery.

In operating the business, contracting, negotiating, bidding, or any other interaction with a public or private agency, must be transparent and legal. Group directors, executives, employees, and contractors must not give or accept bribes at any stage of business operations

3. Human Rights

A Group policy is in place to uphold, protect, and support human rights by treating all parties equitably, be they an employee, a community, or the society at large, taking into account nondiscriminatory equality and freedom with respect to fundamental rights and protected characteristics, e.g., race, nationality, religion, language, color, gender, age, education, physical condition, or social status, among others. The Group's business never involves human rights violations such as forced or child labor, or sexual harassment. Human rights requirements and compliance are promoted, as well as participation via available programs and channels to voice opinions freely or file a complaint on damage, abuse, or right violation as a result of Group operations to request reasonable remedies.

4. Labor Practice

The Group places great importance on fair labor practices as a path to Human Resource Development that ultimately results in added business value, enhanced competitiveness, and sustainable growth for the Group. As such, the Company has put policies and guidelines in place as follows:

- 4.1 Respect employees' rights according to human rights principles and comply with labor laws.
- 4.2 Provide a fair employment process and employment conditions, including compensation and merit consideration under a fair performance evaluation process.
- 4.3 Promote professional development by organizing and assigning personnel to attend training, educational courses, and related workshops and seminars to develop the knowledge, competence, and soft skills required for professional growth, including a professional attitude, positive outlook, work ethics, and team morale.

The Group also supports organizational and Human Resource Development by optimizing work processes, clearly defined roles and responsibilities, appropriate

remuneration and criteria, assessment systems, and employee performance developmental programs.

- 4.4 Provide satisfactory welfare and benefits for employees per legal provisions, such as social security, and additional programs beyond legal requirements, such as health and accident insurance, and various subsidies, e.g., funeral services for family members, employee-student scholarships, staff uniforms, and provident fund contributions, among others.
- 4.5 Provide a safe, convenient, and hygienic workplace environment for employees with measures to prevent accidents and foster employee safety awareness through organized training, and encourage employees to maintain good personal hygiene as well as keep the workplace hygienic and safe at all times.
- 4.6 Provide employees with plenty of opportunity to report and voice their opinions, or submit a formal complaint about unfair treatment or misconduct in the Group with maintained identity confidentiality for whistleblowers in the process.

5. Customer Responsibility

The Group is committed to developing products and services for the highest satisfaction and benefit of customers, and adheres to responsibility, honesty, and care for customers as follows:

- 5.1 The Group focuses on production standards, quality, and efficiency for safe international-standard products. Management systems are developed to create quality products and services and thus optimal customer satisfaction.
- 5.2 A policy is in place to provide guidelines for fair and accurate marketing with forthcoming information about Company products and services to customers along with updates about the Group without distortion, ambiguity, or exaggeration in its advertising to assist in their decision-making process and purchasing experience.
- 5.3 Strive for customer safety through quality products and services at reasonable askings per international safety standards and relevant bylaws. Creative product design and development, alongside pre and post-sales services, ensure that customers can always be confident to receive the high-quality Company and Group products and services they expect.

5.4 Customer Relations is in place to communicate with customers as well as provide feedback channels to ensure customers can always effectively interact with the Company, e.g., to make comments and report or file complaints on the received quality and the resulting disappointment or satisfaction. Customer feedback provides the Company with invaluable information to quickly make improvements that better serve their needs, preventing and solving problems from happening again in the process.

5.5 Confidentiality is always maintained for customer information, without misuse.

6. Environmental Responsibility

Alongside Social Responsibility, the Group places paramount Environmental Responsibility importance, taking care of the environment and protecting it by operating and controlling Group production, products, and services in strict compliance with overarching environmental preservation bylaws. The Company has always run the business in the framework of environmental safety in all operational processes, conducting rigorous pre-construction surveys to account for environmental impacts and establishing operational guidelines and necessary systems to prevent impacting the ecosystem and surrounding environment of communities where the Company operates. The Company also strictly manages and controls the use of natural resources with maximum efficiency and utilization rate by reusing as much of production by-products or incidental output as possible, including ensuring a standard quality of production waste treatment and proper assessment of the environmental management system.

7. Communal Responsibility

Beyond Social Responsibility, the Group is aware of its responsibility to the community and thus has in place a Communal Responsibility Policy to conduct business that benefits the economy and society at large; the foundation of communal well-being. The Group strives to develop, promote, and uphold social fabric as a means to enhance the quality of life, giving back to a healthy society by growing with it and effectively strengthening the communities where the Group operates.

The Group puts in place guidelines for conducting business under environmental standards, with production and operation systems that utilize resources and energy efficiently, controlling and preventing unnecessary pollution by implementing environmental management systematically, and evaluating, following up, and reviewing the systems for continuous improvement regularly, being a good community member and adhering to community protection bylaws in the process.

8. Innovative Applications from Responsible Social, Environmental, and Stakeholder Practices and Innovation Dissemination

The Group realizes the intrinsic value of production raw materials and resources thus the far-reaching implications of proper management and environmental care that comes with being socially responsible. For optimal use of resources and energy across business operations, including internal energy consumption, the Group strives for innovative applications in the workplace, be it work-operational processes or cross-organizational undertaking that requires new ways of seeing-doing things to undergo necessary changes in achieving enhanced productivity with new ecological-economical co-evolutionary goals.

As a social responsibility, the Company communicates and disseminates these innovations with stakeholders, directly and indirectly, through a variety of channels to ensure access to all.

This Corporate Social Responsibility Policy is approved by the Board of Directors and is effective from the 2nd of August, 2022, onwards.

Anti-Corruption Policy

P.S.P. Specialties Public Company Limited

Anti-Corruption Policy

PSP Specialties Public Company Limited (The “**Company**”) and its subsidiaries (The “**Group**”) realize the paramount of Anti-Corruption and are committed to conducting business under the Principles of Corporate Governance, Code of Conduct, and Corporate Compliance Policy alongside responsible social, environmental, stakeholder practices to conduct business with integrity, transparency, verifiability, accountability, and professionalism.

To make certain that the Company has a policy specifying appropriate responsibility, guidelines, and rules for its business operation to prevent all types of corruption in all of the Company’s activities and that the Company’s decisions and business operations involving the Company’s activities and that the Company’s decision and business operation involving with the risk of corruption have been thoroughly considered and conducted, the Company has arranged for the written Anti-corruption Policy to be clear guidelines for doing business and developing a sustainable organization.

1. Terms and Definitions

Corruption refers to any type of bribery, whether in the form of offering, promising to give, giving, agreeing to give, requesting, or accepting money, assets, or other benefits to or from a government official, a government agency, a private organization, or a responsible person, either directly or indirectly, so that such person acts or refrains from acting in the exercise of his or her duties in order to obtain or retain business or recommend a specific business to the company or obtain or retain other undue business advantages.

Charity refers to activity involving money donations that bring about no tangible return.

Charitable Public Benefit is any monetary spending on and for the benefit of a project, communal activity, society, or group of people, with or without any tangible return to the Group.

Political Contribution is any contribution to a political party on behalf of the Group, be it financial or otherwise, including lending, mainly to support its monetary need or political activity. Sponsorships, as opposed to in cash, is any non-monetary contribution, usually, by giving goods or services offered for free or at a discount, be it paying for anything on the board's behalf, advertising, promoting, or supporting a political party, buying tickets to a fund-raising event, or donating to an organization related or close to a political party, among others, except supporting the democratic process per legal stipulations.

Sponsorship means the giving of money for a service or benefit which is difficult to evaluate and monitor and may be linked to corruption, for instance, sponsorship which has a hidden target by using sports for charity or

exploiting charitable organizations to take advantage of the consideration of the government officials or relevant parties.

(The advantages from consideration are, for example, providing contracts, business opportunities, bidding, reducing or canceling fees, or giving, helping, or withdrawing rules to acquire a license, which is not accessible to government officials.)

Government Official is any serving government official as defined in the Anti-Corruption Act, including any government agent, representative, state person, enterprise employee, contractor, or any other person representing the following agencies:

- Ministries, bureaus, departments, or government agencies, e.g., customs, immigration offices, government agencies, and local authorities, among others.
- International organizations, e.g., the World Bank, and the International Monetary Fund (IMF), among others.
- Political parties, office holders, candidates (government and opposition), and local administrators.
- Regulatory authorities, e.g., The Securities and Exchange Commission (SEC), The Bank of Thailand, and The Stock Exchange of Thailand (SET), among others.
- State enterprises, companies, and other organizations owned or controlled by a state or government entity.

Company Business Agent is a person appointed by the Company or a company under the Group's control to act as a sales representative or an agent to handle business on behalf of the Company, its subsidiary, or the Group.

2. Anti-Corruption Policy

- 2.1 Directors, executives, and employees of the Group, including subcommittees members, are prohibited from requesting or accepting any form of bribery or corruption, directly or indirectly, for the benefit of any organization or business, either domestically or internationally, including any party related to the Group, or their family or family member, friend, or acquaintance.
- 2.2 The Company must regularly review the compliance with the Anti-Corruption Policy as well as business guidelines and rules to ensure they are in line with changes in business, rules, regulations, and laws. Any acts which support or involve corruption will be punished as stipulated by the Company.

3. Duties and Responsibilities

- 3.1 The Board of Directors has the duty and responsibility to determine and approve the Anti-Corruption Policies by establishing a system that supports efficient and effective anti-corruption to ensure that management recognizes its importance and implements it as a corporate culture.
- 3.2 The Audit and Corporate Governance Committee has the duty and responsibility to verify the company has adequate internal control and review operational business in accordance with the Anti-Corruption Policy, rules, and applicable law.
- 3.3 The Executive Committee and executives have the duty and responsibility to ensure that all employees and stakeholders comply with anti-corruption policy regulations, including reviewing the appropriateness of the system and measures to comply with the changes in the business and regulations and requirements of the law.
- 3.4 The Internal Audit Unit has a duty to audit and review the operation to assure it is conducted correctly and in line with the policy, guidelines, regulations, and applicable laws. The Internal Audit Department has to make sure the Company has a proper and adequate internal control system to manage potential corruption risks and report to the Audit and Corporate Governance Committee.
- 3.5 Directors, Executives, and Employees of the company, including subcommittee members, have to comply with an Anti-Corruption Policy by not to engage all types of corruption either directly or indirectly.
- 3.6 Business agents controlled by the Group also have a duty of Anti-Corruption compliance.

4. Scope and Guidelines

- 4.1 The Company defines directors, executives, and supervisors of the company, including subcommittee members, are required to perform their duties with caution to prevent all acts of corruption as follows:

- **Giving and Receiving Bribes**

Giving and receiving a bribe of all forms in exchange for business benefits, including authorizing others to act on their behalf, are forbidden.

- **Gifts, Hospitality, and Other Benefits**

Giving or receiving gifts, assets, or any benefits from customers, partners, or stakeholders shall comply with the y Code of Conduct.

- **Political Assistance**

The Company has a policy not to assist or support political parties, political groups, or politicians, either directly or indirectly.

- **Participation in Political Activities**

The Group operates the business with political neutrality in refraining from participating or favoring any political party, politician, or authority in particular or supporting one with Company funds or resources, directly or indirectly. Although employees are not prohibited from exercising personal political rights, be it voting or running for elections, among others, the Company does prohibit them from using the Company name or resource, or that of a Group member, for political activity or campaign purposes, or in any way that may defame the Group.

- **Receiving Donations, Charity, Public Benefits, and Giving or Receiving Financial Support**

The Group requires that accepting donations, charity, public interest, or contributions, must be conducted according to the following requirements:

1. Conduct with transparency and legality, not against good morals or creating damage to society.
2. Do not involve with bribing or lead to be claimed for bribing.
3. Follow the Company's review and approval processes as defined in the Company's guidelines and regulations.
4. Must be consulted with legal authority in writing on any ambiguity that may have legal implications. Matters of other importance may resort to the discretion of the Executive Committee.

- **Operations, Contacts, Negotiations, Biddings, and Other Interactions with Government or Private Entities**

Must be handled transparently and legally. Besides, the Directors, Executives, supervisor, and of the company must never offer or accept bribes at any operational stage.

- 4.2 The Company strives to create and maintain its organizational culture of zero-tolerance on corruption, whether it conducts with public or private sectors.
- 4.3 Directors, executives, and employees at every level should not neglect if they find any act involving corruption in the Company. They must report to their supervisors or responsible person and cooperate in the investigations. Moreover, whistleblowing or compliant channels for outsiders are arranged. or other Whistleblowing channels are provided for reporting clues or complaints from stakeholders.

- 4.4 Any actions taken in relation to whistleblowing or complaints of corruption shall comply with the criteria set forth in the Whistleblowing Policy.
- 4.5 The Company fairly treats and protects employees who refuse to be involved in corruption or inform the Company about corruption. The Company will not demote, penalize or give a negative impact on employees who refuse to be involved in corruption although they make the Company lose business opportunities.
- 4.6 The Directors and executives including sub-committee members must show their honesty and be good role models in following the Anti-Corruption Policy. Covers in the human resource management process ranging from recruiting, promotion, training, to evaluation. Supervisors at every level have to communicate with employees so they apply the policy in business activities under their responsibilities. Governance and Compliance and HR departments are responsible for disseminating relevant information and creating an understanding and knowledge covering the personnel management process, from recruitment to selection, promotion, training, and performance evaluation, as well as encouraging employees at all levels to attentively and continuously adhere to Anti-Corruption Policy as part of the corporate culture.
- 4.7 All actions in the Anti-Corruption Policy are in line with those stipulated in the Company's good Corporate Governance Policy, guidelines for business conduct, relevant regulations, and the work manual, as well as other guidelines which the Company may define later.
- 4.8 Fraud and corruption are considered violations of the Anti-Corruption Policy under the Code of Conduct, such person will be disciplinarily punished as stated in the Company's regulation. If such an act is illegal, the wrongdoer may be legally penalized, whereby the Chief Executive Officer's decision is considered final.

5. Anti-Corruption Policy Dissemination

For corporate awareness across everyone in the organization, the Anti-Corruption Policy is:

- 5.1 Displayed in noticeable areas where everyone in the organization can read.
- 5.2 Acknowledged by all Group employees through provided training.
- 5.3 Publicized through Group communication channels, such as its website, the annual registration statement-annual report (form 56-1 One Report), among others.
- 5.4 Reviewed at least once a year.

This Anti-Corruption Policy is approved by the Board of Directors and is effective from the 19th of December 2023, onwards.

Conflict of Interest Policy

P.S.P. Specialties Public Company Limited

Conflicts of Interest Policy

P.S.P. Specialties Public Company Limited (The “**Company**” or “**PSP**”) and its subsidiaries (The “**Group**”) reinforce the Conflicts of Interest Policy on the Corporate Governance principles of integrity, accountability, transparency, verifiability, and professionalism. The Conflicts of Interest Policy is based on a fundamental appreciation that any business decision or undertaking on behalf of the Group, i.e., a Group transaction, must be in the best interest of the Group and its shareholders as originally intended, and those with potential conflicts of interest are to be avoided or managed properly. Thus, any Group personnel involved with a Group transaction with anything desirable to gain or lose beyond the original intention is a stakeholding Connected Person, whereby the dealing is a Connected Transaction and the desirable thing to gain or lose is a Conflict of Interest. A Connected Person is required to declare any Conflict of Interest to the Group and is excused from participating in or deciding the Connected Transaction. The key principles are as follows:

Directors, subcommittees, executives, and employees of the company shall refrain from conducting business, either directly or indirectly, in a nature that is similar to and in competition with the business of the company or its subsidiaries either for their own benefit or for others which may cause damage to the company or enter into a partnership with or acquiring the status of a shareholder with decision-making power or an executive in a business that competes with or has similar nature to that of the company or its subsidiaries unless they can demonstrate that a mechanism is put in place to assure that the transaction will not cause any damage to the company, and a measure is also put in place to ensure the best interest for the company and its shareholders in general. A Group employee is to declare any stakeholdings with potential conflicts of interest to the Group per board guidelines (i) immediately upon operating a Competitor or becoming an Inside Competitor, (ii) before the company has similar to and in competition with the business of the company, (iii) before engaging in the business or shareholding that is acquired as an estate shall be notified to directors, subcommittees, or executives of the company immediately in accordance with the methods provided by the Board of Directors. An Inside Competitor is prohibited from allowing their conflicts of interest to (i) encourage them to take any action on behalf of, yet, unintended by the Group, or, (ii) prevent them from performing assigned duties and responsibilities for the Group to the fullest of their ability.

Group Directors, Sub-Committee members, Executives, and Employees must declare stakeholdings with any conflict of interest with the Group either immediately, as soon as possible, before commencing a position either as Group personnel or with a competitor, or before inheriting or retaining shares with controlling power over a Competitor. Company personnel, including subcommittee members, are to declare stakeholdings with the Company Secretary who reports to the board or the shareholders' meeting, or both, as the case may be, while Company subsidiary personnel declare through their designated channels internally.

5. Directors, Subcommittees, and Executives shall disclose to the Company any personal stakeholdings, be it any business transactions or ownership, including that of its family, next of kin, and dependents, with the following potential conflicts of interest with that of the Group:

- Joining investment or having any interest with a business partner or customer of the Group.

- Holding any position or serving as a consultant of a business partner doing business with the Group or a customer of the Group.
 - Trading goods or services directly with the Group or through a third party.
6. No Group personnel may seek personal gain or the gain of others in violation of the Information Disclosure Policy, i.e., insider trading of confidential or non-disclosed Group information, be it work plans, remuneration information, business or budget forecast, research or financial results, investment or asset acquisition-disposal, bidding or tendering, as well as meeting resolutions of the board, a committee, or any internal meetings, regardless of the beneficiary or incurred benefit. The Group reinforces strict IDP compliance under relevant bylaws and guidelines on Inside Information Policy.
 7. Group directors and sub-committee members with any stakeholding in potential conflicts of interest with a meeting agenda or transaction are deemed a Connected Person and thus have to forfeit their (i) right to vote or participate in that meeting agenda and (ii) power to participate in the decision-making process and approve that connected transaction. Group personnel with such conflicts of interest are required to declare the stakeholdings to their immediate superiors.
 8. The Board of Directors ensures Group compliance with the above guidelines under the principles of prudence, reason, and independence, with a transparent transaction approval process for Connected Transactions, taking into account the best interests of the Group per Capital Market Supervisory Board and SET—SEC bylaws. Group personnel are excused from considering or approving a Connected Transaction as a Connected Person on the Group's behalf.
 9. The Board of Directors supervises directors, subcommittees, and executives to disclose accurate and complete information on Related Transactions and Conflicts of Interest in the Annual Registration Statements (Form 56-1 One Report).
 10. Group Personnel may not partake in the decision-making process to recruit new personnel when an applicant or candidate is related to them to allow a transparent and fair recruitment consideration for other applicants of the same position.
 11. The Audit and Corporate Governance Committee supervises, reviews, and follows up on contractual obligations, to avoid operating in situations that may create a Conflict of Interest for the company. The committee's reviewed results and opinions are proposed to the board of directors for acknowledgment and necessary action, if any, at least once a year.

This Conflicts of Interest Policy is approved by the Board of Directors and is effective from the 19th of December 2023, onwards.

Company Whistleblowing Policy

P.S.P. Specialties Public Company Limited

Company Whistleblowing Policy

PSP Specialties Public Company Limited (The “**Company**”) and its subsidiaries (The “**Group**”) reinforce the Whistleblowing Policy to protect with fair support employees and stakeholders in reporting any suspicious activity, be it a violation or information or a clue about any corruption, Company Code of Conduct or Compliance Policy violation, including that of any by-laws or legal provision or requirement.

1. Whistleblowers

A whistleblower can be any Group personnel or stakeholder, the latter, be they a shareholder, customer, supplier, competitor, creditor, government agency, community member, or member of society at large, who in good faith or on reasonable grounds reports through a designated Whistleblowing Channel against the accused, be it another Group personnel or representative, for alleged misconduct or wrongdoing in an undertaking as Group personnel, be it any violation, non-compliance, unprofessional conduct, dishonesty, or acting in bad faith or unforthcoming or transparent when should, knowingly or not, per Company Whistleblowing Policy, Company Code of Conduct guidelines and relevant bylaws or legal provision.

2. Whistleblowing Authority

1. Chairman of the Audit and Corporate Governance Committee
2. Member of the Audit and Corporate Governance Committee
3. Head of the Internal Audit
4. Company Secretary

3. Whistleblowing Methods and Channels

The Audit and Corporate Governance Committee is assigned by the Board of Directors under the Whistle Blowing Policy to consider clues and complaints of alleged wrongdoings. Whistleblowers that opt to reveal their identity are required to forthcome personal and professional details, such as the full name, address, and telephone number where they can be reached, and send it to the following Whistleblowing Channels where the whistleblowing agent that receives the complaint or clue can process their case:

- 1) Notify the Chairman of the Audit and Corporate Governance Committee or the Audit and Corporate Governance Committee at: hotline@psp.co.th or, by post to the following address:

Chairman of the Audit and Corporate Governance Committee, the Audit and Corporate Governance Committee

P.S.P. Specialties Public Company Limited

100/149 Moo 1, Wichian Chodok Road, Tha Chin Subdistrict, Mueang District
Samut Sakhon Province 74000

- 2) Notify the Head of the Internal Audit Unit via e-mail at internal.audit@psp.co.th or, by post to the following address:

Head of Internal Audit Unit
P.S.P. Specialties Public Company Limited
100/149 Moo 1, Wichian Chodok Road, Tha Chin Subdistrict, Mueang District
Samut Sakhon Province 74000

- 3) Notify the Company Secretary via email at comsec@psp.co.th or, by post to the following address:

Company Secretary
P.S.P. Specialties Public Company Limited
100/149 Moo 1, Wichian Chodok Road, Tha Chin Subdistrict, Mueang District
Samut Sakhon Province 74000

In the event the Chief Executive Officer or a committee member is the accused, the whistleblowing agent that receives the complaint is to present the complaint directly to the Chairman of Audit and Corporate Governance Committee. In the event the Audit and Corporate Governance Committee is the accused, the whistleblowing agent is to present the complaint to the Chairman of the Board of Directors.

A whistleblower may opt to lodge complaints through more than one channel and expect confidentiality. They are not required to reveal their identity, although doing so would allow them to learn investigation feedback, updates, and results.

4. The Fact-Checking Process

1. The initial whistleblowing agent is to screen, examine, and gather general information before presenting the case to the Audit and Corporate Governance Committee or its assigned whistleblowing investigator to carry out the investigation process in gathering relevant facts and information for the case. Where the Audit and Corporate Governance Committee is the accused, the whistleblower agent receiving the complaint shall present the case to the Chairman of the Board of Directors or their assigned investigator to investigate the case.
2. The investigator is authorized to invite any employee to provide or submit relevant information or documents in their fact-finding process.

3. During the process, the whistleblower agent may periodically inform the case progress to the whistleblower.
4. The investigator has 30 days from the date of receiving the complaint to screen, gather facts, and investigate.
5. Should the fact-finding process reveal to the investigator reasonable grounds to believe wrongdoing was committed, the accused is to be informed of the case against them where they maintain the right to due process in gathering facts to counter-present their case against the alleged wrongdoing and clear their name.
6. Should the counter presentation fail to convince otherwise, the investigator is to submit the case together with their concluded opinions to the Audit and Corporate Governance Committee or the Board of Directors, or both, depending on the case, for further consideration and final decision with the possibility of imposed disciplinary action as deemed appropriate. The final decision is informed to the whistleblower within 30 days from the date the board or the committee decided the case, whichever comes last.
7. Remedies may be proposed to a victim of damage or loss as a result of the case investigation process, as the whistleblowing agent or investigator deems appropriate.

5. Whistleblower Protection

1. The whistleblower can remain anonymous when they believe the disclosure may result in personal injury or harm, granted they can provide sufficient admissible evidence to show that they have reasonable grounds or good faith to believe that misconduct or wrongdoing has allegedly taken place. Identifying themselves, however, allows the initial whistleblowing rep receiving the case to proceed faster.
2. Case-related material, i.e., admitted material according to the whistleblower agent or investigator, is handled as confidential material to be disclosed to the extent necessary for the investigation or legal purposes, or both, only. All involved parties, be it the whistleblowing agent or investigator or any party that acknowledges the case, are prohibited from breaching confidentiality for undue reasons, whereby failure to comply is considered a disciplinary offense. Admitted material includes any testimonial, documentary, or tangible evidence that is introduced and accepted for the case, be it the whistleblower's complaint or clues itself or subsequential supplements thereof, that of witnesses or informants, or any material gathered from the fact-finding process, among others, all of which must be documented with highest-level confidentiality, secured from all irrelevant parties with no business in the line of assigned duty or authorization to access. The disclosure of admitted material, on the

other hand, must take into account the potential harm or damage to the whistleblower, the source, and all parties involved in the case, and thus their safety.

3. The Group does not tolerate any action against a whistleblower or corruption denier, even when the whistleblowing case results in a loss of business opportunities for the Group.
4. Whistleblowers that feel or are put in harm's way as a result of their forthcoming may request protection, whereby the Company Group may enact appropriate protective measures under the Whistle Blowing Policy without advance notice if it deems such harm is likely.
5. Unfair treatment to others, be it discrimination, inappropriate manner, or any damaging action as a result of a whistleblowing complaint, including testifying and cooperation in a case, is a disciplinary offense subject to penalty under the Company Code of Conduct and possibly punishable by law if found guilty in court.
6. The victims that suffer harm or damage are compensated with appropriate and fair means.

6. Defame

Group personnel proven to deliberately whistleblowing in bad faith to harass, defame, or misrepresent facts is deemed a Slanderer subject to disciplinary action per Company Code of Conduct guidelines. Legal action may be considered in the event of damage or loss to the Group as a result thereof, be it undertaken by Group personnel or a third party, as deemed appropriate.

This Company Whistleblowing Policy is approved by the Board of Directors and is effective from the 19th of December 2023, onwards.

Related And Connected Transaction Policy

P.S.P. Specialties Public Company Limited

Related and Connected Transaction Policy

The details of the PSP Specialties Public Company Limited (The “**Company**”) and its subsidiaries (The “**Group**”) policy on entering into related transactions or connected transactions with persons who may be in conflict or a connected person of the company, depending on the case, are as follows:

1. The approval process and engagement in Connected transaction

Terms and Definitions:

A **Related Transaction** is any transaction between the Company and its subsidiary with persons who may have a conflict.

A **Connected Transaction** refers to any transaction between a listed company or its subsidiary with the persons connected with the company.

Connected transactions can be divided into 5 categories as follows :

- (1) An Ordinary business transaction is a commercial transaction that a company or its subsidiary normally makes to operate the business under general commercial conditions e.g., a contract to manufacture lubricant, grease, or a specialized product such as rubber or transformer oil, among others, to provide a service collecting or distributing fuel, or a distribution center service.
- (2) An ordinary business support transaction is a transaction made to support ordinary business under general commercial conditions. , e.g., transportation hiring, providing a basic firefighting training course, and product quality testing services, among others.
- (3) Real estate rental transactions for a period not longer than a 3-year span is the rental transactions with no more than a 3-year contract period and without proof of general commercial conditions.
- (4) Transactions relating to assets or services are the transactions about the acquisition or disposition of assets, or the right to get or receive the service, such as buying the machine, selling a building, or selling the land leasehold or concession.
- (5) Providing or receiving financial assistance is a transaction to provide or receive financial assistance to or from a connected person who may have conflicts of interest with the company or its subsidiaries, e.g., borrowing loans, paying fees for the connected persons’ credit line used by the company, paying fees to connected persons regarding the loan guarantee.

Any transactions made by a company or its subsidiary with the person connected with the company, the company will strictly comply with applicable laws of the Securities and Exchange Act B.E. 2535 and its Amendments (the “Securities Act”), Capital Market Supervisory Board and Stock Exchange of Thailand (SET), and the Securities and Exchange Commission (SEC), including, the Notification of the Board of Governors of the Stock Exchange of

Thailand regarding Disclosure of Information and Other Acts of List the office of Securities Exchange Commission ("SEC office"). and financial reporting standards under the Federation of Accounting Professions under the Royal Patronage (FAP), among other relevant criteria. Stakeholders are not able to participate in the approval process of the transactions.

In case the mentioned law prescribed that the connected transactions shall be approved by the Board of Directors and/or shareholders. The company will arrange a meeting of the Audit and Corporate Governance Committee to consider and offer an opinion on the necessity and reasonability of the transaction, the transaction of ordinary business supporting transactions which trade agreements with general commercial conditions and the transactions which are not the general commercial conditions shall be done according to the following principles:

- (1) For ordinary business transactions or ordinary business support transactions under general commercial conditions :

If the Board of Directors comes to a resolution to approve that the transaction scope aforementioned is an ordinary commercial transaction and/or with directors, executives, major shareholders, any connected person or related party, the company shall be done with commercial conditions in the same way that a reasonable person shall do with counterparties in the same situation with the trading negotiation power without influence caused by the position of the board, director, or related person (as the case may be). The conditions shall also not cause the transfer of interest or be able to show that the transaction is done by the reasonable or fair price determination. The management of the company would be able to proceed with the approval transaction complying with the specified scope. The company would issue a summary report of such transactions in order to report in the Audit and Corporate Governance Committee's meeting and the Board of Directors' meetings every quarter.

- (2) Other Related and Connected Transactions:

The Audit and Corporate Governance Committee considers and renders their opinion on other Related and Connected Transactions before presenting them to the board or shareholders, or both, as the case may be, for further approval the Company will comply with the requirements under the Securities and Exchange Act, notifications, orders, and relevant requirements of the Capital Market Supervisory Board and/or the Securities and Exchange Commission and/or the Stock Exchange of Thailand including, including applicable legal provisions, requirements, and Federation of Accounting Professions (TFAC) reporting standards, among other relevant criteria.

In the case that the Audit and Corporate Governance Committee does not have expertise in considering the connected transactions which might occur, the company would appoint specialized professionals such independent auditor or independent property appraiser to give opinions relating to the connected transactions in order for the Audit and Corporate Governance Committee and/or Board of Directors and/or shareholders (as the case may be) to use as information for decision

making. This is done to ensure that the transaction is necessary and reasonable and done by mainly considering the company's benefits. The company would disclose the connected transactions in the annual report (Form 56-1 One Report) and financial statements inspected by the auditor or other form of reports (as the case may be) in accordance with the relevant regulations and laws

2. **Policy for the future related party transactions and connected transactions**

For any new connected transaction, the Board of Directors will ensure that such transactions are carried out in compliance with the Sec Act, rules, relevant notifications, and regulations of the Capital Market Supervisory Board, the SEC and the SET. and the accounting standards relating to the Company or its related persons as prescribed by the Federation of Accounting Professions.

When a transaction is scheduled in the future and changes have been made to the stakeholding terms and conditions regarding a related or connected person, directors, executives, major shareholders, or persons with a possible conflict of interest or a connected person of the Company, it is prohibited for interested directors and/or directors who are connected persons to attend the meeting and to have the rights to vote on the approval for the transactions.

This Related and Connected Transaction Policy is approved by the Board of Directors and is effective from the 19th of December 2023, onwards.

Dividend Policy

P.S.P. Specialties Public Company Limited

Dividend Policy

PSP Specialties Public Company Limited (the “**Company**”) conducts business on good Corporate Governance principles to operate the business in a fair, transparent, and verifiable way, taking into account the interests of all Groups stakeholders as equally important in the pursuit of favorable outcomes under the Company Outlook and Corporate Compliance Policy. For the investors and owners of the Company, a Dividend Policy is established for the Group to grow long-term value for its shareholders as follows:

1. **Dividend and Payment Policy**

The Company always considers its dividend obligations per statutory requirements, including provisions of the Public Limited Companies Act B.E. and amendments which states that no dividends shall be paid otherwise than out of profits. In the case where a company has incurred accumulated loss, no dividends may be paid.

Nevertheless, The Company specifies the dividend payouts to be at the rate of no less than 35% of the net profit from separate financial statements, after corporate income tax and all categories of reserves. A different payout rate and schedule, among other changes, may be considered, taking into account the operating results, cash flow, financial liquidity, financial position, investment plan, required operating capital reserves for business management and expansion, economic conditions, and debt repayment plans, among other factors as the Board of Directors deems appropriate or necessary.

Annual dividends must be approved in a shareholders' meeting. the board of directors may pay interim dividends to shareholders when it is apparent that the company has such reasonable profits as to justify such payment, and, when dividends have been paid, the board of directors shall report it to the shareholders at the next meeting.

2. **Subsidiary Dividend and Payment Policy**

The Company as a subsidiary shareholder, directly or indirectly, requires a subsidiary Dividend and Payment Policy as follows:

A Company subsidiary must always consider its dividend obligations per statutory requirements, including provisions of the Civil and Commercial Code and amendments which state that no dividend shall be paid otherwise than out of profits. If the company has incurred losses, no dividend may be paid unless such losses have been made good.

The subsidiary Dividend and Payment Policy must specify payouts to be at the rate of no less than 35% of the net profit from separate financial statements, after corporate income tax and all categories of reserves as defined in the Subsidiary's articles of association and related laws.

A different payout rate and schedule may be considered, among other changes, taking into account the operating results, cash flow, financial liquidity, financial position, investment plan, required operating capital reserves for business management and expansion, economic conditions, debt repayment plans, and other factors as the subsidiary's Board of Directors or shareholders deem appropriate or necessary.

A subsidiary's annual dividend payout must be approved by its shareholders. Unless interim payouts can be approved by the subsidiary's board of directors may, from time to time, pay interim dividends to shareholders when it is apparent that the company has such reasonable profits as to justify such payment, and, when dividends have been paid, the board of directors shall report it to the shareholders at the next meeting.

The dividend payment of the subsidiary is determined according to the principles of corporate governance, transparency, and accountability, the directors of subsidiaries shall report it to the Board of Directors at the next meeting.

This Dividend Policy is approved by the Board of Directors and is effective from the 2nd of August, 2022, onwards.

Investment Policy and Associate Supervision

P.S.P. Specialties Public Company Limited

Investment Policy and Associate Supervision

PSP Specialties Public Company Limited (the “**Company**”) reinforces Investment Policy and Associate Supervision guidelines for investing in prospects and supervising the operations of Company subsidiaries and associates (an “**Associate**”) by screening prospective companies consistent with Company Outlooks and business expansion plans under the supervisory authority and the guidelines of Stock Exchange of Thailand (“SET”) in maintaining PSP as a listed company. As such, prospects are evaluated for investment opportunities, i.e., a company with stability, performance, growth, business direction, and return on investment potential that synergizes with that of the Company. In the decision-making process, the investment-risk-profit ratio and expectable proportions to gain or incur are evaluated in conjunction with the Company's business conditions and financial status prior to the investment. A prospect with core competencies that differ from that of the Company may also be considered should it satisfy the above criteria. Investment approval is determined by the Board of Directors or shareholders, or both, depending on the case, per Delegation of Authority Guidelines.

A Company representative with matching qualifications and business experience is assigned to an Associate as a director supervising its operations, provided in so doing incurs no conflict of interest with the Associate. The number of representatives should match the number of total voting shares the Company holds in the Associate, at the minimum.

Company representative takes necessary actions and follows up to ensure their assigned Associate accurately and appropriately discloses operating results and financial positions for the Company to prepare its consolidated financial statements. They also supervise the preparation and collection process of accounting records and related information required for Company auditing purposes, as well as ensure appropriate and systemic internal control and information disclosure procedures for business operations are in place.

A subsidiary may not engage in any asset acquisition-disposal or connected transaction without prior Company approval by the Board of Directors, shareholders, or both, depending on the case, under relevant legal provisions and requirements of governing bodies, including notifications, bylaws, or criteria, which may result in the Company dutifully pursuing approvals.

Any business undertaking that may bear significant effect on the financial positions or performance of the Group must go through the Company prior to the Associate's internal approval process. Among these undertakings include granting credit, guaranteeing, entering any legal transaction with financial obligations, delegating authority, investing in a prospect of unusual or unfamiliar operations, establishing a company or 2 juristic person, as well as a joint venture, merger and acquisition, and dissolution, among others. These undertakings all require Company approval from the Board of Directors or shareholders' meeting, or both, to consider the matter and render opinions

with required acknowledgment by the Associate prior to a subsequent board or shareholders' meeting of their own, or both, to approve the transaction internally.

For any Associate undertaking or occurrence requiring the Company to disclose information per SET guidelines, the Company representative is responsible for immediately notifying Company management to consider and render opinions on the matter before presenting it to the Executive Committee or the Board of Directors, or both, for further consideration and approval.

This Investment Policy and Associate Supervision was approved by the Board of Directors on the 2nd of August, 2022, to become effective upon the Company's listing on the Stock Exchange of Thailand (SET)

Inside Information Policy

P.S.P. Specialties Public Company Limited

Inside Information Policy

PSP Specialties Public Company Limited (the “**Company**”) and its subsidiaries and trading partners (the “**Group**”) reinforce IIP guidelines under strict Company Compliance Policy (CCoP) prohibiting and preventing any Group personnel or anyone from insider trading—the use or disclosure of any non-public inside information in any way that may affect or change the price or value of Group securities, including trading securities on the stock exchange or entering into a related futures contract, albeit harmful, harmless, or beneficial, directly or indirectly, to either the Group or anyone else.

The Group implements the following plans under IIP guidelines to prevent insider trading:

1. Establish an Internal Control system for preventing inside information leakage by setting and reviewing appropriate procedures and measures in writing for all Group personnel to acknowledge and follow when handling inside information.
2. Limit the number of personnel with inside information access to a need-to-know basis minimum and ensure that all Group personnel with authorized access are aware of their responsibility in maintaining confidentiality as a professional representing the Group.
3. Designate a responsible person as the central agent for disclosing any Group information to the public.
4. Assign the Internal Audit Unit to monitor the implementation of measures and procedures in item 1. and report to the Audit and Corporate Governance Committee quarterly.
5. Secure a confidentiality agreement from anyone, including a third-party consultant, contractor, or service provider, before authorizing access to transact with any material involving inside information. The person authorized access must meet Group Internal Control system requirements to effectively prevent inside information leakage.
6. Group personnel are prohibited from insider trading or disclosing any inside information of a Group partner ascertained through conducting business on the Group's behalf, albeit directly or indirectly harmless, harmful, or beneficial to the Group or anyone else. Such information can only be applied on behalf of the Group for the originally intended operational purposes.
7. Foster a professional corporate culture and train Company directors and executives on their professional duty to prepare and submit the Stakeholding Report, i.e., a report declaring current holdings and changes of securities and derivatives along with any acquisition or disposition of securities of themselves and that of legally recognized family members, including their spouse, cohabitant as husband or wife, or adopted children ("Family Stakeholder"), including a juristic person with a Family Stakeholder that is Company personnel, of whom together hold shares in aggregate exceeding 30 percent of the total number of voting rights of the

- juristic entity. The Stakeholdings Report is submitted to the Office of the Securities and Exchange Commission ("SEC") under Sections 59 and 246, and the penalty provisions under Sections 275 and 298 of the Securities and Exchange Act B.E. 2535 and Amendments ("Securities Act"). A copy of the report is submitted to the Company Secretary the same day the report is submitted to the SEC Office.
8. Company directors and executives are obligated to prepare and disclose their reports, including that of Family Stakeholders, if any, to the SEC Office per Section 59 of the Securities Act and related notifications, and submit a copy of the report to the Company Secretary on the same day the report is submitted to the SEC Office.
 9. The term "executive" in Clause 7. and Clause 8. above is defined under the Securities Act announcement Section 59. All directors, executives, employees, and temporary employees of the Group, or Group personnel, former and existing, have a duty to uphold and protect Group inside information and use it on the Group's behalf for the originally intended purposes only, where insider trading, knowingly or on a should-know basis that the recipient may use that information for unintended purposes, is strictly prohibited.
 10. Require Group personnel with involvement or access to Group financial statements or any inside information to refrain from (i) trading Group securities for a period of 30 days prior to the public disclosure of the information and (ii) disclosing such information for a period of 24 hours thereafter or until it has been formally communicated to SEC.
 11. Regard any violation of the above rules as a disciplinary offense under Group bylaws and Human Resource Management Regulations and consider appropriate disciplinary action or punishment, or both, depending on the intent of the action, and damage or loss incurred. Disciplinary action can range from verbal warning, written reprimand, suspension, and possibly termination of employment per relevant guidelines, under the Company Code of Conduct

This Inside Information Policy (IIP) is approved by the Board of Directors and is effective from the 19th of December 2023, onwards.

Professional Development Recruitment and Succession Policy

P.S.P. Specialties Public Company Limited

Professional Development Recruitment and Succession Policy

PSP Specialties Public Company Limited (the “**Company**”) and its subsidiaries (the “**Group**”) realizes that Human Resource is the most important organizational asset in the pursuit of favorable outcomes under the Company Outlook. The Professional Development Recruitment and Succession Policy and guidelines are thus in place to develop professionals, retain and recruit, and prepare succession plans to promote and further develop Group personnel at all organizational levels into future leaders. Training programs are available to develop the necessary skills, knowledge, experience, and expertise required for progressive professional development. Recruitment and selection criteria and process are clearly defined, reviewed, and updated to attract, retain, and promote professionals with outstanding qualifications and performance to various leadership positions throughout the Company, namely as a director, subcommittee member, or executive. Succession plans are prepared to ensure the replacement of important positions, in the event an existing leader leaves or an incumbent cannot complete their term of office, and to manage the risks and impacts of discontinued management or leadership. Policy guidelines are as follows:

1. Professional Development

- (1) Encourage and support Group personnel at all levels in developing their skills, knowledge, and expertise through real-world hands-on experience and operations. Supervisors in each department are responsible for providing employees with sufficient professional development opportunities to learn, practice, share experiences, and get useful advice or help regularly.
- (2) Provide personnel at all levels the required training and courses to expand the current perspectives and knowledge into various fields and develop the potential for the next professional level through either internal training programs or attendance in external courses, as relevant and appropriate for each person.
- (3) The Human Resources Department is responsible for assessing professional development requirements at all levels and preparing development plans accordingly to the Group's development plan to prepare Group personnel for increased responsibility. The plans are presented to the Executive Committee and the Board of Directors for approval, where the department monitors the implementation of approved plans with continuous review.
- (4) Organize various activities to create familiarity, camaraderie, teamwork, and good relationships between board directors, committee members, executives, and employees across the organization, optimizing professionalism, work quality, and customer satisfaction in the process.

2. Recruitment of Directors and Executives

- (1) The Nomination and Remuneration Committee considers and determines the qualifications and criteria for recruiting Company's Chief Executive Officer (CEO), Directors, and Committee members, by considering selecting persons with knowledge, skills, experience, and qualities necessary to drive the organization towards its goals. The fine-tuned recruitment criteria and qualifications are then proposed to the Board of Directors or the shareholders' meeting, or both, as the case may be, to be considered for the next appointment.
- (2) The Board of Directors grants the CEO the authority to consider recruiting and selecting personnel immediately under their position under the Executive Framework.
- (3) The recruitment process for directors, subcommittee members, and executives must be fair, equitable, and transparent, with educational background, work experience, expertise, and other qualifications and qualities required to be considered for recruitment. Clear and concise advertisements are disseminated to reach qualifying candidates suitable for recruitment into various positions that benefit corporate governance.
- (4) When a key position becomes vacant, be it of the CEO, a Committee membership, or an executive position, a comparable or placeholder assigned or previously assigned by the Board of Directors or the CEO will assume the position temporarily as the acting person until a qualified candidate that meets the criteria is selected and appointed.

3. Succession Plan

- (1) Supervise the preparation of succession plans and processes for important Group positions, including plans to develop personnel with the necessary qualifications and qualities in appropriate numbers. The CEO and executives are responsible for ensuring successor recruitment readiness, enabling the Group to continue its business sustainably and competitively in the event of key-position vacancies.
- (2) The incumbent CEO is responsible for reporting professional development and succession plan performance assessment of the Group's CEO and Executive successors to the Nomination and Remuneration Committee, and possibly to the Board of Directors for acknowledgment, at each level at least once a year.

Professional developments of employees who are designated successors are followed up and evaluated continuously in conjunction with the situation, business needs, forecasts, and developments in the labor market, to make timely and appropriate adjustments, develop, and prepare recruitment and succession plans for optimal human resource readiness and succession to key positions across the Group.

This Professional Development Recruitment And Succession Policy is approved by the Board of Directors and is effective from the 2nd of August, 2022, onwards.

Board of Directors Charter

P.S.P. Specialties Public Company Limited

Board of Directors Charter

The Board of Directors plays a fundamental role in overseeing Company management, namely determining the Company Outlook of corporate vision, mission, direction, strategy, goals, and favorable outcomes thereto with the best interests of the Company and its shareholders at heart. As the cornerstone of Company checks and balances, the board has the duties and responsibilities to decide significant organizational matters and assess the performance of various committees, among other matters, under the Corporate Compliance Policy, including overbearing legal provisions and requirements as well as Company bylaws, objectives, and shareholder meeting resolutions.

1. Composition of the Board of Directors

The board is composed as follows:

- 1.1 Whereas the total number of board members is decided by the shareholders' meeting, it must consist of no less than 5 directors and at least half have to reside in the Kingdom.
- 1.2 At least a third of the total number of board members must be independent directors, but not less than 3 members.
- 1.3 When the board Chairman is not an independent director, the board will consider appointing one independent director to jointly determine agendas in board meetings, per good Corporate Governance Principles for Listed Companies 2017.

The board must elect one director that does not hold the position of the Chief Executive Officer as its Chairman and may consider selecting one director or more as the Vice Chairperson of the board as it deems appropriate.

2. Qualifications and Qualities of Board of Directors Members

Board of Directors must:

- 2.1 Exhibit important expertise, experience, abilities, honesty, business ethics, and sufficient time to dedicate the qualities to performing Company duties.
- 2.2 Meet the qualifications criteria without exhibiting (i) any prohibited characteristics per legal requirements for public limited companies and securities and stock exchange, among other relevant laws, or (ii) characteristics indicating a lack of suitability or reliability to manage a publicly listed company that is freely traded on the stock exchange under the SEC and other relevant criteria.
- 2.3 Have sufficient time to devote to the Company and attentively perform assigned duties and responsibilities. Directorship in other companies is allowed if it does not inhibit performing as a

Company director and is in compliance with the guidelines of the Office of the Securities and Exchange Commission ("Office Kor. SEC") and the Stock Exchange of Thailand ("SET").

- 2.4 Neither is (i) operating a Competitor, i.e., any business that is of the same nature and competing with the business of the Group, nor (ii) an Inside Competitor, i.e., a partner or director of any juridical entity operating a Competitor, regardless of the beneficiary, unless it is notified to the shareholders' meeting prior to the appointment resolution.
- 2.5 Exhibit independence and the ability to avoid and prevent conflicts of interest, i.e., has at heart the best interests of all shareholders and can treat them equitably and objectively under Company bylaws and Capital Market Supervisory Board legal provisions and requirements. The Board of Directors' meeting attendance is compulsory for independent directors where their independent opinions are required.

Each independent director shall have the characteristics in accordance with the following

regulations:

- (a) holding no more than one percent of the total voting shares of the applicant, parent company, subsidiary, associate company, major shareholder, or controlling person of the applicant, including shares held by the connected persons of such independent director.
- (b) not being or having been an executive director, employee, staff, advisor earning a regular monthly salary or the controlling person of the applicant, its parent company, subsidiary, associate company, same-level subsidiary, major shareholder, or controlling person, unless the foregoing status has ended for at least two years prior to the date of filing the application with the SEC Office. In this regard, such prohibited characteristics shall exclude the case where an independent director used to be a government official or advisor of a governmental agency, which is a major shareholder or the controlling person of the applicant.
- (c) not being a person who is related by blood or legal registration as father, mother, spouse, sibling, and child, including the spouse of a child, other directors, executives, major shareholders, controlling person or person to be nominated as director, executive or controlling person of the applicant or its subsidiary.
- (d) not having or having had a business relationship with the applicant, its parent company, subsidiary, associate company, major shareholder, or controlling person in a manner that may interfere with independent discretion, which includes not being or having been a

significant shareholder or the controlling person of any person having a business relationship with the applicant, its parent company, subsidiary, associate company, major shareholder, or controlling person, unless such foregoing relationships have ended for at least two years prior to the date of filing.

The business relationship under Paragraph 1 shall include normal business transactions, rental or lease of real estate, transactions related to assets or services, or granting or receipt of financial assistance through receiving or extending loan, guarantee, providing assets as collateral, and any other similar actions, which result in the applicant or the counterparty being subject to indebtedness payable to the other party in an amount starting from three percent of the net tangible assets of the applicant or from twenty million baht or more, whichever amount is lower. In this regard, the calculation of such indebtedness shall be in accordance with the method for calculating the value of related party transactions under the Notification of the Capital Market Supervisory Board Re: Rules on Execution of Related Party Transactions, *mutatis mutandis*. In any case, the consideration of such indebtedness shall include the indebtedness incurred during the period of one year to the date of establishing the business relationship with the related person

- (e) not being or having been an auditor of the applicant, its parent company, subsidiary, associate company, majority shareholder, or controlling person, and not being a significant shareholder, controlling person, or partner of the audit firm which employs the auditor of the applicant, its parent company, subsidiary, associate company, majority shareholder, or controlling person, unless the foregoing relationship has ended for not less than two years prior to the date of filing the application.
- (f) not being or having been a provider of professional services, which includes serving as a legal advisor or financial advisor and being paid a service fee of more than two million baht per year by the applicant, its parent company, subsidiary, associated company, majority shareholder, or controlling person, and not being a significant shareholder, controlling person, or partner of such provider of professional services, unless the foregoing relationship has ended for not less than two years prior to the date of filing the application.
- (g) not being a director who is appointed as the representative of directors of the applicant, major shareholder, or shareholder who is a connected person of a majority shareholder.

- (h) not undertaking any business of the same nature and in significant competition with the business of the applicant or its subsidiary, or not being a significant partner in a partnership, or an **executive director**, employee, staff, advisor earning a regular monthly salary, or holding more than one percent of the voting shares of another company that undertakes a business of the same nature and in significant competition with the business of the applicant or its subsidiary.
- (i) not having any other characteristics that cause the inability to express independent opinions on the business operation of the applicant.

3. Appointments and Term of Office of Board of Directors Members

- 3.1 The Nomination and Remuneration Committee recruits qualifying persons as specified in item 2. above for Company directorship and nominates them to the Board of Directors for consideration and subsequently to the shareholders' meeting for final voting and possible appointment. Company directors are required to hold office for a term of 3 years, whereas independent directors can hold a continuous term of office for up to 9 years and possibly longer should the board determine directorship extension is in the best interest of the Company.
- 3.2 The shareholders' meeting elects Company directors, whereas the board can appoint a candidate that satisfies the qualities specified in item 2. to directorship for vacancies of any reason other than retirement by rotation. When an early vacancy remains a term of office of 2 months or shorter, the appointed director is to serve out the position for the time remaining after the vacating director leaves. The board resolution for such an appointment must consist of no less than three-fourths of the remaining directors.
- 3.3 A third of the total directors are to retire from office upon the annual general shareholders' meeting that takes place every year. If a third is indivisible by 3 without leaving a remainder, the number of retiring directors is to be the closest possible to a third, where the retiring directors may be subsequently re-elected. The retirement of directors in the first and the second year after the Company's registration with the stock exchange is to be decided by lot, whereas directors with the longest time in office shall retire first in the years thereafter. In retiring by rotation, Company directors vacate their office upon:
 - 1) mortality
 - 2) resignation
 - 3) lacking the necessary qualifications or qualities to continue service, exhibiting prohibited characteristics per legal stipulations for public limited companies, or, characteristics that indicate a lack of suitability to be entrusted with managing a publicly listed company owned by shareholders per SEC legal provisions.

4) The meeting of shareholders voted out of position.

5) dismissal by court order.

Any Company director who wishes to quit their post must submit their resignation letter to the Company.

- 3.4 For directorship resignations before the term of office expiry, the director is to submit a resignation letter with reasons for resigning to the Chairman of the Board of Directors at least 30 days in advance, unless necessary and appropriate.

4. Board of Directors Scope: Powers, Duties, and Responsibilities

The Board of Directors must perform supervisory duties and capacities with responsibility, caution, and honesty in pursuit of favorable outcomes and corporate objectives under Company bylaws, policies, and resolutions of the shareholders' meeting, as well as overarching legal provisions and requirements, with the best interest of the shareholders and the Company at heart. The Board of Directors is endowed with the following powers and responsibilities:

- 4.1 Determine the Company Outlooks of corporate vision, mission, direction, bylaws, goals, and favorable outcomes thereto and approve the Executive Framework of corporate strategies, objectives, risk management, and policies therein and the Executive Plans to manage Company and Group business, budgets, expansions, and investments thereon, as well as the organizational structure, scopes of authority, and chains of command required in the execution thereof, as presented by the Executive Committee or the Executives. The board is also responsible for supervising the performance of the Company Chief Executive Officer, or the assigned attorney performing on their behalf, for the efficiency-effectiveness in making the most of organizational value under the Company Compliance Policy with the best benefits of the Company and shareholders at heart.
- 4.2 Consider committee and subcommittee appointments, such as the Audit and Corporate Governance Committee, the Executive Committee, and the Nomination and Remuneration Committee, among others, to assist and support the board in performing its duties as appropriately delegated. Related policy, roles, responsibilities, and standard operating procedures are clearly defined by the board and presented, along with the remuneration for the board and committee members proposed by the Nomination and Remuneration Committee, in the shareholders' meeting for approval.
- 4.3 Consider and determine the appropriate responsibilities, required authority, remuneration, and appointment of the Chief Executive Officer, as proposed by the Nomination and Remuneration Committee, and assess in-office performance and remuneration adjustments thereof.

- 4.4 Consider appointing qualifying persons as a director or executive in a Company Associate or a joint venture as a Company Representative, the former—in numbers equal to or greater than the proportion of voting shares the Company holds in that associate, the latter—where a joint venture contract is agreed. The scope of powers, duties, and responsibilities of the Company Representative at the Company Associate are clearly defined for maintaining and exercising management control across Company Associates under Company policies, encompassing the power to exercise clear discretion in (i) considering and votings in the Associate's board meetings on all important matters that require approval of the Company's Board of Directors in advance, and (ii) overseeing complete, accurate, and appropriate transactional compliance with Company bylaws and legal stipulations, namely in disclosing of financial status, operating results, connected transactions, and significant asset acquisitions or disposals, among others.
- 4.5 Supervise and monitor the Group's operational alignment with Company business objectives, plans, and budgets, as well as acknowledge reports and assess the performance of the Executive Committee and other subcommittees in following the objectives, plans, and budgets, and achieving them.
- 4.6 Consider and approve the Risk Management Policy and framework in determining the Company's Risk Appetite and implementing the Enterprise Risk Management System Plan, as proposed by the Executive Committee.
- 4.7 Acknowledge flagged risks and factors that may unfold, forthcome applicable and thorough advice and opinions to the Executive Committee and supervise the committee for proper management under the plan to establish and implement Enterprise Risk Management System and efficient-effective Risk Management Policy protocols and processes to ensure readiness in addressing flagged risks amidst the Company's quest for business opportunities.
- 4.8 Supervise Company internal control capacities to ensure efficient-effective Internal Control systems for auditing and consider and approve the System Sufficiency Assessment Form reviewed by the Audit and Corporate Governance Committee. Supervise a Company-wide Risk Management Policy capacity and the Enterprise Risk Management System implementation plan, including a feedback mechanism and channels for receiving complaints and taking action alongside whistleblowing venues.
- 4.9 Supervise professional development and succession plans for the Company and long-term business continuity under the plans.
- 4.10 Consider and approve investment budgets for various operations and resort to financial institutions as needed for financial assistance or credit, including guaranteeing contracts for normal Group business operations under Company bylaws and SEC—SET legal requirements.

- 4.11 Consider and approve transactions proposed by Company committees and management, as well as acknowledge and supervise Group transactional engagements in complying with relevant Securities Act and SEC—SET legal requirements, namely of connected transactions and significant asset acquisition or disposal, to the extent consistent with other laws.
- 4.12 Consider and approve entering business-as-usual contracts, operations, and transactions to support normal business activities under general trading conditions, namely financial capacities in, e.g., opening and closing accounts, entering transactions for funds and services, transactions with commercial banks or financial institutions, among others.
- 4.13 Supervise the Group for appropriate, reliable, and efficient-effective systems in its accounting and financial reporting-auditing for financial reports preparation and financial statements disclosure under pertinent SET and legal requirements and standards for financial reporting and timeframe.
- 4.14 Consider and approve audited quarter financial statements, including audited annual financial statements, and present them to the annual general meeting of shareholders for consideration and approval.
- 4.15 Consider and approve the selection and appointment of auditors and appropriate remuneration thereof, as proposed by the Audit and Corporate Governance Committee, and present to the general shareholders' annual meeting for approval.
- 4.16 Consider and decide the interim dividend payouts to shareholders on a case-by-case basis. Consider and approve the annual dividend payouts and propose them to the shareholders at the annual general meeting for approval.
- 4.17 Consider and approve the Corporate Governance Policy, the Corporate Social Responsibilities Policy, Anti-Corruption, and Code of Conduct and issue policies in accordance with the principles of good governance and effectively adapt the policies.
- 4.18 Supervise Conflicts of Interest between stakeholder parties in the Group and Associated Company, requiring all personnel to promptly declare to the Company stakeholders of themselves as well as their legally recognized family members.
- 4.19 Acknowledge contractual performance results and assessments, taking actions according to Audit and Corporate Governance Committee recommendations to avoid Conflicts of Interest.
- 4.20 With the Audit and Corporate Governance Committee go-ahead, notify injunctive relief to contractual parties of meeting agendas with potential conflicts of interest.
- 4.21 Consider and approve the Related Party Transactions under the authorized amounts, where the shareholders' approval is not required, e.g., trade agreements under general trading conditions, connected transactions between Company Associates with potential conflicts of interest, among

others, and set and authorize a management framework to overlook such transactions and engagements in compliance with Company bylaws and legal requirements and standards.

- 4.22 Consider and approve the acquisition or disposal of assets, new business investments, and other engagements where the transaction size does not require shareholder's consideration, in compliance with the applicable laws, notifications, regulations, and relevant rules.
- 4.23 Arrange the annual general meeting of shareholders within 4 months after the end of the Company's financial year.
- 4.24 Provide appropriate communication channels for each shareholders group and supervise the disclosure of information to ensure accuracy, clarity, transparency, and credibility of the highest standards.
- 4.25 Prepare the Annual Report and the disclosure of financial statements to reflect the Company's financial operating results and status of the past year to be presented to the shareholders' meeting.
- 4.26 Consider and approve the Company Signatory Authority Roster, i.e., a list of directors who can sign legally binding contracts on behalf of the Company, as well as roster revisions.
- 4.27 Consider where necessary to obtain the professional opinions of experts in making appropriate and informed decisions.
- 4.28 Consider appointing the Company Secretary to assist the board in performing its duties to ensure business operations comply with relevant legal provisions and requirements.
- 4.29 Assign one or more directors or other persons to act on behalf of the board where appropriate.
- 4.30 Consider performance assessment results of committees and provide opinions and suggestions for performance improvement.

In the delegation of board duties and responsibilities, it must not be to allow the board or its designee to approve any transaction with conflicts of interest, either of themselves or another conflicted person, regardless of the incurred benefit or the beneficiary, except for transactions approved by a shareholders' meeting resolution or the Board of Directors under existing Company bylaws and criteria, as well as relevant SEC and Capital Market Supervisory Board legal requirements.

5. Board of Directors Meetings

- 5.1 The Board of Directors meeting is held at least once per quarter, with the meeting dates scheduled in advance throughout the year and special meetings added as necessary.

- 5.2 In calling a board meeting, the invitation letter together with the meeting agenda and supporting documents must be sent to all directors at least 3 days before the meeting date to allow the directors sufficient time to study the information. For urgent matters that require immediate resolution to preserve a significant right or benefit of the Company, invitation letters can be notified to attendees electronically along with other means to notify the earlier than usual date.
- 5.3 The board Chairman calls Board of Directors meetings. In the absence of or position vacancy thereof, the board's Vice Chairperson calls the meeting. In the absence thereof, two or more directors may jointly call the meeting.
- 5.4 When two or more directors call a board meeting, the board's Chairman or their designee may schedule the meeting date within 14 days from the date the meeting was called.
- 5.5 The board meeting may be held via teleconference when conducted under bylaws and criteria as well as relevant legal provisions and requirements.
- 5.6 A director with any conflicts of interest related to a meeting agenda being voted must abstain from attending and voting on that agenda, allowing it to continue with open discussions and independent opinions.
- 5.7 The board's Chairman is responsible for chairing and controlling board meeting discussions under the meeting agenda as well as encouraging open and full participation from all attending directors in, e.g., asking and answering questions, making remarks or suggestions, and giving advice to executives and supporting Company business.
- 5.8 The Board shall encourage the Non-Executive Directors to have a meeting, when necessary, with no Executive attended, to discuss any concerned difficulties in management, and inform the result of the Meeting to the Chief Executive Officer.

6. Quorum and Voting

- 6.1 At least half of all board members must be present at the meeting to constitute a Board of Directors quorum. When the Chairman is absent or incapacitated, the board's Vice Chairman present at the meeting chairs the meeting. When the Vice Chairman is absent or incapacitated, or the position is vacant, the directors present at the meeting may elect one of the directors to chair the meeting.
- 6.2 Board meeting resolutions are based on the majority vote.
- 6.3 In board meeting votings, each attendee has the right to 1 vote. Directors with any conflicts of interest related to a board meeting agenda must abstain from attending and voting on that agenda. For tied vote counts, the meeting Chairman can cast a tiebreaker vote to decide the resolution.

7. Performance Assessment of the Board of Directors

- 7.1 A performance assessment is arranged for the board at least once a year, i.e., the annual performance assessment, assessing the board both as a group and individually per board member, either by self-assessment or cross-assessment, to evaluate board performance and problems as well as propose solutions to improve operational efficiency.
- 7.2 For the annual board performance assessment, the board may appoint external consultants to jointly consider, determine guidelines, and suggest areas for assessment at least every third year and disclose the results in the annual report (56-1 One Report).

8. Remuneration

The board determines the remuneration policy for board and sub-committee members, both monetary and non-monetary, as proposed by the Nomination and Remuneration Committee. The remuneration process must be transparent and appropriate. The remuneration rate must be fair and comparable, considering the duties, responsibilities, and competitive standards in the same industry, and approved by the shareholders' meeting.

9. Charter Review

This charter is reviewed at least once a year, with improvement recommendations as appropriate.

This Board of Directors Charter is approved by the Board of Directors and is effective from the 19th of December 2023, onwards.

Audit and Corporate Governance Committee Charter

P.S.P. Specialties Public Company Limited

Audit and Corporate Governance Committee Charter

The Audit and Corporate Governance Committee was established to support Board-of-Directors duties by acting independently in overseeing auditing units and reviewing financial reporting, administration, internal control, and internal auditing to ensure that company operations are in accordance with the law, announcements, requirements, and codes of conduct, and for the company to have good corporate governance and internal audit units and auditors that are independent, transparent, and reliable in the performance and disclosure of company information.

1. Composition of the Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee has the following composition:

- 1.1 The committee must consist of at least 3 independent directors.
- 1.2 At least one committee member must have sufficient knowledge and experience in accounting or finance to review financial statement reliability and credibility. In so doing, one member is elected from and by the committee as the Chairman of the Audit and Corporate Governance Committee.

2. Qualifications of Audit and Corporate Governance Committee Members

A member of the Audit and Corporate Governance Committee must have the following qualities:

- 2.1 Must be a director or an independent director.
- 2.2 Each member of the AC Committee shall possess no characteristics prohibited by the laws on public limited companies, securities and exchange, and any other applicable laws governing the business operation of the Company. They shall not lack those credible attributes as required to be possessed by the Securities and Exchange Commission.
- 2.3 Members must not be those assigned by the Board to decide on business operations related to PSP, the parent company, subsidiaries, associated companies, sister companies, or juristic persons with potential conflicts of interest, or person with controlling power over the Company.
- 2.4 Is not a director of a Company subsidiary that holds shares on the stock exchange.
- 2.5 Exhibits sufficient knowledge and experience to serve on the committee with at least 1 member having sufficient knowledge and experience in accounting or finance to review the credibility of financial statements.

3. Tenure and Election of Members of the Audit and Corporate Governance Committee Appointments and Terms of Office of Audit and Corporate Governance Committee Members

The Board of Directors appoints independent Company directors as members of the Audit and Corporate Governance Committee with 3-year terms of office per Company bylaws starting from the date of appointment. Audit and Corporate Governance Committee members who retire by term completion may be reappointed again, but may not hold office continuously for longer than 9 years unless the board deems the extension necessary in the best interest of the Company.

Audit and Corporate Governance Committee members leave office upon their term of office expiration, death, resignation, removal, or are deemed to lack the necessary qualities to continue service. The board's Chairman is informed in advance for the board to consider appointing a new qualifying independent director (item 2.) to replace the vacating member.

When a member vacates the committee, by either completing or not completing their term of office, and the number of total committee members drops below the minimal composition requirement, a Board of Directors appointment resolution is required to satisfy the requirement and get the committee back to full capacity. The appointment must take place immediately or no longer than 3 months after the day the number of members dropped below the minimum requirement to ensure organizational audit continuity under Audit and Corporate Governance Committee oversight, proper Internal Control, and Company Compliance Policy.

4. Roles, Duties, and Responsibilities of Audit and Corporate Governance Committee Members

- 4.1 Review the company's financial report to be accurate, complete, and reliable, and disclose the information accurately and adequately according to the laws and financial reporting standards, including approving audited quarterly financial statements and annual financial statements, and presenting to the Board of Directors' meeting.
- 4.2 Select and nominate an independent person to act as the Company's auditor and propose the auditor's remuneration, taking into account their credibility, resource sufficiency, the auditing workload of their audit firm, and experience of the personnel assigned to audit the company's accounts.
- 4.3 Review Company-wide Internal Control, Internal Audit, and Risk Management Policy capacities for adequacy, appropriateness, and functionality.
- 4.4 Consider the independence of the Internal Audit Unit based on the performance of duties, and reports, including the chain of command, and approve the appointment, transfer, and dismissal of the head of the unit or the assigned responsible unit. Evaluate the performance of the head of the

unit for the Chief Executive Officer to allocate the Internal Audit Unit budget and manpower and present to the Board of Directors for consideration under the regular annual budget.

- 4.5 Review to ensure the Company's information system technology is suitable for supporting the system requirements for up-to-date Internal Control, financial reporting, risk management, information security, and interconnected computer networks.
- 4.6 Review and approve the Internal Control Sufficiency Evaluation Form that is examined and evaluated by the Internal Audit Unit to ensure sufficient Company Internal Control capacity and propose to the Board of Directors for further consideration and approval.
- 4.7 Review the accuracy of the Company's self-assessment form on Anti-Corruption measures and referential material under Thailand's Private Sector Collective Action Coalition Against Corruption project.
- 4.8 Review to ensure Company Compliance Policy, that the Company complies with SET—SEC and Securities and Exchange Act legal requirements and notifications, as well as relevant legal provisions applicable to the Company or its business, or both.
- 4.9 Consider and review the Best Practices of the Audit Committee to prevent and deter inappropriate behavior of listed companies.
- 4.10 Consider and forthcome opinions on connected transactions or transactions that may have conflicts of interest in the legal framework of SET—SEC and Securities and Exchange Act legal provisions and requirements, as well as other legal stipulations applicable to the Company or its business, or both, to ensure reasonable transactions in the best interest of the Company and its shareholders at heart.
- 4.11 Supervise the monitoring of contract undertakings and ensure no potential contractual conflicts of interest. Review the monitoring results at least once a year, present them to the Board of Directors for acknowledgment or further action, depending on the case, and consult the board on further actions to take, if any, including how to handle meeting agendas to consider contracts with potential conflicts of interest.
- 4.12 Consider and review the Corporate Governance Policy, Company Code of Conduct, Anti-Corruption Policy, and any related policies at least once a year, to ensure good Corporate Governance and propose to the Board of Directors for approval.
- 4.13 Monitoring the operation concerned to Corporate Governance to comply with the policy and report the operation performance to the Board of Directors for acknowledgment.

- 4.14 Providing consultation and suggestions to the Company in good Corporate Governance, and encouraging communication to Directors, Executives and Employees to understand the Policies and Best Practice in Corporate Governance and Company Code of Conduct.
- 4.15 Consider and render opinions in the Company's Annual Assessment Report on Corporate Governance, Social Responsibility, and Anti-Corruption performance.
- 4.16 Proceed to ensure the Company has in place (i) a whistleblowing mechanism and the required procedures for receiving and processing complaints and clues from witness personnel who on reasonable grounds and good faith suspects wrongdoing, be it misconduct, corruption, bylaws or legal non-compliance, or Company Code of Conduct or Company Compliance Policy violations, and (ii) an independent whistleblowing investigation process with agents and investigators that take appropriate action under set processes and Company bylaws in the fact-resolution-finding process, be it requesting interviews, reporting progress, and taking necessary actions to resolve the case.
- 4.17 Be observant of any transaction or development of potentially impactful consequences on the Company's financial position and operating results. Immediately notify the Board of Directors upon discovering or suspecting such threat for timely consideration and necessary action by the appropriate timelines recommended by the Audit and Corporate Governance Committee. Such transactions and development include:
- (a) Transactions that cause conflicts of interest.
 - (b) Fraud or abnormality or Internal Control system defect.
 - (c) Company Compliance Policy violations, be it of the Securities and Exchange Act, SEC—SET regulations, requirements, or notifications, or any other relevant legal stipulations applicable to the Company or its business.

Failure of the Board of Directors or executives to make amendments or rectify the situation within the specified timeframe may be reported to the SEC or SET by the Audit and Corporate Governance Committee as appropriate.

- 4.18 Invite management, employees, or related persons to attend meetings to clarify or supplement relevant information and communicate directly with both external and internal auditors and Group management at the same table under the scope and authority granted by the Board of Directors or the Audit and Corporate Governance Committee.
- 4.19 Audit required or relevant persons under the committee's authority and outsource or bring in specialists to assist as necessary in the auditing process and provide opinions or advice thereon. The expenses thereof are included in the committee's budget.

- 4.20 Attend a meeting with the head of the Internal Audit Unit to discuss important matters in the absence of management at least once a year.
- 4.21 Prepare the Audit and Corporate Governance Committee Report with enclosed committee opinions and feedback on various aspects and sources along with relevant information, present it to the Board of Directors, and disclose a copy endorsed by the Audit and Corporate Governance Committee Chairman in the Company's Annual Report. The following information must be included at the minimum:
- a) An opinion on the accuracy, completeness, and credibility of the Company's financial reports.
 - b) An opinion on the adequacy of the Company's Risk Management and Internal Control systems.
 - c) An opinion on the Company Compliance Policy with the overarching Securities and Exchange Act and SEC—SET legal provisions and requirements, along with other relevant laws applicable to the Company or its business, or both.
 - d) An opinion on the suitability of auditors.
 - e) An opinion on transactions with potential conflicts of interest.
 - f) The number of Audit and Corporate Governance Committee meetings and the itemized attendance thereof.
 - g) The feedback or overall observation on committee performance under the Charter.
 - h) Any other shareholder and general investor need-to-know information on Audit and Corporate Governance Committee jurisdiction, duties, and responsibilities assigned by the Board of Directors.
 - i) An opinion on Company Corporate Governance.
- 4.22 Report operating results to the Board of Directors every 3 months.
- 4.23 Review and propose to the Board of Directors to consider amending the Audit and Corporate Governance Committee Charter to adapt and progress with significant changes and developments that unfold.
- 4.24 Consider appointing the Company's Head of the Internal Audit Unit as the Secretary of the Audit and Corporate Governance Committee to take care of various committee activities as well as determine the required qualities and qualifications thereof in performing and supporting committee auditing duties and operations.
- 4.25 Undertake any other board assignments with the committee go-ahead.

5. Meetings

- 5.1 Regular Audit and Corporate Governance Committee meetings are held at least quarterly with cooccurring Company financial reporting periods. Special meetings may be called by the Audit and Corporate Governance Committee Chairman as requested by Audit and Corporate Governance Committee Members or the board Chairman to consider matters that require special attention.
- 5.2 Meeting notices, along with relevant agenda and supporting documents, are distributed by the committee Chairman or their designee to all committee members at least 3 days before the meeting date to allow sufficient time to study the material. For urgent matters requiring immediate attention to protect the rights or benefits of the Company, the meeting notices may be sent electronically or in other ways to set the meeting date early.
- 5.3 Committee meetings may be held via teleconference or electronically when relevant Company bylaws, requirements, and criteria are satisfied in so doing.
- 5.4 A committee meeting with Company auditors in the absence of management is to be held at least once a year, be it a special or a regular meeting, or arranged as an additional agenda separate from others in the same regular meeting. A similar exclusive committee meeting with executives is also arranged at least once a year.

6. Quorum and Voting

- 6.1 At least half of all committee members must be present in a committee meeting to constitute a quorum. When the committee Chairman is absent from the meeting or incapacitated, a committee member is elected from and by the committee members attending the meeting as the acting meeting Chairman.
- 6.2 Meeting resolutions are based on the majority vote.
- 6.3 Every committee member is entitled to one vote in any meeting agenda except those where they may have a conflict of interest with the matter being voted on, in which case their right to vote is forfeited. The Chairman is entitled to cast a tiebreaker to decide the resolution when the vote count results in a tie.

7. Self-Evaluation Performance Assessment of the Audit and Corporate Governance Committee

- 7.1 A performance assessment of the committee is conducted at least once a year, i.e., the annual assessment, both as a group and individually, by self- or cross-assessment methods, to feedback on the committee's oversight, Internal Control, and auditing performance, discuss work-related

problems, and propose solutions, rooms for improvement, and best practices for operational functionality.

- 7.2 The committee may outsource external consultants to jointly determine guidelines to assess its performance and suggest issues and concerns thereon as necessary and appropriate.
- 7.3 Report the committee's annual performance assessment results to the Board of Directors for acknowledgment and comments for further performance improvements.

8. Remuneration

The Audit and Corporate Governance Committee's remuneration rates are considered and approved by the shareholders' meeting.

9. Charter Review

The committee reviews this charter at least once a year and makes recommendations for improvements as appropriate from an insider's view and proposes the review to the Board of Directors to consider charter amendments.

This Audit and Corporate Governance Committee Charter is approved by the Board of Directors and is effective from the 19th of December 2023, onwards.

The Executive Committee Charter

P.S.P. Specialties Public Company Limited

The Executive Committee Charter

The Executive Committee is established to support the Board of Directors in managing company affairs under set policies, plans, rules, and orders, as well as relevant regulations, including the goals set within the framework assigned by the Board of Directors.

1. Composition of the Executive Committee

The committee consists of at least 3 members appointed by the Board of Directors, whereby neither member needs to hold the position of a Company Director and one member is to be elected as the Chairman of the Executive Committee.

2. Qualifications and Qualities of Executive Committee Members

Members of the Executive Committee must have the following qualifications and qualities:

- 2.1 Exhibit a broad base of knowledge, hands-on operational business experience, expertise, and qualities required to perform the duties and responsibilities honestly and appropriately as a member, and can devote the time and effort required to fully perform assigned duties and responsibilities on the Company's behalf.
- 2.2 Exhibit a broad base of qualifications and qualities without any prohibited characteristics per legal provisions.
- 2.3 Is neither a person operating a Competitor, i.e., a business or a juristic person of the same nature that competes with the business of the Company, nor an Inside Competitor, i.e., a partner or a director of a Competitor, regardless of the beneficiary thereof, unless the undertaking is acknowledged by the Board of Directors before the agenda to consider the committee member's appointment.

3. Appointment and Terms of Office of Executive Committee Members

The Board of Directors may appoint a qualifying person under the criteria in 2. as a committee member with a 3-year term of office per Company bylaws, whereby committee members that retire by rotation, i.e., with a completed term of office, may be considered for re-appointment. Committee members vacate office upon mortality, resignation, term completion, or board approval. For early resignation without completing the term of office, the committee member must notify the committee Chairman at least 30 days in advance before the resignation day. Prior to filling a committee vacancy, the Board of Directors must re-determine the minimum committee composition

requirement, including the total number of committee members, and consider appointing a qualifying replacement (under clause 2.) to satisfy the requirements, as needed. A placeholder member may be appointed to serve out the remainder of an incomplete term of office, due to either early resignation or incapacity. When a Company director fills a committee vacancy previously held by a Company director, the replacement director's term of office is to observe the remaining time under their Company directorship.

4. Executive Committee Scope: Powers, Duties, and Responsibilities

- 4.1 Prepare the Company Outlook of corporate vision, mission, direction, bylaws, strategy, and goals thereto, along with favorable outcomes therefrom, and determine the Executive Framework of corporate strategies, objectives, and underlying policies therein and the Executive Plans to manage the Company business, budgets, expansions, and investments thereon, as well as the organizational structure, scopes of authority, and chains of command required in the execution thereof. Propose the outlook, framework, and plans to the Board of Directors for approval and proceed to implement and manage agreed plans, including monitoring and following up on the performance thereof to ensure optimal Company operations, considering budget changes in adapting with situations and developments that unfold, and seeking necessary board approval thereas.
- 4.2 Oversee and manage business-as-usual Company operations under the Executive Framework and Executive Plans, including the corporate strategies and policies set by the Board of Directors, consider the optimal resource management, allocation, and utilization in the Company's pursuit of sustainable favorable outcomes, and report the performance thereof to the Board of Directors quarterly, at a minimum.
- 4.3 Approve Company bylaws, i.e., executive regulations, orders, requirements, and policies, including the process of control and management throughout organizational lines of duties under the Executive Committee's jurisdiction approved by the Board of Directors.
- 4.4 Consider the feasibility study for investment prospects and approve business-appropriate Company investments, including jointly investing with a person, juristic person, or business organization, among other investment forms, including entering legal contracts and any related transactions, as well as consider and approve the budgets and expenditures thereof, under the Executive Committee jurisdiction, Company objectives, and Company Compliance Policy. The Executive Committee's jurisdiction is authorized or approved by the Board of Directors per Company Delegation of Authority Guidelines.

- 4.5 Monitor the performance and progress of approved investment projects and report the results to the Board of Directors at least quarterly, including problems, obstacles, solutions, and room for the improvement thereof, if any.
- 4.6 Consider Company profit-loss and dividend payout recommendations and propose them for board approval to be applied in the decision-making process for entering new contracts, ordinary business transactions, or any ordinary business support transactions under general commercial conditions and budget limits per Delegation of Authority Guidelines or board determination, including trading, investing, or joining ventures in the pursuit of favorable outcomes under the Company Outlook.
- 4.7 Consider financial obligations and commitments and approve necessary grants, financial assistance, or credit applications through financial institutions, including pledges, mortgages, or guaranteeing the Company and its subsidiaries (the "Group") within specified limits per Delegation of Authority Guidelines or board authorization.
- 4.8 Review and define the Risk Management Policy and Framework by considering the objectives, vision, mission, policies, main goals, and business strategies of the company and propose to the Board of Directors for approval.
- 4.9 Consider and approve the Company's Enterprise Risk Management Plan and Risk Appetite under the Executive Framework with a risk assessment process covering all areas specified in the Risk Management Policy and Framework.
- 4.10 Consider and approve the Risk Management Manual, as proposed by the Risk Management Unit, and review it at least once a year.
- 4.11 Supervise optimal compliance under the Risk Management Policy and Framework.
- 4.12 Consider and supervise risk owners to follow up on the implementation of the risk management plan to improve or rectify the situation in time if the risk changes or the impact level is likely to become more severe.
- 4.13 Supervise the Risk Management Unit to systematically document monitored Risk Management Policy results and report them to the Executive Committee. Use the reported results in the decision-making process to assess and recommend improvements and changes to the Risk Management Policy Framework, i.e., protocols, standard operating procedures (SOPs), and plans, and propose to the Board of Directors for consideration.
- 4.14 Supervise the Company to have an Enterprise Risk Management System (ERMS) that is adequate, appropriate, and board-approved.
- 4.15 Approve the appointment of consultants with expertise in necessary areas to optimize Company operations under the board-approved annual budget.

- 4.16 Authorize the Chief Executive Officer to operate the Company's business under Executive Committee determination, supervision, and Scope, i.e., its assigned powers, duties, and responsibilities.
- 4.17 Supervise Company management and determine the appropriate organizational structure for the Group to optimally manage, account for, and follow up on Group operations with the best interests of the Company at heart.
- 4.18 Consider, approve, and supervise a suitable Recruitment-Selection System for vice-positions immediately under the Chief Executive Officer as well as vice-personnel at the same level to be responsible for overlooking a transparent and fair process thereof.
- 4.19 Consider and approve a Remuneration Policy and Framework for determining appropriate criteria for remunerations, rates, rate increases, bonuses, and gratuities for personnel under the Chief Executive Officer.
- 4.20 Provide Board of Directors Communication Channels for direct communication with the board.
- 4.21 Supervise to ensure the Compliance Performance shall be quarterly reported to Executive Committee for advisory and acknowledgment.
- 4.22 Consider and render opinions on pending board-approval matters except when the board assigns the responsibility to another committee.
- 4.23 Perform any other tasks under board assignment or policy.
- 4.24 Retain independent opinions of professional advisors as necessary and appropriate under the Company budget.
- 4.25 Review and propose to the Board of Directors to consider revising the Executive Committee Scope as appropriate and required in different situations.
- 4.26 Appoint an Executive Committee Secretary to assist the committee in performing its duties and ensure the Company business operates under Company Compliance Policy, including Company bylaws and legal provisions and requirements.
- 4.27 Authorize Executive Committee attorneys to act on behalf of the committee, whereby such delegation or sub-delegation of power may not be to enable the committee or its attorney to approve any transaction with any unintended conflicts of interest, regardless of the incurred benefit or the beneficiary, be it of the Company or its subsidiary, directly or indirectly, except for transactions under board approval, Company Compliance Policy, and the legal provisions and requirements of SEC and Capital Market Supervisory Board.

5. Executive Committee Meetings

- 5.1 Hold at least one committee meeting quarterly, or more as the committee Chairperson sees fit.
- 5.2 In convening a meeting, the committee Chairperson or the acting member is responsible for distributing the meeting notice, along with the meeting agenda and supporting documents, to all committee members at least 3 days prior to the meeting date to allow attendees sufficient time to study relevant information. In an urgent case that requires special attention to protect the rights or benefits of the Company, the notice may be sent electronically or by any other means to notify the earlier schedule.
- 5.3 The meetings may be held via teleconference or electronically, provided it complies with relevant legal requirements and criteria.

6. Quorum and Voting

- 6.1 In a committee meeting, at least half of all attending committee members are required to constitute a quorum. When the committee Chairperson is absent or incapacitated, a present member can be elected by the rest of the meeting to serve as the acting Chairperson to manage the meeting.
- 6.2 The meeting resolution is based on the majority vote.
- 6.3 Every committee member attending an Executive Committee meeting is entitled to one vote to cast in any meeting agenda except those where they have a potential conflict of interest with the matter to be voted on, in which case their right to vote is forfeit. When the vote count results in a tie, the Chairperson or the acting member can cast a tiebreaker to decide the resolution.
- 6.4 The committee Chairperson is responsible for reporting approved resolutions to the Board of Directors in the next meeting, regularly.

7. Performance Assessment of the Executive Committee

- 7.1 A performance assessment on the Executive Committee is arranged at least once a year, i.e., the annual assessment, as a group and individually, by self- or cross-assessment methods, for the committee to acknowledge its performance, problems, solutions, and room for improvements for optimal operational performance.
- 7.2 For the annual assessment, the committee may outsource external consultants to jointly determine guidelines and shed light on issues in the assessment process as necessary and appropriate.
- 7.3 Report its annual performance assessment results to the Board of Directors for acknowledgment and the board's opinions and suggestions for further improvements in the committee's performance.

8. Remuneration

Executive Committee remuneration and rates are approved by the shareholders' meeting.

9. Charter Review

The charter is reviewed by the committee at least once a year with appropriate improvement recommendations and proposed to the Board of Directors to consider charter amendments.

This Executive Committee Charter is approved by the Board of Directors and is effective from the 19th of December 2023, onwards.

Nomination and Remuneration Committee Charter

P.S.P. Specialties Public Company Limited

Nomination and Remuneration Committee Charter

The Nomination and Remuneration Committee is responsible for recruiting qualified personnel to serve as the Chief Executive Officer and members of committees and subcommittees under the Company, as well as considering the remuneration policies, scopes, and forms of payments to be proposed to the Board of Directors or the shareholders' meeting, or both, for further approval.

1. Composition of the Nomination and Remuneration Committee

The committee consists of not less than 3 members, with the majority being independent directors. The Chairman must be elected from and by the committee and must be an independent director.

2. Qualifications of the Nomination and Remuneration Committee Members

Committee members must have the following qualifications and qualities:

- 2.1. Is a Director.
- 2.2. Is knowledgeable, capable, honest, and well-experienced in areas beneficial in the role and performance of duties and exhibits the business ethics required of a committee member.

3. Appointment and Terms of Office of the Nomination and Remuneration Committee Members

The Board of Directors appoints members of the Nomination and Remuneration Committee, by selecting from the qualified Board members. The term of office of a member of the Nomination and Remuneration Committee shall be 3 years. A member of the committee who vacates his/her office by rotation may be re-appointed.

The board promptly proceeds to appoint new members to fill any committee vacancy and satisfy the minimum capacity requirement of 3 committee members to perform the job efficiently.

4. Nomination and Remuneration Committee Scope: Powers, Duties, and Responsibilities

- 4.1 Consider the structure and composition of the Board of Directors for the required board matrix, the total number of members, size, function, work complexity, and suitability for the Company's business under the corporate strategy and the changing environment.
- 4.2 Determine the qualifications and the criteria of the Nomination and Remuneration Committee members, subcommittees, and the Chief Executive Officer set the recruitment-selection qualifications criteria encompassing knowledge, experience, and expertise, among other qualities required for the member to function efficiently and effectively on the Board of Directors, committees, subcommittees, or as the Chief Executive Officer and propose to the Board of Directors for approval. Consider and select qualifying candidates that satisfy the criteria for different positions

and nominate the names to the Board of Directors for consideration and possibly appointment by the shareholders' meeting, as the case may be.

- 4.3 Review and consider the qualifications of each independent director for their independent qualities and ensure the criteria is fully met, also.
- 4.4 Consider scheme and knowledge, a constantly evolving process for directors to develop and advance the hard and soft skills required to run the business amidst the economic conditions, technological systems, and legal provisions and requirements related to the Company's business
- 4.5 Review and prepare the succession plans for the Chief Executive Officer and the executives to ensure organizational readiness with qualified successors to key positions, including the plans for progressive professional development programs and career maps for the positions alongside Company business development, changing requirements, and operational continuity.
- 4.6 Propose a remuneration policy framework and payment formats for directors, committee members, and the Chief Executive Officer of the Company, in cash or non-cash forms, at fixed rates such as regular compensation and meeting allowances, and variable rates by the company's performance such as bonuses and gratuities, taking into account the appropriateness, fairness, and legal compliance, to propose to the Board of Directors for approval.
- 4.7 Review and consider the performance assessment criteria on the Board of Directors, subcommittees, and the Chief Executive Officer, collectively and individually, and propose to the Board of Directors for approval.
- 4.8 Collect the annual performance assessment results of the subcommittees and the Chief Executive Officer, along with recommendations for operational efficiency improvements, and propose to the Board of Directors for acknowledgment.
- 4.9 Review and study remuneration developments, industry standards, and trends regularly to follow up on appropriate remuneration adjustments for subcommittees and the Chief Executive Officer and propose the Nomination and Remuneration Committee policy and framework to the Board of Directors for approval.
- 4.10 Consider remuneration of directors, committee members, and the Chief Executive Officer of the Company under the Nomination and Remuneration Committee framework and should be informed in the following Board's Meeting or both, depending on the case, for approval.
- 4.11 Obtain independent opinions of third-party professional experts as necessary with reasonable Company expenses and disclose the source's details in the Annual Report, if any.
- 4.12 Obtain any information from any departments and sources to consider in the decision-making process of various matters as needed.

- 4.13 Perform any other tasks as determined by the board of directors

5. Nomination and Remuneration Committee Meetings

- 5.1 The Nomination and Remuneration Committee shall hold meetings at least twice a year
- 5.2 In summoning a meeting of the Nomination and Remuneration Committee, the chairman of the Nomination and Remuneration Committee or the person entrusted shall send a written notice summoning a meeting to Nomination and Remuneration Committee members not less than three days prior to the date of the meeting except that, in the case of necessity or urgency for the purpose of protecting rights or benefits of the company, a summons of a meeting may be notified by electronic media or other means and an earlier date of the meeting may be fixed. For pressing matters that require immediate attention to protect the rights or benefits of the Company, the meeting notices may be sent electronically or by any other means to notify the earlier than usual meeting date.
- 5.3 The quorum of the Nomination and Remuneration Committee can be conducted through electronic media in accordance with the requirements of the laws, regulations, announcement, and relevant criteria.

6. Quorum and Voting

- 6.1 The quorum of the Nomination and Remuneration Committee meeting requires not less than half of the members. In the case where the Chairman of the committee cannot attend the meeting, the committee members shall select one of the attending independent members to be the Chairman of the meeting.
- 6.2 Resolution of the meeting requires a majority vote.
- 6.3 In vote casting, each member has one vote except those who have any vested interest in any agenda being considered must excuse themselves and abstain from voting on that particular matter. In the event of a tie vote, the Chairman of the meeting shall have a casting vote.
- 6.4 The Chairman or their attorney is responsible for reporting meeting results to the Board of Directors in the next meeting on a regular basis.

7. Performance Assessment of the Nomination and Remuneration Committee

- 7.1 A performance assessment on the committee takes place at least once a year, i.e., the annual assessment, collectively as a group and individually, by self-or cross-evaluation methods, for the committee to acknowledge its performance and problems as well as potential solutions and operational efficiency room for improvements.

- 7.2 In the annual performance assessment, the committee may appoint outside consultants to jointly determine assessment criteria, and make recommendations and suggestions on assessment issues as necessary and appropriate.

8. Remuneration

The Nomination and Remuneration Committee is eligible for remuneration as approved by the Shareholder's meeting.

9. Charter Review

The committee reviews this charter at least once a year, makes recommendations for improvements as appropriate, and proposes them to the Board of Directors to consider Nomination and Remuneration Committee charter amendments.

This Nomination and Remuneration Committee Charter is approved by the Board of Directors and is effective from the 2nd of August 2022, onwards.

Internal Audit Charter

P.S.P. Specialties Public Company Limited

Internal Audit Charter

This charter is prepared to communicate to executives that conduct internal control audits, as well as employees at all levels of the company, the objectives, work scope, responsibilities, independence, obligations, and rights of internal auditors under the principles of International Standards for the Professional Practice of Internal Auditing, alongside the work performance of the internal audit unit, and create an understanding and cooperation among various departments, thereby synergizing the overall benefit of the company.

1. Internal Audit Definition

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

2. Organizational Structure and Managing the Internal Audit Unit

The Internal Audit Unit reports directly to the Company's Audit and Corporate Governance Committee where the Internal Audit Unit head is responsible for managing and achieving set Internal Audit Unit goals under the Company strategy. Whereas the Internal Audit Unit general administration is under Company Policy, the Audit and Corporate Governance Committee has the final say in the Internal Audit Unit decision-making processes.

3. Qualifications of Internal Auditors

Whereas the Internal Audit Unit must be independent, the internal auditors must have the following qualifications:

- 3.1. Exhibit independence without conflicts of interest and freely expressed opinions.
- 3.2. Exhibit comprehensive knowledge, experience, and expertise required to audit the internal operations of Corporate Governance, Internal Control, and Risk Management, among other areas. Capable of identifying and assessing the likelihood and impact of risk factors of successful Company operations and management, as well as applying holistic approaches to auditing internal accounting, finance, information technology, and pertinent legal provisions and requirements, among other business-related areas.
- 3.3. Capable of auditing under internal audit standards and inspecting departmental internal performances in accounting, internal control, risk management, and compliance, among other business-related areas, across Company departments, as well as rendering honest and practical opinions and recommendations for solutions and room for improvements on internal efficiency and effectiveness, while, in so doing, is accepted and received by audited parties in harmony.

3.4. Exhibit knowledge and experience of legal provisions and requirements under the Capital Market Supervisory Board, the Securities and Exchange Commission (SEC), and the Stock Exchange of Thailand (SET), among other decrees and mandates related to Company business. Whereby, additional qualifications and qualities are expected of the Internal Audit Unit head as follows:

- a) have at least a bachelor's degree
- b) experienced in both external and internal auditing totaling at least 5 years, whereby completed relevant training courses and held 5-year and over auditing management positions are a plus.

4. Appointment

Appointments, transfers, and performance assessments of the Head of the Internal Audit Unit and Internal Auditors are approved by the Audit and Corporate Governance Committee.

5. Scope of the Internal Audit Unit

- 5.1. Review the identification, assessment, appetite, and management of risk factors.
- 5.2. Review and assess the suitability and sufficiency of Company Internal Control and Risk Management.
- 5.3. Review the adequacy, efficiency, and effectiveness of operational systems, safeguarding of assets, supervision, and efficient use of resources.
- 5.4. Review and report the accuracy, completeness, and reliability of the process for collecting and preparing financial and non-financial information.
- 5.5. Review operational systems and processes with significant impact potential on Company operations and Company policy with bylaws and relevant legal provisions and requirements thereof.
- 5.6. Review various operational performance results to ensure as-planned implementation and consistency with set corporate objectives, goals, and policy thereof.
- 5.7. Recommend Internal Control Systems under the International Standards for the Professional Practice of Internal Auditing to audited Company departments.

6. Internal Audit Unit Duties and Responsibilities

Internal Audit Unit has duties and responsibilities, assigned and additional, under the Audit and Corporate Governance Committee as follows:

- 6.1 Review, assess, and ensure organizational readiness under the Internal Audit Unit framework with efficient, appropriate, and adequate Internal Control and Risk Management Systems for the Company and its subsidiaries (the "Group") and the consistent development thereof.
- 6.2 Set the Internal Audit Unit framework of auditing scope, goals, directions, missions, policies, plans, and guidelines in supporting various aspects of management and operations under the Company Outlook and bylaws in its pursuit of favorable outcomes.

- 6.3 Review and ensure operational system and planning consistency with the Internal Audit Unit framework and Company Outlooks and set operational and planning requirements accordingly, including advising on the development thereof.
- 6.4 Render internal control and corporate governance advice to Company executives and the Audit and Corporate Governance Committee on appropriate and optimal measures for preventing, managing, and improving Risk Management Systems, Internal control, and Corporate governance.
- 6.5 Review and assess the Internal Control Organizational Readiness of various operating systems and procedures with significant impact potential on successful Company operations and information technology systems. Reinforce and ensure Internal Control Organizational Readiness with concise, appropriate, efficient, and complete internal control systems under the Internal Audit Unit framework and Company Compliance Policy, and report the results thereof to the Company.
- 6.6 Prepare the Internal Control System Adequacy Evaluation Form and propose it to the Audit and Corporate Governance Committee for consideration and further proposal to the Board of Directors for approval.
- 6.7 Review referential documents and self-assessment forms on Company Anti-Corruption measures under the Private Sector Collective Action Coalition Against Corruption project.
- 6.8 Review and assess post-audit corrective action plans and follow up with audited parties as necessary to ensure action is taken by the responsible agent to rectify the problems and defects identified in the auditing process.
- 6.9 Review good Corporate Governance compliance, and recommend practical and straightforward principles, systems, and criteria settings in meeting the requirements thereof.
- 6.10 Assess Company personnel to ensure operation complied to Company Code of Conduct.
- 6.11 Promote Whistleblowing policy and channels across the organization to receive and process clues or complaints about corruption, misconduct, and Company Code of Conduct or Company Compliance Policy violations, including irregularities in financial reporting, defective internal control systems, and issues that may impact the interests and reputation of the Company. Supervise and conduct independent whistleblowing investigation processes and follow up on progress and feedback with related parties in a timely and appropriate manner.
- 6.12 Review the process and rules for documenting connected transactions or those with potential conflicts of interest, including the acquisition and disposal of assets, to ensure reasonable grounds in the best interests of the Company and compliance with bylaws and legal provisions and requirements under SEC—SET and the Capital Market Supervisory Board.
- 6.13 Conduct organizational resource and asset accountability assessment to determine the utilization rate and cost-effectiveness, and ensure proper monitoring, recording, and documentation systems are in place for optimal enterprise asset-resource accountability, utilization, and preservation.

- 6.14 Examine the Internal Control Organizational Readiness system capacities of key departments across the Group with auditing autonomy and the right to notify audited parties in advance, or not, as required and appropriate.
- 6.15 Review, conduct transactional tests, inquire, and observe managerial methods of personnel, assets, liabilities, income, expenses, and operations, among other areas, with the power to access information, documents, evidence, reports, and other related information, including conducting official inquiries and interviews with executives, employees, and other relevant persons to be documented and taken into account for the Internal Control Organizational Readiness assessment. However, the Internal Audit Unit does not have the authority to set or reinforce Internal Control Organizational Readiness policies, guidelines, protocols, or processes, or make changes to the internal control or underlying systems of the audited parties. The Executive Committee is the responsible authority for such undertakings, while the scope of services of Internal Audit Unit agents and auditors is limited to consultation and advisory capacities.
- 6.16 Collaborate with Company executives, audited parties, and other cross-departmental capacities to participate and provide information and suggestions to convert identified and evaluated risk factors to action more systematically and efficiently in joint efforts with the best interests of the Company at heart.
- 6.17 Coordinate with outsourced third-party internal auditors, that have been hired for internal auditing purposes, and provide the necessary support to ensure successful Company internal control and auditing.
- 6.18 Request supporting documents from external agencies or experts to obtain useful information for internal auditing.
- 6.19 Consider jointly with the Audit and Corporate Governance Committee any problem or limitation that arises in the course of internal auditing.
- 6.20 Consider jointly with the Audit and Corporate Governance Committee existing plans to review electronic data controlling and processing methods and the underlying security programs with a focus on curtailing any form of computer- or electronic-based fraud or misuse by Company personnel or third parties.
- 6.21 Request the Audit and Corporate Governance Committee Chairman to convene special meetings to consider issues that require brainstorming.
- 6.22 Determine and prepare annual plans for audit follow-ups and regular audits every 3 years by applying the Risk-based Audit Approach, Key Control Points, and preventive control focus in mission-critical operating systems. Propose the audit plans to the Audit and Corporate Governance Committee for review and approval, whereby mission-critical resources must go through the Audit and Corporate Governance Committee first, prior to the annual budget enclosure for the Board of

Directors' approval. Amendments to approved annual audit plans must be re-submitted to the board for reconsideration and re-approval.

- 6.23 Develop Internal Audit Unit personnel to expand and retain Internal Control Organizational Readiness expertise and internal auditing under Internal Audit Standard.
- 6.24 Perform tasks as specified in this charter and attain results under the audit plans approved by the Audit and Corporate Governance Committee.
- 6.25 Perform other internal audit-related tasks as assigned by the Board of Directors or the Audit and Corporate Governance Committee, and perform special tasks as required by the board's Chairperson and related persons. Such tasks must be informed to the Audit and Corporate Governance Committee for acknowledgment and must not affect the Internal Audit Unit's independence or performance on any other tasks assigned and authorized by the committee or the board.

7. Audit Rights

7.1. The Internal Audit Unit is authorized to:

- a) Call from any department across the Group and its affiliates full cooperation and facilitation of access to any work-related source necessary for auditing purposes, be it undisclosed information, work systems, assets, personnel records, or properties or facilities related to Company operations. An audit dispute is presented and settled at the discretion of the Chief Executive Officer unless they have stakeholdings in the performance or outcome of the audit. When a dispute cannot be resolved otherwise, the case is urgently presented and settled at the discretion of the Audit and Corporate Governance Committee in lieu.
- b) Group executives are responsible for supporting the Internal Audit Unit in performing its audits and achieving planned objectives.
- c) Any documents or information, financial or operational, obtained or learned in the process of auditing, is handled under confidentiality where the responsible auditor may not disclose it to any other person without proper authorization unless disclosed as a duty or legal requirement.
- d) Meet with Audit and Corporate Governance Committee members and Company executives in a truly independent and forthcoming manner.
- e) Receive the support of necessary personnel and other services required to ensure efficient and effective internal auditing.
- f) Receive support from offices and personnel undergoing auditing with up-to-date information, documentation, and evidence concerning Company operations, including cooperated explanations, clarifications, answers, and additional information that arise, among others.
- g) Allocate resources, determine the operational frequency, select activities or issues, determine auditing scope, and apply auditing techniques as appropriate to achieve the intended auditing objectives.
- h) Recruit available Company and third-party experts to assist in auditing undertakings.

7.2. The Internal Audit Unit is not authorized to:

- a) Perform any duties related to operations other than Internal Audit Unit work for the Group. However, it may provide advice on various matters.
- b) Prepare or approve accounting transactions that are not related to Internal Audit Unit work. Any approval process is under the Company's authority.
- c) Supervise the work of other non-Internal Audit Unit personnel except for those directly assigned to take part in auditing work or as an internal audit assistant.

8. Independence

- 8.1 Internal auditors must maintain independence in performing their duties and expressing auditing-related opinions as deemed appropriate under the International Standards for the Professional Practice of Internal Auditing for best practices. Other operations apart from the approved auditing plans and duties must not contrast their independence.
- 8.2 Auditors may not perform any non-internal audit work as an internal auditor and must avoid auditing the party involved in such work for at least 1 year. When inevitable, internal auditors must disclose such undertaking in the Internal Audit Unit report.
- 8.3 An Internal Audit Unit auditor must disclose potential conflicts of interest arising from performing any particular audit, including cases where the independence of the auditor may be affected by facts or by demonstrated behavior. In which case, the auditor must disclose such information to the Audit and Corporate Governance Committee.
- 8.4 The performance of Internal Audit Unit auditors under items 8.1 to 8.3 above includes the work of third-party internal auditors as well, whereby the nature and details of their internal audit work must be clearly defined.

9. Reporting

- 9.1. The Internal Audit Unit reports the following activities and progress to the Audit and Corporate Governance Committee for acknowledgment:
 - a) The efficiency evaluation of Internal Control systems, Risk Management, and Corporate Governance.
 - b) The audited Internal Control System results and auditing follow-up results, including issues in previous reports that have been addressed and those that have not.
 - c) The Internal Audit Unit meeting minutes clearly stated Internal Audit Unit's opinions on various matters.
 - d) The Internal Audit Unit's opinions on financial reports, internal audit, and internal audit processes.
 - e) The consideration results of complaints made to the Audit and Corporate Governance Committee or the Board of Directors, or both, depending on the case.

- f) Any other reports that the Audit and Corporate Governance Committee should acknowledge.
- 9.2. The Internal Audit Unit reports any matter with significant impact potential on the Company's financial position and operations to the Audit and Corporate Governance Committee to discuss and approve necessary corrective action. The Internal Audit Unit may elevate the matter to the Board of Directors if it learns at the end of the agreed period the corrective action has been neglected by the responsible party without reasonable grounds.
- 9.3. Upon the Audit and Corporate Governance Committee's request, the Internal Audit Unit must clarify or discuss with the committee any observation listed in a submitted Internal Audit Unit report.
- 9.4. Hold an Internal Audit Unit meeting with the Audit and Corporate Governance Committee at least once a year in the absence of the executive branch.

10. Performance Standards

Internal Audit Unit work must conform to the International Standards for the Professional Practice of Internal Auditing developed by the Institute of Internal Auditors. Internal Auditors must perform auditing work under professional principles in evaluating internal audit performance.

11. Core Principles for the Professional Practice of Internal Auditing

Internal Auditors must exhibit the following qualities under the principles:

- 11.1. Be impartial and independent.
- 11.2. Perform duties with integrity.
- 11.3. Perform duties of consistent quality and improvement.
- 11.4. Perform duties with professional expertise and consideration.
- 11.5. Communicate independently, forthcomingly, freely, and effectively.
- 11.6. Provide professional assurance based on Company risk assessment.
- 11.7. Perform duties under Company strategy, objectives, and risks assessment.
- 11.8. Perform duties with comprehensive knowledge and proactive outcome-based approaches.
- 11.9. The internal auditor's position and role must be appropriate and proportionate to their assigned Company resources and personnel.
- 11.10. Promote consistent Company development and improvement.

12. Quality Assurance and Improvement Program of the Internal Audit Activity

The Internal Audit Unit must conduct a Quality Assurance of the internal audit activity to improve the internal audit work under the Internal Audit Professional Standard. The Quality Assurance is assessed both internally and externally as follows:

- 12.1. Internal Assessment
 - a) Provide a satisfaction survey to the audited party upon auditing mission completion to receive feedback on Internal Audit Unit auditing performance.

- b) Arrange an Internal Audit Unit self-assessment at least once a year, i.e., the annual self-assessment, and report the results to the Chief Executive Officer and Audit and Corporate Governance Committee for acknowledgment.

12.2. External Assessment

Arrange for an internal audit quality assessment by a qualified third-party independent expert at least once every 5 years.

13. Charter Review

The Internal Audit Unit reviews this charter at least once a year, provides recommendations for improvements as appropriate, and presents the review to the Audit and Corporate Governance Committee to consider suitable charter revisions, if any.

This Internal Audit Charter is approved by the Audit and Corporate Governance Committee and is effective from the 19th of December 2023, onwards

Corporate Compliance Policy

P.S.P. Specialties Public Company Limited

Corporate Compliance Policy

PSP Specialties Public Company Limited (the **"Company"**) and its subsidiaries (the **"Group"**) is committed to ensure that business is conducted based on the good Corporate Governance principle and Code of Conduct, responsibilities toward society, the environment and all stakeholders supply chain in order to conduct business with transparency and fairness.

To encourage employee at all levels in the Company shall be in strictly compliance with the laws, rules, regulations, Articles of Association, contractual obligations, code of conduct, policies, operation standards, and best practices, the Company has established this Corporate Compliance Policy in written to be clear guideline to conduct the business and the sustainably organizational development.

1. All directors of the Company and its affiliates shall act as leaders, support the business operation, monitor the work process in compliance with the relevant law by providing the control that may be caused by improper operation leaded to non-compliance, investigate, review improve efficiency regularly including cultivate consciousness and be a good model for their colleagues and subordinates in order to aware of this Corporate Compliance Policy.

2. The compliance with laws is important and necessary for the personnel of the company and it affiliates to respect and perform without exceptional. All employees of the company shall understand and abide by laws related to his or her roles and responsibilities and adhere to be part of their responsibilities. Moreover, remind that the violation of laws may cause damages for the Company and the violators may be punished by the relevant laws and disciplinary actions as case by case.

3. The Company focuses on having the Effective Corporate Compliance Assurance System to promote and support the business operations in compliance with laws by assignment of Governance and Compliance department to have duty to build compliance policy awareness and importance of complying with law, monitor and assess the performance. Including, coordinate with Human Resource Department in order to carry out to communicate, educate and advise employees of all level in order for them to understand and be able to work correctly, the Governance and Compliance department shall quarterly report Compliance Performance to the Executive Committee, and set up the channel for reporting or the incident of non-compliance and whistleblowing of illegal activities in order to find the right solution.

4. The Company and its affiliates must lead in ethics and provide role models for job execution with integrity, fairness, transparency, and auditability under the Company's ethics guideline.

This Corporate Compliance Policy was approved by the Board of Directors on the 19th of December 2023, to become effective upon the Company's successful listing on the Stock Exchange of Thailand (SET).

Risk Management Policy and Framework

P.S.P. Specialties Public Company Limited

Risk Management Policy and Framework

PSP Specialties Public Company Limited (the "Company") and its subsidiaries (the "Group") realize and foresee the paramount of implementing optimal Risk Management under the Principles of good Corporate Governance as the circumnavigational safety zone amidst the risky, ever-changing competitive landscape in pursuit of favorable outcomes under Company Outlooks. Risk Management silver-lines the pursuit with financial security, stability, and capacity required to generate appropriate returns to shareholders under principles and Group business checks and balances.

The Executive Committee is responsible for defining an organization-wide Risk Management Policy and the underlying framework of risk management plans to appropriately minimize the likelihood or severity of financial, business, or reputational loss to the Group, be it due to operational, professional, or strategic shortcomings. In so doing, the COSO (The Committee of Sponsoring Organizations of the Treadway Commission) infuses confidence among shareholders and all parties involved in the Company's capacity and stability in carrying out the mission under set objectives with added value to the Group. Risk Management Policy definitions, objectives, and guidelines are as follows:

Risk Management Policy Definitions

Risk is the risk for the Company, defined as inadequate profitability due to unexpected changes, uncertainties, or developments that undermine the organization's current capacities and plans, resulting in operational failure in pursuing set objectives or targets thus harming the business either monetarily, operationally, or reputationally.

Risk Management refers to the process performed by the Board of Directors, subcommittees, and all executives and personnel of the Group to assist in strategy formulation and implementation. Risk management processes are designed to enable the identification of events that may occur and affect the Group and manage risks within the organization's acceptable level to ensure that the operations of the organization will achieve the objectives set by the Group.

Risk Management Objectives

1. To incorporate the COSO-based risk assessment and management as a standard requirement across Group strategic planning and operations decision-making processes, as well as a corporate culture of risk-management conscience professionals with a common understanding, awareness, and a due-diligence sense of duty in controlling and preventing risks for the Group.
2. To determine the Risk Appetite, i.e., the acceptable level of corporate risk the Group is willing to take both at the corporate level and the unit level, to limit potential loss-damage to a certain level, as well as set an alarm system by risk level as a warning sign alerting risk agents to promptly and properly enact protocols to manage the alarming risk to an acceptable level.

3. To determine the process, measures, and guidelines for managing the remaining risks to an acceptable level of the organization by considering measures to effectively reduce the likelihood or impact of potential risks, which will drive the organization to achieve the objectives set by the Group, both at the corporate level and the department level.
4. To determine Risk Management Policy systems and processes for flagged risks, as well as the corresponding objectives to meet if any were to unfold, to optimally avoid and reduce the likelihood and impact to the acceptable level at the corporate and unit level, keeping the Group on course with business as usual and alerting and preparing the organization for a timely professional response to otherwise unexpected crises causing loss or damage the Group.
5. To allow the Board of Directors, the Audit and Corporate Governance Committee, the Executive Committee, and executives of the Group to be informed of key risks, risk trends, and risk overviews, as well as efficiently and effectively manage risks.
6. To prepare and ensure all Group units are ready and accountable for identifying, assessing, and managing risks in their respective areas and functions, be it team activities, processes, events, or projects, that are flagged as impactful, unfamiliar territory, or undergoing change, and ensure compliance with set system and process guidance, taking into account the associated risk appetite, response capacity, and budget.
7. To regularly communicate and transfer risk management knowledge to employees as well as develop professionals that are knowledgeable and aware of their risk ownership and joint risk management responsibility.
8. Incorporate organizational checks and balances under the principles of good Corporate Governance with the risk management unit and risk-generating business units under separate chains of command to optimize risk management for the Group with appropriate autonomy and authority.

The Executive Committee must keep abreast of risk issues and manage them in a professional, appropriate, and punctual manner.

Risk Management Scope

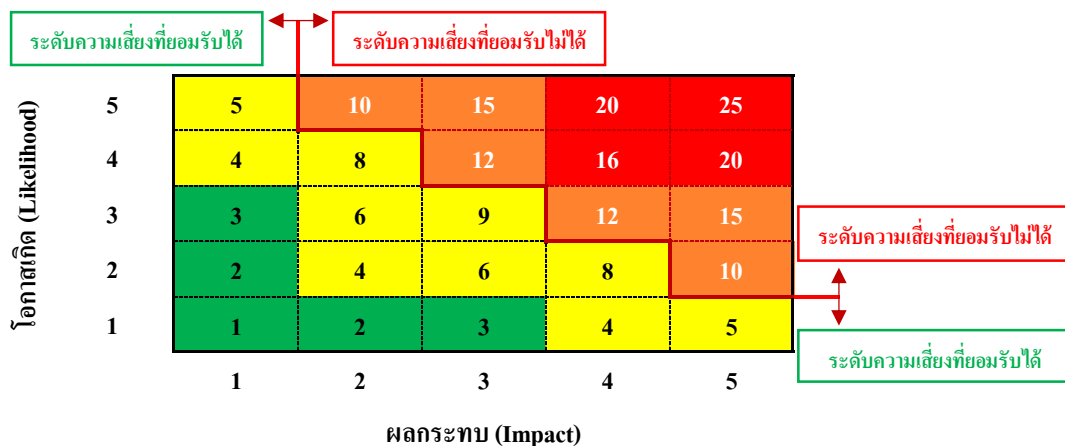
To ensure organizational risk management is on the same page, the following 4 Risk Assessment Areas are established as a minimum requirement:

Risk	Definition
Strategic Risk	Strategic risks of improperly formed strategies and plans and the implementation thereof, and inconsistencies between internal aspects and external factors in the operating landscape and respective environment, including policies, goals, strategies, organizational structures, competitive situations, resources, and the environment.
Operational Risk	Personnel operational risks due to the lack of oversight or internal control, including the underlying operational capacity, encompassing both internal and external factors. The former such as internal processes, workflow, equipment, information technology, and operational, working environment, and personnel safety. External factors are caused by

Risk	Definition
	operations and operational mistakes that damage or incur a loss to the respective environment or the community thus resulting in an operational failure in achieving corporate objectives and goals.
Financial Risk	Financial risks relating to financial liquidity, profitability, budget management, accounting documentation, and financial reporting that affect Group operations in achieving its objectives.
Compliance Risk	Compliance risks of violating or failing to comply with applicable organizational bylaws and relevant legal stipulations, including risks from inconsistent, unclear, and uninclusive policies, rules, or regulations that are confusing to or fail to cover certain operational aspects.

Risk Appetite

Risk appetite is the maximum level of risk the organization is willing to accept, i.e., the acceptable risk level for the Company, and is established by the respective risk owners under the supervision of the Executive Committee. Risk analysis and assessment is based on the likelihood of occurrence and the associated impact level, where assessed risks are flagged and managed accordingly. Should any be flagged with risk levels beyond the risk appetite, the risk owner and risk management unit are to collaborate on risk management action requirements and plans and report them to the Executive Committee. Risk Appetite is detailed in the image below.



Risk Management Policy

In realizing the importance and necessity of adopting the COSO international standard, the Group strives to build the confidence of all stakeholders with a reputable image and operational excellence with a professional corporate culture that implements a uniform risk management framework of set systems and processes across the organization in pursuit of favorable incomes under Company Outlooks. In so doing, the following Risk Management Policy guidelines are in place:

1. Risk management is the responsibility of all Group personnel. It is an organizational requirement for all to become a risk-management professional that is (i) aware of the risks that may impact their workplace environment, be it at the corporate, department, or unit level, (ii) knowledgeable, practical, and well-trained in the management thereof, and (iii) capable of prioritizing and managing various aspects of risks systematically through adequate and appropriate internal control systems.
2. An Enterprise Risk Management System is a standard requirement with best-practice international protocols and SOPs that satisfy the implementation of such, to efficiently and effectively manage all risks in a uniform cross-organization way in the same direction by incorporating the standard into the decision-making processes as a standard requirement across Group committees and units, regardless of level, location, or personnel, be it strategic planning, target setting, or operational adjustment.
3. Regularly review and evaluate the Risk Management Policy and the framework of relevant guidelines, protocols, and SOPs as a standard requirement to prevent and mitigate risks of set objectives and operations and to avoid or reduce possible damage or loss to the Group.
4. The Group's Enterprise Risk Management System must be updated and equipped with modern information technology and support systems, where access to pertinent information, knowledge, and skills to advance the Group's risk management capacity must be promoted and encouraged among Group personnel at all levels.
5. The Risk Management Unit is responsible for reporting organizational risk management capacity and performance to the Executive Committee at least once a quarter for acknowledgment, where the committee updates the Board of Directors at least twice a year to follow up on and make recommendations for appropriate risk management optimization.
6. The Risk Management Unit must report organizational risk management capacity and performance to the Audit and Corporate Governance Committee at least once a year to review the efficiency and adequacy of the Group's internal control and risk management systems.

Risk Management Related Parties: Roles and Responsibilities

Beyond all Group personnel with risk management responsibilities, any particular consultant, representative, or person can be assigned to act on behalf of the Company as a risk-management related party with the following roles and responsibilities:

1. The Board of Directors
 - (1) Apprehend the risks with significant impacts on the Group.
 - (2) Consider in the Risk Management Policy approval process the Company's risk appetite and Enterprise Risk Management System proposed by the Executive Committee.
 - (3) Acknowledge potential key risk factors and provide comprehensive and complete advice and opinions on risk management to the Executive Committee, as well as supervise the committee to establish

effective systems and processes required to manage risks, including risk factors that may arise amidst the pursuit of business opportunities.

- (4) Organize actions to ensure that the Group has adequately and appropriately managed risks with severe impact potential.

2. The Audit and Corporate Governance Committee

- (1) Review and ensure that the Group has a risk management system that is sufficient, appropriate, and efficient.

3. The Executive Committee

- (1) Determine and review the risk management framework and policy, and propose to the Board of Directors for approval.
- (2) Consider and approve the acceptable Risk Appetite and enterprise risk management plan as proposed by the risk management unit and present it to the Board of Directors for approval.
- (3) Consider and approve the risk management manual proposed by the risk management unit.
- (4) Follow up on risk management across the organization to ensure compliance with approved policies.
- (5) Communicate with management or the risk owner unit to keep abreast of significant risks and stay on the same page.
- (6) Report flagged risks and risk management to the Board of Directors.
- (7) Encourage and support the Group to have an adequate and appropriate risk management capacity for the entire organization.

4. Executives

- (1) Follow up on flagged risks within the business line to ensure that the Company has an adequate and appropriate Risk Management Plan capacity.
- (2) Promote and support the Risk Management Policy implementation and ensure the underlying processes and systems are in compliance.
- (3) Communicate to provide Risk Management knowledge and expertise to employees according to their line of duty or responsible team members.

5. Risk Owners

- (1) Identify, assess, control, monitor, and report operational risks to the Risk Management Unit.
- (2) Participate in preparing the Risk Management Plan and implement the plan per Risk Management Policy and relevant processes under the Group.

6. The Risk Management Unit

- (1) Prepare and review Risk Management Policy and framework for acceptable Risk Appetite to present to the Executive Committee for approval.
- (2) Prepare a Risk Management Policy manual and guidelines to present to the Executive Committee for approval
- (3) Collaborate with the risk owner unit in preparing the Group Enterprise Risk Management Plan under the Risk Management Policy and framework, present it to the Executive Committee for approval, and follow up on results with the committee for acknowledgment at least once a quarter.
- (4) Organize training to guide various departments in complying with the Risk Management Policy at least once a year.
- (5) Monitor the Risk Management Policy implementation and operations with support from the Executive Committee to ensure that the Risk Management Policy process is consistent, standardized, and functions appropriately and efficiently throughout the organization.
- (6) Advise, recommend, assist, and encourage Risk Owners to continuously implement Risk Management Policy tools to ensure efficient and effective Risk Management throughout the organization.
- (7) Report an ERMS overview to the Audit and Corporate Governance Committee at least once a year for acknowledgment and comments on system sufficiency and disclose it in the Company's annual Form 56-1 One Report.

7. The Internal Audit Unit

- (1) Ensure that the Group has appropriately implemented the Enterprise Risk Management System and that the system operates consistently and appropriately throughout the organization.
- (2) Ensure that the Group has adequate Internal Control for Risk Management Policy purposes as well as compliance.
- (3) Review and set the Risk Management Policy to practice.
- (4) Communicate, exchange, and develop mutual understandings between the Risk Management Unit and audited unit executives for Risk-based Auditing planning purposes.

Risk Management Process

- (1) Risk Management Policy Formulation and Criteria

Set Risk Management Policy and objectives, responsibility scopes, criteria, and guidelines under Group strategies, goals, plans, and business operations' directions, to be reviewed annually by the Group and prepared simultaneously with the business plan to ensure consistency.

(2) Risk Identification

Management participates in the risk identification process to determine and flag risk factors of all types that may affect the achievement of Group objectives and goals, be it at the organizational level, business unit, departmental, or functional level, and proposes Risk Management countermeasures for (i) external factors, e.g., developments in the environment, economy, technology, laws, and (ii) internal factors that may affect the reputation and image of the Group, e.g., substandard products, disasters from mother nature, destroyed production processes, and the likelihood of corruption and loss of property, among others.

(3) Risk Assessment

Analyze and assess the risk impact level by considering both the likelihood and potential severity and prioritize and flag each risk according to the determined impact level, countermeasure and Risk Management requirements, and management urgency.

(4) Risk Management Plan

Develop a Risk Management Plan to manage flagged risks, i.e., those prioritized in risk analysis.

(5) Information and Communication

Ensure the Company's information system capacity is current, fast, reliable, and appropriate for its business model, size, and operational complexity, as well as its Risk Management model to monitor, process, and mitigate risk, including accurate and precise Risk Management information. The Company has a secure data storage system where only appropriate personnel have access rights.

(6) Follow-up and Review

Follow up on and review Risk Management performance and results as planned and report to the Executive Committee at least once a quarter for acknowledgment and make recommendations for Risk Management optimization.

Corporate Risk Management Culture

The Company places great importance on fostering a corporate culture of risk management-conscience professionals and aims to incorporate the Risk Management Policy as an operational requirement for all Group personnel. Risk Management Policy steps are in place as follows:

- (1) Risk Management Policy guidelines are in place on behalf of the Board of Directors and Company executives where the Risk Management Policy goals and potential benefits to the organization are communicated to all employees to realize.
- (2) Risk Management Policy training programs are organized to develop corporate risk management professionals with awareness and hands-on expertise in controlling risks within the Risk Management Policy framework, each carrying out individual roles and responsibilities as part of a large risk management team with uniform measures and direction. The Group also promotes the Risk Management knowledge exchange between departments.
- (3) The Company integrates Risk Management Policy into the business decision-making process under good Corporate Governance principles and Internal Control.

This Risk Management Policy and Framework is approved by the Board of Directors and effective from the 19th of December 2023, onwards.

