



LEVEL UP!

Asian Alliance International Public Company Limited
Annual information report form/Annual report 2023
(Form 56-1 One Report)





Vision

To be a food and pet food manufacturer worldwide with quality, safety, social responsibility, and environmental sustainability.

Mission



To produce quality food that meets international standards with new innovations in both products and production methods in order to be competitive.



To conduct business correctly according to the law, have good labor standards, have a modern information technology system, and be responsible to society and the environment as well as developing personnel to have knowledge, expertise, and a good attitude towards the



To combat corruption and build good relationships with business partners for sustainable mutual growth.

AAI Values



Ambition



Adaptable



Integrity



Skill

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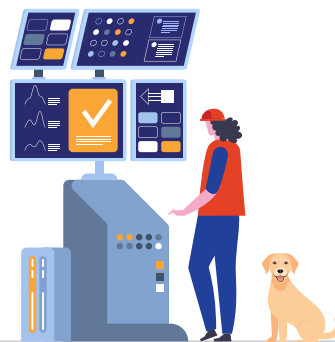
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Message from the Chairman of the Board of Directors and Chairman of the Executive Committee

Dear Shareholders and stakeholders,

In the year 2023, the global economy experienced a transformation, transitioning from recovery to a sluggish state. Certain economic sectors faced an economic downturn due to tight financial conditions resulting from consecutive interest rate hikes by central banks worldwide to counter inflation. Thailand's export sector encountered significant pressure from the global economic slowdown, particularly in the United States and the European Union. The Thai baht also experienced volatility due to various external factors, impacting the competitiveness of exports, especially in highly competitive product categories. These factors significantly influenced the business performance of Asian Alliance International, Inc. (AAI), resulting in a notable contraction compared to the previous year, 2022. Despite challenges, the pet food market, AAI's core business, continued to grow and remained a focal point in the mega-trend of global business trends.

AAI's consolidated sales for the year 2023 amounted to 5,439 million baht, representing a reduction of approximately 23.6% compared to the previous year. Key partners in the United States and Europe had to adjust their order volumes due to the economic impact within their regions. The normalization of international transportation after the COVID-19 pandemic led to excessive inventory levels, mismatched with the reduced demand and shorter waiting times for products. Net profit for the year stood at 383 million baht, declining by 55.4% due to the significant drop in sales and increased cost proportions of labor and energy compared to the rising sales. Despite stringent cost controls, particularly in marketing expenses and low-interest expenses, AAI decided to postpone major investment projects and utilized cash generated from a public share offering in October 2022 to repay debts and serve as working capital.

Throughout the past year, AAI continued to implement the "Level up AAI!" strategic plan to elevate the organization for development and growth in line with business opportunities. The company remains prepared to adapt to changing circumstances and lead the organization to achieve its vision, mission, and corporate goals. The critical areas of focus include :

- (1) Level Up Our Organization: After organizational and management restructuring, and becoming a publicly listed company on the Stock Exchange of Thailand, AAI achieved a Level 5 rating, or Excellent, in corporate governance evaluation, achieving the goal is considered a source of pride for the board of directors, executives, and all employees of AAI at every level. Additionally, AAI became a member of the Thai Private Sector Collective Action Against Corruption. Despite delaying the expansion of wet pet food production in Thailand due to reduced

sales in 2023 and an uncertain market outlook, AAI is ready to expand production to accommodate a potential market rebound in the future.

- (2) Level Up Our Co-Developer Position To Strategic Partners: AAI is dedicated to strengthening relationships with key customers to position itself as a strategic partner. The company aims to assure customers of its capability to be a vital contributor to their long-term growth and competitiveness. AAI remains committed to developing new products continuously and maintaining sufficient production capacity to support customer growth.
- (3) Level Up Our Own Brands: AAI focuses on elevating its pet food brands to enhance competitiveness and ensure long-term profitability. Despite intense competition and a challenging market environment, the company's own brand maintained market share in Thailand in 2023. The premium brand, "Monchou," attracted interest from importers in several countries, including Indonesia, Malaysia, and Taiwan. AAI is adjusting its strategy and improving operations in China, anticipating future growth.
- (4) Level Up Care Through CHEERS! Strategy: AAI focuses on sustainable development through the CHEERS! strategy, aligning with the Sustainable Development Goals (SDGs). This strategy reflects AAI's commitment to responsible business practices at every stage. AAI believes that the CHEERS! strategy is well suited to adapt to trends emphasizing environmentally friendly economies or transitioning to low-carbon societies. In 2023, AAI improved organizational efficiency by restructuring through a Risk Management Committee, evaluating sustainability risks organization-wide, reviewing operational goals in each aspect, and specifying appropriate additional key performance indicators to ensure that related units consistently implement various projects.

AAI believes that in this era of transformation, the "Level Up AAI!" strategy is a comprehensive plan that covers the operations of the group of companies in environmental, social, and governance dimensions. This plan is developed by considering various factors and/or risks that may impact the business from all aspects, aligning with the trends that are increasingly important to all stakeholders of AAI. Implementing this strategic plan also enhances the potential for sustainable growth and profitability.

On behalf of the board, we express gratitude to all stakeholders for their trust and support. Special thanks to the management and staff for leading the company through challenges in the past year. At every level, our employees are dedicated to fulfilling the company's mission and operational plans under sound corporate governance, fostering steady and sustainable growth in the future.

Mr. Vichai Assarasakorn
Chairman of the Board of Directors

Mr. Somsak Amornrattanachaikul
Chairman of the Executive Committee



Company Profile

Asian Sea Corporation Public Company Limited, or ASIAN, established Asian Alliance International Company Limited, or AAI, on March 15, 2005, with paid-up capital of THB 200 million as ASIAN foresaw an opportunity to diversify to the tuna processing business to cover more diversified and inclusive product ranges, as well as strengthening ASIAN as an integrated seafood producer. At the beginning, AAI's core business was the tuna processing business to produce ready-to-eat shelf-stable food (Human Food) which most of those using tuna loin to produce canned tuna. The residues from tuna processing, such as red meat, are appropriately used as main raw materials to produce wet pet food cause those by-products are high-protein and cheap in comparison to other raw materials.

During the first 2–3 years of business operation, the Company faced many obstacles in its business operations, both from the severe competition in the industry and from the highly volatile price of tuna raw materials. As a result, this led to the Company's performance losses and liquidity problems. In 2008, the Company increased its registered capital from THB 200 million to THB 1,200 million to support working capital of the Company.

In 2011, the Company saw an opportunity to grow its premium pet food business from the trend of the world's population toward an elderly society and the trend of popularity in raising pets as friends or more like family members (pet humanization). Therefore, the Company changed its strategy by moving itself toward the premium pet food business and developed products to use a variety of main raw materials, for instance, white meat of tuna, chicken, sardines, mackerel, beef, and lamb, to increase the variety and taste of the product and focus on the continuous development of pet food products in terms of raw materials and production recipes to be accepted by customers. The Company's turnover in the pet food business began to grow significantly. In 2015, the Company increased its registered capital to THB 1,700 million for use in loan repayment, working capital funding and investment in order to expand its pet food capacity to support the growth of the pet food business to meet the increasing demands of our customers.

In addition, the ASIAN Group established a "Closer to Consumer" strategic plan for the Group. This strategy focuses on marketing of pet food products directly to consumers. The ASIAN Group established subsidiaries, associates, and joint ventures to carry out product brand development, marketing, and distribution under its own product brand, namely :

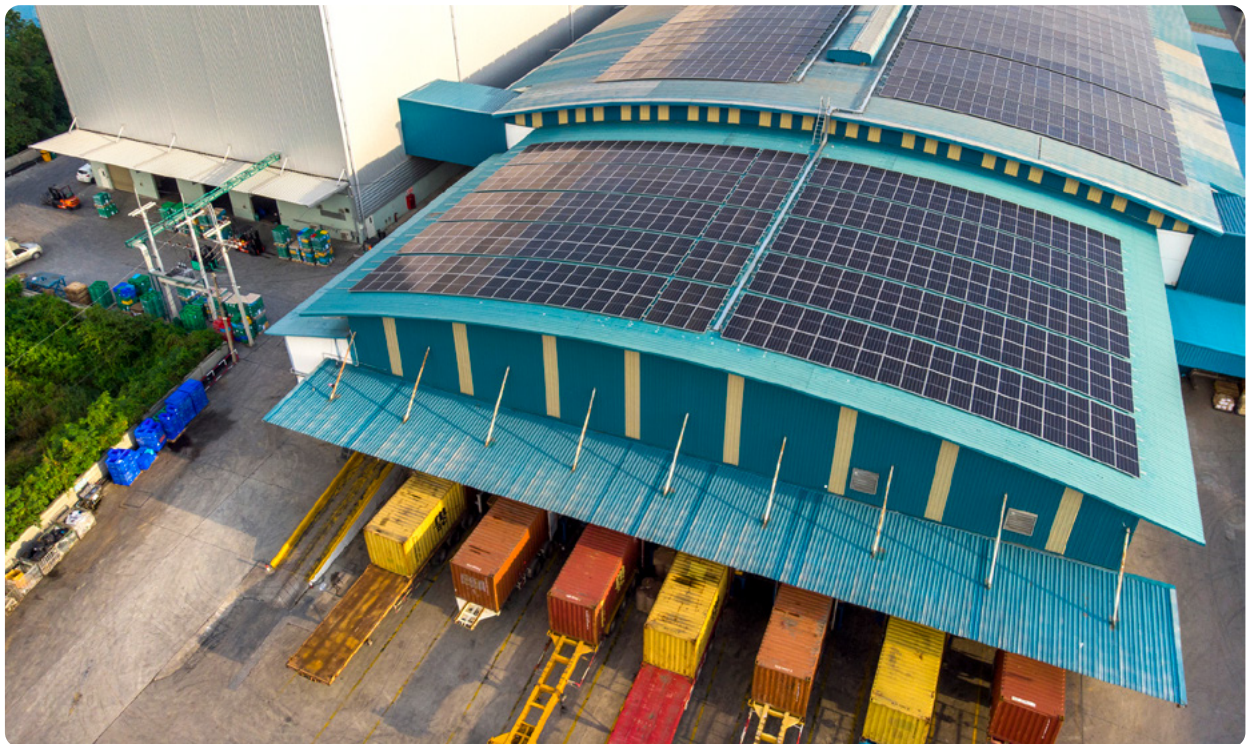
- (1) Asian Pet Care Corporation Company Limited (APCC) is a 100% owned subsidiary of the Company for the business of product brand development, marketing, and distribution of products under its own brand and investment in shares or related businesses. The Company launched the pet food brand "Monchou," a premium pet food brand for dogs and cats, in 2019. Currently, it is marketed and distributed domestically and internationally, such as in China and the United Arab Emirates.

In 2020, APCC launched the pet food product branded "Hajiko", dry dog food for mass market. Currently, the Hajiko brand is only available in Thailand and launched the pet food product branded "Monchou Balanced," a pet food product for dogs and cats, to penetrate the mass market, and started selling the "Pro" brand, a dry pet food product for dogs and cats, to penetrate the market, where the price is mainly low-end market. At present, two brands of pet food products have been launched in Thailand.

- (2) Inter Petrina Company Limited (IPN), which APCC entered into an investment agreement with Inter Pharma Public Company Limited to establish the Associate in which the Company holds 40% of the shares to market and distribute pet food products branded “Maria” for domestic distribution and export to Cambodia, Laos, Malaysia, and Vietnam (CLMVT).
- (3) Asian Group SCS Europe GmbH (AGE), which APCC entered into a joint venture agreement with Dormeo Handels GmbH, a pet food manufacturer in Germany, to establish a joint venture in which the Company holds 60% of the shares in order to operate as sales office to reach out to pet food brand owners in the European region for the Company.
- (4) Thaiya Corporation (Shanghai) Company Limited (Thaiya) is a wholly owned subsidiary of Thaiya in China that distributes products under the Group’s product brand in China.
- (5) Shandong Thaiya Meisi Pet Food Company Limited (MEISI), owned by APCC and Thaiya, has invested in China’s dry pet food manufacturing factory by entering into a joint venture agreement with Shandong Meisi Pet Food Company Limited as a base to produce dry pet food in China. APCC and Thaiya hold 41.00% and 10.00% of the shares of MEISI, respectively.

In 2021, the Company and the ASIAN Group restructured the pet food business, which originally operate directly and indirectly by ASIAN, consisting of (1) APCC; (2) Thaiya; (3) AGE; (4) IPN; and (5) MEISI, to operate under the Company (AAI), then, the business structure of the Company and ASIAN are clearly restructured.

Nowadays, the Company has been converted into a public company since March 10, 2022, and rename to Asian Alliance International Public Company Limited. The Company increased its registered capital to 2,125 million baht, and was listed in the Stock Exchange of Thailand on November 1, 2022 under the symbol “AAI.”



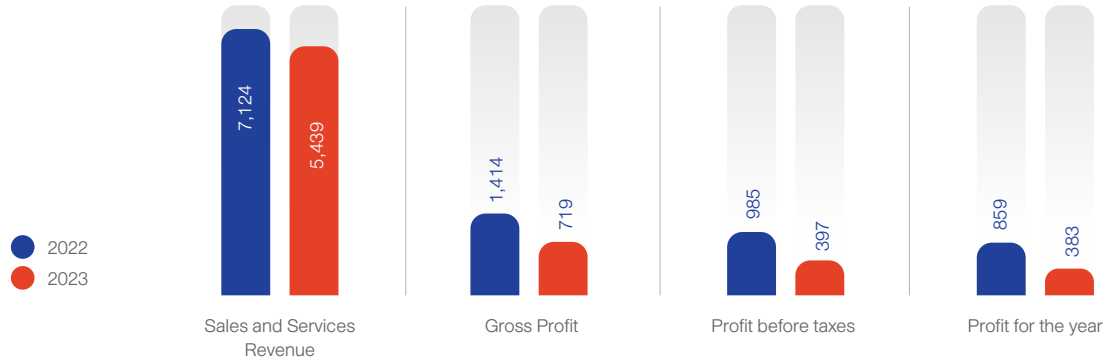


Financial Highlights



Statement of Comprehensive Income

(THB million)



Statement of Financial Position

(THB million)



Key Financial Ratios



Performance per share*

(baht per share)



Earnings per share

0.18

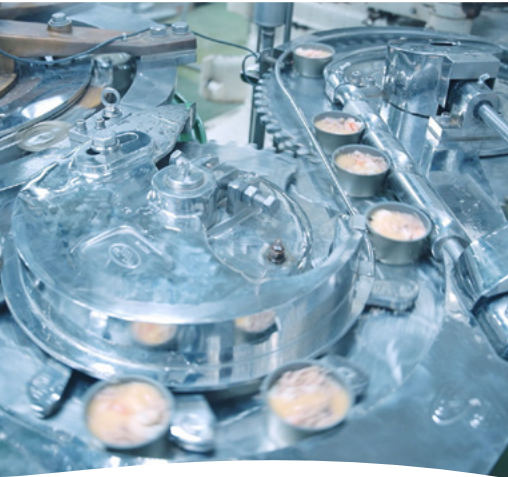


Book value per share

2.30



Key Performance for 2023



Operating Results

AAI's total sales for the year 2023 amounted to 5,439 million baht, representing a decrease of approximately 23.6% compared to the previous year. This decline was attributed to significant adjustments in orders from key partners, both in the United States and Europe. These adjustments were necessitated by the economic conditions within their respective regions. Additionally, there was a need to expedite the reduction of inventory levels as international transportation systems returned to normal following the conclusion of the COVID-19 pandemic, leading to an accumulation of excess inventory, not consistent with the objectives and the significantly shortened waiting time for products that occur immediately. Despite facing substantial decreases in sales, the net profit for the year reached 383 million baht, decreasing by 55.4%. This decline was influenced by the significant reduction in sales and an increase in the proportion of labor and energy costs compared to the higher sales figures. Although the company implemented cost control measures, particularly in marketing expenses, and maintained low-interest expenses, the net profit saw a notable decrease.

In July 2023, the company expanded its production capacity for wet pet food in pouch packaging by an additional 7,500 tons per year, as per the plan. This resulted in an increased production capacity from around 42,000 tons of finished pet food per year to approximately 49,500 tons. The decision was also made to postpone the investment project in the second automated warehouse. Meanwhile, the company continued to progress in expanding the production capacity of wet pet food by an additional 6,500 tons per year. It is expected to be completed by January 2024, bringing the total production capacity of wet pet food to 56,000 tons per year. This expansion aims to accommodate growth and attract new customers in 2024.

Throughout 2023, AAI continued its continuous development of new products, particularly in the pet food category, introducing a total of 248 new products. Despite a decrease in orders in overseas retails, the company focused on growing markets, emphasizing pet owners who prioritize health. The product development addressed specific health concerns in pets,

such as kidney and urinary issues. Additionally, the company introduced products with complete nutritional value in various formats, including mousse, pate, and gravies. As well as products that are beverages for cats, to encourage cats to drink more water, thus reducing the risk of kidney disease, and so on. In the ready-to-eat food category with sealed packaging, 32 new products were introduced, including ready-to-eat meals for children and new flavors of fried rice in plastic cups.

Further details are provided in Section 1 - Business Operations and Performance, Topic 4 - Analysis and Description by Management of this report.

Brand Development Performance

In 2023, the products under the group's brands introduced a total of 37 new items. These products spanned across both premium and budget-friendly brand categories. The company expanded its distribution channels and consistently boosted sales through pet stores. Consequently, sales of products under the group's brands in the domestic market experienced growth. Despite high competition in the domestic market, the company expanded the international reach of its "monchou" brand, distributing it outside of China to countries such as Malaysia, Indonesia, and Taiwan through local distributors. However, sales in China, through Taiya Corporation Limited (Shanghai), did not grow as planned.

Sustainable Strategy Performance

The company's board continued to monitor and enhance operations according to the sustainability strategy, CHEERS!, which is the company's ongoing sustainability strategy. In 2023, significant actions were taken, including :

1. Reviewing key sustainability issues crucial to the organization and assessing goals and metrics.
2. Improving organizational efficiency in executing the sustainability strategy by expanding the scope of the Risk Management Committee's work to cover sustainability. The committee's name was changed to the "Risk Management Committee for Organizational Sustainability." The committee registered and evaluated sustainability-related issues, managed risks in line with the organization's risk management plan, ensuring that relevant units carried out projects consistently and appropriately.
3. Developing carbon footprint profiles for wet pet food products under the "monchou" brand, adding five new items.

Additionally, the Risk Management Committee for Organizational Sustainability and the company's board monitored routine operations crucial to the organization's overall sustainability, covering environmental, social, and governance aspects, as reported in Section 1, Business Operations and Performance, under Topic 3, Driving Sustainable Business, and Section 2, Corporate Governance, of this report.





Awards and Recognition

AAI focuses on operating sustainable business sectors, covering all 3 dimensions : environmental, social and governance. AAI garnered awards and certifications from various areas as follows:



Environmental

1. AAI received the 2023 ESG Emerging Company Certificate as a sustainable company worth investing in according to the environmental, social and governance assessment criteria, ESG Emerging Group.

Awarded : 15 September 2023

Awarded by : Thaipat Institute



2. AAI has been certified as Green Industry Level 3 (Green System) Systematic environmental management with monitoring, evaluation and review for continuous development.

Awarded : 15 September 2023

Awarded by : กระทรวงอุตสาหกรรม โดย กรมโรงงานอุตสาหกรรม



Social

1. AAI received the honorary award of CSR-DIW CONTINUOUS AWARD 2023 for the standards of social responsibility of entrepreneurs.

Awarded : 13 September 2023

Awarded by : The Ministry of Industry by the Department of Industrial Works



2. AAI received the Outstanding Establishment Award in Labor Relations and Labor Welfare 2023 at the national level for the second year from the Ministry of Labor.

Awarded : 14 December 2023

Awarded by : The Ministry of Labor

3. AAI received a certificate of honor for an establishment that promotes social employment in Samut Sakhon Province.

Awarded : 26 December 2023

Awarded by : Office of Social Development and Human Security, Samut Sakhon Province



Governance

1. AAI received Excellent CG Scoring from the Corporate Governance Report of Thai Listed Company 2023: CGR 2023 for the first time.

Awarded : 31 October 2023

Awarded by : The Thai Institute of Directors Association (IOD) and the Stock Exchange of Thailand



2. AAI received Thailand's Best Managed Companies 2023, the best managed company in Thailand 2023.

Awarded : 3 August 2023

Awarded by : Deloitte Thailand

3. AAI has been certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) for the first time.

Awarded : 30 June 2023

Awarded by : The Thai Private Sector Collective Action Against. Corruption (CAC)



SECTION

01

Business Operations and Operating Results



1

Structure and Business Operation of AAI



1.1 Business Policy and Overview

Asian Alliance International Public Company Limited (the “Company” or “AAI”) and its subsidiaries (the “AAI Group”) is Thailand’s major original equipment manufacturers of pet food and shelf-stable human food, focusing on the production and distribution of quality products and safety standards throughout the business for more than 15 years - earning it international recognition by customers, product brand owners, and consumers – and emphasizing the continuous development of the organization so that it can grow sustainably.

The company’s pet food products cover both wet and dry pet food, which are nutritious for both dogs and cats of all sizes and ages. The company’s wet pet food products are premium pet food ones made from the same quality raw materials used to produce food for people (Human Grade), including tuna meat, chicken meat, sardines, mackerel, beef, lamb, vegetables, and reformed meat. The product forms and production formulas

are varied, such as in gravy, in the form of jelly, soup, and mousse, as well as packaging forms that cover canning, vacuum packaging (Pouch), and plastic cups.

The company’s shelf-stable human food is a product that uses tuna as the main raw material, such as tuna in oil, tuna in brine, tuna in vegetable juice, fried rice, and tuna in Thai curry paste. They are available in canned goods, airtight bags, and plastic cups.

Currently, original equipment manufacturer (OEM) business under clients’ brands generates the majority of revenue from pet food and human food sales. In addition, almost all of the company’s sales revenue comes from the export of products to foreign countries. The main export countries for pet food products are the United States, European countries, and Japan, and the main export countries for ready-to-eat food products

are Japan, Israel, and Middle East countries, for example, Saudi Arabia and Syria.

In addition to being the original equipment manufacturer (OEM) under the customer's product brand, the Group has started to develop its own product brand for pet food products for dogs and cats since 2019. Currently, the Company has a diverse portfolio of brands that span all market categories, including (1) pet food products aimed for the high-end market, notably "monchou" and Maria. (2) Pet food brands aimed for the mainstream market, such as "monchou balanced" and "Hajiko," and (3) Pet food brands aimed at the low-end market, such as "Pro." Moreover, the company also has joint ventures that develop wet pet food products branded Maria.

The company has two manufacturing plants: (1) Samut Sakhon Plant located at Muang District, Samut Sakhon Province, which is used as a base for wet pet food products, human food products, and by-products; and (2) MEISI Plant operated by Shandong Thaiya Meisi Pet Food Co., Ltd ("MEISI"), a joint venture in the Group, located in Shandong Province, China, which is used as a base for dry pet food products in China.

1.1.1 Vision, Mission, AAI's values, Goals and Strategies

Vision

To be a food and pet food manufacturer worldwide with quality, safety, social responsibility, and environmental sustainability.

Mission

- 1) To produce quality food that meets international standards with new innovations in both products and production methods in order to be competitive.
- 2) To conduct business correctly according to the law, have good labor standards, have a modern information technology system, and be responsible to society and the environment as well as developing personnel to have knowledge, expertise, and a good attitude towards the organization.
- 3) To combat corruption and build good relationships with business partners for sustainable mutual growth.

AAI Values:

The company relies on the concept of "AAI's" which consists of four values:

- A** Ambition
- A** Adaptable
- I** Integrity
- 'S** Skill

Goals

The company strives to be a manufacturer of pet food and human food that are trusted by customers in terms of quality, safety, environmental and social responsibility, as well as focusing on improving production processes by using efficient technologies, using natural resources to maximize benefits, developing personnel, and giving employees pride in the organization, including enhancing the capability to maintain stable and sustainable profits. Accordingly, the company has developed a business plan to drive it to achieve its goals as follows:

Pet Food Business: The company is an original equipment manufacturers that covers both wet and dry pet foods. There is a continuous investment for long-term sustainable growth and to increase competitiveness by developing product research and development, having innovations in the products to offer a variety of products to be suitable, being strategic partners understanding the needs of partners and making partners trust to grow together. The company also sets a goal to develop pet food products for dogs and cats under its own product brand to have a variety of products, both wet and dry pet foods, covering the needs of customers in all market segments for distribution both domestically and internationally.

Shelf-stable Human Food Business: The company is an original equipment manufacturers of shelf-stable human food in cans, pouch, and plastic cups, both products using tuna as the main raw material and other products with a focus on improving quality and competitiveness in order to maintain good and satisfactory performance.

Strategies and Operations Guidelines

The company announced a strategic plan "Level up AAI!" since 2021 to enhance the organization to develop and grow to keep up with business opportunities and to be ready for adaptation under changing factors in order to lead the organization to achieve the vision, mission, and goals of the company. The company strives to enhance the organization in the following areas:

1) Level up our organization

To support future business opportunities and growth, the company focuses on restructuring the organization and management structure to meet international standards, accelerating the staff development after restructuring the pet food business group and expand business and capacity to support growth and business opportunities in the next future.

2) Level up our co-developer position to strategic partners

In order to strengthen long-term competitiveness, the company has set a goal to enhance the status of the company according to the supply chain of the business apart from being a “co-developer” to become a “strategic partner.” In addition to focusing on product research and development as a co-developer to meet the needs of customers, the company also looks for opportunities to develop relationships with partners both in the upstream and downstream business groups so that supply chain management is more continuous and efficient and to increase business opportunities and strengthen the company’s long-term competitiveness so that the company and its partners can grow steadily together.

3) Level up our own brands to be a global brand

The company has a strategy to expand its pet food business into the consumer market to strengthen the competitiveness in the pet food business and maintain the profit margins of the company in the long run. The Group has developed their own

pet food brands to cover the needs of customers in all market segments and to offer all types of products, including wet and dry pet foods as well as pet snacks.

4) Level up cares through CHEERS! Strategy

The CHEERS! strategy consists of key strategies that are important elements to the sustainable development and growth of the company under the concept that the company will grow sustainably through responsible actions in all business processes, including:

C Consumers

operated with responsibility to consumers.

H Human Development

operated with responsibility for corporate human resource development.

E Efficiency

operated with responsible for the efficient use of all resources.

E Environment

operated with responsible for environment.

R Rights of Human

operated with responsibility for human rights.

S Stakeholders

operated with responsibility to all groups of stakeholders.

CHEERS!

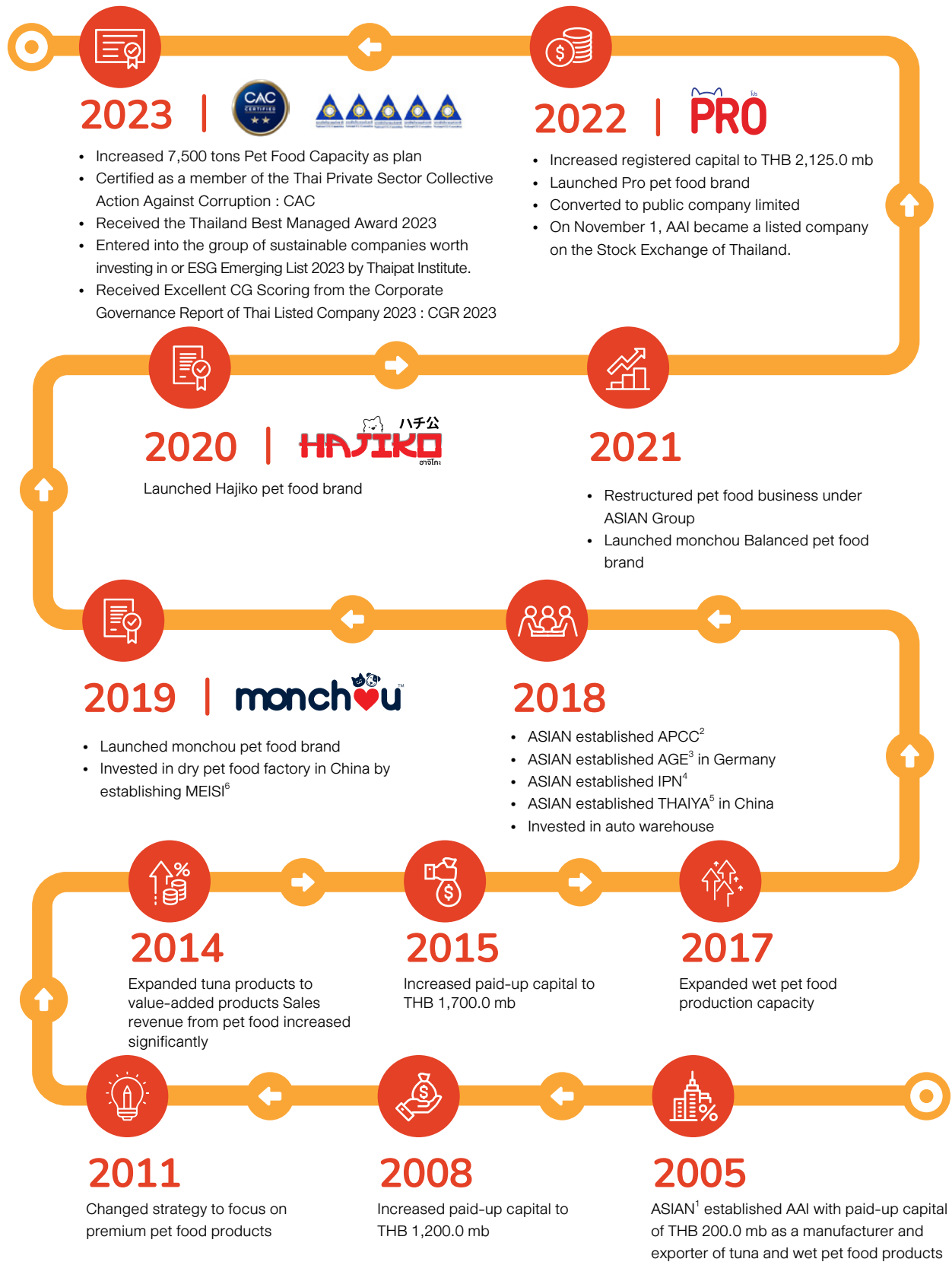
“Sustainability through Responsibility”

Responsibility for

- C** onsumers
- H** uman Development
- E** fficiency
- E** nvironment
- R** ights of Human
- S** takeholders



1.1.2 Milestone Development



Note :

1 ASIAN = Asian Sea Corporation Public Company Limited
 2 APCC = Asian Pets Care Corporation Company Limited

3 AGE = Asian Group SCS Europe GmbH
 4 IPN = Inter Petrina Company Limited

5 THAIYA = Thaiya Corporation (Shanghai) Company Limited
 6 MEISI = Shandong Thaiya Meisi Pet Food Company Limited

1.1.3 Use of Proceeds

Regarding to Asian Alliance International Public Company Limited (the “Company”)’s initial public offering (IPO) during 17 – 21 October 2022 and 25 – 26 October 2022 of 425.00 million shares at the offering price of THB 5.55 per share, which the Company has received the net proceeds of THB 2,278.84 million (after deducting all related expenses in the offering) with the objective of using the proceeds approximately according to the company’s business plan and is the best estimate of the allocation of the proceeds from the offering of securities as follows:

(Unit: THB million)

Use of Proceeds	Plan (Estimated)
1. Investment in capacity expansion of wet pet food	600 – 700
2. Investment in the 2nd Auto Warehouse	400 – 500
3. Repayment of short-term and long-term loans	700 – 800
4. Working capital	278.57 – 578.57
Total	2,278.57

However, as sales volumes dropped rapidly during the 1 half of the year compared to the budget of the year, the company’s customers are still in the de-stocking period to appropriate with the lead time which has been shorten due to logistic disruption was over. In the meantime, the company decided to delay its investment in 2nd Automatic warehouse and using the money to pay off debt and use it as working capital of the company instead, to reduce financial cost. As SorJor 63/2561 on the change of the use of proceed according to IPO filing No.3 stated that non-signification changes of use of proceed could be done by Board of Directors approval, The Board of Director, then, considered and resolved the amendment of the objectives of the use of proceeds for 2 times during the year 2023 as follows.

(Unit: THB million)

Use of Proceeds	Estimated Amount	Estimated 1 st Amendment ¹	Estimated 2 nd Amendment ²
1. Investment in capacity expansion of wet pet food	700.00	300.00	300.00
2. Investment in the 2 nd Auto Warehouse	500.00	300.00	-
3. Repayment of short-term and long-term loans	800.00	1,070.00	1,070.00
4. Working capital	278.84	608.84	908.84
Total	2,278.84	2,278.84	2,278.84

As of December 31st, the Company has already used the money according to the objectives of the 2nd Amendment of the use of proceeds that the Board of Directors approved. The company believes that the amendment of the objectives of the use of proceeds from the initial public offering (IPO) stated above are appropriate with cash management under current situation as sales growth was lower than expected. This also match with the amendment of investment plan for the year 2023. The company believes that, in the future, it could use operating cash or even loan from financial institution to support the above projects as the amendment of plan.

1.1.4 Obligations pledged by the Company in the Offering Information Form

None

¹ Resolution of the Board of Directors Meeting No. 1/2023 as of 22 February 2023

² Resolution of the Board of Directors Meeting No. 4/2023 as of 9 August 2023



1.1.5 AAI's Information

Name :

Asian Alliance International Public Company Limited

Abbreviation :

AAI

Registered Number :

0107565000093



Registered Capital :

2,125,000,000.00 baht

(two thousand one hundred and twenty-five million baht only)



Issued and Fully Paid-up :

2,125,000,000.00 baht

(two thousand one hundred and twenty-five million baht only)

Business Type :

Conduct the business of original equipment manufacturers (OEM) and distribute pet food products, Shelf-stable human food products and tuna by-products from tuna processing, such as fishmeal, fish steamed water, and fish oil.

Product Groups :

The Group's products and production capacity are divided into three main product groups:

- (1) Pet food for dogs and cats, both products under the customer's trademark and products under the company's one, with a production capacity of approximately 49,500 tons/year.
- (2) Shelf-stable human food, both tuna products in seasoned water and sauces, and ready-to-eat products under the customer's trademark, with a production capacity is equal to the finished product weight of approximately 17,500 tons/year.
- (3) By-product from tuna processing, such as fish meal, fish steamed water, and fish oil products, with a production capacity of 6,000 tons/year.

Head Office :

55/2 Moo 2 Rama 2 Road, Bangkrajao, Muang, Samutsakhon 74000

Tel :

0 3482 2700-4

Factory :

8/8 Moo 3 Rama 2 Road, Banbor, Muang, Samutsakhon 74000

Tel :

0 3484 5575-91

Website :

www.asianalliance.co.th

1.2 Nature of Business

1.2.1 Revenue Structure

(Million baht)

Segment	2021		2022		2023	
	Domestic	Export	Domestic	Export	Domestic	Export
Pet Food	255	3,832	411	5,598	431	3,830
Shelf-stable Human food	13	837	38	986	49	1,054
By product	48	-	90	-	75	-
Total	316	4,669	539	6,584	555	4,884

1.2.2 Product Information

(1) Product Characteristics

The products of AAI Group consist of 3 main product groups:

1) Pet Food



1.1) Wet pet food

The company's wet pet food for dogs and cats cover the completed pet food and complementary pet food. The company's wet pet food come in a variety of forms, including gravy, jelly, soup, and mousse. They are packaged in cans, vacuum-sealed bags, and plastic cups of various sizes according to customers' requirements.

Most of the revenue from the company's wet pet food products comes from the original equipment manufacturer (OEM) under the customer's product brand, which is mainly customers who own pet food products internationally. In addition, the company

2) Shelf-stable Human Food

The company's Shelf-stable human food use Tuna Loin as the main raw material to cook and adjust according to the desired characteristics and add seasoning water ingredients, including brine, mineral water, oil, vegetable boiled water, and various types of seasoning sauces, such as tomato or mayonnaise sauce, according to each production recipe, for example, tuna in brine, mineral water, sunflower oil, chili oil, vegetable juice, and olive oil.

In addition to tuna products in seasoning water and seasoning sauces, the company also offers ready-to-eat food products, such as fried rice and tuna in Thai curry paste, in the form of canned, pouch, and plastic cup packaging in various sizes according to the needs of customers. This can be stored for a long time without refrigeration or freezing (shelf-stable food). All ready-to-eat food products in sealed containers of the Company are original equipment manufacturers (OEM) under the customer's brand.

also markets and distributes pet food under the company's product brands, including monchou, monchou Balanced, and Maria, for both dogs and cats.

1.2) Dry Pet Food

The company currently has a production and distribution plant for dry pet food in China under the operation of MEISI, a joint venture in China that is an original equipment manufacturer (OEM) under the product brand of customers in China, as well as production of dry pet food under the company's brand monchou for distribution in China.

The dry pet food that the company markets and distributes in Thailand under the company's pet food brand are monchou, monchou balanced, and Pro for both dogs and cats, and Hajiko for dogs which the company has hired a third party to produce them.



3) By-products

The company's by-products include fish steamed water and tuna meal products. Fish meal products are commonly used as an important raw material in the production of economic aquatic feed.

The company's fish meal are certified by the IFFO (RS Global Standard for Responsible Supply of Marine Ingredients, Version 2.0), which is the standard for sustainable production of fishmeal products in accordance with the FAO's Code of Conduct for Responsible Fisheries. They can be used for the production of aquatic feeds and export aquaculture economies where food sourced from responsibly managed fisheries is required, traceable to the source of raw materials internationally, and not from illegal fishing.



Important Licenses to Operate

1. Samut Sakhon Factory

The company is licensed to operate business by several regulatory agencies in Thailand. The details are as follows:

No.	License	Agency Issuing License	Date of Issue	Date of Expiration
Factory 1: Wet Pet Food and Human Food				
1.	Factory Operation Permit (Ror Ngor. 4)	Department of Industrial Works	7 Apr. 2006	No Expiration
2.	Production License for Specially Controlled Animal Feed (Bor.Phor.Sor.1)	Department of Livestock Development	6 May 2022	24 Feb. 2025
3.	Food Production License (Aor.2)	Food and Drug Administration	20 Apr. 2022	31 Dec. 2023
4.	Operation License for Heath Hazardous Business (Aor Kor.2) of Canned Fish, Frozen Fish, and Fish Meal Production	Ban Bo Subdistrict Administrative Organization Samut Sakhon Province	1 Apr. 2022	31 Mar. 2024
5.	License to Bring or Order Food into the Kingdom (Aor.7)	Food and Drug Administration	20 Apr. 2022	31 Dec. 2023
6.	License to Trade or Profit in the Form of an Intermediary in the Animal Carcass	Department of Livestock Development	30 Aug. 2022	2 Aug. 2024
Factory 2: Wet Pet Food Production				
7.	Factory Operation Permit (Ror Ngor. 4)	Department of Industrial Works	1 Jun. 2011	No Expiration
8.	Production License for Specially Controlled Animal Feed (Bor.Phor.Sor.1)	Department of Livestock Development	6 May 2022	24 Jul 2024
9.	Operation License for Heath Hazardous Business (Aor Por.2) of Production of Finished Animal Feed	Ban Bo Subdistrict Administrative Organization Samut Sakhon Province	1 Apr 2023	31 Mar 2024
10.	License to Trade or Profit in the Form of an Intermediary in the Carcass	Department of Livestock Development	30 Aug 2023	2 Aug 2024
Fish Meal Production Factory				
11.	Factory Operation Permit (Ror Ngor. 4)	Department of Industrial Works	6 Jul. 2012	No Expiration
12.	Operation License for Heath Hazardous Business (Aor Kor.2) of Production of Finished Animal Feed (Fish Meal)	Ban Bo Subdistrict Administrative Organization Samut Sakhon Province	1 Apr 2023	31 Mar 2024

2. MEISI Factory

No.	License	Agency Issuing License	Date of Issue	Date of Expiration
1.	License for the Business of Manufacturing and Distributing Pet Food Products and Feed Additives and Distributing Pet Accessories	Shouguang Market Supervision Administration Bureau	6 Aug. 2019	No Expiration

No.	License	Agency Issuing License	Date of Issue	Date of Expiration
2.	GS1 Membership License in China	GS1 China	19 Jul. 2023	19 Jul 2025
3.	Food Production License	Shandong Animal Husbandry and Veterinary Bureau	30 Apr. 2019	29 Apr. 2024

Quality Standards and Certificates Received by the Company

The Company aims to enhance and improve the quality of its products and sustainable working standards, including developing and improving production processes to meet international standards and the needs of both domestic and international customers. The international quality standards and certificates received by the Company from accredited institutions are as follows:

1. Samut Sakhon Factory

No.	Standard/Certificate	Month and Year of the First Certificate Given	Institution	Date of Expiration	Renewal
General Standards and Certificates					
1	Dolphin safe	November 2014	Eart Island Institute	February 2024	Every Year
2	BRC Global Standard for Food Safety Issue 9	November 2008	BSI Group	11 November 2024	Every Year
3	Sedex / SMETA	February 2015	BSI Group	May 2024	Every Year
4	Green Industry Level 3	15 Sep 2023	Ministry of Industry	14 Sep 2026	Every Three Years
Quality Standards and Certificates for Pet Food Products					
5	Hazard Analysis and Critical Control Point (HACCP)	February 2010	Department of Livestock Development	2 August 2024	Every Three Years
6	Good Manufacturing Practice (GMP)	February 2010	Department of Livestock Development	2 August 2024	Every Three Years
7	CFIA	November 2011	Canadian Food Inspection Agency	No Expiration	-
Quality Standards and Certificates for Tuna Products					
8	Hazard Analysis and Critical Control Point (HACCP)	2006	Department of Fisheries	1 May 2024	Every Year
9	Good Manufacturing Practice (GMP)	2006	Department of Fisheries	1 May 2024	Every Year
10	Kosher	January 2015	K Meshulash / Triangle K INC	1 November 2024	Every Year
11	HALAL	August 2008	The Central Islamic Council of Thailand	13 August 2024	Every Year
Quality Standards and Certificates for Fish Meal and Fish Oil Products					
12	Marin Trust Standard for Responsible Supply of Marine Ingredients Version 2.0	July 2018	Global Trust Certification	1 May 2026	EVERY THREE YEARS

2. MEISI Factory

Standard/Certificate	Description	Duration of Latest Certification
BRC Global Standard for Food Safety Issue 8	Certified for international food safety standard by the UK Retailers Association from SGS United Kingdom Ltd.	June 2023 - June 2024
ISO 9001:2015	Certified for quality management system for dry pet food products in the category of complete nutrition for dogs and cats by SGS United Kingdom Ltd.	June 2023 - June 2026
ISO 22000:2018	Certified for food safety management system in the category of complete nutritious dry pet food for dogs and cats by SGS United Kingdom Ltd.	June 2023 - June 2026
Hazard Analysis and Critical Control Point (HACCP)	Certified for hazard analysis and critical control point system for dry pet food products in the category of complete nutrition for dogs and cats by SGS-CSTC Standards Technical Services Co., Ltd.	June 2023 - June 2026

BOI Certificate

The BOI Certificate can be found in the notes to the financial statements, item 25.



Important Products Development

Year	Important Research and Development
2021	<p>Pet Food</p> <ul style="list-style-type: none"> • 2 layers of mousse snacks for dogs. • Booster for kittens, which can be used as a substitute for milk from the mother cat. • Pet food for cats in the rehabilitation phase, which are fortified with vitamins and minerals to enhance immunity to cats in the form of puree, packaged in vacuum-sealed bags with stopper caps, and are sold in hospitals and animal clinics. • Pet food for dogs developed to be similar to foods that people eat in various national food forms. • Complete nutritious pet food for cats in the Pate form. • Snack for cats in a jelly form with new flavors packed in small vacuum-sealed bags.
2022	<p>Pet Food</p> <ul style="list-style-type: none"> • Fully nutritious pet food products for kittens in the cream form packed in vacuum-sealed bags with a new type of stopper, colorful and even easier to open. • Pet food products for cats, which contain natural ingredients, free from chemicals and food additives, packed in clear vacuum-sealed bags.
2023	<p>Shelf-stable Human Food</p> <ul style="list-style-type: none"> • New human food products for baby in porridge type, packed in clear plastic cup. • New tasted of ready to eat human food products, packed in clear plastic – green curry sauce, sri racha sauce, biryani sauce. <p>Pet Food</p> <ul style="list-style-type: none"> • Complete nutritious pet food for adult cats in mousse type, packed in vacuum-sealed bags. • Complete nutritious pet food for adult cats in pate' and gravy type, packed in cans. • Complete nutritious pet food for adult dogs in reformed meat type under Monchou brand, packed in vacuum-seal bags. • Pet food suitable for certain groups of sick animals, such as kidney disease (Renal Care). • New pet food product for cats in liquid drink type to increase cats to drink more water and reduce risk of kidney disease in cats

Year	Pet Food		Shelf-stable Human Food		Brand Pet Food	
	New SKU	% revenue	New SKU	% revenue	New SKU	% revenue
2021	253	12.0%	8	8.2%	28	37.0%
2022	203	8.8%	26	11.3%	72	81.5%
2023	225	7.5%	29	2.1%	37	6.3%

(2) Marketing and Competition

1. Pet Food Industry

The world's pet food market continues to grow in popularity, primarily due to the growing demand for pets as a result of the population transition to **Millennial**¹ and **Generation Z**², which are more animal-loving and more demanding, in addition to the urbanization and the growing population of middle-class people in developing countries. In addition to the increasing popularity of pet ownership, the need for pet food that is healthy for pets and convenient to feed to pets is another important factor contributing to the growth of the pet food market because of the lifestyle of people today who have a smaller family size or live as a couple without children. Therefore, it is popular to accept pets as human companions. As a result, pet owners are bound to their pets like the family members (Pet Humanization). For this reason, pet owners pay more attention to the health of their pets. There is a selection of food for pets that takes into account the quality, nutritional value, and health benefits of pets, including buying food that looks similar to the food they eat. Due to the fast-paced lifestyle of people today, pet owners are increasingly choosing products that are more convenient to feed their pets.

In 2023, Original equipment manufacturer (OEM) pet food market was stunned temporarily due to international logistic system recover after covid-19 pandemic. Covid-19 pandemic since 2019 impact international logistic so that lead time increased gradually. The recover of such the situation in late 2022 leaded to products overwhelm into the end-market. Brand's owners, then, had to push their exceeding stock out and delay re-order to lower their stock level to appropriate to the sudden shorten lead time due to such recovery. Then, the brand's owners had quite low demand almost throughout the year. Re-order gradually increased in the last quarter last year. North America, especially the United States, still has the highest share of the pet food market, followed by Europe, with the United Kingdom, Germany, and France being major pet food markets, while Asia-Pacific expected to grow significantly due to the increase in pet populations, especially in China, India, Indonesia, Malaysia, and Vietnam.

Thailand is considered one of the world's major exporters of pet food for dogs and cats, after Germany and the United States, and their expertise in food production, some pet food manufacturers have expanded their operations or added production lines for the production of canned tuna products. It has resulted in the operators being able to enhance expand their expertise in both product research and development as well as labors that do not require much additional production skills. Moreover, Thailand also has a tax advantage from entering

the Free Trade Agreement (FTA). Thailand is currently exempt from customs duties on all types of pet food exports from 15 countries, such as Malaysia, Australia, and Indonesia. Thailand is exempt from customs duties on the export of certain types of pet food products from three countries, namely Japan, South Korea, and India.

The pet food market continues to be a market that is gaining attention. The competition among brands is intense, as are the efforts of new entrepreneurs entering the pet food industry, both as pet food manufacturers in different segments and as designers of their own pet food brands. With respect to manufacturers, entrepreneurs with experience, large size, and potential still have the advantage and gain greater recognition. While pet food brands focus on gaining market share in a growing market, creating unique selling points, and capturing the market in which they have a significant advantage.

Pet food in Thailand during 2023 has been relatively stable. In addition, there are more new brands entering the market, causing fierce competition among pet food brands with new product launches, promotions, marketing activities, as well as advertising using popular artists or actors through both online and offline channels.

2. Tuna Shelf-Stable Industry

Tuna shelf-stable is the most popular product in the processed tuna industry, with growth trend in the global market value in the future. Although the global market value of tuna shelf-stable has declined slightly in the COVID-19 pandemic due to the high cost of transportation, while in 2023 was affected by the relatively high price of tuna due to the relatively small amount of catch.

The growth of the world's tuna shelf-stable market is primarily driven by the growing trend of healthcare that is becoming increasingly popular today, resulting in people paying more attention to what they eat. Tuna is considered a seafood that meets such needs well because it is a food that provides high protein, low fat, and low calories, as well as having a mild smell and taste and being able to be cooked in many ways. In addition to the growing trend in healthcare, the use of tuna shelf-stable products that have a long shelf life and a low price is also an important factor that affects the growth of the tuna shelf-stable market. Due to the changing lifestyle of people today, combined with the expansion of urbanization, it results in an increase in the number of women working outside the home, which leaves them with less time to cook. Therefore, there is an increasing need for convenience in food consumption and cooking. These factors have contributed to the popularity of tuna shelf-stable as it is a low-cost, quality source of protein, can be stored easily, and has a long shelf life without refrigeration.

¹ Millennial (or Generation Y) is the population born between 1981 and 1996.

² Generation Z is the population born between 1997 and 2012.

Asia Pacific is the world's major manufacturer of processed tuna products. The world's major tuna exporters include Thailand, the Philippines, Indonesia, and China. However, the majority of the region's processed tuna products are produced primarily for consumption within the region. With the growing population in India and China, along with the rising average income per person, people in the Asia Pacific region are increasingly demanding high-protein foods such as tuna.

The competition in the tuna industry is mainly competitive in the international market because the key markets of the company and those of other manufacturers in Thailand are all foreign customers. Thailand is considered to have exported the most processed tuna products in the world over the years. Thailand has the advantage of location in order to buy tuna from around the world. The country is equipped with skilled labor and production technology that meet international standards and can respond effectively to the needs of the market. Furthermore, the tuna processing operators in Thailand have a network covering the supply of raw materials for production and distribution channels in key markets. The countries with the highest value of export-processed tuna products are followed by Ecuador, China, Spain, and the Netherlands.



(3) Provision of Products and Services

Production Base and Capacity

The company currently has 2 production factories: (1) the Samut Sakhon factory located at Muang Samut Sakhon District, Samut Sakhon Province, and (2) the MEISI factory located in Shandong, China. The details are as follows:

1) Samut Sakhon Factory

The Samut Sakhon Factory is the company's main factory, located on a total area of approximately 97 Rai 3.5 square wa. The total production capacity is 73,000 tons per year. It can be divided into 49,500 tons of wet pet food products per year, 17,500 tons of human food per year, and 6,000 tons of by-products per year.

Moreover, the company has an auto warehouse, which can store more than 15,000 pallets, to increase the efficiency of the company's warehouse management, reduce the time of product search, reduce the risk of product loss, and support the growth of the company's product demand continuously.

2) MEISI Factory

MEISI Factory is a dry pet food factory operated by MEISI, a joint venture of the Group, located on a total area of approximately 12 Rai 2 Ngan with a total production capacity of 20,000 tons of dry pet food per year. MEISI factory mainly produces dry pet food on a contract basis for branded customers in China and brands of dry pet food items under the name "monchou" for sale in China.

Product Research and Development (for new production formulas or new products)

The company's Research and Development Department will invent, research, and develop the production formulas or products from original specification of the customers, such as product forms, based raw materials, nutrition fact of products, and packaging types, etc. and produce product's sample and test run. At each stage, the Research and Development Department will coordinate with customers and other departments within the company, such as the Sales and Marketing Department, the Procurement Department, the Production Department, and the Quality Control Department. After the formulation development is complete, the Research and Development Department will summarize the production formula and produce the sample product to send to the customer for approval. Once the customer approves the sample product, the company will send the product specification and product characteristics along with the price for the customer to consider before confirming the order. Although the production formula developed is the customer's production formula, it is difficult for pet food customers to switch to other manufacturers who will produce the product using the same production formula. This is because the standards and production methods of each contractor may be different, and most pet food customers tend to have the original factory produce such production formulas all the time.

Procurement of Raw Materials Used in Production

1) Procurement of raw materials for wet pet food products, ready-to-eat food products in sealed containers and fish meal products

The company continuously and regularly purchases raw materials and packaging from both domestic and international

suppliers. The Company plans to order such main raw materials in advance, based on forecast according to the half-year plan and quarterly plan, and requires suppliers to deliver the raw materials on a regular basis to ensure those quality and freshness. The company also determine raw materials safety stock at the appropriate level according to the type of raw materials. It will consider the amount of raw materials used each month, lead time, and the market conditions of each raw material and packaging to ensure that the company has sufficient raw materials and packaging for production. The raw materials used in the company's production can be divided into four groups: (1) tuna raw materials; (2) chicken raw materials; (3) other types of raw materials, such as other types of fish, meat, vegetables, and substances ; and (4) packaging.

The details of the company's raw materials and packaging procurement can be summarized as follows:

1.1 Tuna Raw Material

Tuna is the main raw material used in the production of wet pet food and ready-to-eat food products in sealed containers. The main species of tuna used are Skipjack Tuna.

The company focuses on sourcing raw materials from sustainable fishing. Its tuna raw materials have been certified by the Dolphin Safe Certification, which is a regulation on the import of canned tuna products to the United States. This is to certify that tuna raw materials come from catching fish that are not harmful to dolphins. The company imports almost all tuna raw materials from foreign distributors, having 3–4 main distributors. The company orders tuna raw materials in the form of purchase orders in a relatively constant quantity every month. The company will agree on the quantity and price of tuna, as well as the delivery date, with tuna suppliers about 30 to 45 days in advance of each order. In this regard, the company has a policy to reserve tuna raw materials (buffer stock) in an amount sufficient to produce at least 2–3 months in advance.

1.2 Chicken Raw Material

Chicken raw materials are another important raw material used in the production of wet pet food products. The company sources chicken raw materials in the form of all fresh chicken meat from a number of local distributors certified by the Department of Livestock Development, of which there are three main distributors. The company makes quarterly advance reservations and will gradually call in fresh chicken meat on a daily basis for use in the production process. In addition, it has ordered additional frozen chicken meat to keep the buffer stock in an amount sufficient to produce about one month in advance because the supply of chicken raw materials can be sourced from all domestic sources, resulting in a relatively short order period.

1.3 Other Raw Materials

The company uses other raw materials, for example, sardines and mackerel, to produce wet pet food by sourcing them from many distributors both domestically and abroad. The company has a policy to reserve the buffer stock for other raw materials in quantities sufficient to use during the lead time or purchase seasonally enough to use during shortages.

1.4 Packaging

Wet pet food and ready-to-eat food products in sealed containers have three types of packaging: cans, vacuum bags, and plastic cups. Almost all domestic distributors supply the company's packaging. The company has 5–6 main suppliers and mostly orders packaging individually (purchase order) according to the volume of orders received.

2) Supply of raw materials used in the production of dry pet food products in China

The company sources raw materials and packaging for dry pet food products from various distributors, which are all in China. The company orders raw materials continuously and regularly, based on customer orders. In addition, the company keeps a reserve of various types of raw materials to ensure that it has adequate raw materials and packaging for production, as well as being able to continue production.

Stage of Production

1. Production process for wet pet food products, human food products and fish meal products

1.1 Production planning

The company will coordinate with customers who have regular orders to request estimates of orders in advance. The details of products, quantities, and delivery times are provided so that the Planning Department can plan the production at least three months in advance and prepare a raw material purchase plan for the Procurement Department. The Planning Department will develop a detailed production plan on a monthly, weekly, and daily basis again. In this regard, a detailed production plan will be submitted to the relevant departments, such as the Cold Storage Department, the Production Department, the Quality Control Department, and the Warehouse Department, so that they are aware of the production schedule and can continue to operate in the relevant areas. Furthermore, in order to ensure the timely delivery of the goods, the Planning Department will monitor the progress of each production, including problems that may occur during production, on a daily basis to bring the data to analysis and consider adjustments to weekly and daily production plans in line with the actual volume of products produced.

For the production planning of fish meal products, the Planning Department will consider the number of raw materials left from the company's tuna processing process without purchasing additional raw materials from third parties.

1.2 Production Process



1.3 Storage of Products

The finished products on the pallets will be stored in the company's finished warehouse with the auto warehouse system. When the products are ready for delivery, the company will draw the pallets and store them in the waiting area.

2. Production Process for Dry Pet Food Products

2.1 Production planning

Upon receipt of the customer's order, the Planning Department will begin to plan the production at least 3 - 4 days in advance, and a detailed production plan will be developed once again before the actual production begins.

2.2 Manufacturing Process



Production Department will inspect all raw material before used. There is also product quality control at various stages in the production process, such as checking the quality of the raw materials, weighing the raw materials, checking the temperature and humidity, screening the pellet size, and checking for foreign matter with a metal detector before loading the products into the packaging.

2.3 Storage of Products

After the packaging process, the finished products are kept in the company's finished warehouse until they are shipped to customers.

(4) Assets Used in Business Operation

1. Main Fixed Assets Used in Business Operations

According to its consolidated financial statements as of December 31, 2023, the company's main fixed assets used in business operations have a net book value of THB 1,326.39 million. The main fixed assets used in business operations can be shown as follows:

Item	Proprietary Nature	Net Book Value (Million Baht)	Obligation
Land Improvement	Owner	12	None
Buildings and Building Improvements	Owner	425	None
Machinery and Equipment	Owner	819	None
Furniture and Office Equipment	Owner	30	None
Vehicles	Owner	2	None
Assets under Installation and Construction	Owner	38	None
Allowance for Impairment of Assets		-	
Total		1,326	

2. Right-of-Use Assets

The company has right-of-use assets used in its business operations with a net book value according to its consolidated financial statements as of December 31, 2023, equal to THB 158.73 million with the following details:

Item	Description	Net Book Value (Million Baht)
Land	Location of factories and warehouses leased from people who may have conflicts	132.33
Buildings	Pet food factory buildings, warehouses, and office buildings leased from persons who may have conflicts and third parties	5.14
Factory Equipment	Forklifts, chemical tanks rented from third parties	18.35
Office Equipment	Photocopiers rented from third parties	0.01
Vehicles	Cars rented from third parties	2.9
Total		158.73

The company has two long-term land lease agreements (lease periods of more than 3 years) with a person who may have conflicts, namely Asian Sea Corporation Public Company Limited, to use as the location of the company's production plant, which has already registered the leasehold rights. The details can be summarized as follows:

Parties	The Company ("Lessee") ASIAN ("Lessor")
Leased Property	Land with the total area of approximately 38,803.5 square wah located at Ban Bo Subdistrict, Mueang District, Samut Sakhon Province
Rental Purpose	To operate the business of producing and selling food that can be stored for a long time (shelf-stable food) for people to eat, animal feed, fish meal, and other related businesses.
Rental Period	30 years from January 1, 2022 to December 31, 2051
Important Conditions	The lessee has the option to extend the contract for a further period of 30 years after the end of the rental period. The lessee must send a written notice to the lessor at least 36 months before the end of the rental period and must agree on the new rental rate of the leased land for the renewal period at least 24 months in advance of the expiration date of this agreement.

3. Intangible Assets

The company has intangible assets, such as computer software, and computer software during installation. The net book value, according to the consolidated financial statements of the company as of December 31, 2023, is 16.11 million baht.

4. Use of assets as collateral for loans

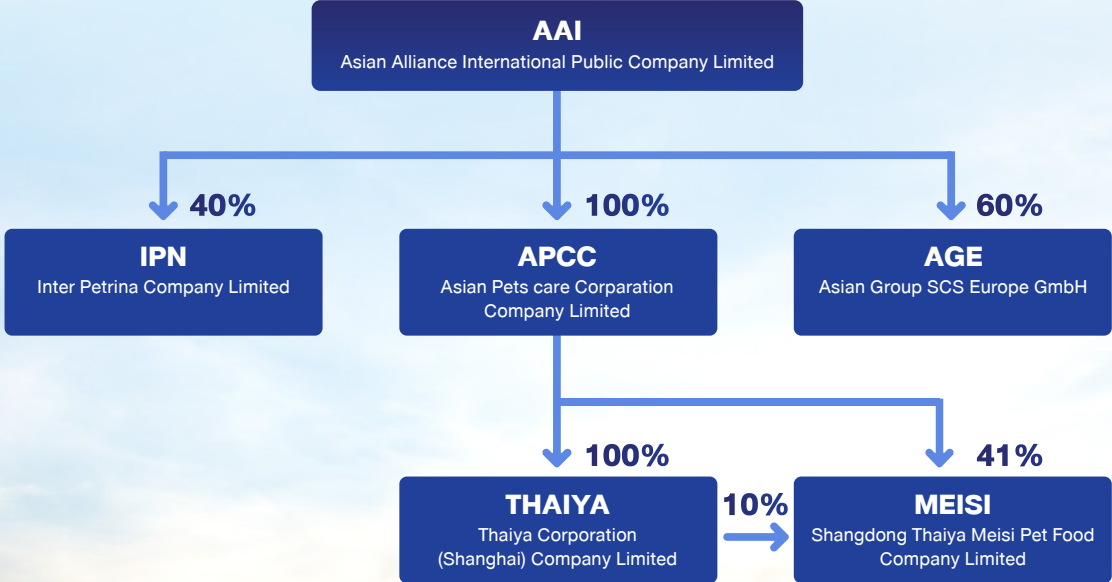
None

(5) Undelivered work

None

1.3 Shareholding Structure of AAI Group

1.3.1 Current Shareholding Structure of AAI Group (as of December 31, 2023)



Details of Subsidiaries, Associated Companies and Joint Ventures

No.	Company Name	Status	Headquarters' Location and Contact Information	Characteristics of Business Operation	Shareholder's Equity ^{1/} (Percent)	Voting Rights (Percent)	Total Number and Type of Shares Sold	Paid-up Capital	Cost Price	Net Book Value of Investment According to Consolidated Financial Statements as of December 30, 2022
1	APCC	Subsidiary	55/2 Moo 2 Rama 2 Road, Bangkrajao, Muang, Samutsakhon 74000	Distributing pet food products under the Group's brands, namely Monchou, Monchou Balanced, Hajjko, and Pro.)	100.00	100.00	2,000,000 common shares	200.00 million baht	130.80 million baht	N/A
2	THAIYA	Subsidiary	Room 608-2, Building 21, No. 1158, Jitjng Zhong Road, Jitjng Town, Songjiang District, Shanghai, China	Marketing and distributing pet food products under the Group's brands in China.	100.00	100.00	N/A ^{5/}	USD 4.5 million	USD 4.5 million (THB 150.35 million)	N/A
3	AGE	Joint Venture	Toebele 1, 73098 Rechenberghausen, Germany	Agent for sourcing pet food brand owners for the company with a focus on European customers.	60.00 ^{2/}	60.00	25,000 common shares	0.03 million euros	0.02 million euros (0.57 million baht)	-
4	IPN	Associated Company	No. 140/9 ITF Tower, 9th Floor, Silom Road, Suriyawong Subdistrict, Bangrak District, Bangkok 10500	Marketing and distributing wet pet food under its own product brand, Maria.	40.00 ^{3/}	40.00	40,000 common shares	4.00 million baht	1.60 million baht	-
5	MEISI	Joint Venture	No.19 Xing'an Road, Economic Development Zone, Shounguang City, Weifang City, Shandong, China	sContract manufacturing of dry pet food products under the customer's trademark (OEM) in China.	51.00 ^{4/}	51.00	N/A ^{5/}	20.00 million yuan	10.20 million yuan (44.49 million baht)	30.61 million baht

Remarks:

^{1/} Including direct and indirect shareholding

^{2/} 40.0% of the remaining shareholding ratio of AGE is held by Dormeo Handels GmbH, which is not a connected person of the Group.

^{3/} 60.0% of the remaining shareholding ratio of IPN is held by Inter Pharma Public Company Limited, which is not a connected person of the Group.

^{4/} 49.0% of the remaining shareholding ratio of MEISI is held by Shandong Meisi Pet Food Co., Ltd., which is not a connected person of the Group.

^{5/} The company was established in the form of capital assistance in the management of the company (Capital Contribution), which is an investment without issuing shares.

1.3.2 Persons who may have conflicts of interest hold shares in subsidiaries or associated companies altogether more than 10 percent of the shares with voting rights of such companies.

- None -

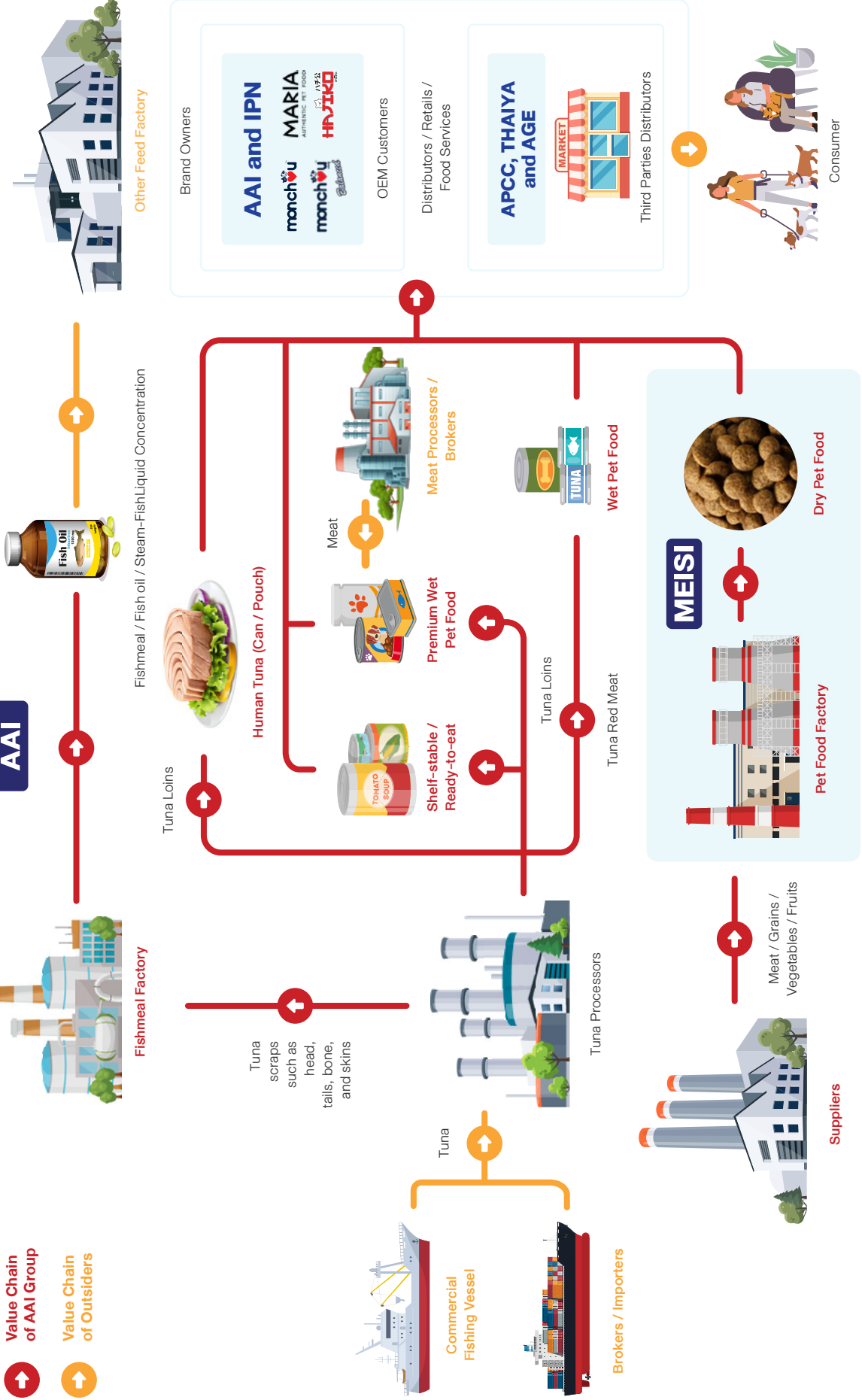
1.3.3 Relationship with Major Shareholder's Business Group

Key Business Relationships between the Group and the ASIAN Group

ASIAN Group, a major shareholder of the Group, manufactures and distributes frozen seafood, which is operated by ASIAN and ASIAN SURAT, aquaculture feed business operated by AFEED and the frozen food purchase, both domestically and internationally, for distribution in the country operated by AFOOD. The Company and its subsidiaries, in the meantime, are principally engaged in the manufacture and sale of pet foods and ready-to-eat food packed in sealed containers. Besides this, the Group also markets and distributes pet food under its own brands, which are operated by APCC and IPN, as well as being distributors and brokers of products, which are operated by THAIYA and AGE. The value chain diagram for the business of the Group and ASIAN Group can be shown as follows:



Supply Chain



The above value chain diagram shows that the Group and ASIAN Group do not have business interdependencies, so there is no important business interdependence. There is only a trade interdependency transaction where the company sells fish meal products, which are by-products of the company's production process, to AFEED for use as raw materials for the production of aquatic feed (shrimp feed and fish feed). These items account for approximately 1 percent of the total sales revenue in the year 2019 - 2022

In addition, the Group engages in the production and sale of pet food and Shelf-stable human food. Meanwhile, the ASIAN Group engages in the production of frozen food and aquatic feed business, which has different production processes and finished product characteristics.

There are also different distribution channels and customer groups. For animals food products, the Group distributes pet food to customers who are owners of pet food brands while AFEED distributes aquatic feed under its own trademark to economic aquaculture farms, which are raised for consumption and for human food, the Group distributes human food to customers who are owners of human food brands, while the ASIAN Group distributes frozen food to customers, owners of frozen food brands. As a result, the Group and ASIAN Group have not conducted business in a competitive manner.

However, in order to prevent conflicts of interest in business operations in a competitive manner in the future, the ASIAN Group has entered into a business non-competition agreement on October 12, 2021. The essence of the contract is as follows:

1. ASIAN agrees not to and agrees not to take action to cause the ASIAN group of companies to not do business or invest both directly and indirectly in the business, which is in competition with the agreed business operated by the company and/or a group of companies unless it is an investment through a company and/or group companies.
 - (a) Shelf-stable food for people to eat without refrigerating or freezing with various types of packaging, such as cans or other sealed packaging under the trademark of the company or group of companies and customers.

- (b) The business of producing and distributing animal feed that is normally kept for companionship or pleasure, which does not include pets for use, pets to use as vehicles, pets for food, or pets for use other than for companionship or pleasure under the company's trademark or group of companies and customers.
 - (c) The business of manufacturing and selling fish meal as raw materials for the production of aquatic feed. The fish meal is derived from the production process in accordance with (a) and (b) above.
2. This Agreement is effective on the date of signing and shall terminate upon the occurrence of the following circumstances:
 - (a) When ASIAN is no longer a major shareholder of the Company; or
 - (b) At the end of the company's duty to comply with the criteria specified in the Notification of the Capital Market Supervisory Board issued under Section 56 of the Securities and Exchange Act B.E. 2535 (1992) (included as amended).

Furthermore, the company has entered into lease agreements relating to land and buildings from ASIAN in order to comply with the utilization characteristics. The details are as follows:

- (1) A 30-year lease agreement from January 1, 2022 to December 31, 2051, in which the land has a total area of approximately 38,803.5 square wah to use it as the location of the company's manufacturing factory. The rental rate is in accordance with the rental rate assessed by the appraiser, which has been approved by the Office of the Securities and Exchange Commission;
- (2) The lease of the building for a period of 3 years from January 1, 2022 to December 31, 2024 to be used as a pet food factory. The rental rate is based on the rental rate assessed by the appraiser, which has been approved by the Office of the Securities and Exchange Commission; and
- (3) The lease of the freehold room for a period of 1 year from 1 January 2022 to 31 December 2022 for use in the storage of dry goods. The rental rate is in accordance with the rental rate assessed by the appraiser, which has been approved by the Office of the Securities and Exchange Commission.



1.3.4 Shareholders

(1) Major Shareholders

Top 10 shareholders as of December 31, 2023 are as follow:

No.	Name	Shares	%
1	Asian Sea Corporation Public Company Limited	1,487,493,000	70.000
2	Mr. Somsak Amornrattanachaikul	68,234,900	3.211
3	Thai NVDR Company Limited	45,771,956	2.154
4	Ms. Siripat Amornrattanachaikul	45,218,000	2.128
5	Dr. Rutchchayuth Jerapornprapa	15,615,355	0.735
6	Mr. Somchai Amornrattanachaikul	15,352,691	0.722
7	Mr. Tawatchai Tiamtan	10,541,000	0.496
8	Mr. Isara Vongkusolkit	8,755,531	0.412
9	Mr. Pichit Chinwittayakul	8,200,000	0.386
10	Miss. Rawisara Ngamrungsiri	7,000,000	0.329
Total		1,712,182,433	80.573

(2) Agreements between major shareholders that affect the issuance and offering of securities or the management of the company and its subsidiaries and important to the operation.

None

1.4 Registered capital and paid-up capital

1.4.1 Registered capital / Paid-up capital / Number of shares

As of December 31, 2023, Asian Alliance International Public Company Limited has

Registered capital 2,125,000,000 baht (two thousand one hundred twenty five million baht only)

Paid-up capital 2,125,000,000 baht (two thousand one hundred and twenty five million baht only)

Number of ordinary shares 2,125,000,000 shares (two thousand one hundred and twenty five million shares)

Par value 1 baht per share

1.4.2 Other Shares with Different Terms or Right from Common Shares

-None-

1.4.3 AAI's Shares or Convertible Securities as Underlying Securities for Issuing Mutual Funds for Foreign Investors

-None-

1.5 Issuance of Other Securities

1.5.1 Convertible Securities

-None-

1.5.2 Debt Securities

-None-

1.6 Dividend Policy

1. Company's Dividend Policy

Asian Alliance International Public Company Limited. ("Company") shall provide a dividend payment for not less than 50% of the net profit of the consolidated financial statement after tax deduction and all funding reserves as required by laws and specified by the company in each year. This dividend ratio may be changed depending on the performance, financial status, liquidity, investment requirements, additional investment, business expansion, cash reserved for loan repayment or working capital within the company, terms and other restrictions as mentioned in the loan contract and other factors related to the administration as deemed appropriate by the Board of Directors and/or the shareholders. Therefore, the dividend payment must not be more than the retained earnings in the separate financial statement of the company. In the year the company requires some fund for investment or working capital, then the Board of Directors may propose to the shareholders' meeting to determine the dividend payment in another way.

Once the Board of Directors has given its consent for the annual dividend payment, it must be proposed to the shareholders' meeting for approval unless it is the interim dividend payment for which the Board of Directors is authorized to approve for the payment from time to time

when there is a sufficient amount of profit and this must be reported to the shareholders' meeting for acknowledgement in the next meeting.

2. Dividend Payment for Subsidiary Companies

The subsidiary companies may provide the dividend from the net profit in the separate financial statement after tax deduction and all kinds of funding reserve as required by laws and specified by the company each year. Therefore, the dividend ratio may be considered from the performance, financial status, liquidity, investment requirements, additional investment, business expansion, cash reserved for loan repayment or working capital within the company, terms and other restrictions as mentioned in the loan contract and other factors related to the administration.

The Board of Directors of the subsidiary may consider the annual dividend payment for the subsidiary by obtaining consent from the shareholders' meeting of the subsidiary unless it is the interim dividend payment for which the Board of Directors of the subsidiary is authorized to approve for payment from time to time when the subsidiary has sufficient profit; this must be reported to the shareholders' meeting of the subsidiary for acknowledgements in the next meeting.

Dividend Payment History

Subject	2023	
	Dividend payment	The interim dividend payment
Date of Board resolution	22 February 2566	9 August 2566
Type of dividend payment	Cash dividend payment	Cash dividend payment
Cash dividend payment (baht per share)	0.20	0.05
Dividend payment amount (Baht)	425,000,000	106,250,000
Derived from profit under non-BOI privilege (baht per share)	0.08	0.0107
Derived from profit under BOI privilege (baht per share)	0.12	0.0393
Par value (baht)	1	1
Paid from	Net Profit and Retained Earnings	Retained Earnings
Operating period	Operating period from 01-Jul-2022 to 31-Dec-2022	Operating period from 01-Jan-2023 to 31-Jun-2023
Payment date	16 May 2023	8 September 2023

2

Risk Management

2.1 Risk Management Policy and Plan

The Company recognizes the importance of risk management as part of good governance activities to support the organization's drive for sustainable success. It is prepared to deal with the changing conditions that the Company faces at all times, both from internal and external factors, which may affect the ability to achieve the goals of the organization. The Board of Directors has appointed a Risk Management Committee and established risk management policies and plans to ensure that the Company has determined to analyze and evaluate factors and opportunities for risk management and monitoring of risks to be at an acceptable level by studying and applying risk management tools in various forms, such as determining acceptable risk levels (Risk Appetite). Assessing the importance of risk issues through a risk map and requiring monitoring and evaluation of risk management, as well as communicating relevant information within the company continuously and regularly, as well as considering providing knowledge to various departments. To understand the criteria for analyzing, evaluating, and managing risks periodically in order to continuously improve the efficiency of the organization's risk management until it becomes a culture in the organization's risk management.

The full version of the Risk Management Policy can be viewed here:



In addition, the Risk Management Committee also monitors changes in important external factors, including emerging risks, so that risk management measures can be prepared to cope with risks and reduce their impacts. It may happen to the business in the best possible way. We also established a risk working group for the department to consider risk factors in various department and present risk information and risk management methods to the Risk Management Committee for consideration and approval. As well as presenting risk issues that may not be manageable to the Risk Management Committee to consider and determine guidelines for management.

This year, the Risk Management Committee together with the Corporate Governance and Sustainability Management Committee held a joint meeting and presented it to the Board of Directors to consider approving the organizational restructuring by adjusting sustainability management work and risk work to be under the same committee, which is the Risk Management

for Sustainability Committee. The committee sees that it will reduce duplication of operations and raise the importance of sustainability work in every issue which is considered a risk that affects the sustainability of the organization and makes risk assessment in Environmental, social and governance dimensions as well as prioritizing and managing such risks are in accordance with the Company's risk management policy.

The Risk Management for Sustainability Committee will assess the risks of important sustainability issues in the environmental, social and governance dimensions and consider plans for managing such risks. There is also a risk working group. Responsible for assessing the agency's risks and presenting risk information and risk management plans to the committee as usual.



2.2 Risk Factors for the Company's Business Operation

AAI focuses on managing various risks that may arise from both internal and external factors, important goals and strategies of the organization, needs and expectations of stakeholders, including industrial, economic, and social trends, politics, technology, competitors and other related things that can affect business operations by taking into account different factors in each business group of the company both risks that affect current business operations and risks that may occur new (Emerging Risk).

In this regard, the following risk factors that the company presents in this document are some of the significant risk factors that may affect the company.



2.2.1 Current and Emerging Risks Facing Business of The Company

Strategic Risk

1. Risk of being a contractor to produce products under the customer's product brand (Original Equipment Manufacturer: OEM)

Almost all of the company's revenue comes from the OEM shelf-stable wet pet food and human food products according to the production formula, quality standards, and delivery time set by the customer. The company's major export markets are the United States, European countries, and Japan. In general, customers will order products with the company by confirming the order (Purchase Order) from time to time and receive the product gradually according to the specified period. Therefore, the company is at risk if the customer hires the manufacturer to reduce the order quantity or switch to hire other manufacturers, which may affect the company's revenue and performance.

The company, at the moment, bend upon enhance its status from a co-developer to be a strategic partner which focuses on product research and development, having modern production technology, as well as having a production process and providing quality products and services with international standards in order to meet the needs of customers as best as possible, as those are key decision matter that brand's owner use. Moreover, the company also increase its potential on productivity expansion to ensure the key customers that the company is a capable strategic partner who could growth along with the customers.

2. Risks from changing of consumer behavior.

Consumer behavior is changing more rapidly as technology that impact on environment and health conscious improve continuously. Therefore, the company pay its attention on develop its organization so that it could be able to meet changing consumer needs or behaviors via its sustainable strategy, CHEERS! The company monitor and consider consumer needs and behaviors regularly to ensure that its operating strategies are appropriately determined and the company could handle those in time. The company also pays attention to the continuous study, research, and development of new products and packaging, such as environmentally friendly packaging, in order to be able to respond to customer needs as much as possible, including improved its good corporate governance and received excellent CG scoring from the corporate governance report of Thai Listed Company 2023.

3. Climate Change Risks

The rapidly changing climate and the current global warming have had a wide impact around the world, causing various environmental risks such as temperature changes that affect the survival of marine life, which is the company's main source of raw materials, as well as natural disasters, such as flooding from rising sea levels due to melting sea ice, fire and drought from rising temperatures, which may affect the supply of raw materials, production and sustainability of the company's business operations in the future. The main cause of Climate change is greenhouse gas emissions from industrial production processes, energy consumption, and transportation using fossil fuels. The company, then, has set a target to reduce greenhouse gas emissions per ton of production and goal to study carbon offset guidelines to achieve carbon neutral goals by 2030 and achieve the net zero emission target by 2050 in order to express the intention to jointly control the average temperature of the world not to exceed 2 degrees Celsius and respond to the world's sustainable development goals.

To reach the target above, the company determined that greenhouse gas emissions are to be reported every year from 2019. Those reports will be use internally to determined key emissions and set aside a suitable project to reduce greenhouse gas emissions every year. The company greenhouse gas emissions report and its performance update has been reported in sub-section 3: Driving Business towards Sustainability, title 3.5: Sustainability management on Environmental.

4. Risks of dependence on export markets that may be concentrated in certain regions.

Currently, the company's revenue is more than 90% of the revenue from the export of products to foreign countries. Most of the export of wet pet food products go to the United States because it is the world's largest pet food market and continues to grow. Therefore, the company is at risk if there is an event that negatively affects the United States export market, reducing the order volume of the company's products, such as changes in the economy, changes in relevant laws and regulations, or changes in exchange rates, and may affect the company's performance.

The company has established an agency that is responsible for monitoring the requirements, rules and laws of the exporting countries, and the Executive Committee meeting also regularly monitors the economic situation and the political and trade policies of the main exporting countries to be able to determine strategies and operational guidelines in accordance with the legal requirements and the changing economic, social and political situation of the main exporting countries.



The company has also focused on diversifying sales to various regions to reduce the risk of dependence on exports to a particular region or country. For pet food products, the company plans to expand its export market in European countries, Japan and China by recruiting new customers and increasing sales volume to existing customers. One of the key strategies that the company uses to expand its export market for pet food products is the establishment of subsidiaries and joint ventures with business partners in the target countries or regions. That is to say, the company has invested in the ASIAN Group SCS Europe GmbH (AGE), which was established in Germany in 2018 to serve as an agent for customer acquisition in the European region, and the company has established the Thaiya Corporation (Shanghai) Co., Ltd. (THAIYA) in China in 2018 to pioneer the marketing and distribution of pet food under the brand Monchou, the company's pet food product brand.

For ready-to-eat products with sealed containers, the main customers of the company currently include the Middle East region, where the company receives the most reasonable selling price for raw materials in each period.

Operation Risk

1. Risks associated with tuna raw materials

Tuna raw materials are an important raw material in the production process of wet pet food and human food products of the company. Therefore, the ability to provide tuna raw materials in sufficient quantities for production and at an affordable price is one of the important factors that affect the success of the company.

However, since tuna raw materials are fishery products combined with the tuna processing industry of Thailand, it is necessary to rely on the import of tuna raw materials from abroad. The quantity and price of tuna raw materials are affected by external factors such as changes in supply and demand at both the regional and global levels, weather conditions, the duration and cost of transportation of goods, and relevant laws or regulations, etc., which are factors beyond the control of the company. The company therefore has risks associated with tuna raw materials as follows:

1) Risk of shortage of tuna raw materials

The company supplies tuna raw materials by importing mainly from overseas tuna suppliers. However, the amount of tuna around the world is at risk of falling due to overfishing and climate change. Therefore, the company is at risk if the world's tuna catch volume decreases or the supply chain of tuna supply experiences problems. As a result, the company is unable to supply tuna in the required quantity and quality, which will affect the production of customer orders and may affect the company's performance.

Today, however, operators in the tuna processing industry are increasingly aware of and focus on sourcing tuna from sustainable fishing by supporting non-destructive fishing tools such as fishing nets, fish aggregating devices (FADs), ending overfishing, and ending human rights violations and forced labor on fishing vessels. Moreover, operators also focus on having traceable products (Traceability) that can be traced back to the suppliers of raw materials and packaging that deliver goods to operators. According to the United Nations, as a result of the cooperation of all sectors in ending overfishing, the amount of **tuna stocks**¹ in the world is increasing steadily.

The Company pays great attention to the management of tuna fish raw materials by planning the order of tuna fish in accordance with the situation of using raw materials at each time by considering both price, customer needs, fishing season, production plan and production capacity of the company as well as the delivery period to manage to have enough raw materials in the produce continuously and regularly. In addition, in order to prevent the risk of shortage of tuna raw materials in production, the company has a policy to reserve tuna raw materials (Buffer Stock) in sufficient quantities to produce for at least 2 - 3 months. As a result, the company has never had a shortage of tuna raw materials in production before. If the company needs to reserve more tuna raw materials in accordance with the supply chain situation of tuna raw materials or to support for future capacity expansion, it can consider using or renting additional cold storage space from ASIAN Sea Corporation Public Company Limited ("ASIAN"), a cold storage facility located in the same area as the company's factory location, to accommodate the increased reserve of tuna fish.

2) Risk of reliance on major tuna suppliers

Generally, in the tuna industry, ordering tuna is a form of purchase order on a one-time basis. Therefore, the company has not entered into a long-term contract with the supplier of the tuna raw materials. Most of the tuna of the company is ordered from one of the major suppliers. Therefore, the company is at risk if the supplier is unable to supply and deliver the tuna raw materials to the company in sufficient quantities in accordance with the appropriate quality and standards or within the period specified by the company. This will affect the company's production operations.

The company's major supplier of tuna raw materials is one of its brokerage firms. The world's largest tuna merchant has a global network of tuna suppliers, both from fishing on its own fishing vessels and from the collection of tuna from small fishing vessels. There are tuna catching sites in both the Pacific, Indian and Atlantic oceans. Therefore, the company relies on major tuna suppliers to ensure that the company is able to supply the

¹ Tuna stocks is tuna volume separated by species and catching areas all over the world such as skipjack tuna stock from India Ocean and skipjack tuna stock in Pacific Ocean.

required amount of tuna according to the company's production plan. However, the company has focused on maintaining good relationships with such major tuna suppliers since the start of business by planning to order in large enough quantities and relatively stable on a monthly basis.

However, in order to reduce reliance on the supply of tuna from such major tuna suppliers, the company has also increased the proportion of ordering of tuna from 2–3 other major suppliers to ensure that in the event that the company's major tuna suppliers are unable to provide the required amount of tuna, the Company will be able to source from other tuna suppliers.

3) Risks from fluctuations in the price of tuna raw materials

Tuna raw materials are raw materials that come from the sea naturally. As a result, prices fluctuate according to supply and demand in the market and change in exchange rates. This depends on factors beyond the company's control, such as climate change that results in lower tuna fishing volumes, and more stringent tuna fishing quotas to reduce overfishing problems and restore ocean tuna populations.



Therefore, the company is at risk if the price of tuna raw materials fluctuates, resulting in a significant increase in the cost of sourcing raw materials, which will directly affect the company's performance if it is unable to adjust the selling price of products in line with the increased cost.

The company has taken steps to reduce the impact of the fluctuation in the price of tuna raw materials by ordering and disbursing tuna raw materials for production in relatively stable quantities each month in order to maintain sufficient quantities of reserve tuna raw materials (Buffer Stock) for production for at least 2–3 months. With the determination of the method of recording the cost of tuna raw materials by the average cost method, it results in lower prices of tuna raw materials, inventory and production costs of the company. In addition, with the company's main business being the original equipment manufacturer (OEM), which has set the selling price of products by the method of determining the price according to the cost-plus additional profit. For human food, the company will set the trading price with new customers according to the order cycle

and according to the price of tuna raw materials disclosed in the wholesale market. As a result, the company can adjust the selling price of products in accordance with the change in the price of tuna raw materials during each period. For pet food products, in general, the industry will maintain the price of trading with customers for at least 6 months. The company also has a business strategy that focuses on continuing to expand the pet food business because it is a business with high growth prospects. There is a lower proportion of tuna use and a better profit margin than the human food products.

In addition, the company's business direction focuses on continuing to expand its pet food business. This reduces the impact of risks associated with tuna fish raw materials on the company's performance, including the risk of shortage of tuna fish raw materials, the risk of dependence on major tuna fish raw materials suppliers, and the risk of fluctuations in tuna fish raw materials prices. Since pet food products have a lower proportion of tuna fish raw materials used in products than human food.

2. Risk of the company's production process having to rely on labor-intensive process

The company operates a tuna processing business to produce shelf-stable we pet food and human food products which relies on a labor-intensive process, especially in the process of preparing raw materials. At present, the company has approximately 3,400 workers in the manufacturing sector of the total number of employees, about 3,900 of which are migrant workers. The company is at risk if the company cannot maintain existing labor or cannot provide additional or replacement labor to support the company's production plan. In addition, the company is at risk if labor costs are adjusted in the future from government policies that may increase the minimum wage rate, which may affect the operating costs and financial position, as well as the company's competitiveness and profitability.

The Company places great emphasis on human resource management. The manpower plan is established in line with the company's growth plan. The company also has a variety of recruitment channels, such as registering with the Department of Employment to admit migrant workers to work at the Company, recruiting staff through recruitment websites, posting job application announcements on the company's website, posting the job application announcement at the front of the factory, etc. In addition, the company has prepared a training plan to develop the internal personnel individually and a succession plan for important positions. In addition, the company has appropriate monetary remuneration and welfare by periodically conducting remuneration and welfare surveys to be in line with the labor market, as well as having a clear and fair evaluation system. The company also tries to



motivate personnel to work with the company by fostering good relationships among personnel and creating a good working culture and environment.

As for the risk of labor costs that may be increased by government policies that may increase the minimum wage rate to control the overall cost of production, the company has focused on studying and implementing efficiency improvements throughout the organization with a focus on adopting technology, and automatic machines are used in production to reduce the dependence on workers in the manufacturing sector and warehousing systems. Since the company applied cost-plus policy, the company may consider adjusting the price of products to reduce the impact of the minimum wage rate that may be raised in the future.

3. Risks from Relying on Key Senior Management

One of the key factors for the Company's success and continued growth is the presence of key personnel at the level of competent supervisors in many departments, such as the Product Research and Development Department, which relies on knowledge and expertise to jointly invent and develop production formulas with customers; the Quality Management Department, which relies on knowledge of various industry rules and standards and expertise and experience in quality inspection of raw materials and products; the Production Department, which manufactures products to meet the standards, specifications, and customer needs effectively; and the Marketing Department, which has expertise and experience in presenting the Company's products and the ability to manage relationships with customers both at home and abroad, etc. Accordingly, the Company is at risk of relying on key personnel with such capabilities. If the Company is unable to motivate and retain such executives or personnel and fails to replace them within a reasonable period of time, it may significantly affect the Company's operations and competitiveness.

However, the Company recognizes the importance of retaining key personnel. It has concisely established guidelines to prevent risks that may arise from the loss of personnel, especially in important positions, by, for example, considering the allocation of remuneration and monetary and non-monetary benefits that are appropriate for the knowledge and abilities of each individual. Moreover, the Company has planned for each department to create an organizational culture to transfer knowledge and add important positions to accelerate the development and promotion of new employees so that they can perform their work more efficiently. The Company also provides a succession plan to prepare for the long-term development of important personnel within the Company. As a result, the Company has never experienced the loss of important personnel that affects business operations or competitiveness in any way.

4. Risk of business interruption

The Company may have a risk from production operations that may be interrupted or temporarily shut down while exceeding emergency situations, natural disasters, accidents or corporate malpractice such as fire, floods, terrorist events or severe epidemics. This may result in the company experiencing labor shortages because some employees may need to take temporary time off work or be unable to travel to work or affect the supply chain or transportation system. This will directly affect the company's production plan and may result in the company not being able to deliver the goods on time according to the schedule of customers.

The Company has prepared a business continuity plan to prepare for the appropriate emergency situations and mitigate the damage to an acceptable level, as well as ensuring the important processes can be resumed in the shortest possible time.

In addition, the company regularly coordinates with each raw material supplier to closely monitor the situation of the time of transportation of various products so that the company can plan the production and purchase of raw materials and manage the inventory in accordance with the situation at each time. Therefore, the company has not been affected by the problems in the supply chain of raw materials that the company uses in the production process, especially raw materials that need to be imported from abroad, such as tuna raw materials, and other types of fish raw materials.

5. Risk of Information Technology System Failure or Cyber Threat

The company uses information technology systems to process, communicate, store information, as well as manage and support business processes in all sectors, from research and development, production, inventory management, sales, human resource management, finance and accounting, and enterprise management. Therefore, if the information technology system crashes due to power outages, natural disaster, or failure of computer systems or telecommunications networks, or damage from cyber threats, such as computer viruses and unauthorized login (Hacking), it may result in loss of important information or cause the company's business operations to be interrupted. If confidential information is leaked, it may result in the company's loss of credibility and may incur remediation and responsibility costs. Moreover, the company is at risk of compliance with laws, rules and regulations relating to the storage, use, disclosure and security of personal information, including requests from regulatory authorities and government agencies in relation to such information in accordance with the Personal Data Protection Act B.E. 2562 (2019) ("PDPA"), which was published in the Government Gazette on May 27, 2019 and has been effective since June 1, 2022. The compliance with



PDPA may result in higher costs for the company; however, if the company is unable to comply with such laws, it may have a significant negative impact on the company's reputation and performance.

However, the company has realized the importance of its information technology system; therefore, strict information technology security control measures have been established, such as determining the right to access user information, monitoring access to user information, installation of computer security systems (Firewall). In addition, the company has developed an IT emergency response plan and set up a standardized backup system to prevent data loss and support emergencies so that it can continue to operate its business. In addition, the company has also developed and updated its computer security and information technology systems regularly to keep pace with changes in cyber threat patterns and has an information technology system that is consistent with the needs and can support the growth of the company.

For the Company's implementation to comply with the PDPA criteria, the PDPA Working Group has been set up, and relevant policies and procedures have been established in accordance with the guidelines of the ASIAN Group. The PDPA training has also been provided to all employees of the company.

Financial Risk

1. The risk that the company's insurance policy may not be sufficient to cover all damages that may occur to the company.

The company's business operation carries common risks arising from manufacturing processes, storage, transportation, and operations. These include risks arising from explosions, fires, natural disasters, defects in machinery or equipment, improper installation and use of machinery or equipment, accidents, terrorism, and other unrest. These risks may cause damage to the life and property of the company, as well as its business operations may be interrupted, including holding legally liable. However, the company cannot guarantee that if there is a significant amount of loss incurred by the company under the insurance policy provided by the company, such damage will be covered or all potential damages will be covered if the company's loss exceeds the limit. Insurance coverage that the company has made significantly, or if the company is unable to make a claim from the insurance that the company has made may have a significant negative impact on the business, financial position and performance of the company. In addition, the company may not be able to prepare an insurance policy with the type of insurance policy and the amount of insurance that the company considers necessary or sufficient or with premiums that the company considers reasonable, especially if there is a significant increase in the premium amount when

the insurance policy is renewed (for example, when there is an event that may affect the factors used in calculating the risk and premiums). The increased cost of premiums may have a negative impact on the cost and profitability of the company.

However, the company has a policy to enter into an insurance policy contract at an appropriate level in accordance with industry principles to prevent damage that may occur to the main assets of the company, including third parties. The company has prepared insurance in various areas, including industrial all risks, extensive liability insurance of business operators to other people (comprehensive general Liability) and contaminated products, etc. In addition, the company will review and consider the value of coverage every year to ensure that the value of coverage according to the policy corresponds to the value of the main assets and the size of the company that has changed. In the provision of insurance, the company will compare the insurance premiums, coverage levels, coverage limits, reliability of the insurance company and other conditions of the insurance company so that the company can provide appropriate insurance to the company's operations.

2. Risk of the company being recalled or sued for damages if the consumer has a complaint about the company's products

Although the company mainly manufactures products under the customer's brand (OEM) and has a process to inspect and control the quality of raw materials, production processes and storage and delivery of finished products in order to ensure the quality and safety of the company's products according to the specified standards. However, the company is also at risk of product recall or litigation if the company's products are deteriorated or other events that may affect the quality, safety and reliability of the products, which may affect the sales of the company's products and business operations.

The company pays great attention to the quality control and safety of its products at every stage, from the stage of product research and development, to the procurement and quality inspection of raw materials, to the storage of raw materials. From production to delivery of products to customers, in the process of product research and development, the company regularly monitors information related to research results or standards and requirements for new production formulations to ensure that the company's production formulations meet established nutritional standards. The company has been certified by various agencies at home and abroad, including Hazard Analysis and Critical Control Point System (HACCP) standards, Good Manufacturing Practice (GMP) standards, and International Food Safety Standards of the Association of Business Operators, and the British Retail Consortium (BRC) certifying quality, safety and production standards of the company's products at an international level.

In addition, the company has established a management procedure when receiving complaints from customers systematically, such as in case of problems with the product after the product has been sent to the customer. There is also a system that can check back which products have been complained of from time to time (Lot Number) of such products to be able to make appropriate and timely management decisions and solutions, etc. The company also provides monetary damage protection that may arise from customer litigation. It has also provided contaminated products liability insurance with an insurance fund of \$10.00 million, which covers damage to goods caused by accidental contamination, malicious product tampering and product extortion for pet food products and ready-to-eat food products in sealed containers of the company both at home and abroad around the world.

3. Risk of currency mismatch between income and costs

More than 90% of the company's revenue comes from the export of goods to foreign countries. Most companies and customers agree to use the US dollar to pay for goods, while the company's sales costs are mainly in Thai baht. Therefore, although the company manages the risk of exchange rate fluctuations by assigning the revenue and sales costs to the same currency (Natural Hedge), the company is also vulnerable to inconsistencies in the proportion of revenue and sales costs in US dollars. Therefore, if the exchange rate in Thai baht to US dollar fluctuates significantly, it may affect the company's performance.

However, the company is aware of the risks of foreign exchange fluctuations and prioritizes the management of such risks by using financial instruments such as currency forward contracts in US dollars. The company has assessed the risks of foreign exchange for consideration in entering into foreign exchange contracts. Periodically according to the situation, the company will enter into a foreign currency futures contract to close all risks from the change in the exchange rate of baht to USD for the difference that occurs between (1) the trade receivable value, (2) the trade creditor value, and (3) the remaining loan value in USD. The Company also considers entering into a foreign currency futures contract in USD for the difference between the value of orders from foreign customers and the order value of the Company to the outstanding foreign creditors. The order has been submitted but has not been delivered. The company will consider the value of entering into a foreign exchange contract in advance based on the trend of the exchange rate, the delivery period of the goods, the period to receive payment for goods and credit, the term of trade receivables and trade payables, as well as other factors that may affect the exchange rate in the future.

Entering into a currency forward contract to determine the exchange rate in the US dollar beforehand may cause the company's financial statements to still show gains or losses from the exchange rate, but it should be offset by declining sales revenue or increases from changes in the exchange rate.

4. Interest rate fluctuation risk

Interest rate movement is one factor that affects the company's performance and cash flow. Since the company uses part of the funds from borrowing from financial institutions both a credit line for trade (Trade Credit) and a credit line that is a long-term loan to be used in the investment activities of the company, where the trade credit line is a short-term credit line with interest rates that change according to the market rate. This puts the company at risk from potentially increasing interest burden, which the company manages this risk. The interest rate volatility has been closely monitored. This is for the most effective financial management. It also has a policy to provide financing from long-term sources with fixed interest rates of not less than 50% of the total loan that the company uses.

However, in October 2022, the company raised funds from the initial public offering of ordinary shares (IPO). The objective of the fundraising was to be used as an investment for expansion of production capacity, loan repayment, and working capital. As of December 31, 2023, the company did not use commercial credit in any way.

5. Risk of financial support to the Parent company and Affiliated companies (Emerging Risk)

The company invested in many affiliated companies which most of those are new companies which may not yet be financially strong, shareholders, including AAI, then, have to support cash to allow them to perform as part of the company policies and strategies. The financial support provided may be in the form of loans or trade credit as need and must benefit the company in long run.

The company cannot guarantee that these company will be able to repay such loans or credits, or that they will not face financial woes again, or that they will not need more financial support. Any such possibilities could harm the company's financial performance and financial position.

However, the company determined the close monitoring process to all affiliated companies according to the company's organizational structure, including screen and approve each supporting to ensure that risk could be mitigated.

Moreover, the company gained shareholders' resolution in the Annual General Meeting of 2023 to finance up to THB 500 million to the parent company, Asian Sea Corporation PLC.,



and increased to up to THB 1,000 million with resolution of the Extraordinary Shareholders' Meeting No. 1/2023. Such the loan will be available with in April 19th, 2026. The up to THB 1,000 million financial support from the parent company also approved in even.

The financial support above aim to short-term liquidity management in the group. Both will benefit from such cash pooling in the way that the supporter will gain higher interest rates from its exceeding cash and the borrower will pay lower interest rates compared to bank loans. Before any financial support to the parent company, the company considered its exceeding cash level and ability to repay of the borrower carefully.

Compliance Risk

1. Risks related to environmental impacts on communities and society

The Company is at risk from the production process that may affect the environment, community and society, causing environmental movement activities or resistance from society, and may affect the continuity of business operations, the reputation of the Company, or the increased cost of compensation for damages.

The company is aware of the risks and potential impacts. Therefore, the company places importance on the efficient use of natural resources in the production process with the maximum yield but minimal waste and pollution. The company aims to develop and improve the production process in order to be able to use the limited energy efficiently and efficiently. In addition, the Company sets guidelines for the management of wastewater from the production process, air pollution management, as well as waste management according to the 3R principle, which is Reduce (Reduce or use as little as necessary), Reuse, and Recycle to reduce the impact of the production process on the environment and community as much as possible. In the past, the company has never been fined or penalized for violating environmental laws in any way.

2. Human rights risks

The company employs a large number of workers in production. Most of them are migrant workers. As a result, the company has human rights risks in terms of labor management in accordance with labor laws, human rights principles and occupational health management and safety in the work of employees. In addition, since the value chain of the Company's business is related to fishermen, the Company may have risks that may arise from business partners in the group of raw material suppliers in terms of employment practices and labor management in accordance with the law and the human rights principles. If the Company or its raw material suppliers fail to comply with relevant laws, rules, and regulations, this may result in complaints or lawsuits from individuals. This may affect business continuity, the company's reputation, or increased costs from compensation for various damages.

The company has always paid attention to human rights issues. It has established strategies and guidelines for conducting business in accordance with the labor laws of the Department of Labor Protection and Welfare, Ministry of Labor. The company has been certified at the basic level of Thai labor standards and ethical standards for members of the Supplier Ethical Data Exchange (SEDEX). Currently, the company has been certified in four topics, covering labor, health and safety, environment and trade ethics, as well as the labor employment standards of the International Labour Organization (ILO).

The company has issued and reviewed policies on respecting laws and human rights principles. It will treat all employees with equal respect for honor and dignity, regardless of race, nationality, gender, religion, color. In addition, the ASIAN group, including the company, has issued a joint statement between government agencies and fishery operators on the policy of not violating the law, not buying imports and exports of aquatic animals, aquatic products obtained from illegal practices, illegal labor, and human trafficking. The company also has an anti-corruption policy, including providing channels for whistleblowing and complaints, as well as measures to protect the complainant or those who give information in the investigation. In the past, the company has never been complained of and has never been fined for violating human rights laws in any way.



2.2.2 Risks to Securities Holders' Investments

Risks from Major Shareholders Having Control over the Management of the Company

Asian Sea Corporation Public Company Limited, or ASIAN, is a major shareholder of the Company, accounting for 70.00% of the total number of shares issued and sold by the Company. In addition, the Company has directors representing ASIAN on its Board of Directors, totaling four out of eight persons, and being authorized signatory directors of the Company. Therefore, ASIAN has the power to manage and control most of the votes on important resolutions about the appointment of directors or seeking resolutions on matters requiring a majority of the votes of the shareholders' meeting, except for matters that are required by law or the Company's articles of association to receive three-fourths of the number of shareholders attending the meeting and having the right to vote, such as capital increase or capital reduction. Therefore, the votes of other shareholders attending the meeting and having the right to vote may not be gathered to produce different resolutions.

However, the Company has a management structure consisting of the Board of Directors and 5 sub-committees, namely the Audit Committee, the Executive Committee, the Corporate Governance and Nomination and Remuneration Committee, the Risk Management for Sustainability Committee, and the Credit Committee. The scope of authority, duties, and responsibilities of these sub-committees are clearly defined, and the Company's working system is standardized and easily audited. The structure of the Company's Board of Directors consists of independent directors who represent at least one-third of the total number of directors of the Company. There are three independent directors out of eight directors. The Company also appoints an independent director to serve as the Chairman of the Board of Directors. In addition, the three independent directors also serve as the Audit Committee Members to monitor the Company's operations and ensure that any operations of the Company are conducted for the benefit

of the Company, especially minority shareholders and other stakeholders. In this regard, the Company has also established an Internal Audit Department, which is an independent internal unit of the Company, to conduct an audit of the Company's internal control system and report the results to the Audit Committee, enabling the Company's work to be reviewed for better transparency as well as balancing the power in proposing matters to be considered for inclusion in the shareholders' meeting to a certain extent. Besides this, the Company has rules and regulations in case of transactions related to directors, major shareholders, or persons with authority to control the business, including persons who may have conflicts of interest. Such persons will not attend the meeting and have no right to vote on such transactions. This can reduce the risk of potential conflicts of interest.

Risks of Uncertain Returns on Investment for Shareholders

Investors may facing risk of uncertain returns on investment as the company share prices may rise or fall in a volatile fashion, subjected to several factors beyond its control, including economic situation, political situation, crisis or abnormal situation domestically and internationally, particularly in the country which are major market, source of raw material, and any other change affecting the industry.

Moreover, the company's affordability to pay dividend is subject to several factors, including capital budget, capital reserve, loan repayment, and cash flow from operating activities. As a result, annual dividends of the company could be paid at lower rates than investors' expectations or might not in line with the company' dividend policy of at least 50% of consolidated net profit after deducting all reserves under the law and company regulations.

2.2.3 Risks Facing Investing in Foreign Securities

-None-

3 Driving Business for Sustainability

Key Sustainability Performance Results



Environmental Aspect



Direct and Indirect Greenhouse Gas Emissions (Scope 1 & 2)

44,066

tons of carbon dioxide equivalent

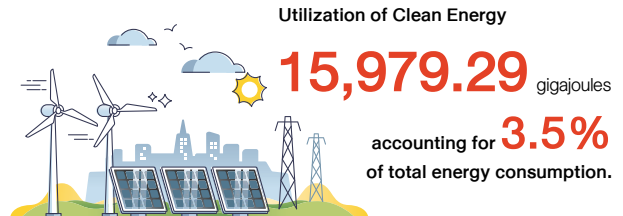
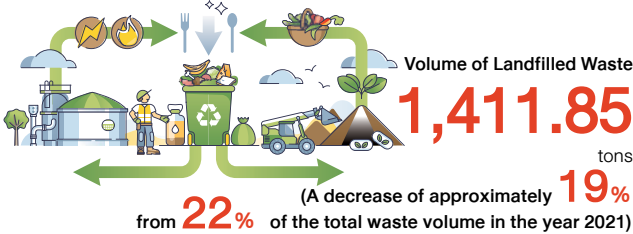


Intensity of Greenhouse Gas Emissions

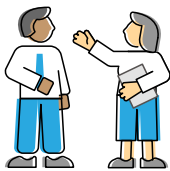
1.49

tons of carbon dioxide equivalent per ton of production

increasing by **22%** compared to the year 2022 (Target : Reduce the intensity of greenhouse gas emissions compared to the year 2022)



Social Aspect



Contributed funds to support

100 scholarships for students in Samut Sakhon province, totaling

1,000,000

Baht, provided for the third consecutive year



Frequency of Injuries

Male employees: **7.11** Female employees: **3.00**

Severity Rate of Injuries

Male employees: **10.11** Female employees: **16.62**



Governance Aspect



- Number of human rights **complaints : 0**
- **No instances** of non-compliance with significant legal implications were found.
- Received the **Best Managed Company award**.
- Selected for inclusion in the Sustainable and Investment-Worthy Companies, or **ESG**

Emerging List, in the year 2023 by the Thaiptat Institute

- **Excellent evaluation** results in the corporate governance survey for the year 2024.
- Certified as a **member of the Thai private sector coalition against corruption**.

3.1 Sustainability Management Policy and Objectives

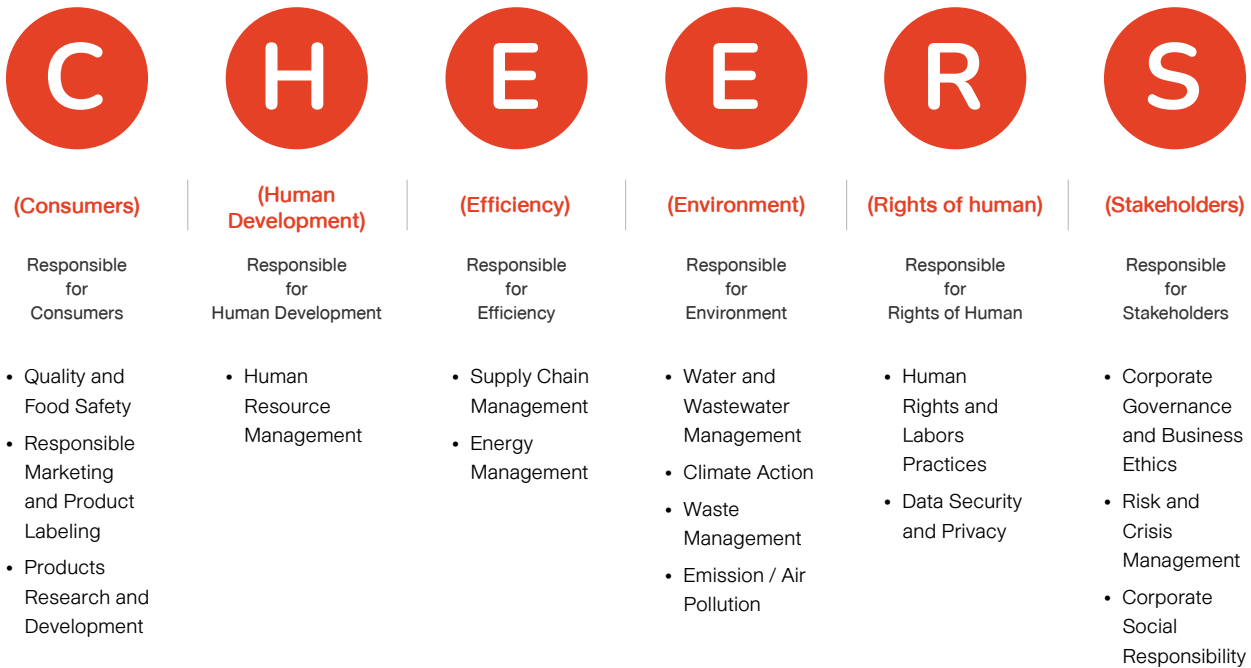
The company and its subsidiaries operate within the framework of good corporate governance, ensuring transparency and accountability. The commitment is to develop the business in tandem with economic, social, and environmental sustainability. The company is steadfast in becoming a Good Corporate Citizen, promoting continuous and sustainable business growth under the principles of ethics and effective corporate governance. Furthermore, it actively supports the achievement of the United Nations Sustainable Development Goals (SDGs) to address climate change issues and efficiently provide returns to shareholders while considering the impact of business operations on all stakeholders.

The company initiated the development of a sustainability strategy in 2019 under the management of the parent company, Asian Corporation Limited (hereinafter referred to as "ASIAN"). ASIAN, being the major shareholder, established a Sustainability Management Committee comprising top executives from all subsidiaries to ensure alignment with the operations of each business unit. Subsequently, the company appointed a Corporate Governance and Sustainability Management Committee in late 2021 to ensure a genuine and consistent commitment to sustainable development.

The company's board of directors appointed a Corporate Governance and Sustainable Management Committee in late 2022 to ensure the company continues to earnestly pursue sustainable development throughout its operations. The committee reviewed the sustainability strategy, ensuring its alignment with the company's operations and its subsidiaries consistently. The committee remains steadfast in driving the business in line with the international principles of the United Nations Sustainable Development Goals (SDGs). They proposed the company's board of directors to approve the strategic plan "CHEERS!" covering all dimensions, including environmental, social, and governance (ESG) aspects, as the company's sustainability strategy, similar to ASIAN. Considering that the "CHEERS!" strategy aligns with the business operations in the short and long term and is in harmony with the global sustainable

development direction and expectations of all stakeholders, the committee believes that business sustainability comes from responsible business practices.

To align with current sustainability management trends, the company has undergone organizational restructuring in 2023, integrating sustainability operations within the scope of the Risk Management Committee's responsibilities. Recognizing sustainability as a crucial risk management aspect, the company has actively reviewed and identified key sustainability issues, improved goals and indicators for clearer definition, and planned effective communication of sustainability issues, relevant projects, and indicators through the CHEERS! Sustainability Strategy.



For the full version of the sustainable development and corporate social responsibility policy, can be viewed here :



Summary of the performance according to the CHEERS! Strategy (Sustainability Strategy).

Sustainable Strategy		Operational Goals			Results of Operations in 2023	Support for (SDGs)
Dimension	CHEERS	Key Issues	Indicators	Short-Term (Within 2023)		
Environmental	E (Environment)	Emissions / Air Pollution	<ul style="list-style-type: none"> Emissions (excluding greenhouse gases) Number of legal violations Number of related complaints 	<ul style="list-style-type: none"> No legal violations and no related complaints. 	<ul style="list-style-type: none"> No legal violations and no related complaints. 	 11.6  12.4
	E (Environment)	Water and Wastewater Management	<ul style="list-style-type: none"> Water usage volume and water usage per ton of production. Percentage of wastewater treated before discharge. Percentage of reclaimed water. Number of legal violations. Number of complaints related to water management. 	<ul style="list-style-type: none"> Implemented a project to reuse treated wastewater for toilet flushing and floor cleaning in the production area according to the plan. 	<ul style="list-style-type: none"> Developed a water management plan covering water source adequacy assessment, water quality maintenance or improvement, wastewater treatment, and water reuse. No legal violations and no related complaints. 	 6.4  12.4
E (Environment)	Climate Action	Greenhouse Gas Emissions, including Scope 1 & 2 & 3	<ul style="list-style-type: none"> Greenhouse Gas Management Goals Quantity of Greenhouse Gas Emissions from Scope 1 & 2 Quantity of Greenhouse Gas Emissions per unit 	<ul style="list-style-type: none"> Produced carbon offset products for the organization. Developed an additional 5 carbon offset products. 	<ul style="list-style-type: none"> Carbon Neutral 2573 Net Zero 2593 	 13.2, 13.3



Sustainable Strategy		Operational Goals			Results of Operations in 2023	Support for (SDGs)	
Dimension	CHEERS	Key Issues	Indicators	Short-Term (Within 2023)			Long-Term
Environmental	E (Environment)	Waste Management	<ul style="list-style-type: none"> Waste and Hazardous Waste Management Goals Waste and Hazardous Waste Management Plan Quantity of Waste and Hazardous Waste Quantity of Waste Landfilled Quantity of Waste and Hazardous Waste that went through the reuse and/or recycle processes Number of Legal Violations Number of Related Complaints 	<ul style="list-style-type: none"> Separated and managed waste in accordance with regulations and practices. 	<ul style="list-style-type: none"> Zero Waste to Landfill. No legal violations and no related complaints. 	<ul style="list-style-type: none"> Quantity of waste: 7,451.67 tons. Quantity of waste that has undergone reuse and/or recycling processes: 784,492 tons. Quantity of waste disposed of by municipal landfill or disposal: 1,411.85 tons or 9% of non-hazardous waste generated in 2023. Quantity of waste reduced from the utilization of remaining raw materials from the tuna processing process: 4,710 tons for the gemstone product group. No legal violations or related complaints reported. 	11.6 12.3, 12.4, 12.5 13.2
	E (Efficiency)	Energy Management	<ul style="list-style-type: none"> Energy Management Goals Quantity of Energy Consumption (electricity/fuel) Quantity of Renewable Energy Usage Energy Consumption per ton of production 	<ul style="list-style-type: none"> Implement the Smart Boiler project according to the plan. 	<ul style="list-style-type: none"> Utilize energy from clean energy sources by at least 50% by the year 2030 	<ul style="list-style-type: none"> Total energy consumption: 453,934.28 gigajoules Renewable energy usage: 15,979.29 gigajoules Energy consumption per ton of production: 15.34 gigajoules (Direct energy intensity: 13.09 gigajoules, Indirect energy intensity: 1.71 gigajoules) The Smart Boiler project is still in progress (about 90% completed) 	7.2, 7.3 12.2 13.2



Sustainable Strategy		Operational Goals			Results of Operations in 2023	Support for (SDGs)
		Key Issues	Indicators	Short-Term (Within 2023)		
Dimension	CHEERS					
Social	S (Stakeholders)	Corporate Social Responsibility	<ul style="list-style-type: none"> Number of projects with community participation Number of disputes with communities/society along with corrective measures Number of projects and budget for CSR activities annually 	<ul style="list-style-type: none"> Complaints/Disputes from the community is zero. 	<ul style="list-style-type: none"> Funding project for students in Samut Sakhon province Green Community project AAI Forest Conservation project Animal welfare food donation project to various animal charities Management participated in the SET Sustainability Forum 2/2023 Community complaints/disputes is zero Received CSR-DIW Project Certification Award 	1.5 2.4 3.9 4.4 11.6
	C (Consumer)	Quality and Food Safety	<ul style="list-style-type: none"> Percentage of products certified to food safety standards Number of incidents or complaints related to health impacts or safety concerns from consuming products, along with corrective and remedial measures. 	<ul style="list-style-type: none"> Food production certified to 100% safety standards No complaints regarding food safety 	<ul style="list-style-type: none"> Products certified to 100% safety standards No complaints regarding health impacts or safety concerns from consuming significant products 	2.4
	R (Rights of human)	Data Security and Privacy	<ul style="list-style-type: none"> Policies and Practices regarding Cybersecurity and Privacy Data Protection Number of incidents or complaints related to cybersecurity or Privacy data 	<ul style="list-style-type: none"> No legal violations and no complaints related issues 	<ul style="list-style-type: none"> No legal violations and no complaints related issues 	16.10
	C (Consumer)	Responsible Marketing and Product Labeling	<ul style="list-style-type: none"> Percentage of products with nutritional labeling Number of complaints about labels and/or advertising by the company 	<ul style="list-style-type: none"> Compliance with the law is 100% 	<ul style="list-style-type: none"> Products with nutritional labeling: 100% No legal violations and no complaints related issues 	2.1

Sustainable Strategy		Operational Goals			Results of Operations in 2023	Support for (SDGs)	
		Indicators	Short-Term (Within 2023)	Long-Term			
Social	CHEERS	Key Issues	Human Rights and Labor Practices	<ul style="list-style-type: none"> Number of events related to human rights violations along with corrective and remedial measures Incidence Severity Rate (ISR) of injuries Injury Frequency Rate (IFR) 	<ul style="list-style-type: none"> Reduce the Injury Severity Rate (ISR) Reduce the Injury Frequency Rate (IFR) 	<ul style="list-style-type: none"> No legal violations and compliance with company policies Certified to SEDEX 4-pillar standards every year No complaints related to human rights and labor practices Certified as a member of the Thai Private Sector Collective Action Against Corruption 	<ul style="list-style-type: none"> 1.3, 1.5 3.9 5.1, 5.5, 5.c 8.5, 8.7, 8.8 16.b
				<ul style="list-style-type: none"> Plans or activities related to employee development Average number of training hours per employee Employee development goals Promotion rates 	<ul style="list-style-type: none"> Employees grow along their career path according to the plan every year. 	<ul style="list-style-type: none"> Promotion rate: Overall, 4.1%, broken down into male employees at 3.9% and female employees at 4.3%. Employee training completion rate is 80%. Average training hours per person was 47 hours / year 	<ul style="list-style-type: none"> 4.4 5.5 8.5 10.2

Sustainable Strategy		Operational Goals			Results of Operations in 2023	Support for (SDGs)
		Key Issues	Indicators	Short-Term (Within 2023)		
Supervision and Control	CHEERS	Corporate Governance and Business Ethics	<ul style="list-style-type: none"> Number of cases of business ethics violations or corporate misconduct along with corrective measures Results of Corporate Governance assessments 	<ul style="list-style-type: none"> No complaints related to corporate governance or ethics oversight. CG assessment results are not lower than 4 symbols every year. 	<ul style="list-style-type: none"> Received excellent results in the assessment of the company's governance conducted by the Ministry of Commerce for the registered year 2023. Selected for the ESG Emerging List 2023 as a sustainable and investment-worthy company by the Thai Institute. Awarded Thailand's Best Managed Companies 2023, recognizing outstanding management in Thailand for the year 2023 by Deloitte. Received 2 complaints, investigated and found misconduct in 1 case, while another case is still under investigation. 	2.c 8.2 9.4 16.5 16.6 16.7
	S (Stakeholders)	Risk and Crisis Management	<ul style="list-style-type: none"> Risk register using ESG (Environmental, Social, and Governance) materiality following COSO ERM guidelines Business Unit Risk Register Number of days of unplanned operational shutdowns 	<ul style="list-style-type: none"> Restructure the management structure for risk and sustainability. Evaluate ESG-related risks. 	<ul style="list-style-type: none"> Conduct risk assessments with corresponding action plans to appropriately manage risks, ensuring business continuity without interruptions. 	<ul style="list-style-type: none"> Restructured the board of directors responsible for risk management, sustainability, and governance as planned. Assessed risks related to sustainability issues and developed a risk management plan. No unplanned work stoppages (no interruptions) were reported.

Sustainable Strategy		Operational Goals			Results of Operations in 2023	Support for (SDGs)
		Key Issues	Indicators	Short-Term (Within 2023)		
Supervision and Control	CHEERS	Products Research and Development	<ul style="list-style-type: none"> Percentage of revenue derived from new products Number of new products sold in the first year Percentage of products promoted for health and nutrition 	<ul style="list-style-type: none"> Introduce new products aligned with market trends and competition in the market every year. 	<ul style="list-style-type: none"> Revenue derived from new products accounts for 9.53%. Number of new products sold in the first year: 280 items. Health-promoting and nutritional products produced in 2023 account for 35% of the total products manufactured and sold in 2023. 	2.1 8.4 9.1, 9.b 12.2
		Supply Chain Management	<ul style="list-style-type: none"> Percentage of the number of business partners that have signed and adhere to the business code of ethics. 	<ul style="list-style-type: none"> Evaluate the importance of all business partners within the year 2023. Evaluate business partners using sustainability criteria (ESG) for the year 2023 with a score of 100%. Achieve sustainable procurement at 100% by the year 2027. 	<ul style="list-style-type: none"> Business partners who have signed and adhere to the business code of ethics: 63%. 	2.4 8.3 12.2, 12.7 14.4, 14.6

Support for Sustainable Development Goals (SDGs):

The company develops a sustainability strategy department by considering the Sustainable Development Goals (SDGs) of the United Nations. Fifteen out of the 17 SDGs are reflected in the strategic plan, sustainable development plans, as well as key projects and business growth directions.



Sustainability Governance Structure :

The company assigns the Board of Directors to oversee the Sustainability Management Committee of the organization. This committee is responsible for supervising sustainable development management in line with the commitments stated in the sustainable development policy. Additionally, it evaluates various issues' risks following the risk management guidelines, establishes appropriate management approaches, and includes a corporate governance committee. Moreover, the Board appoints and determines compensation, oversees operations following relevant governance policies. Both committees will preliminarily review and consider quarterly operational reports, proposing information for approval by the Board of Directors, including disclosure in the Form 56-1 One-Report.

3.2 Managing Impact on Stakeholders in the Business Value Chain

3.2.1 Business Value Chain

1. Main Activities

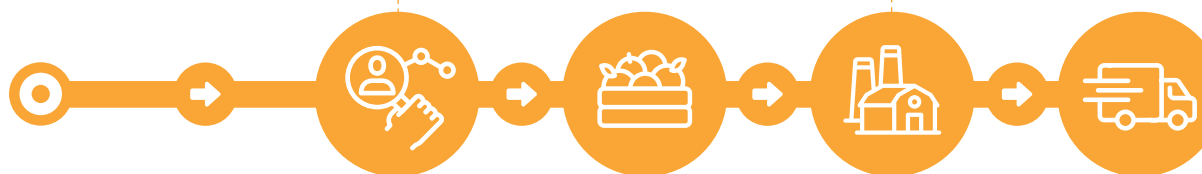
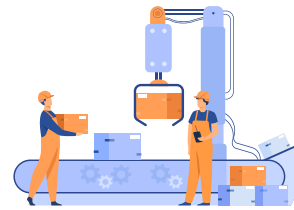
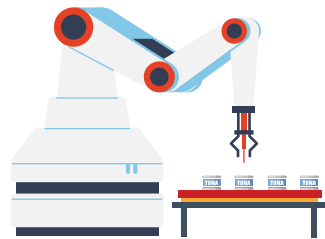
1.1 Raw Material Management

The Company selects high-quality and safe raw materials from sources that do not conflict with sustainable development guidelines and are traceable. The quality of raw materials is tested from the supplier selection stage to the raw material receiving stage to ensure that the raw materials used in production are of quality and meet the standards. The Company also emphasizes fair and equal treatment of partners, taking into account good governance and social and environmental responsibility, as well as conducting partner evaluations to develop sustainable business relationships.



1.3 Production Process

The Company plans production based on customer orders in advance to ensure timely delivery. Resources in the production process are used efficiently and maximized, both in terms of raw material usage and process development through investment in technology and automation. The Company also provides training and development for personnel in the process and improves the working environment, as well as provides the necessary equipment for working in different situations. This allows employees to work safely. The Company also emphasizes quality control and inspection at every stage to ensure that the products meet the required standards. The Company has been certified by various domestic and international agencies, giving customers confidence that the Company's products are safe and of high quality, meeting international standards.



1.2 Research and Development of Products

The Company continuously researches and develops products. The Company and its customers share information on product development, market trends, and consumer demand in each area to meet the needs of consumers and ensure sustainable growth for both the Company and its customers. The Research and Development Department also plays an important role in defining product specifications to ensure that the products manufactured meet the real needs of customers.



1.4 Distribution of Products and Services

The Company mainly distributes products by land transportation through outsourcing. The Company regularly audits contractors to ensure that they comply with relevant laws, regulations, and/or regulations and can deliver products on time.



1.5 Marketing and Sales

The Company mainly sells products under the customer's trademark. Customers are contacted through various channels, including direct contact, sales through import-export agents, and sales through sales agents.

For products under the Company's trademark, the Company distributes them through various channels, including wholesale and retail, as well as exports. The Company treats all customers equally and sets appropriate prices for each type of product based on good governance principles. The Company also discloses information about the products to customers in a complete, accurate and sufficient manner, without concealing or distorting the content.



1.6 After-Sales Service

The Company has a traceability system from the source of raw materials to the final consumer to ensure that consumers are confident in the quality standards of the Company's products. The Company also conducts customer satisfaction surveys and establishes channels for complaints about product quality to improve the Company's products and services.



2. Supporting Activities

2.1 Infrastructure Provision

The Company has implemented an Enterprise Resource Planning (ERP) system to connect operations between departments, from sales, procurement, hiring, production planning, and manufacturing to product delivery. This enables the organization to work together systematically, allowing for more efficient planning, management, and data management throughout the process. The data is also linked to the accounting and financial systems, enabling effective data analysis for business development that is timely and responsive. The Company maintains and repairs buildings, premises, machinery, tools, and equipment, and invests in additional resources to ensure that it has sufficient resources to support the sustainable growth of the organization.

2.2 Human Resource Management

The Company has an effective organizational structure, with a regularly reviewed annual workforce plan and a succession plan for key positions. The Company treats all employees equally, emphasizing fair hiring and employment conditions, appropriate compensation and benefits packages comparable to other companies in the same industry, and a fair and transparent performance evaluation system. The Company is also committed to developing its employees through training and seminars to enhance their work skills and confidence in performing their duties.

2.3 Technology Development

The Company has established a department to improve production efficiency by continuously investing in automated machinery to reduce reliance on labor, reduce costs, and reduce waste from the production process. This is to increase the long-term competitiveness of the business.

2.4 Corporate Governance

The Company has defined a structure and authority for conducting business in line with good governance principles, and monitors to ensure that policies are implemented in a tangible way through the work of various subcommittees. The subcommittees are required to report their performance to the Board of Directors at least once a quarter. The Board of Directors reviews all policies annually and considers amendments to ensure that they are consistent with the current situation. Important policies include the Corporate Governance Policy, Business Conduct Code, Sustainable Development and Social Responsibility Policy, Risk Management Policy, and Internal Control Policy.

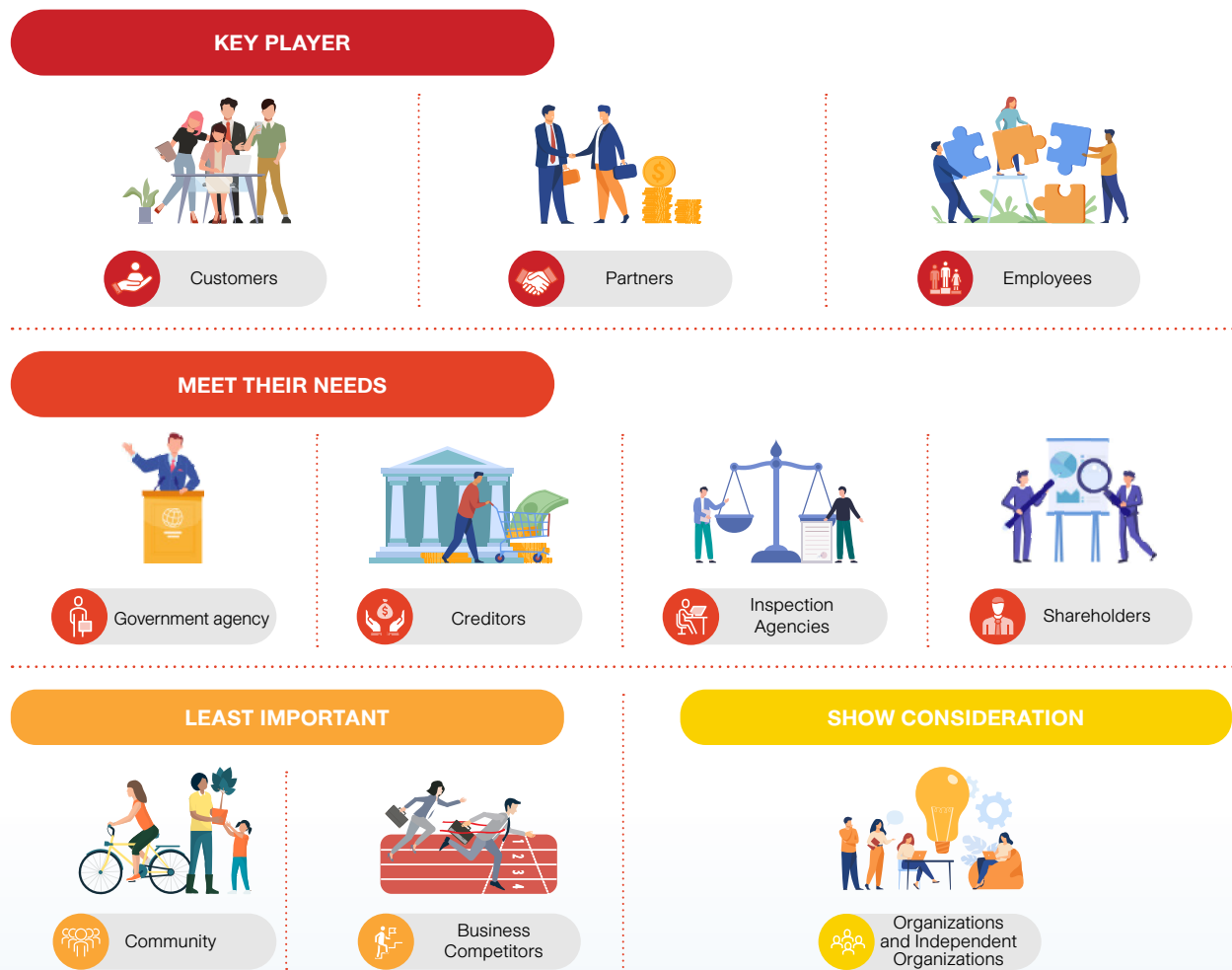


3.2.2 Stakeholder Analysis in Business Value Chain

Stakeholder Engagement's Objectives and Stakeholder Impact Management in Business Value Chain

The company specifies the groups of stakeholders and assesses the significance of stakeholders who may impact its operations. It provides opportunities for stakeholders to express their opinions, needs, expectations, or concerns appropriately. This input is then considered in decision-making processes to address these needs effectively.

In managing both positive and negative impacts resulting from business operations that occur or may occur, the company has analyzed the business value chain, evaluates critical sustainability issues for the company and assesses key issues from stakeholders through reviewing trends in stakeholder relationships. The company comprehensively manages important issues related to environmental, social, and economic and governance aspects.



Identification of Stakeholder Groups and assessment of their importance

From considering the business value chain, the Company identifies stakeholder groups and assesses the importance of every stakeholder group by evaluating the level of influence of the stakeholders on the Company and the level of interest of the Company to the stakeholders. which can be shown as follows

may affect stakeholders throughout the value chain. Therefore, it emphasizes the importance of maintaining relationships between the organization and its stakeholders by promoting engagement with all 10 stakeholder groups. Through various communication channels to explore the expectations and needs of stakeholders. The company can take various issues to determine important issues and plan to appropriately meet the expectations of stakeholders. The company responds to the expectations of each stakeholder group in different ways as follows:

Building Stakeholder Relationships

The company recognizes the direct and indirect impacts that

Stakeholder Group	Communication and Channels	Expectations	Response to Expectations
-------------------	----------------------------	--------------	--------------------------



1. Shareholders

- Receiving complaints through the website
- Summarizing the results of operations in quarterly analysis meetings
- Summarizing the results of operations in collaboration with the Stock Exchange of Thailand "Set Opportunity Day" for general investors every quarter
- Reporting and analysis by the management department every quarter
- Annual shareholder meetings
- Financial statements
- Form 56-1 One Report, an annual report
- Communicating information through various channels such as websites, phone, email, and mail.

- Revenue and profit growth
- Effective business supervision and governance
- Returns from stock prices and dividends

- Establish and implement strategies for conducting business in both the short and long term (5 years), including sustainable growth strategies.
- Formulate policies for corporate governance, anti-corruption, disclosure of information, and internal data usage.
- Organize an investor relations team to conduct quarterly meetings for providing information and disseminating news.



2. Customers

- Conducting meetings to listen to customer feedback
- Surveying customer satisfaction
- Providing information to customers through channels such as websites and annual reports

- Quality of products and services that are suitable for the price and competitive
- Timely and accurate delivery of products
- Customer data management
- Research and development for new product innovation
- Transparent business operations in accordance with good corporate governance principles
- Respect for human rights
- Customer safety and health from using the company's products
- Managing climate change through the company's sustainability policy

- Certified to international quality standards
- Certified to international labor standards
- The research and development team is continuously trained to develop new products that meet customer needs.
- Production efficiency is improved by using more automatic machines to reduce reliance on labor and reduce production costs.
- There are systematic measures in place to prevent data leaks.
- Short-term and long-term (5 years) business plans and sustainability strategies are set and implemented for sustainable growth.
- Production capacity expansion plans are set to support customer growth.

Stakeholder Group	Communication and Channels	Expectations	Response to Expectations
-------------------	----------------------------	--------------	--------------------------



3. Suppliers

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> • Negotiation with partners • Regular annual meetings with key partners to set guidelines for continuous and sustainable business growth • Partner assessment • Annual partner satisfaction survey • Partner visits to listen to feedback or complaints | <ul style="list-style-type: none"> • Prices of goods and services that are appropriate for the quality • Continuous and growing order volume • Transparent business operations in accordance with good governance principles, anti-corruption, and responsible supply chain management (ESG) • On-time and full payment | <ul style="list-style-type: none"> • Effective raw material inventory management and advance raw material purchasing planning • Conflict of interest prevention policy • Implementation of an anti-corruption policy • Responsible supply chain management |
|---|---|--|



4. Creditors

- | | | |
|--|---|---|
| <ul style="list-style-type: none"> • Responding to requests for information and data • Coordinating and requesting services • Receiving business visits | <ul style="list-style-type: none"> • Transparent Business Operations in Accordance with Good Governance Principles • Compliance with Terms and Conditions of Loan and Bond Agreements • Financial Stability • Revenue and Profit Growth | <ul style="list-style-type: none"> • Strictly comply with financial institution regulations issued by government agencies. • Respond accurately and promptly to inquiries from loan analysts. |
|--|---|---|



5. Employees

- | | | |
|--|--|--|
| <ul style="list-style-type: none"> • Receive feedback and complaints through various channels, such as email, post, information center and company website. • Two-way communication through various meetings, including orientation. • One-way communication through Intranet system and daily news updates via digital channels. • 100% employee coverage by the company's welfare committee. | <ul style="list-style-type: none"> • Work safety • Benefits, compensation • Career growth • Organizational stability | <ul style="list-style-type: none"> • Regularly review salary structure, compensation, and benefits against similar businesses by the recruitment and compensation committee. • Set training plans to develop employee knowledge and skills. • Implement a clear and transparent performance evaluation system. • Allocate budget for recreational activities based on company performance. |
|--|--|--|



6. Business Competitors

- | | | |
|--|--|---|
| <ul style="list-style-type: none"> • Meetings | <ul style="list-style-type: none"> • Provide marketing information that does not affect competitors • Cooperate in solving problems and developing the industry together • Operate transparently under fair trade and competition | <ul style="list-style-type: none"> • No complaints from competitors about unfair trade • Be able to operate the business continuously under competition based on the free trade mechanism |
|--|--|---|

Stakeholder Group	Communication and Channels	Expectations	Response to Expectations
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7. Community

- Listening to feedback through various channels, such as websites and meetings
- Conducting satisfaction surveys
- Visiting communities
- Organizing participation activities, such as providing scholarships, planting trees and providing training
- Community relations activities in the communities surrounding the factory, in accordance with festivals

- The company provides assistance upon request.
- The company does not create negative impacts on the community.
- Supports community activities/ training.

- Strict compliance with environmental laws and having measures to compensate for the impact on the community
- Allocate budget to help or develop the community
- Organize a project for social organizations/communities to bring products to sell to employees in the factory to generate income



8. Government agency

- Monitoring news and information through websites, Line, etc.
- Providing information to government statistical and economic agencies
- Building a network of cooperation with government agencies through the signing of a Memorandum of Understanding (MOU)
- Supporting various projects/ activities, cooperation and assistance with government agencies
- Coordinating to request government services and receiving business inspections

- The company complies with the law.
- The company provides information as requested.

- There are no cases of illegal activities.
- Cooperate with government agencies to visit the factory and provide accurate and truthful information.
- Arrange for representatives to participate in various government activities.



9. Organizations and Independent Organizations

- Listen to and exchange perspectives through forums for discussion and collaboration, as well as participation in various activities.
- Build good relationships through meetings, discussions, and exchange of information and data.
- Cooperate in providing feedback and taking action to solve problems related to the industry.

- Respect human rights and treat workers fairly.
- Support and cooperation in various areas.

- There are no human rights complaints.
- Implement safety measures in the workplace. The company has established a Safety Committee (SC).
- Establish a Labor Welfare Committee.



10. Inspection Agencies

- Coordination for service requests and business inspections

- Strict compliance with laws and regulations
- Transparent business operations based on good governance principles

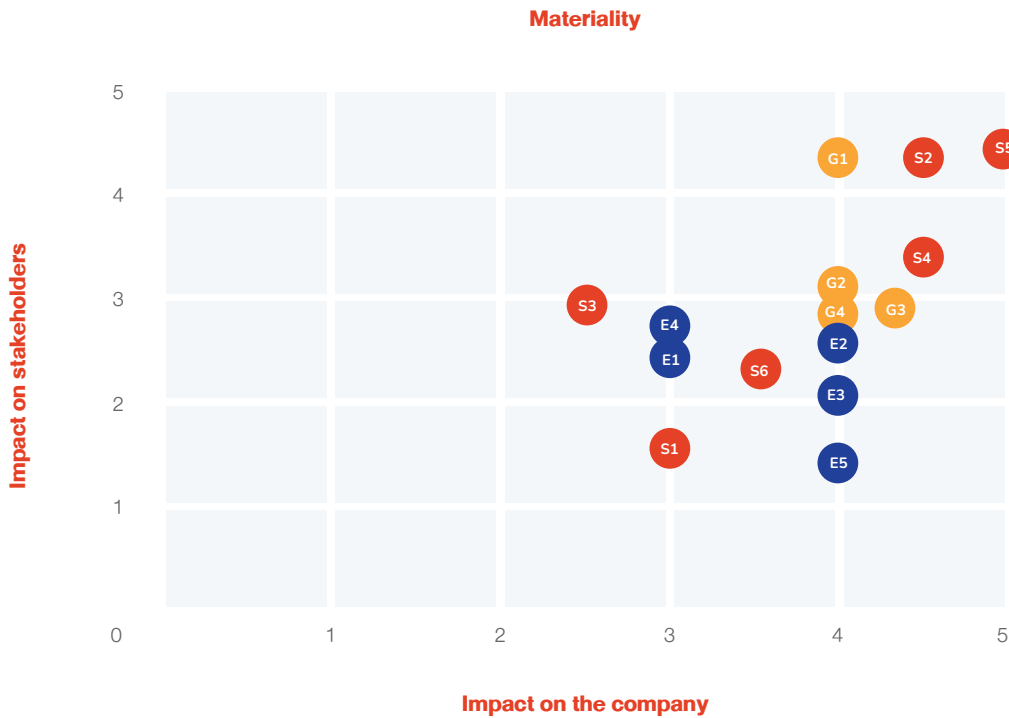
- No cases of illegal activities
- Cooperate in factory visits and provide accurate and truthful information

Sustainability Materiality Assessment

Asian Alliance International Public Company Limited and its subsidiaries (hereinafter referred to as “the Company”) are committed to developing the business alongside managing sustainability issues in 3 dimensions: environment, society, and governance. In 2023, the Company reviewed and improved its “Sustainable Development and Social Responsibility Policy” to ensure that it covers all material sustainability issues and can be implemented concretely through the operation of the Enterprise Sustainability Risk Management Committee. The Company responds to stakeholders on key sustainability issues while creating value for society and the environment through a process of selecting key issues from the expectations of each stakeholder group and issues that impact the organization.

In 2023, the Company has identified material sustainability issues by collecting data on key sustainability issues from internal factors, including key issues from business planning, business goals, and risks that may impact the organization in both the short and long term. and external factors, including sustainability trends and directions aligned with the Sustainable Development Goals (SDGs), Sustainability reporting guidelines for listed companies, GRI Reporting Standard 2021 (Global Reporting Initiative) and sustainability trends of companies in the same industry and expectations of all stakeholders of the Company.

Sustainability Materiality Assessment Results



Environment (5 issues)

- E1: Emissions / Air Pollution
- E2: Water and Wastewater Management
- E3: Climate Action
- E4: Waste Management
- E5: Energy Management

Social (6 issues)

- S1: Corporate Social Responsibility
- S2: Quality and Food Safety
- S3: Data Security and Privacy
- S4: Responsible Marketing and Product Labeling
- S5: Human Rights and Labor Practices
- S6: Human Resources Management

Governance (4 issues)

- G1: Corporate Governance and Business Ethics
- G2: Risk and Crisis Management
- G3: Product Research and Development
- G4: Supply Chain Management

Positive and Negative Impact of High-Priority Issues

Companies can manage to mitigate risks related to all 15 key sustainability issues. Moreover, in many cases, these issues have become strengths that create positive impact for the company, building trust among all stakeholders, especially customers, partners and employees, who are the company's most influential stakeholders. The results of the 2023 sustainability issues assessment found that there are 6 key issues with very high positive and negative impacts, namely :

- **Human Rights and Labor Practices** have always been a top priority due to the reliance on labor-intensive production with a majority of migrant workers in the fishing industry, which has stricter labor regulations. Consumers increasingly value ethical treatment throughout the supply chain, making Sedex/SMETA compliance a key strength as a manufacturer.
- **Quality and Food Safety**, another critically important issue for the company as a food producer. Consumers prioritize hygiene and appropriate nutritional value. The company's certified products with clear nutritional information and convenient consumption are popular in both pet food and ready-to-eat categories.

- **Corporate Governance and Business Ethics** have gained increasing importance due to stakeholder concerns about ethical and well-governed operations.
- **Responsible Marketing and Product Labeling**, becoming more crucial with the company's branded products and increased marketing activities. All products must have accurate labels compliant with relevant regulations in Thailand and destination countries.
- **Risk and Crisis Management** elevated in importance due to the COVID-19 pandemic and increasing global volatility. The company's systematic risk management, effective business continuity plan and successful navigation of the pandemic have built trust with brand owners, creating opportunities for future strategic partnerships.
- **Product Research and Development**, growing in importance as consumers demand products with proper nutritional value, new offerings aligned with current information, and options for specific demographics or medical needs. This presents new business opportunities across both pet food and ready-to-eat categories.

3.3 Sustainability Management in the Environmental Dimension

3.3.1 Environmental Policy and Practices

The company emphasizes sustainable management in the environmental dimension, guided by the company's sustainable development policy. It has environmental policies as crucial practices for employees within the organization, aiming to instill environmental consciousness at all levels. The company strives to achieve recognition as a Green Industry Level 4: Green Culture, meaning that everyone in the organization collaborates willingly and cooperatively to work in an environmentally friendly manner in all aspects of business operations, integrating it as part of the organizational culture by the year 2024.

The company has not been involved in any legal violations or significant environmental impact incidents over the past three years.

For the full version of the environmental policy, can be viewed here:



3.3.2 Environmental Performance

Climate Action

The company acknowledges the problems and impacts of climate change, a critical issue for sustainability. Climate change poses a global risk that could affect life, livelihoods, the environment, assets, and business operations. The main causes of climate change are attributed to greenhouse gas emissions from industrial processes, energy use, and fossil fuel-based transportation. The company sets targets to achieve Carbon Neutrality by 2023 and Net Zero Emission by 2050.

In 2023, the company conducted a risk assessment for 15 sustainability issues that could impact the company. The issue of climate change has also been taken into account in risk assessment. While climate change may not have had significant impacts on the business yet, there are still risks associated with it. Changes in climate conditions could have significant implications for sourcing and the availability of natural resources, as well as price volatility, particularly for tuna, a crucial raw material. Customers, both in the contract manufacturing business and end consumers, increasingly prioritize the company's commitment to reducing greenhouse gas emissions. There is a growing trend towards using greenhouse gas emissions as a criterion for future international trade restrictions. The company has policies and measures in place to prepare for and intensify efforts to reduce greenhouse gas emissions in its operations every year.

The company measures and reports greenhouse gas emissions annually (Scope 1: Direct emissions from sources owned by the company and Scope 2: Indirect emissions from the purchase of energy used by the company) since 2019. It reports significant sources of greenhouse gas emissions within its business operations to the Corporate Governance and Sustainability Management Committee (since November 2023, changed to the Risk Management for Sustainability Committee). This is done to efficiently identify corrective actions and consistently consider ways to reduce the organization's greenhouse gas emissions. This includes transitioning to clean energy sources and continuously reducing emissions from various activities in production processes, waste disposal and wastewater treatment.

Additionally, in the year 2023, the company began collecting data on Scope 3 greenhouse gas emissions for the first time, comprising a total of 8 categories relevant to the company's operations except in the category indirect greenhouse gas emissions from the disposal of product remains due to the company does not have information about the product after delivery to both domestic and international customers.

Moreover, the company is committed to studying and collecting sufficient performance data from various projects. This is done to ensure that there is enough information available for setting appropriate short-term goals, allowing for annual performance measurement in alignment with the long-term objectives set by the company.

Indicator	Unit	2021	2022	2023	"Change Between 2022 and 2023"
Intensity of Scope 1 & Scope 2	Ton of Carbondioxide equivalent / Ton Production	1.70	1.22	1.49	21.8%
Scope 1	Ton of Carbondioxide equivalent	53,853	39,381	32,466	-18%
Scope 2	Ton of Carbondioxide equivalent	11,802	11,970	11,600	-3%
Scope 3	Ton of Carbondioxide equivalent	N/A	N/A	3,845	-
Total	Ton of Carbondioxide equivalent	65,655	51,351	47,911	-7%

The company's policies for business expansion and production capacity increase may lead to an upward trend in greenhouse gas emissions. Nevertheless, the company is committed to consistently reducing greenhouse gas emissions. In 2021, the company successfully reduced its Scope 2 greenhouse gas emissions by using electricity generated from solar panels on the factory roof instead of partially relying on the grid. In 2022, both Scope 1 and 2 emissions decreased due to improvements in wastewater treatment systems, industrial waste disposal, and increased use of solar panel-generated electricity on the factory roof. In 2023, despite a reduction in production, there was a slight increase in greenhouse gas emissions intensity due to decreased production efficiency caused by lower production rates than normal. Additionally, the company has operations to reduce greenhouse gas emissions with operating results as follows.

- Utilizing leftover raw materials from the processing of tuna to produce gem-grade products: The company purchases whole tuna for use as raw materials in the production of ready-to-eat packaged food products, such as canned tuna. In the tuna processing, there are leftover parts such as heads, tails, fins, and tuna guts, as well as boiling water used in the cooking process. The company processes these leftovers to produce fish broth and powdered fish, selling them to various animal feed factories as value-added products. This not only adds value to the company's

products but also reduces the amount of landfill waste and wastewater that needs treatment, resulting in a reduction of greenhouse gas emissions equivalent to at least 6,400 tons of carbon dioxide annually.

- Transitioning to Clean Energy: In line with the company's policy to derive a minimum of 50% of its energy from clean sources by 2023, the company started using solar energy in 2021. Each year, the installed solar panels can generate approximately 16,000 gigajoules of electricity, resulting in a reduction of greenhouse gas emissions of about 2,219 tons of carbon dioxide equivalent per year compared to using conventional electricity.
- Greenhouse Gas Emission Reduction from Air Conditioning System Transition: The company began transitioning from the use of R22 refrigerant in its air conditioning systems to a Chilled Water system, which is more environmentally friendly. This initiative aims to replace the old air conditioning system that uses R22, a significant greenhouse gas, with a Chilled Water system. The transition is expected to be completed by 2024. In 2023, the company reduced the use of R22 by 224 kilograms, resulting in a reduction of approximately 394.24 tons of carbon dioxide equivalent. Upon completion of this initiative, it is expected to further reduce greenhouse gas emissions by at least 1,600 tons of carbon dioxide equivalent per year.

Moreover, to prepare for the possibility that the company's international customers may request carbon footprint reports for products manufactured by the company on their behalf, the company initiated the development of carbon footprint reports for wet pet food products under the monchou brand in 2022. Currently, the company has completed of 8 items, as follows:

Certificate No.	Product Name	CF(gCO2e) Quantity	Certified
TGO CFP FY23-007-0025	Kittens Mackerel and Tuna Jelly 80 g	191	2022
TGO CFP FY23-007-0024	Kittens Tuna in Jelly 80 g	225	2022
TGO CFP FY23-007-0023	Tuna in Jelly 80 g	212	2022
TGO CFP FY23-007-0011	Tuna topping salmon in jelly 70 g	208	2023
TGO CFP FY23-007-0013	Tuna topping shrimp in gravy 70 g	209	2023
TGO CFP FY23-007-0012	Tuna with dory in gravy 70 g	187	2023
TGO CFP FY23-007-0009	Tuna with salmon in jelly 80 g	212	2023
TGO CFP FY23-007-0010	Tuna with sardines in jelly 80 g	203	2023

Energy Management

Energy management plays a crucial role in cost management and the overall business sustainability of the company. The company emphasizes energy conservation and efficient energy use, contributing to annual energy management reports submitted to the Department of Alternative Energy Development and Efficiency, Ministry of Energy. The company focuses on two key aspects in energy management :

- 1) Improving Energy Efficiency: the company strives to enhance energy efficiency by upgrading key machinery. For example, the implementation of Smart Boilers optimizes boiler systems for maximum efficiency, reducing

the risk of sudden equipment failures. Smart Boiler projects include online monitoring capabilities, real-time data collection, and reporting. This information is used to calculate the efficiency of steam boilers, aiding in operational planning.

- 2) Transition to Clean Energy: the company has set a target for at least 50% of its energy sources to come from clean energy by 2030. Initiatives include the generation of electricity from solar energy through the installation of solar panels on factory roofs, replacing conventional electricity sources. Additionally, the company aims to enhance the sustainability of its energy sources by setting goals for the use of solar energy.

Indicator	Unit	2021	2022	2023	Change Between 2022 and 2023
Indirect Energy Intensity	Gigajoules / Ton Production	1.45	1.30	1.71	32%
Electricity Consumption / Year	Gigajoules	56,152.87	54,410.18	50,485.67	-7%
Solar Cell	Gigajoules	9,926.25	16,434.19	15,979.29	-3%
Direct Energy Intensity	Gigajoules / Ton Production	9.63	10.24	13.09	28%
Diesel	Gigajoules	1,545.80	1,784.98	1,757.80	-2%
Gasoline	Gigajoules	166.45	121.65	95.95	-21%
LPG	Gigajoules	4,026.44	4,412.96	3,473.40	-21%
Coal	Gigajoules	366,451.23	423,755.09	382,142.17	-10%

In 2022, the company's annual electricity consumption decreased due to the use of solar energy , which improved the intensity of energy use. While direct energy consumption has not changed much, in 2023, the company faced a significant decline in production activities, primarily attributed to excess stock conditions in the industry. The low production rates resulted in decreased energy consumption efficiency. This results in an increase in energy intensity, both direct and indirect energy use. Consequently, the energy intensity for the year 2023 increased to 14.80 gigajoules per ton of production

Emissions / Air Pollution

The company prioritizes the quality of air emissions released from its factory premises, recognizing their potential negative impacts on employees, communities, and the surrounding environment. The operational processes of the company group may encounter air pollution issues stemming from two main sources: emissions from fuel usage and emissions from transportation activities, both within the company's operations and through outsourcing. External agencies are contracted to conduct air quality measurements from emission sources, as mandated by the Ministry of Industry's announcement in 2006 regarding

emission standards and the Ministry of Labor's announcement in 2017 regarding hazardous chemical concentration limits. These measurements are conducted every six months, and the data is collected and analyzed for each parameter according to the Environmental Protection Agency's (EPA) air quality analysis standards, as endorsed by the Department of Industrial Works, the Ministry of Industry and the Department of Pollution Control, the Ministry of Natural Resources and Environment. This is illustrated in the following table.

Parameter	How to Collect Samples	Analysis Method	Analysis Method Standards
Particulate	Isokinetic Sampling	Gravimetric Method	US.EPA Method 5
Sulfur Dioxide (SO ₂)	Chemical Absorption	Barium-Thorin Titrimetric Method	US.EPA Method 6
Oxide of Nitrogen (Nox)	Chemical Absorption	Phenoldisulfonic Acid Method	US.EPA Method 7
Carbon Monoxide (CO)	FuelGas Analyzer	Instrumental Analyzer Method	US.EPA Method 10
Opacity	Rinkle Mahn Method		US.EPA Method 9

The company has implemented measures to manage air pollution as follows:

- 1) **Control of Pollution from Fuel Burning in Steam Generation Process (Boilers):** The company has installed an air pollution control system consisting of Multi cyclone and Venturi Wet Scrubber to capture particulate matter and chemicals emitted from the steam boiler stack. Additionally, a water spraying system is installed for periodic cleaning of the boiler stack, conducted at least twice a year. Dust collection systems are installed along the flue gas path back to the incinerator and a coal storage room with water spray to trap dust. Furthermore, a Wet scrubber system is installed to eliminate odors from the fishmeal production process, reducing potential nuisance odors for employees and nearby communities. Monitoring measures include the installation of PM 2.5 dust measurement equipment at the emission stack and monthly monitoring of PM 2.5 levels.
- 2) **Control of Pollution from Transportation Processes:** Measures include prohibiting vehicles with running engines from parking within the company's premises and enforcing requirements for transport operators, whether contracted by the company or external partners, to ensure their vehicles do not emit black smoke. Operators must provide evidence of vehicle inspections in case of claims.

In the past, the air quality, including the PM 2.5 dust levels, measured by the company, has consistently met the specified standards. Additionally, there has been a significant reduction attributed to the improvement of the air treatment and dust collection systems along the flue gas path back to the incinerator. Importantly, the company has never violated any laws and has not received any related complaints.

Details	Unit	2021	2022	2023	Remark
Average data measured from all 3 boilers					
NOx (Standard Value ≤ 400)	ppm	190.24	269.35	320.92	
Sox (Standard Value ≤ 700)	ppm	194.82	217.49	371.64	
CO (Standard Value ≤ 690)	ppm	354.84	259.64	349.48	
Total Suspended Particulate : TSP (Standard Value ≤ 320)	mg/m ³	173.52	125.97	21.14	
Total Suspended Particulate from Fishmeal Factory Chimney no.1					
Total Suspended Particulate : TSP (Standard Value ≤ 400)	mg/m ³	-	-	7.12	
Total Suspended Particulate from Fishmeal Factory Chimney no.2					
Total Suspended Particulate : TSP (Standard Value ≤ 400)	mg/m ³	-	-	5.22	

Remark : Instrument to measure total suspended particulate from fishmeal factory chimneys, Starting to measure in 2023

Water and Wastewater Management :

The company emphasizes efficient water management to prevent negative impacts on the company, employees, and the surrounding community. This includes controlling and managing wastewater generated from the production process. Simultaneously, the company focuses on promoting water conservation and reuse for maximum benefits and cost reduction. In 2023, both the company and its subsidiaries had no legal violations or relevant complaints.

The company operates significantly in three areas :

1) Wastewater Management : the company implements wastewater treatment using chemical and biological processes to eliminate oil, grease, and impurities, ensuring that the wastewater meets the quality standards specified in the Ministry of Industry's regulations on wastewater discharge control from factories in the year 2017. The treated wastewater is then released into the environment. Additionally, the company has installed an online Biochemical Oxygen Demand (BOD) analyzer, which reports real-time results to the Department of Industrial Works continuously. There is also personnel

overseeing the wastewater treatment system, particularly from the maintenance department. Monthly equipment inspections for wastewater treatment by external agencies involve analyzing the influent and effluent water to verify compliance with the standards set by the Department of Industrial Works, the Provincial Industry Office of Samut Sakhon, and the Port Authority.

- 2) Water Quality Control :** the company has dedicated staff who monitor water quality on a daily basis to examine various parameters that impact microbial disinfection in water. This includes measurements such as chlorine levels, pH levels indicating acidity or alkalinity, and total hardness of the water. There is a regular monthly monitoring of water quality to ensure that the water meets the standards set for drinking water and industrial use within the factory.
- 3) Efficient Water Usage :** the company implements efficient water usage practices by employing water circulation in the retort sterilization system. Additionally, treated wastewater, specifically from the water treatment process, is reused in the flush system for toilets and for cleaning the production floor.

Indicator	Unit	2021	2022	2023	Change Between 2022 and 2023
Water Consumption per ton Production	Cubic meter / Ton production	25.20	25.43	28.02	10%
Tap Water	Cubic meter	793,385.40	750,122.50	547,556.00	-27%
Ground Water	Cubic meter	173,244.80	317,801.50	281,568.00	-11%
Water used from other natural sources	Cubic meter	-	-	-	0%
Total water consumption	Cubic meter	966,630.20	1,067,924.00	829,124.00	-22%
Recycle Water	Cubic meter	156,955.62	161,193.00	120,284.07	-25%
Percentage of Recycle water used	%	16%	15%	15%	-4%
Steaming water used to produce by-products	Cubic meter	3,776.92	3,217.23	2,853.91	-11%
Percentage of Waste water treated before release	%	100.00	100.00	100.00	0%
Waste water	Cubic meter	1,126,203.00	1,089,322.90	670,572.00	-38%

In the year 2022, the company increased its production compared to 2021, resulting in an elevated water usage in the production process. However, in 2023, the company reduced its production due to excess inventory in the animal feed market, as customer orders declined. This led to a reduction in water consumption. Nevertheless, the water usage per ton of production increased due to losses resulting from low production capacity utilization. The quantities of fish pond water and reused water also varied in accordance with production capacity.

Furthermore, the company conducted a risk assessment regarding water scarcity and found the risk to be low. This is attributed to the company's location in a community with well-established water management infrastructure, including both tap water and groundwater sources. Additionally, the efficient drainage system minimizes the risk of flooding to a low level.

Waste Management :

The company implements waste management following the 3Rs principles, which are Reduce (minimize usage to the necessary extent), Reuse (utilize items again), and Recycle (reprocess for reuse). This approach is believed to enhance operational efficiency, reduce production costs, create a positive image for customers, and foster a good reputation and acceptance within the surrounding community. The company is committed to significantly reducing landfill waste, having established dedicated units for waste separation. This includes separating materials that can be re-used and recycling waste through external organizations. Additionally, food waste is processed into compost for internal use within the factory. Furthermore, the company participates in initiatives to improve industrial

waste management, aiming to achieve Zero Waste to Landfill as part of the Industrial Factory Department's project under the Ministry of Industry. In the year 2023, neither the company nor its subsidiaries violated any laws, and there were no related complaints.

Moreover, the company utilizes remaining scraps from the tuna processing, such as heads, tails, fins, and intestines, as raw materials for manufacturing powdered tuna. This product falls under the company's gem-grade product category, adding value to these raw material scraps. The powdered tuna can be sold as a crucial ingredient in the production of pelleted aquatic animal feed.

Indicator	Unit	2021	2022	2023	Change Between 2022 and 2023
Non-Hazardous Waste Disposal					
Reuse / Recycle	Kilogram	717,348.00	961,117.25	784,492.00	-18%
Compost to make fertilizer or Soil quality improver	Kilogram	334,949.00	272,303.00	542,900.00	100%
Landfill according to sanitary principles	Kilogram	207,020.00	212,330.00	157,310.00	-26%
Volume of rawmaterial scraps from tuna processing process used to make fishmeal	Kilogram	5,309,383.00	6,045,741.00	4,710,184.83	-22%
Other disposal methods to be disposed of by the municipality	Kilogram	1,926,400.00	1,849,680.00	1,254,540.00	-32%
Total	Kilogram	8,495,100.00	9,340,898.25	7,449,426.83	-20%
Hazardous Waste Disposal					
Landfill Safely	Kilogram	210.00	990.00	380.00	-62%
Other disposal methods (Hire Outside Agency)	Kilogram	70.00	360.00	1,860.00	417%
Total	Kilogram	280.00	1,350.00	2,240.00	66%

The company generates waste, especially non-hazardous waste, which varies according to the company's production capacity. In 2022, there was an increase in the quantity of non-hazardous waste, while there was a reduction in the quantity in 2024. Overall, the non-hazardous waste of the company can undergo a recycling process to produce gem-grade fishmeal products, accounting for 64% in 2023. The portion separated for internal reuse within the company or external sales for recycling increased from 17% in 2021 to 21% in 2023. The portion separated for composting within the company increased

from 4% in 2021 to 7% in 2023. Internal composting operations increased, resulting in only 9% of non-hazardous waste being disposed of or landfilled by the municipality in 2023, reduced from 15% in 2021.

As for the quantity of hazardous waste, the company has increased the disposal amount due to changes in the separation and disposal methods. The company stores hazardous waste on-site with proper licensing and contracts external agencies for periodic disposal to reduce transportation costs.

3.4 Sustainability Management in the Social Dimension

3.4.1 Social Policies and Practices

The company prioritizes sustainable management in the social dimension under its sustainable development policy. This involves a focus on human resource management and active participation in surrounding societies and communities because they are a group of stakeholders that are important for sustainable growth according to the company's strategic plan.

For the full version of the sustainable development and corporate social responsibility policy, can be viewed here:



3.4.2 Social Performance

Human Rights and Labor Practices

The company heavily relies on a large workforce, mainly comprised of foreign labor, in its labor-intensive production, especially within the fishing industry, which has stricter labor regulations compared to other industries. Additionally, consumers place importance on the entire supply chain's treatment of labor. Consequently, the company prioritizes human rights issues, particularly those related to labor practices. In recent years, the company has continuously reviewed policies regarding legal compliance and human rights principles. Policies have been established to assess performance, promote job advancement, and provide equal compensation regardless of race, nationality, gender, or religion. Throughout, participate in and sign memoranda of understanding (MOU) on legal and sustainable fishing practices, refraining from illegally fishing, purchasing, importing, exporting, transporting, or selling aquatic animals and aquatic products obtained through illegal fishing. This includes commitments to legal labor practices and the prevention of human trafficking between government agencies and fishing industry stakeholders. Throughout 2023, the company did not receive any complaints related to human rights, equality, unfair labor practices, child labor within the organization and supply chain.

For the full version of the Human Rights Principles and Law Compliance Policy, can be viewed here:



The company has implemented various measures and regulations, including emergency preparedness, work regulations in high-risk areas such as confined spaces, work with hazardous substances, and operating dangerous machinery. These measures adhere to Sedex/SMETA standards. Regular training is provided to employees by experienced experts and supervisors, covering essential information. Continuous efforts in labor relations have earned the company recognition for outstanding workplace relations and employee welfare for the second consecutive year at the national level.

The company emphasizes health and safety in its operations, organizing continuous activities to promote safety within the workplace. This includes fire evacuation drills, emergency plans for ammonia leaks, safety collaborations with public and private organizations, as well as risk assessments related to chemical exposure, light, and heat. Yearly health check-ups are conducted, and specialized health examinations are carried out based on job-related risks by occupational health experts. Reports on results are submitted to the provincial labor welfare and protection department, and the company also allocates spaces appropriately. In areas with loud noises, the company separates and marks hazardous zones to warn employees, and provides PPE (personal protective equipment) to mitigate noise for those working in such areas.

Regarding accident prevention within the workplace, the company collects accident data and investigates causes to establish systematic preventive measures. The company aims to reduce both Injury Frequency Rate (IFR) and Injury Severity Rate (ISR) by 50% in 2023. Each incident is thoroughly investigated to derive lessons and enhance work procedures and controls to prevent recurring accidents. The company reports accident data to top management and the occupational health and safety committee for acknowledgment

Injury Frequency Rate and Injury Severity Rate for the years 2021 – 2023.

Indicators	Unit	2021	2022	2023
Injury Frequency Rate (IFR)				
Male	Time	6.35	6.85	7.11
Female	Time	3.56	6.09	3.00
Injury Severity Rate (ISR)				
Male	Day	39.96	19.85	10.11
Female	Day	22.30	14.61	16.62

In the year 2022, the IFR for both male and female workers increased due to non-compliance with the company’s safety regulations. Examples of non-compliance include the improper use of tools or equipment and machine cleaning without proper shutdown. Although these accidents were not major, they did not

require extended work stoppages, resulting in a decrease in the ISR. However, in 2023, the number of accidents and the days employees had to stop working due to injuries decreased. Yet, due to a significant reduction in the number of employees and working hours, both the injury frequency and severity rate increased.

Product Safety and Quality

The company’s main revenue comes from being a contract manufacturer for brand owners. Therefore, it is crucial for the company to be a reliable producer capable of delivering high-quality and safe products to consumers. The company has been certified to international standards for quality and food safety by various organizations both domestically and internationally. (Please refer to Section 1, Clause 1.2.2, for details on product information, standards, and certifications obtained by the company.) This certification instills confidence in the company’s customers, who choose the company as a strategic partner for sustainable growth. The company’s products are certified and meet food safety standards 100%. Products distributed within the country undergo certification processes by relevant government agencies. For pet food products, the research and development department seeks certification from the Department of Livestock. For ready-to-eat food products with sealed packaging, certification is pursued from the Food and Drug Administration. Products sold internationally require certification from government agencies in each country where they are distributed.

In the year 2023, there were no complaints about the safety of the company’s products, and no products have been recalled from the market since 2019. In addition, the raw materials and products do not pose any risk of affecting the health and safety of consumers.

Furthermore, backward traceability checks count as another important standard in the production process, allowing customers and end consumers to trust the company’s products. The products manufactured and distributed by the company can be thoroughly checked and verified at every step, quickly and efficiently, within the specified timeframe. They are effective in both forward traceability and backward traceability. The company can trace

back to the suppliers of raw materials and packaging materials delivered to them. The company has established traceability inspection measures that cover everything from: (1) identification of raw materials, primary packaging, intermediate products, finished products, materials, or products that do not meet standards, as well as reworked products; (2) document keeping of traceability records; (3) testing traceability at least once a year from raw materials and primary packaging to finished products and vice versa; (4) setting suitable intervals for traceability checks based on business type, industry standards, and customer requirements; (5) conducting traceability exercises that cover every production process; and (6) ensuring that the mass balance is within acceptable limits, typically between 95% and 105%.

Responsible Marketing and Product Labeling

Products, constituting 100% of the company’s offerings, must have labels with accurate nutritional information and comply with relevant regulations or laws, both in Thailand and the destination countries. This applies to products under customer brands and those under the company’s own brand. The company’s research and development department is responsible for inspecting packaging and product labels before production, ensuring completeness and accuracy. Additionally, confirmation in written form from customers is obtained, affirming that the packaging and product label information aligns with the relevant specifications or laws in the countries where the products will be distributed.

As the company has expanded its marketing activities with the introduction of products under its own brand, the design of packaging and information on product labels is handled similarly to products produced under customer brands. If products are to be distributed internationally, the research and development



department requests distributors in those countries to verify completeness and compliance with local specifications or laws. The marketing department, in collaboration with the research and development department, reviews text and visuals in various advertising media to ensure that there is no use of misleading or exaggerated information.

In the year 2023, the company received no complaints and had no cases of violation of related laws.

Data Security and Privacy

The company employs information technology systems for processing, communication, data storage, and overall business process management and support across all departments, from research and development to production, inventory management, sales, human resources, finance and accounting, and organizational management. The company has comprehensive policies and practices to maintain the security of data and information technology systems. These policies include measures to address disruptions caused by natural disasters or damage resulting from cyber threats, such as computer viruses and unauthorized system intrusions (hacking). Under these policies, the company specifies stringent controls for information technology security, such as user access rights, monitoring of user access to data, installation of computer security systems (firewalls), and the formulation of annual information technology system testing plans. Additionally, the company has an emergency response plan for information technology incidents and ensures standardized data backup systems to prevent data loss and support business continuity in case of emergencies. The company continually develops and enhances its computer security and information technology systems to keep pace with changes in cyber threat patterns, ensuring that its information technology systems meet operational requirements and can accommodate the company's growth.

Furthermore, the company has a dedicated team responsible for safeguarding the privacy of data. This team presents policies and practices to ensure compliance with relevant laws, standards, and regulations related to the collection, use, disclosure, and security of personal data, including compliance with the Personal Data Protection Act of B.E. 2562 (2019) ("PDPA"). Last year, 3,013 employees were trained on the use of personal information, accounting for 75% of all employees.

In the past year, the company had no legal violations, no customer data leaks, no cyber attacks as well as there were no cases of personal data leaks.

For the full version of the Privacy policy, can be viewed here:



Corporate Social Responsibility

The company places great importance on fostering positive relationships with the surrounding communities, believing that supporting community projects or initiatives contributes to a favorable image of the organization. This not only instills pride in the company's employees but also attracts new talents to join the workforce. This, in turn, forms a crucial foundation for the company's sustainable growth. In the year 2023, the company received no complaints from the surrounding communities and actively participated in various community activities, including:

- **Providing Scholarships as Recognition for Success and Dedication:** The company awards scholarships as a tribute to the achievements and dedication of students in the 6th year of secondary school, 3rd year of vocational school, and 2nd year of higher vocational education who are about to complete their studies. The scholarships are granted to students from 18 institutions in Samut Sakhon province, totaling 100 scholarships with a combined value of 1,000,000 baht. The selection criteria for scholarship recipients include good behavior and financial need. Students are required to utilize their potential to pursue education until completion. The company serves as a representative of society, presenting the awards and encouraging youth who demonstrate dedication and effort. This initiative also serves as a testament to the values of diligent and motivated youth, not only within families but also within communities and the nation as a whole. Additionally, the scholarship recipients are free to use the funds for activities that provide maximum benefits to their personal development, without any contractual obligations. This scholarship program has been carried out continuously for the second year.
- **Green Community Project:** Initiated in December 2016, this project aims to provide organic fertilizer from food waste in the company to the community. The goal is to reduce the use of various chemicals in caring for trees and vegetables in the community, promoting the importance of creating ozone areas.
- **AAI Forest Conservation Project:** Launched to support community involvement in preserving nature in the coastal area of Bang Khud, Ban Bo Sub-district, Mueang District, Samut Sakhon. The project involves planting 600 tree saplings to expand the mangrove forest and enhance the ecosystem.
- **Donation of Pet Food:** The company has a policy of donating products under its brand to organizations caring for dogs or cats for charitable purposes. In 2026, the company donated pet food products under the brands monchou, Hajiko, and Pro to various foundations, totaling over 1,275,000 baht.



- Participation in Sustainability Forum: Company executives shared insights at the “SET Sustainability Forum 2/2023: From Sustainable Goals to Practice” held on June 28, 2023, under the theme “Marrying Sustainability and Profitability.” The event facilitated the exchange of knowledge and experiences, emphasizing the crucial role of executives in integrating sustainability into organizational

practices. It also highlighted the significance of managing financial and sustainability data for continuous business development. Furthermore, the company received the CSR-DIW Continuous Award 2023 for its commitment to social responsibility as a business entity. The award was presented by the Department of Industrial Works, Ministry of Labor, on September 13, 2023.

3.5 Sustainability Management in Governance Dimension

3.5.1 Policies and Practices in Governance

Corporate governance is considered a critical component by the company’s board of directors. It is emphasized under the company’s sustainable development policy, with a commitment to adhering to good corporate governance principles set by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), and recommendations from the Corporate Governance Report of the Thai Institute of Directors (IOD).

For the full version of the good corporate governance policy can be viewed here:



3.5.2 Governance Performance

Good Corporate Governance and Business Ethics

Good corporate governance and transparent business operations, coupled with business ethics, have become increasingly important to all stakeholders. The company’s board of directors places significant emphasis on operating in accordance with good corporate governance policies and establishing business ethics. Regular reviews and improvements are conducted to elevate operational standards in line with the principles of good corporate governance set by the SEC, the SET, and recommendations from the Corporate Governance Report of the Thai IOD. The company has undergone evaluations through the Corporate Governance Report assessment for the registration year 2023, achieving an excellent rating, represented by five symbols. Additionally, the company has been honored with the Thailand’s Best Managed Companies 2023 award, recognizing its outstanding management practices in Thailand for the year 2023, presented by Deloitte.

Further details on good corporate governance and business ethics can be found in Section 2: Corporate Governance of this report.

Risk Management and Crisis Situation Management

The company emphasizes the importance of managing various risks that may arise from both internal and external factors. These risks are aligned with the organization’s key objectives and strategies, the needs and expectations of stakeholders, as well as industry trends, economic, social, political, technological, competitive factors and other related factors that may have an impact on business operations. Consideration is given to different risk factors within each business segment of the company, addressing both current business risks and emerging risks. The company has comprehensive risk management plans and a risk management committee for the sustainability of the organization. The committee oversees the risk management of the company and its subsidiaries, ensuring continuity and efficiency in line with the principles and best practices of good corporate governance and the company’s risk management policy. This is aimed at achieving the company’s goals and maximizing benefits for shareholders, as well as ensuring the appropriate interests of all stakeholders. It aims to minimize the impact of environmental business risks under uncertain conditions and new complex risk factors, both internal and external.

Key performance results for the fiscal year of the Risk Management Committee for organizational sustainability can be found in Section 2: Corporate Governance, Topic 8.3 - Summary of the Performance of Other Sub-Committees in this report.

Details on the organization’s key risks can be found in Section 1: Business Operations and Performance, Topic 2.2 - Risk Factors for the Company’s Business Operation in this report.

The full version of the risk management policy can be viewed here:



The full version of the business continuity plan can be viewed here:



Research and Product Development

Research and product development are considered crucial factors for the success of the company. Over time, the company has implemented a strategy to collaborate in product development with customers (co-developers) to continuously meet the demands of customers who seek consistently improved products with nutritional value that is suitable. Responding to the consumers' demand for new products aligned with up-to-date nutritional information, the company identifies opportunities for

new business, catering to specific consumer groups or medical foods. This applies to both pet food and ready-to-eat packaged food containers for humans. Products in these categories include low-salt tuna products, mixed plant salads, complete pet food, and specialized cat food for conditions like obesity, diabetes, kidney issues, and digestive system disorders. In 2023, health-promoting products accounted for 35% of all products manufactured and sold by the company.

During the years 2021 - 2023, significant research and development efforts were dedicated to the following products:

Year	Key Research and Development
2021	<p>Pet Food</p> <ul style="list-style-type: none"> Two-layered mousse-format dog food Booster drinks for kittens that can be used as a replacement for mother cat's milk Recovery-phase pet food for cats with added vitamins and minerals to boost immunity, presented in Puree format, packaged in air-tight pouches, available in hospitals and veterinary clinics Dog food developed to resemble human food from various national cuisines Nutritionally complete pet food for cats in Pate format Chewing treats for cats in a gel-like format, new flavors, and small-sized air-tight pouches
2022	<p>Pet Food</p> <ul style="list-style-type: none"> Nutritionally complete pet food for kittens in a cream format, packaged in air-tight pouches with a new type of easy-to-open flap, featuring vibrant colors. Cat food made from natural ingredients, free from chemicals and additives, packaged in transparent air-tight pouches.
2023	<p>Shelf-stable Human Food</p> <ul style="list-style-type: none"> Ready-to-eat for children in plastic bowls. Ready-to-eat such as new-flavored fried rice (green curry, Sriracha sauce, and Bolognese sauce), packaged in plastic cup. <p>Pet Food</p> <ul style="list-style-type: none"> Nutritionally complete pet food in a mousse format for cats, packaged in pouches. Nutritionally complete pet food in pate and gravy formats for cats, packaged in cans. Nutritionally complete pet food in reformed meat format under the monchou brand for dogs, packaged in pouches. Development of pet food products suitable for specific groups of animals, such as those with kidney disease (Renal Care) or urinary issues. Development of beverage-like pet for cats (Cat Drink) to stimulate increased water consumption and reduce the risk of kidney disease.

During the years 2021–2023, the company introduced a number of new products, and the percentage of revenue from these new products (first-year sales) is as follows:

Year	petfood		tuna		brand	
	new sku	% revenue	new sku	% revenue	new sku	% revenue
2021	253	12%	8	8%	28	37%
2022	203	9%	26	11%	72	81%
2023	211	8%	32	2%	37	6%

Supply Chain Management

The company, operating as a food manufacturer, uses a variety of raw materials, including those from the fishing industry, where consumers emphasize backward traceability throughout the supply chain. The company is determined to source and select potential partners with capabilities and comply with relevant laws and regulations. There is an assessment of partners before registration, with annual evaluations to ensure that the company's partners can consistently provide quality raw materials from sources that align with sustainable development principles. This is crucial to meet the changing needs and expectations of customers, communities, and society. All key raw materials, including those from the fishing industry, chicken, and other animal products, undergo a 100% backward traceability check to ensure they are sourced sustainably and free from any involvement with forced labor, illegal fishing, animal cruelty, or any unlawful activities.

The company has established a Supplier Code of Conduct, communicating it to suppliers and encouraging them to sign and adhere to it. Currently, 63% of all suppliers engaged in business in 2023 have acknowledged and followed the company's Supplier Code of Conduct.

In 2024, the company aims to enhance supplier assessments, incorporating Environmental, Social, and Governance (ESG) criteria for evaluation in addition to current standards. These enhanced criteria will be applied to all existing suppliers, and new suppliers must undergo ESG assessments and sign the company's Supplier Code of Conduct.



4

Management Discussion and Analysis

To read management discussion and analysis for the company financial position and performance, the investors should study financial information and consolidated financial statement that has been reviewed from the auditor, including financial notes. The financial data shown in this section is the data from the consolidated financial statement of the company. Financial ratios analysis presented below are using the figure from the consolidated statement of financial position for the year of the company.

4.1 Performance and Financial Position Analysis

4.1.1 Operation Overview

Asian Alliance International Public Company Limited (the "Company" or "AAI") and its subsidiaries (the "AAI Group") is Thailand's major original equipment manufacturers of pet food and shelf-stable human food. Currently, original equipment manufacture (OEM) business under clients' brands generates the majority of revenue from pet food and shelf-stable human

food sales. Most of sales revenue is generated by exporting products to overseas markets.

Since 2019, AAI Group has been developing its own pet food products for cats and dogs. Currently, the Company has a diverse portfolio of brands that span all market categories, including (1) pet food products aimed for the high-end market, notably "monchou" and "Maria". (2) Pet food brands aimed for the mainstream market, such as "monchou balanced" and "Hajiko," and (3) Pet food brands aimed at the low-end market, such as "Pro."

AAI has changed its par value and increased its register capital on March 4th, 2022, according to the resolution of the 2022 Annual General Shareholders' Meeting. The par value has been changed from THB 10.00 to THB 1.00. The company increased its register capital of 425 million shares to 2,125 million shares for the company initial public offering in October 2022 and be listed in the Stock Exchange of Thailand (SET) since November 1st, 2022.

Operating results of AAI Group for the year 2020 2021 and 2022

Unit : THB million

	2023	%	2022	%	2021	%
Revenue from Sales & Services	5,439	100.0	7,123	100.0	4,985	100.0
Cost of sales & services	(4,720)	(86.8)	(5,709)	(80.1)	(3,931)	(78.9)
Gross Profit	719	13.2	1,414	19.9	1,054	21.1
Operating Expenses	(336)	(6.2)	(425)	(5.9)	(338)	(6.8)
Operating Profit	383	7.0	990	13.9	716	14.0
Other incomes	54	1.0	72	1.0	51	1.0
Gain/(Loss) on Exchange Rate	(55)	(1.0)	(44)	(0.6)	(42)	(0.8)
Other expenses	(1)	0.0	1	0.0	(2)	(0.0)
Finance income	31	0.6	3	0.1	14	0.3
Finance cost	(15)	(0.3)	(36)	(0.5)	(21)	(0.4)
Profit before income tax expenses	397	7.3	985	13.9	716	14.4
Income tax expenses	(14)	(0.3)	(126)	(1.8)	(77)	(1.6)
Profit for the year	383	7.0	859	12.1	639	12.8
Earning per share	0.18		0.48		0.38	

*Note : the amount of shares used to calculate earnings per share for the year 2021 are 1,700 million shares. Meanwhile, the number of shares in 2022 is weighted average number of ordinary shares which is 1,776.85 million shares. The number of shares in 2023 is 2,125 million shares.

Revenue from Sales & Services

Product segments	For the year ended 31 st December					
	2023		2022		2021	
	THB million	%	THB million	%	THB million	%
Pet food	4,262	78.3	6,009	84.3	4,087	82.0
Shelf-stable Human food	1,102	20.3	1,025	14.4	850	16.8
By-products	75	1.4	90	1.3	48	1.2
Total Revenue from Sales & Services	5,439	100.0	7,124	100.0	4,985	100.0

Revenue from sales and services for the year 2023 was THB 5,439.4 million, with 78.3% of those contributed by THB 4,262.3 million Pet food sales. Pet food sales decreased 29% due to slowing demand from Brand owner customer since end of 2022 due to de-stocking to be in-line with sudden shorten lead-time as international logistic has been backed to its norm before covid-19 pandemic. Pet Food demand recovered since 3rd quarter 2023. US and EU are the market destination of the company pet food still. Shelf-stable Human Food contributed another THB 1,102.1 million, or 20.3% of total sales and services revenue for the year 2023. The demand increased from Middle east market due to tuna price lower to the expected lowest prices. The unrest situation in the region also added up demand despite the spike up of logistic cost especially at the end of 4th quarter of the year.

“monchou” sales of “Thaiya”, subsidiary in China, was not improved even Thaiya was able to maintain its market shares in some particular area. In 2024, Thaiya will expand its online channel and diversify to new product categories to drive sales growth. The company aim to improve its sales as achieved in Thailand by developing new local distributors efficiently.

Revenue from sales and services for the year 2022 was THB 7,124 million, increased by THB 2,138 million or 42.9 % compared to 2021, owing primarily to higher demand from the company customers who are brand owners. Pet food sales increased 46.2% due to strong demand for the whole year especially US market even it slowed down in the end of the 4th quarter of the year.

Revenue from shelf-stable human food in 2022 was at THB 1,025 million, also increased THB 850 million or 20.6% compared to 2021, due to demand increased after Covid-19 had been relief and freight cost was lower. Middle east market is the main destination of the company shelf-stable human food products.

The company owned brand pet food revenues grew 57.8% YoY to THB 152 million for the year 2022 driven by more aggressive marketing strategy in Thailand. Brand awareness and sales revenues in domestic market of both “monchou” and “Hajiko” improved along with the introduction of brand’s presenters. The company owned brand pet food revenues growth in Thailand market in 2022 is the key contributor to grew the Company owned brand portion.

Revenue from sales and services for the year 2021 was THB 4,985 million, increased by THB 473 million or 10.5 % compared to THB 4,512 million in 2020, mainly due to higher demand in pet food from all over the world. Pet Humanization trend, together with “work from home” caused of covid-19 pandemic, drove pet’s population and pet activities with its owners. The company pet food sales growth was 22.7%, even higher than industrial growth rate. Revenue from shelf-stable human food in 2021 decreased compared to 2020 due to lower demand pressured from high tuna and freight cost. Moreover, the company faced labor shortage from time to time from covid-19 pandemic, which impact all the manufacturing industry. Therefore, the company has been focused on manpower management to maximize its operation result, which the priority is, of course, pet food production lines, so that shelf-stable human food productivity was declined.

Gross Profit

The gross profit for the year 2023 was at THB 719 million, 49.1% decrease YoY. The Company 2023 gross profit margin declined to 13.2% compared to 19.9% last year due to higher cost of raw material as sales portion of human shelf stable increased with higher tuna price compared to last year, contribute by more fluctuate of exchange rate.



The gross profit for the year 2022 was at THB 1,414 million, THB 360 million increased YoY due to higher revenue from sales and services. The Company 2022 gross profit margin is at 19.9%, lower gross profit margin compared to 2021 because of higher direct labor and utilities cost even the company invested in automatic machines in order to reduce its labor intensive and increased efficiency all along.

The gross profit for the year 2021 was at THB 1,054 million, THB 270 million increased YoY. The Company 2021 gross profit margin is at 21.1% which increased YoY as a result of higher portion of pet food sales and lower average raw material cost per unit.

Operating Expenses

Operating expenses was comprised of selling and distribution expenses and administrative expenses. Loss from exchange rate was not included.

Operating expenses of 2023 was at THB 336 million, a 20.8% decrease YoY mostly due to tightening advertising and promotion expenses of “monchou” and “Hajiko”. Moreover, the stock damage and administrative expenses due to initial public offering and Listing in the Stock Exchange of Thailand has been included in operating expenses of 2022.

In 2022, operating expenses, excluding exchange rate losses, reached THB 425 million, a 20.0% increase YoY mostly due to higher advertising and promotion expenses of “monchou” and “Hajiko”. Administrative expenses increased due to stock damage expenses and expenses of initial public offering and Listing in the Stock Exchange of Thailand (SET).

In 2021, operating expenses was THB 354 million, THB 40 million increased from 2020 mainly from selling and distribution expenses.

Operating Profit

In 2023, the company operation profit was THB 383 million, THB 607 million decreased due to the decline of total pet food revenues which pressured gross profit margin of the year even operation expense decrease compared to 2022.

In 2022, the company operating profit was THB 990 million, THB 274 million increased due to the company’s total revenue which partly offset by lower gross profit margin compared to the previous year. The company operating expenses increased at the lower rate compared to revenue growth. In 2021, the company operating profit was THB 716 million, THB 246 million increased from 2020 due to revenue growth and higher gross profit margin.

Finance Cost

Financial cost of 2023 was reported at THB 16 million net received. The company had THB 31 million interest income from Asian Sea Corporation PLC and saving deposit which off-set with THB 15 million net financial cost.

In 2022, the company net finance cost was at THB 33 million, THB 26 million increased from 2021 due to more short-term loans and lower finance income. Meanwhile, 2021 and 2020 net finance cost were at THB 7 million and THB 3 million respectively due to as high finance income as THB 24 million in 2020 and lower continuously as there were no longer cash pooling between the company and ASIAN during the period of 2021.

Income Tax Expenses

For 2023, effective tax rate was 3.5%, significantly lower than 12.8% last year. Actual tax expense was at THB 37 million which has been offset with THB 21 million of tax income booked.

In 2022, the company income tax expenses were at THB 126 million, THB 48 million increased from 2021 owing to the used-up BOI even newly BOI privileges had been started at the end of 2022.

In 2021, the company income tax expenses were at THB 77 million, THB 53 million higher than 2020, due to higher operating profit which partly received BOI privileges.

Net Profit

The net profit of 2023 was THB 383 million, 55.4% decrease compared to THB 859 million of last year. The net profit margin for 2023 was 7.0% compared to 12.1% of last year. Earnings per share was THB 0.18.

Net profit for the year 2022, 2021 and 2020 were at THB 859 million and THB 639 million respectively. The company net profit margin was 12.1, and 12.8 respectively. The company earning per share was at THB 0.48 and THB 0.38. (the amount of shares used to calculate earning per share for the year 2021 are 1,700 million shares. Meanwhile, the amount of shares in 2022 is weighted average number of ordinary shares which is 1,776.85 million shares so that the earning per share will be comparable.)

**Statement of Financial Position**

Unit : THB million

	2023	%	2022	%	2021	%
Cash and cash equivalent	931	16.7	1,508	24.8	46	1.3
Trade and other receivables	874	15.6	981	16.1	607	16.8
Inventories	832	14.9	0	0.0	0	0.0
Other current assets	1,301	23.3	1,754	28.9	1,630	45.2
Total current assets	96	1.7	232	3.8	86	2.4
Restricted bank deposit	4,034	72.2	4,476	73.6	2,368	65.7
Investments	0	0.0	0	0.0	19	0.5
Long term Loan	31	0.5	34	0.6	41	1.1
Fixed assets	18	0.3	18	0.3	18	0.5
Other non-current assets	1,326	23.7	1,353	22.3	1,077	29.9
Total non-current assets	182	3.2	198	3.3	83	2.3
Total Assets	1,557	27.8	1,604	26.4	1,238	34.3
Bank overdraft and short-term loans	5,591	100.0	6,080	100.0	3,606	100.0
Trade and other payables	0	0.0	0	0.0	496	13.7
Current portion of long-term loans	455	8.1	492	8.1	517	14.3
Other current liabilities	0	0.0	70	1.2	75	2.1
Total current liabilities	61	1.1	71	1.2	93	2.6
Long term Loan	516	9.2	633	10.4	1,181	32.8
Other non-current liabilities	0	1.1	200	3.3	0	0.0
Total non current liabilities	192	3.4	214	3.5	49	1.4
Total Liabilities	192	3.4	414	6.8	49	1.4
Total shareholders' equity	708	12.7	1,046	17.2	1,230	34.1
Total Liabilities and Equity	4,883	87.3	5,034	82.8	2,376	65.9

Assets

Assets of AAI's Group decreased by THB 489 million, or 8.0%, from THB 6,080 million at the end of 2022 to THB 5,591 million on December 31, 2023. The main contributors were THB 107 million and THB 453 million decreased in trade and other receivables and inventory respectively. Cash decreased by THB 577 million and related party receivables increased THB 832 million. Property, plant, and equipment totaled THB 1,326 million as of December 31st, 2023, slightly decrease compared to the previous year.

In 2022, the company total assets increased by THB 2,473 million, or 68.6%, from THB 3,606 million in 2021 to THB 6,080 million in 2022. Cash on hand increased THB 1,462 million as the company received cash from initial public offering. Meanwhile, Total trade and other receivables and inventories

increased by THB 374 million and THB 125 million respectively due to sales growth. Other current assets increased by THB 146 million, THB 110 million of those is financial assets. Property, plant, and equipment totaled THB 1,353 million at the end of 2022, THB 276 million or 25.6% increased from the end of 2021, due mostly to investments in innovative wet petfood (pouch) and improved building. Other non-current assets increased mainly from higher Right of used of THB 125 million.

In 2021, the company total assets was at THB 3,606 million, slightly increased compared to 2020. Inventories increased by THB 563 million to support pet food sales growth. Property, plant, and equipment increased THB 170 million due mostly to investments in innovative wet petfood and efficiency improvement in the factory. and improved building.

Liabilities

The total liabilities of the Company were THB 708 million as of December 31st, 2023, a decrease of THB 338 million from THB 1,046 million at the end of 2022 due to decrease in both short-term and long-term borrowing paid up using cash received from IPO.

The total liabilities of the company were THB 1,046 million at the end of 2022, decreased by THB 184 million from THB 1,230 million at the end of 2021 due to short-term repay using cash from initial public offering which partly offset with long-term increased by THB 200 million. Lease liabilities increased by THB 141 million as changing in land rent agreement.

In 2021, the company total liabilities were at THB 1,230 million, increased by THB 322 million compared to 2020 due to THB 245 million increase in short-term loan and THB 125 million increase of Trade liabilities. Long-term loan decreased from

THB 175 million to THB 75 million due to long-term loan repay as scheduled.

Shareholders' Equity

As of 31st December 2023, shareholders' equity of the Company was at THB 4,883 million, a decrease of THB 151 million from THB 5,034 million at the end of 2022 which was due to THB 531 million dividend paid and partly offset by profit for the year.

As of 31st December 2022, shareholders' equity of the company increased to THB 5,034 million, an increase of THB 2,657 million from the end of 2021, owing to THB 1,890 million share premium from IPO and net profit for the year, but offset by dividend paid of THB 512 million.

As of 31st December 2021, shareholders' equity of the company increased by THB 42 million to THB 3,606 million, due to net profit for the year which partly offset by dividend paid of THB 791 million.

Liquidity

Cash flow

	Unit : THB million		
	2023	2022	2021
Net cash received from operating activities	1,235.3	407	268
Net cash used in investing activities	(993.9)	(415)	(428)
Net cash from (used in) financing activities	(816.4)	1,473	120

For the year ended 2023, the company's cash on hand decreased by THB 577 million due to net cash used in investing Activities of THB 994 million and net cash used in financing activities of THB 816 million which partly offset by net cash received from operating activities of THB 1,235 million.

As of 31st December 2022, the company' cash on hand increased THB 1,462 million from the end of 2021. Cash on hand of 2021 decreased THB 37 million from the end of 2020.

The company used its cash from operation activities carefully to maximize benefit in term of investing in capacity expansion and improving efficiency. Those used were in line with the company growth including repay debt on timely basis. The company has cash on hand policy which will consider appropriate cash on hand according to situation.

Cash decreased in 2023 comprised of:

1. Cash decreased in 2023 comprised of:

Cash flows from operating activities before changes in operating assets and liabilities for the year 2022 and 2023 were THB 1,122 million and THB 724 million respectively. The changes in cash flows were mainly due to the changes in operating profit during period. Cash flows from operating activities from changes in

operating assets and liabilities for year 2023 were mainly due to decrease in trade and other receivables and inventories. As a result, the cash flows from (to) operating activities for the year ending 2022 and 2023 were THB 407 million and THB 1,235 million respectively. As of 31st December 2023, the accounts receivable day and inventory days were 55 days and 101 days respectively. AR days increased due to sales growth with the Company's credit customers and longer shipment.

2. Cash used in investing activities.

Cash flows used for investing activities for the year 2022 and 2023 were THB 415 million and THB 993 million respectively. For the year 2023, the Company financed THB 832 million to Asian Sea Corporation PLC. and invested for efficiency improvement as planned.

3. Cash received from financing activities.

For the year 2022, cash flows from financing activities of the Company were THB 1,473 million, mainly due to cash received from IPO in October 2022 which partly offset by paid up in short-term loans from financial institutions as shown in the prospectus. For the year 2023, the Company used THB 816 million in financing activities, THB 531 million paid as dividend during the period and the others were loan repayment.

Cash increased in 2022 comprised of:

1. Cash from operating activities

In 2022, the company had THB 407 million cash received from operating activities. None-cash transaction that were adjusted are depreciation and amortization of THB 174 million, unrealize gain from exchange rate of THB 102 million, finance cost of THB 33 million and others of THB 33 million. Then, cash received from operating activities before change of working capital was at THB 1,122 million. Operating assets increased by THB 587 million mainly was THB 407 million increase in trade receivables and THB 142 million increase in inventories. Operating liabilities increased slightly by THB 8 million. There were THB 35 million interest paid and THB 101 million tax payment.

2. Cash used in investing activities.

There were THB 439 million invested in capacity expansion for pet food products as well as machines and equipment to continuously improve production efficiency to accommodate the continuous increase in orders from brand-owner customers. There was THB 19 million cash received from collateral removal and THB 5 million received from JV paying back loan. Then, net cash used in investing activities were at THB 915 million.

3. Cash received from financing activities.

In 2022, THB 2,354 million cash received from initial public offering in late October 2022 and THB 270 million long-term loan principle received which were used in capacity expansion. In the meantime, THB 496 million short-term loan has been paid according to use of IPO proceed in IPO filing. There were THB 55 million expenses due to IPO. Moreover, THB 75 million were paid to repay long-term loan and THB 13 million was loan principle repay. Dividend pay out was at THB 512 million.

Therefore, net cash received from financial activities for the period was at THB 1,473 million.

Cash increased in 2021 comprised of:

1. Cash from operating activities

In 2021, the company had THB 268 million cash received from operating activities. None-cash transaction that were adjusted are depreciation and amortization of THB 154 million, unrealize loss from exchange rate of THB 33 million and finance cost of THB 7 million. Then, cash received from operating activities before change of working capital was at THB 910 million. Operating assets increased by THB 701 million mainly was THB 554 million increase in inventories and THB 97 million increase in trade receivables. Operating liabilities increased by THB 108 million mainly was THB 101 million increase in trade liabilities. There were THB 5 million interest paid and THB 45 million tax payment.

2. Cash used in investing activities.

There were THB 297 million invested in capacity expansion for pet food products as well as machines and equipment. There was THB 131 million cash lent to related party. Then, net cash used in investing activities were at THB 428 million.

3. Cash received from financing activities.

In 2021, THB 242 million short-term loan received to support the company working capital and THB 100 million were paid to repay long-term loan and THB 22 million was loan principle repay. Therefore, net cash received from financial activities for the period was at THB 120 million.

Financial Ratios

		2021	2022	2023
Liquidity ratios				
Current ratio	time	2.0	7.1	7.8
Quick ratio	time	0.6	3.9	3.5
Account receivable turnover ratio	time	8.9	9.0	5.9
Average debt collection period	days	41.0	40.7	62.2
Account payable turnover ratio	time	8.7	11.3	10
Average debt repayment	days	42.2	32.3	36.6
Inventory turnover ratio	time	2.9	3.4	3.1
Average inventory days	days	125.2	108.2	118.1
Cash Cycle	days	124.0	116.6	143.8
Profitability ratios				
Gross profit margin	%	21.1	19.9	13.2
Net profit margin	%	12.8	12.1	7.0
Return on Equity	%	26.9	17.1	7.8



		2021	2022	2023
Efficiency ratios				
Return of Assets	%	20.2	21.0	6.5
Return on fixed assets	%	63.0	71.6	28.5
Assets turnover ratio	time	1.4	1.5	1.0
Leverage Ratios				
Debt to Equity ratio	time	0.5	0.2	0.1
Net debt to Equity ratio	time	0.2	(0.3)	(0.2)
Interest coverage ratio	time	34.9	28.1	24.6
Dividend payout ratio	%	n/a	71.8	138.7

Liquidity Ratios

As of 31st December 2021, 2022 and 2023, the company current ratios was at 2.0, 7.1 and 7.8 times. The current ratio in 2023 improved from 2022 owing to lower current liabilities due to long-term loan paid up. Cash and cash equivalents were lower due to loan to the parent company (Asian Sea Corporation PLC.) In 2022, the current ratio was significantly increased because of cash received from IPO on late October 2022 which have to save for investment as planed and indicate in filling document. Quick ratios also increased from 0.6 times in 2021 to 3.9 times in 2022 and 3.5 times in 2023.

By the end of 2021, 2022 and 2023, the company debt collection period was at 41.0, 40.7 and 62.2 days respectively, the increase owing to credit customer sales growth. Inventories days were at 125.2, 108.2, and 118.1 days respectively. The 2022 inventories day improved due to the international logistic improvement and lower sales. However, 2023 inventories day increased along with sales improvements.

Leverage Ratios

The company interest coverage ratios of 2021, 2022 and 2023 was 34.9, 28.1 and 24.6 times respectively. In 2021, interest coverage ratio improve significantly owing to rapid increase in operating result. In 2022 interest coverage dropped as short-term loan during the period increased due to working capital needed increased along with sales growth. 2023 Interest coverage ratios decreased slightly even the performance of the year dropped rapidly due to there were no loan used for the company working capital at all.

Debt to Equity ratio of the company was low and even dropped to 0.1 times at the end of 2023 due to the fact that the company paid off its loans using part of cash received from IPO.

Bank's Covenants

In 2023, the company had no loan from Banks.

The company long-term agreements in 2022, as bank's covenants, the company need to maintain its debt to equity ratio to not exceed 2.0 times and if debt services coverage ratios was lower than 1.2 times, the company will not be able to pay dividend or any other benefit to its shareholders. In 2022, the company has been able to maintain covenants as request.



(THB Million)

Statement of comprehensive income	2021	2022	2023	2021	2022	2023
Sales	4,985.5	7,123.5	5,439.4	99.0%	99.0%	99.0%
Other income	50.9	71.9	53.8	1.0%	1.0%	1.0%
Total revenues	5,036.4	7,195.4	5,493.2	100%	100%	100.0%
Expenses						0.0%
Cost of sales	3,931.8	5,709.1	4,720.0	78.9%	80.1%	86.8%
Selling and distribution expenses	182.1	230.5	169.9	3.7%	3.2%	3.1%
Administrative expenses	155.8	194.4	166.3	3.1%	2.7%	3.1%
Loss on exchange rate and fair value adjustment	41.7	44.4	54.7	0.8%	0.6%	1.0%
Total expenses	4,311.4	6,178.4	5,111.0	86.5%	86.7%	94.0%
Gross Margin	725.0	1,017.0	382.2	14.5%	14.3%	7.0%
Share of loss from joint ventures	(2.8)	(0.7)	(1.4)	(0.1%)	(0.0%)	(0.0%)
Share of profit from associate	0.9	1.2	0.7	0.0%	0.0%	0.0%
Finance income	14.0	3.7	30.8	0.3%	0.1%	0.6%
Finance cost	(20.8)	(36.2)	(15.5)	(0.4%)	(0.5%)	(0.3%)
Profit before income tax expenses	716.4	984.9	396.8	14.4%	13.8%	7.3%
Income tax expenses	(77.4)	(125.8)	(13.8)	(1.6%)	(1.8%)	(0.3%)
Profit for the year	639.0	859.1	382.9	12.8%	12.1%	7.0%
Other comprehensive income:						
Other comprehensive income to be reclassified to profit or loss in subsequent periods						
Exchange differences on translation of financial statements in foreign currency	7.3	(4.8)	(2.4)			
Other comprehensive income to be reclassified to profit or loss in subsequent periods	7.3	(4.8)	(2.4)			
Other comprehensive income not to be reclassified						
• to profit or loss in subsequent periods						
Actuarial loss - net of income tax	(4.7)	(0.2)	0.0			
Other comprehensive income not to be reclassified						
• to profit or loss in subsequent periods - net of income tax						
	(4.7)	(0.2)	0.0			
Other comprehensive income for the year	2.6	(5.0)	(2.4)			
Total comprehensive income for the year	641.6	854.1	380.6			



(THB Million)

Statement of comprehensive income	2021	2022	2023	2021	2022	2023
Profit attributable to						
Equity holders of the Company	653.0	859.1	382.9			
Former shareholder's equity before business restructuring	(14.0)	0.0	0.0			
	639.0	859.1	382.9			
Total comprehensive income attributable to						
Equity holders of the Company	652.8	854.1	380.6			
Former shareholder's equity before business restructuring	(11.1)	0.0	0.0			
	641.7	854.1	380.6			
Basic earnings per share Profit attributable to equity holders of the company	0.38	0.48	0.18			

Statement of financial position (THB Million)

Assets	2021	2022	2023	2021	2022	2023
Current assets						
Cash and cash equivalents	45.9	1,507.8	931.3	1.3%	24.8%	16.7%
Trade and other receivables	606.8	981.1	873.7	16.8%	16.1%	15.6%
Inventories	1,629.5	1,754.4	1,301.1	45.2%	28.9%	23.3%
Short-term loans to related parties	-	-	831.9	0.0%	0.0%	14.9%
Other current financial assets	-	109.9	10.2	0.0%	1.8%	0.2%
Other current assets	86.1	122.6	86.3	2.4%	2.0%	1.5%
Total current assets	2,368.4	4,475.7	4,034.5	65.7%	73.6%	72.2%
Non-current assets						
Restricted bank deposits	18.6	-	-	0.5%	0.0%	0.0%
Investments in joint ventures	40.5	34.2	30.6	1.1%	0.6%	0.5%
Long-term loans to joint ventures	15.8	14.5	13.6	0.4%	0.2%	0.2%
Long-term loan to associate	2.4	3.7	4.4	0.1%	0.1%	0.1%
Plant and equipment	1,077.3	1,353.4	1,326.2	29.9%	22.3%	23.7%
Right-of-use assets	43.6	168.7	158.7	1.2%	2.8%	2.8%
Intangible assets	16.6	16.7	16.1	0.5%	0.3%	0.3%
Deferred tax assets	1.8	0.0	2.9	0.1%	0.0%	0.1%
Other non-current assets	21.4	12.8	4.0	0.6%	0.2%	0.1%
Total non-current assets	1,238.0	1,604.0	1,556.5	34.3%	26.4%	27.8%
Total assets	3,606.4	6,079.7	5,591.0	100.0%	100.0%	100.0%



Liabilities and shareholders' equity	2021	2022	2023	2021	2022	2023
Current liabilities						
Bank overdrafts and short-term loans from banks	495.7	-	-	13.7%	0.0%	0.0%
Trade and other payables	517.1	491.8	454.7	14.3%	8.1%	8.1%
Current portion of long-term loan	74.9	70.0	-	2.1%	1.2%	0.0%
Current portion of lease liabilities	22.8	12.7	14.1	0.6%	0.2%	0.3%
Income tax payable	24.9	16.9	13.4	0.7%	0.3%	0.2%
Other current financial liabilities	23.5	-	-	0.7%	0.0%	0.0%
Other current liabilities	22.2	41.1	33.7	0.6%	0.7%	0.6%
Total current liabilities	1,181.2	632.5	515.9	32.8%	10.4%	9.2%
Non-current liabilities						
Long-term loan	-	200.0	-	0.0%	3.3%	0.0%
Lease liabilities	21.3	162.4	158.0	0.6%	2.7%	2.8%
Provision for long-term employee benefits	27.4	30.8	34.2	0.8%	0.5%	0.6%
Deferred tax liabilities	-	20.4	-	0.0%	0.0%	0.0%
Total non-current liabilities	48.7	413.6	192.2	1.4%	6.8%	3.4%
Total liabilities	1,229.9	1,046.1	708.2	34.1%	17.2%	12.7%
Shareholders' equity						
Registered	1,700.0	2,125.0	2,125.0	47.1%	35.0%	38.0%
Issued and paid-up	1,700.0	2,125.0	2,125.0	47.1%	35.0%	38.0%
Share premium	-	1,890.0	1,890.00	0.0%	31.1%	33.8%
Deficit on business combination under common control	-50.5	-50.5	-50.50	(1.4%)	(0.8%)	(0.9%)
Retained earnings						
Appropriated - statutory reserve	43.0	123.2	144.40	1.2%	2.0%	2.6%
Unappropriated	674.4	941.1	771.55	18.7%	15.5%	13.8%
Other component of shareholders' equity	9.6	4.8	2.40	0.3%	0.1%	0.0%
Total shareholders' equity	2,376.5	5,033.5	4,882.8	65.9%	82.8%	87.3%
Total liabilities and shareholders' equity	3,606.4	6,079.7	5,591.0	100.0%	100.0%	100.0%

Cash flow statement (THB Million)

Cash flows from operating activities	2021	2022	2023	2021	2022	2023
Profit before tax	716.4	984.9	396.8	267.7%	241.9%	32.1%
Depreciation and amortisation	153.6	173.6	207.6	57.4%	42.6%	16.8%
Allowance for expected credit losses (reversal)	1.5	3.9	3.3	0.6%	1.0%	0.3%
Reduction of cost of inventories to net realisable value	(7.9)	17.0	10.7	(3.0%)	4.2%	0.9%
Reversal of allowance for impairment loss on investment properties	0.0	0.0	0.0	0.0%	0.0%	0.0%
Withholding income tax written-off	0.2	0.0	0.0	0.1%	0.0%	0.0%
Loss on sales/written-off of plant and equipment	(0.5)	3.4	0.2	(0.2%)	0.8%	0.0%
Loss on written-off intangible asset	0.0	0.9	0.0	0.0%	0.2%	0.0%
Gain on cancellation of lease contract	0.0	(0.2)	0.0	0.0%	(0.0%)	0.0%
Long-term employee benefit expenses	4.8	3.4	4.6	1.8%	0.8%	0.4%
Unrealised loss on exchange rate	0.7	31.3	16.3	0.3%	7.7%	1.3%
Unrealised loss (gain) on forward foreign exchange contracts	32.8	(133.3)	99.7	0.0%	(32.7%)	8.1%
Share-based payment expenses	0.0	4.9	0.0	0.0%	1.2%	0.0%
Share of loss from joint ventures	2.8	0.7	1.4	1.0%	0.2%	0.1%
Share of profit from associate	(0.9)	(1.2)	(0.7)	(0.3%)	(0.3%)	(0.1%)
Finance income	(14.0)	(3.7)	(30.8)	(5.2%)	(0.9%)	(2.5%)
Finance cost	20.8	36.2	15.5	7.8%	8.9%	1.3%
Profit from operating activities before changes in operation assets and liabilities	910.2	1,121.9	724.4	340.0%	275.5%	58.6%
Operating assets (increase) decrease						
Trade and other receivables	(96.7)	(406.9)	85.6	(36.1%)	(99.9%)	6.9%
Inventories	(554.2)	(141.9)	442.6	(207.1%)	(34.8%)	35.8%
Other current assets	(49.2)	(36.5)	36.3	(18.4%)	(9.0%)	2.9%
Other non-current assets	(1.2)	(1.4)	3.0	(0.4%)	(0.3%)	0.2%
Operating liabilities increase (decrease)						
Trade and other payables	100.8	(10.8)	(21.4)	37.7%	(2.7%)	(1.7%)
Other current liabilities	7.8	18.9	(7.4)	2.9%	4.6%	(0.6%)
Cash paid for long-term employee benefits	(0.7)	(0.2)	(1.3)	(0.3%)	(0.0%)	(0.1%)
Cash flows from operating activities	316.7	543.0	1,261.9	118.3%	133.4%	102.1%
Interest received	15.9	1.3	29.5	5.9%	0.3%	2.4%
Interest paid	(20.5)	(36.4)	(15.6)	(7.7%)	(8.9%)	(1.3%)
Income tax paid	(44.5)	(100.7)	(40.5)	(16.6%)	(24.7%)	(3.3%)
Net cash flows from operating activities	267.6	407.2	1,235.3	100.0%	100.0%	100.0%



Cash flows from investing activities	2021	2022	2023	2021	2022	2023
Decrease in restricted bank deposits	0.0	18.6	0.0	0.0%	(4.5%)	0.0%
Cash payments for building construction and acquisitions of equipment	(277.0)	(429.8)	(162.6)	64.8%	103.6%	16.4%
Cash payments for deposits of machinery	(17.1)	(7.1)	(1.3)	4.0%	1.7%	0.1%
Cash payments for acquisitions of computer software	(2.7)	(2.5)	(1.0)	0.6%	0.6%	0.1%
Proceeds from sales of equipment	0.6	0.5	0.6	(0.1%)	(0.1%)	(0.1%)
Increase in short-term loans to related parties	(131.0)	0.0	(831.9)	30.6%	0.0%	83.7%
Cash payment for long-term loans to joint venture	(0.4)	(0.2)	0.0	0.1%	0.0%	0.0%
Cash received from repayment of long-term loans to joint venture	0.0	5.5	2.3	0.0%	(1.3%)	(0.2%)
Net cash flows used in investing activities	(427.7)	(414.9)	(993.9)	100.0%	100.0%	100.0%

Cash flows from financing activities	2021	2022	2023	2021	2022	2023
Decrease in short-term loans from banks	245.0	(495.7)	0.0	203.8%	(33.7%)	0.0%
Increase in short-term loans from related parties	(3.0)	0.0	0.0	(2.5%)	0.0%	
Cash received from long-term loan	0.0	270.0	0.0	0.0%	18.3%	0.0%
Repayment of long-term loan	(100.0)	(75.1)	(270.0)	(83.2%)	(5.1%)	33.1%
Payment of principal of lease liabilities	(21.9)	(13.4)	(15.4)	(18.2%)	(0.9%)	1.9%
Cash received from share capital increase	0.0	2,353.8	0.0	0.0%	159.8%	0.0%
Cash payment for direct costs related to the share offering	0.0	(54.7)	0.0	0.0%	(3.7%)	0.0%
Dividend paid	0.0	(512.1)	(531.0)	0.0%	(34.8%)	65.0%
Net cash flows from (used in) financing activities	120.2	1,472.9	(816.4)	100.0%	100.0%	100.0%
Decrease in exchange differences on translation of financial statements in foreign currency	3.0	3.3	(1.5)			

Change	2021	2022	2023	2021	2022	2023
Net (decrease) increase in cash and cash equivalents	(36.9)	1,461.8	-576.5	-80.4	96.9	-61.9
Cash and cash equivalents at beginning of year	82.8	45.9	1,507.8	180.4	3.0	161.9
Cash and cash equivalents at end of year	45.9	1,507.8	931.3	100.0	100.0	100.0

5

General Information and Other Important Information

5.1 General Information of the Company

Company name	: Asian Alliance International Public Company Limited
Company registration number	: 0107565000093
Registered capital	: 2,125,000,000.00 baht (two thousand one hundred and twenty five million baht only)
Issued and fully paid capital	: 2,125,000,000.00 baht (two thousand one hundred and twenty five million baht only)
Head Office location	: 55/2 Moo 2 Rama 2 Road, Bangkrajao, Muang, Samutsakhon 74000
Factory location	: 5/5, 8/8, 8/9 Moo 3 Rama 2 Road, Banbor, Muang, Samutsakhon 74000
Tel	: 034 845 575-87
Fax	: 034 845 546
Website	: www.asianalliance.co.th
Registrar	: The Thailand Securities Depository Company Limited 93 Ratchadaphisek Road, Dindaeng, Sub-District, Dindaeng Bangkok 10400, Thailand Tel : 02 009 9000 Fax : 02 009 9991 SET Contact Center : 02 009 9999
Auditor	: EY Office Company Limited 193/136-137, Floor 33, Lakeratchada Building, Ratchadaphisek Road, Klongtoey, Bangkok 10110, Thailand Tel : 02 264 9090 Fax : 02 264 0789

5.2 Other Important Information (Subsidiaries and Joint Ventures)

Company name	: Asian Pets Care Corporation Co.,Ltd.
Shareholding proportion by the Company	: 100 %
Company registration number	: 0105561005480
Registered capital	: 200,000,000.00 baht (two hundred million baht only)
Issued and fully paid capital	: 200,000,000.00 baht (two hundred million baht only)
Type of business	: Distributing pet product under its own brand under the strategies of various companies in foreign markets.
Head Office location	: 55/2 Moo 2 Rama 2 Road, Bangkrajao, Muang, Samutsakhon 74000
Office location	: 3388/22 Sirinrat Building 7th Floor, Rama 4 Road., Klongton, Klongtoey, Bangkok 10110
Tel	: (02) 367-5023
Website	: www.asianpetcare.com

Company name	: Thaiya Corporation (Shanghai) Co., Ltd.
Shareholding proportion by the Company	: 100% (held by Asian Pets Care Corporation Company Limited)
Company registration number	: 91310000MA1G0RF889
Registered capital	: 5,000,000 MUSD (five million dollars)
Issued and paid capital	: 4,500,000 MUSD (four million five hundred thousand dollars)
Type of business	: To operate a pet food distribution business under the brand of Asian pets Care Corporation Co., Ltd. As well as to invest in shares of other relevant businesses in China
Office location	: Yingke Zhi Gu tower 12 (1st floor), 67 Dongpu Road, Tianhe District, Guangzhou City, Guangdong Province.
Website	: https://www.monchou.cn/



Company name : **Asian Group SCS Europe GmbH**
Shareholding proportion : 60% (40% held by Dormeo Handels GmbH)
by the Company
Company registration number : HRB 736061
Registered capital : 25,000 euros (twenty-five thousand euros)
Issued and fully paid capital : 25,000 euros (twenty-five thousand euros)
Type of business : To be a distributor of products of group of companies to expand overseas markets, especially in Europe
Office location : Toebele 1, 73098 Rechberghausen, Germany.

Company name : **Shangdong Thaiya Meisi Pet Food Co., Ltd.**
Shareholding proportion : 51% (held by Asian Pet Care Corporation Co., Ltd., 41% held by Thaiya Corporation (Shanghai)
by the Company Co., Ltd. and 10% held by Shangdong Meisi Pet Food Co., Ltd. 49%)
Company registration number : 91370783MA3PKW7496
Registered capital : 20,000,000.00 yuan (twenty million yuan)
Issued and fully paid capital : 20,000,000.00 yuan (twenty million yuan)
Type of business : To produce OEM dry pet food under the customer's trademark for distribution in China.
Office location : No. 19, Xing'an Road, Economic Development Zone, Shounguang City, Weifang City, Shangdong Province.

Company name : **Inter Petrina Co.,Ltd**
Shareholding proportion : 40% (held by Inter Pharma Co., Ltd. 60%)
by the Company
Company registration number : 0105561050612
Registered capital : 4,000,000 baht (four million baht)
Issued and fully paid capital : 4,000,000 baht (four million baht)
Type of business : To operate pet food business produced by Asian Alliance International Public Company Limited under the trademark "MARIA" by distributing both domestically and exported to Cambodia, Laos, Malaysia and Vietnam (CLMVT).
Office location : 140/9 ITF Tower, 9 Floor, Silom Road, Suriyawong, Bangrak, Bangkok
Website : www.mariapetfood.com

5.3 Legal Disputes

As of December 31, 2023, the Company and its subsidiaries have not been sued as defendants or have pending legal disputes (1) that may have a negative effect on the assets of the Company or its subsidiaries at a higher amount. 5.0% of shareholders' equity according to the Company's consolidated financial statements for the twelve-month period ended December 31, 2023 (2) that significantly affects the business operations of the Company or its subsidiaries but cannot be evaluated in numbers; and (3) that are not caused by the normal business operations of the Company or its subsidiaries.

5.4 Secondary Market

-None-

5.5 Regularly Contacted Financial Institutions (Only in the case of debt instruments)

-None-

SECTION

02

Business Governance



6

Corporate Governance Policy



6.1 Overview of Corporate Governance Policies and Practices

Asian Alliance International Public Company Limited (the “Company”) has always placed importance on good corporate governance by establishing and hand-in the good corporate governance policy and business ethics to directors, executives and all employees for acknowledgment and practice. There is regular review and improvement in order to raise operating standards to be in line with the principles of good corporate governance of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET) and recommendations from the Corporate Governance Report of the Thai Institute of Directors Association (IOD).

The full version of the Corporate Governance Policy can be viewed here :





6.2 Business Ethics

To achieve growth and development in a stable and sustainable manner, Asian Alliance International Public Company Limited (the "Company") strongly believes that all of its directors, executives, and employees need to adhere to and comply with "Business Ethics," which serve as good practices in business operations. With business ethics, all relevant actors will have their duties performed in the same direction under the framework of key values such as morality, honesty, good faith, transparency, accountability, trust in quality of human resources, and education which disciplinary of ignorance or violation of those Has been determined.



The full version of the Business Ethics can be viewed here :

6.3 Major Changes and Developments on Corporate Governance Policies, Practices, and Systems During the Year

In 2023, the company approved the review and revision of the corporate governance policy and others relevant policies as follows :

1. Approved the revision of organizational structure by synergy sustainable management with risk management committee together and nominated to **"Risk Management for Sustainability Committee."** The charter of the committee has been established to ensure that the committee understand their roles and responsibilities and perform their duties using charters as guidance. This will reduce redundant work and, in the meantime, elevate important of sustainability management of all issues as all sustainable issues should be treat as corporate risk. This also ensures that environmental, social and governance issues has been assessed and treated under risk management policies. Risk management team will assess functional risks and proposed risks and risks treatment to the committee as well.
2. Revised the Nomination and Remuneration Committee's charter to cover corporate governance and renamed the committee to **"The Corporate Governance and Nomination and Remuneration Committee"**.
3. Reviewed and revised the company's policies, vision, mission, core values, and charters of all committees by resolution of the Board of directors' meetings no. 5-2023 on November 8th, 2023 according to the consideration of

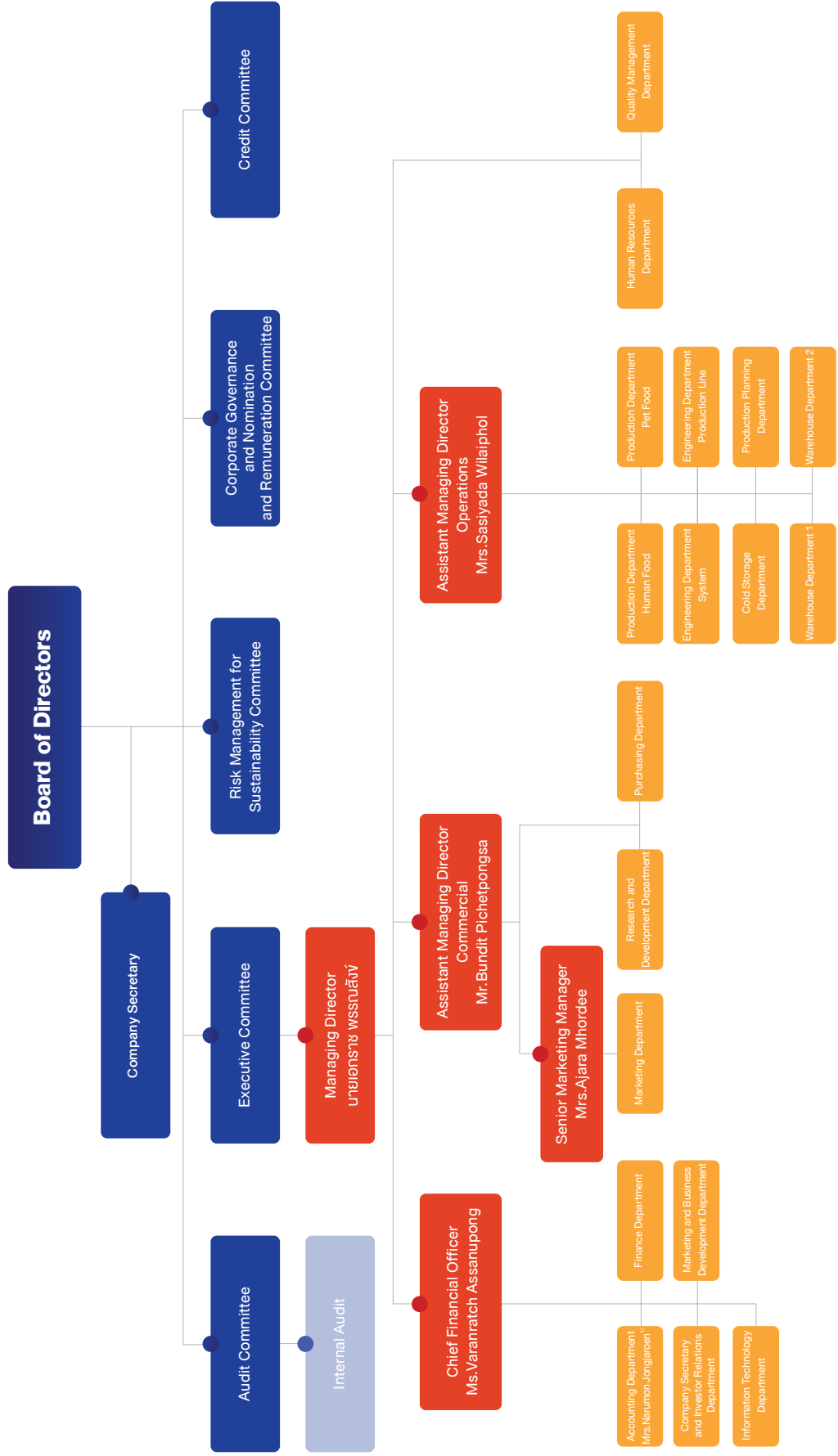
sub-committees to ensure that all policies are in line with the good corporate governance practices and suitable with the company according to its business, size, financial position, and performance. The major improvements are:

- Specified the scope of all policies and procedures according to actual control and practices.
- Revised business Code of Conduct by adding in the practice guidance to cover all 10 stakeholders that the Risk Management for Sustainability Committee reviewed and analyzed the relationship between stakeholder and value chain of the company.
- Revised the Sustainability Development Policy to appropriate with value chain and cover all sustainable issues of the company.
- Revised success plan assigned the Corporate Governance and Nomination and Remuneration Committee to responsible for nominate successors of critical positions, including candidates' career development plan.
- Reviewed Board Diversity policy, including considered to ensure that directors' skill and competent expertise in the Board are appropriated.
- Approved the company's Environmental Policy and implement as a guidelines for driving sustainable operating in environmental dimensions.

7 Governance Structure and Key Data on the Board of Directors, Specific Committees, Management, Employees and Others

7.1 Governance Structure

As of 31 December 2023, the management structure of Asian Alliance International Public Company Limited was as follows:



Executives as defined by the Securities and Exchange Commission ("SEC")

In this regard, the Accounting Manager is Mrs. Narumon Jongjaroen, counted as an executive of the company in addition to executives according to the definition of the SEC Office.



7.2 Information about the Board of Directors

7.2.1 Composition of the Board of Directors

The Board of Directors consists of knowledgeable and experienced individuals who are beneficial to the business operation according to the company's Board Diversity Policy. As of December 31, 2023, the Board of Directors consists of 8 directors. There is one executive director (representing 12.5% of total directors), 4 non-executive and non-independent

directors representing ASIAN (representing 50.0% of total directors), and 3 independent directors (representing 37.5% of total directors), which represent not less than one-third of the total directors. Three independent directors are qualified according to relevant laws and regulations. The Company has 1 female director and 7 male directors.

7.2.2 Information on Board of Directors

As of December 31, 2023, the Board of Directors consists of 8 directors as follows :

No.	Name	Position
1	Mr.Vichai Assarasakorn	Chairman of the Board / Independent Director / Chairman of the Audit Committee
2	Lieutenant Sutthinan Hatthawong	Independent Director / Member of the Audit Committee / Member of the Corporate Governance and Nomination and Remuneration Committee / Member of the Risk Management for Sustainability Committee
3	Mr.Kasemsit Pathomsak	Independent Director / Member of the Audit Committee / Member of the Corporate Governance and Nomination and Remuneration Committee
4	Mr.Somsak Amornrattanachaikul	Director / Chairman of the Executive Committee
5	Mr.Suriya Prasatbuntitya	Director / Member of the Corporate Governance and Nomination and Remuneration Committee
6	Ms. Prapa Puranachote	Director / Chairman of the Corporate Governance and Nomination and Remuneration Committee
7	Mr. Hendrikus Van Westendorp	Director / Member of the Executive Committee
8	Mr. Aekarat Punnasung	Director / Member of the Executive Committee / Chairman of the Risk Management for Sustainability Committee / Chairman of the Credit Committee / Managing Director

Ms. Varanratch Assanupong served as the Company Secretary

Authorized Signatories of the Company

Authorized signatories include Mr. Somsak Amornrattanachaikul, Mr. Aekarat Punnasung, and Mr. Suriya Prasatbuntitya. Two of these three directors jointly sign and affix the Company's seal.

7.2.3 Information on the Roles and Responsibilities of the Board of Directors and the Chairman of the Board of Directors

1. Scope of Authority, Duties, and Responsibilities of the Board of Directors

The authority, duties, and responsibilities of the Board of Directors are defined by the Public Limited Company Act B.E. 2535 (1992) (including amendments), the Securities and Exchange Act B.E. 2535 (1992) (including amendments), the rules prescribed by the Securities and Exchange Commission, and related laws and regulations. Laws and the Company's articles of association require the Board of Directors to have authority to make decisions and oversee operations in various matters, unless the law or the Company's regulations require that the Board of Directors obtain approval from the shareholders' meeting before proceeding.

The scope of authority, duties, and responsibilities of the Board of Directors are as follows:

- 1) Perform duty of care and duty of loyalty, as well as oversee the Company's operations and its subsidiaries in accordance with the laws, objectives, regulations, and resolutions of the Board of Directors' meeting and the shareholders' meeting to protect the rights and benefits of both the Company and all shareholders.
- 2) Take responsibilities for management of the Company's operations and have the authority to operate within the scope of the laws, objectives, and regulations of the Company, as well as according to the resolution of the shareholders' meeting.
- 3) Establish policies and directions for management, as well as vision, missions, goals, and objectives in business operations, work plans, and annual budget plans of the Company and its subsidiaries, taking into account two important criteria: creating maximum benefits for the Company and being within the framework of relevant laws and regulations.
- 4) Monitor and oversee the performance of the management and sub-committees to be in accordance with the policy, vision, missions, goals, and objectives of business operations, strategic plans, and annual budget set by the Board of Directors.
- 5) Follow the operating performance, financial status, financial liquidity, and debt repayment ability of the Company and its subsidiaries to be in compliance with business plans and the relevant budget.
- 6) Consider and approve investment or joint-investment of the Company and its subsidiaries with individuals, juristic persons, or other business organizations, while proposing to the shareholders' meeting for approval in accordance with the relevant laws and regulations and/or the regulations of the Company and its subsidiaries.
- 7) Define the organizational and management structures.
- 8) Oversee the disclosure of information to shareholders, which shall be accurate, complete, transparent, and reliable as required by the laws.
- 9) Ensure the Company and its subsidiaries to adopt an appropriate and efficient accounting systems as well as establish an internal control system together with adequate and effective internal audit system. An external internal control auditor may be hired to perform such duties with the Company's personnel and provide a process to assess the suitability of internal control system of the Company and its subsidiaries on a regular basis.
- 10) Arrange for the preparation of financial statements of the Company and its subsidiaries at the end of the accounting period for approval and consideration by the shareholders' meeting at the annual general meeting.
- 11) Manage to prepare the Company's annual reports and be responsible for the disclosure of the Company's consolidated financial statements to reflect the financial status and performance of the Company and its subsidiaries in the past year for approval and consideration by the shareholders' meeting.
- 12) Establish a risk management policy, including an appropriate and efficient risk management process which can assess important risks and manage risks.
- 13) Set a good corporate governance policy as well as oversee the implementation of such policy effectively and communicate to all employees in the Company for their strict adherence.
- 14) Provide clear policies and guidelines for receiving complaints and whistleblowing clues by requiring the Company to prepare and follow up on the improvement of the Policy on Receipt of Complaints and Whistleblowing in accordance with the relevant rules and changing conditions in each period.
- 15) Establish business ethics as a standard for the Company's business operations.
- 16) Provide a clear process for reports of the Audit Committee to the Board of Directors in case of doubts about transactions or actions that may have significant impacts on the Company's financial status and operating results. The Board of Directors must oversee for improvement within a reasonable period of time.
- 17) Monitor and supervise the management and operations of the Company and its subsidiaries to be in accordance with policies, securities laws and announcements, as well as regulations and rules related of the Capital Market Supervisory Board, the SEC and the Stock Exchange of Thailand, such as the connected transactions and the acquisition or disposition of important assets to the extent that it is not contrary to or inconsistent with other laws, while establishing an adequate and appropriate internal control and internal audit system, which shall be



- effective after the Company's shares are listed on the Stock Exchange of Thailand.
- 18) Consider and approve the principle of commercial agreements with general trading conditions for entering into transactions between the Company and subsidiaries with directors, executives, or related persons for establishment of a framework to the management of their powers to conduct such transactions within the framework and scope of relevant laws and regulations for the benefits of connected transactions.
 - 19) Consider, determine, and amend the name of the director authorized to bind the Company.
 - 20) Arrange for the review and improvement of important policies and plans to be up to date and appropriate for business conditions on a regular basis.
 - 21) Evaluate the performance of the entire Board of Directors to review working problems and obstacles each year.
 - 22) Able to apply the results of assessment for development and improvement of the operations in various fields.
 - 23) Review the charter of Board of Directors at least once a year.
 - 24) Arrange the shareholders' meeting at the annual general meeting within 4 months from the end of the fiscal year of the Company.
 - 25) Consider a person who has the qualifications without any prohibited characteristics as specified in the Public Company Limited Act B.E. 2535 (1992) (including any amendments), including announcements, regulations, and/or related regulations, for appointment approval of a new director in place of the former one in case a director's post becomes vacant due to other reasons apart from the agenda, or propose to the shareholders for consideration and approval in case of retirement by rotation and determine the directors' remuneration as proposed by the Nomination and Remuneration Committee to be presented to the shareholders' meeting for approval.
 - 26) Consider, appoint, or amend the sub-committees to assist and support the performance of duties of Board of Directors as appropriate, as well as determine the remuneration for the sub-committees (not more than the total amount approved by the shareholders' meeting).
 - 27) Appoint and define the powers and duties of the Managing Director, including performance evaluation and the remuneration of the Managing Director.
 - 28) Consider for the appointment of the Company's secretary to support operations of the Board of Directors and assist the Board of Directors and the Company to comply with relevant laws and regulations, as well as defining the scope of duties and responsibilities of the Company's secretary.
 - 29) Consider and approve the payment of interim dividends to shareholders when seeing that the Company has reasonable profits and report the said dividend payment to the shareholders' meeting in the next meeting.
 - 30) Seek professional opinions from outside organizations if needed for appropriate decisions.
 - 31) Ensure that the Company's management has a unit responsible for investment relations to communicate with each group of shareholders, including other stakeholders such as investors and analysts as appropriate.
 - 32) The Board of Directors shall authorize their powers and/or assign other persons to perform specific tasks on their behalf by authorizing or assigning authorization within the scope of authorization under the power of attorney given and/or in accordance with the rules, regulations, or orders of the Board of Directors and/or specified by the Company. In this regard, the authorization of powers, duties, and responsibilities of the Board of Directors must not be in the nature of an authorization or an assigned authorization that causes the Board of Directors and/or the person authorized by the Board of Directors to consider and approve the transactions that they or such person may have conflicts of interest (according to the definition announced by the Securities and Exchange Commission and/or the notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies), or may benefit in any ways or cause conflicts to the Company or subsidiaries, except for approval of items that comply with policies and criteria which the shareholders' meeting or the Board of Directors' meeting considers and approves for normal business transactions and regular trading conditions in accordance with the notification of the Securities and Exchange Commission and the Stock Exchange and/or the announcement of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.
 - 33) Perform any other duties related to the Company's business as assigned by the shareholder meeting.

Details about the scope, powers, duties, and responsibilities of the Board of Directors are available in the Charter of the Board of Directors.



2. Scope of Authority and Duties of the Chairman of the Board of Directors

The scope of authority and duties of the Chairman of the Board of Directors are as follow :

- (1) Send or assign any other person to send the invitation letter to the Board of Directors' meeting and the shareholders' meeting and preside over the Board of Directors' meeting and the shareholders' meeting.
- (2) Have a role in controlling the meeting to be effective in accordance with the Company's articles of association by supporting and giving the opportunity for the directors to express their opinions independently.

- (3) Support and encourage the Board of Directors to perform their duties to the utmost extent of their authority, duties, and responsibilities and in compliance with the Good Corporate Governance Policy.
- (4) Monitor and supervise the operations of the Board of Directors and other sub-committees of the Company to comply with the Company's rules and regulations and achieve the objectives, policies, and plans set forth.
- (5) Oversee the use of strategic policies and practices by the management, including advising and supporting the management's business operations.

Details about the scope of powers and duties of the Chairman of the Board of Directors are available in the Charter of the Board of Directors.



7.3 Information on the Sub-Committee

As of December 31, 2023, the Company has a total of 5 sub-committees which are (1) Audit Committee (2) Executive Committee (3) Risk Management for Sustainability Committee (4) Corporate Governance and Nomination and Remuneration Committee and (5) Credit Committee.

Each committee has a charter approved by the Board of Directors by specifying the objectives, composition, qualifications, appointment and term of office, meetings, duties and responsibilities, and performance evaluation. The sub-committees will consider, review, and revise the charter at least once a year and present to the Board of Directors. In this regard, sub-committees are required to report their performance to the Board of Directors regularly.

1) Audit Committee

• Information of the Audit Committee

Each quarter, the Audit Committee, together with the Chief Financial Officer and the external auditor (EY office Limited), reviews the company's financial reports. The Board is accountable for accuracy, completely and consistently of the company's consolidated financial statements as well as others financial information presented in this annual report, including material information, financial and non-financial information.

As of December 31, 2023, the Audit Committee consists of 3 directors as follows:

No.	Names	Position	Position on the Board of Directors
1	Mr.Vichai Assarasakorn	Chairman of the Audit Committee	Independent Director
2	Mr.Kasemsit Pathomsak	Member of the Audit Committee	Independent Director
3	Lieutenant Sutthinan Hatthawong	Member of the Audit Committee	Independent Director

Ms. Orathai Pantho functions as the secretary of the Audit Committee

In this regard, Mr. Vichai Assarasakorn and Mr. Kasemsit Pathomsak have sufficient knowledge and experience to review the credibility of financial statements, as well as having the knowledge and experience in international business management. In addition, Lieutenant Sutthinan Hatthawong has knowledge and experience in risk management and maritime transportation. (Please consider additional details of qualifications and experience of Mr. Vichai Assarasakorn, Mr. Kasemsit Pathomsak and Lieutenant Sutthinan Hatthawong in Attachment 1, details of directors, executives, controlling persons, persons assigned to the highest responsibility in accounting and finance, the person assigned to be directly responsible for supervising accounting, and the company secretary.)

• The Scope of Authorities, Duties and Responsibilities of the Audit Committee

The Audit Committee has the scope of authorities, duties and responsibilities as follows :

- 1) Review to ensure that the Company's financial reporting is accurate and adequate in accordance with financial reporting standards by coordinating with external auditors and executives responsible for preparing financial reports. The Audit Committee may suggest the auditor review or examine any item that is considered important and necessary during the audit of the Company and its subsidiaries.
- 2) Consider and approve the submission of the Company's quarterly financial statements to the Stock Exchange of Thailand.



- 3) Review to ensure that the Company has an internal control system and an internal audit system that are appropriate and effective.
 - 4) Consider the independence of the internal audit department as well as approving the appointment, transfer, and dismissal of the head of the internal audit unit or any other department responsible for internal auditing, including third-party internal control auditors hired by the Company.
 - 5) Review and comment on the internal audit plan and the operation of the internal audit office, including approving the internal audit plan as well as assigning work to the internal audit staff to support the Audit Committee.
 - 6) Review the Company's compliance with the Securities and Exchange Act, the Stock Exchange of Thailand's regulations, and the laws related to the Company's business.
 - 7) Consider, select, nominate an independent person to be the Company's auditor, and propose such person's remuneration, as well as attending a meeting with an auditor without management at least once a year.
 - 8) Consider connected transactions or transactions that may have conflicts of interest, including the acquisition or disposal of assets of the Company and its subsidiaries to ensure accuracy and completeness in accordance with the law and related regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board, as well as to ensure that such transactions are reasonable and in the best interest of the Company.
 - 9) Prepare a report of the Audit Committee to be disclosed in the Company's annual report, which must contain information on the rules and regulations of the Stock Exchange of Thailand and be signed by the Chairman of the Audit Committee.
 - 10) Review and approve the charter of the Internal Audit Office and review its suitability at least once a year, including reviewing and determining the scope of the internal audit together with the third-party internal control system auditor hired by the Company (if any).
 - 11) Review the risk management system to be concise, appropriate, and effective to ensure that there is a proper and adequate control system against potential fraud risks.
 - 12) In performing its duties within the scope of authority, the Audit Committee may invite the management, executives, or relevant employees of the Company to give opinions, attend meetings, or submit documents as deemed relevant and necessary.
 - 13) The Audit Committee must report their performance to the Board of Directors at least every quarter.
 - 14) In the Audit Committee's duty performance, if the committee has found or suspected that there is a transaction or the following actions which may have a significant impact on the financial position and operating results of the Company, the Audit Committee shall report to the Board of Directors for rectification within the time frame that the Audit Committee deems appropriate:
 1. Transactions that may have conflicts of interest.
 2. Suspicions or assumptions that there may be fraud or abnormalities or significant defects in the Company's internal control system.
 3. Any suspicion or assumption that there may be a violation of the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand, or any law related to the Company's business.If the Board of Directors or executives fail to make a rectification within the time as mentioned above, any member of the Audit Committee may report the transaction or action as mentioned above to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.
 - 15) Consider, review, and revise the Audit Committee Charter at least once a year and present to the Board of Directors for approval.
 - 16) Perform any other act as assigned by the Board of Directors with the approval of the Audit Committee.
- In performing the aforementioned duties, the Audit Committee shall report directly to the Board of Directors and the Board of Directors remains responsible for the Company's operations to third parties.
- The Board of Directors has the authority to amend or change the definition and qualifications of independent directors and the charter of the Audit Committee to be in line with the responsibilities of the Audit Committee under the rules of the Securities and Exchange Commission, the Stock Exchange of Thailand, the Capital Market Supervisory Board and/or other relevant legal provisions.

The full version of the Charter of the Audit Committee can be viewed here:



2) Executive Committee

- Information of the Executive Committee**

As of December 31, 2023, the Executive Committee consists of 12 directors as follows :

No.	Names	Position	Position in the Board of Directors
1	Mr. Somsak Amornrattanachaikul	Chairman	Director
2	Mr. Aekarat Punnasung	Committee	Director
3	Mr. Hendrikus Van Westendorp	Committee	Director
4	Mr. Akamon Prasoppolsujarit	Committee	-
5	Ms. Varanratch Assanupong	Committee/Secretary of the Committee	-
6	Mr. Bundit Pichetpongsa	Committee	-
7	Mrs. Sasiyada Wilaiphol	Committee	-
8	Mrs. Ajara Mhordee	Committee	-
9	Ms. Benjaporn Pounsiri	Committee	-
10	Ms. Somsri Maneechay	Committee	-
11	Mr. Thawatwong Arunthong	Committee	-
12	Mrs. Vijit Boonchu	Committee	-

- The Scope of Authorities, Duties and Responsibilities of the Executive Committee**

The Executive Committee has the scope of authorities, duties, and responsibilities as follows :

- Operate and manage the business of the Company and its subsidiaries in accordance with the objectives, regulations, policies, rules, requirements, orders, and resolutions of the Board of Directors and/or the resolutions of the shareholders' meeting.
- Consider and prepare policies, directions, business strategies, goals and operational plans, financial goals, budgets, human resource management, investment expansion, and public relations of the Company and its subsidiaries, and to supervise and oversee the operations of the appointed committees to ensure goals are achieved by taking into account business factors appropriately, as long as it is not contrary to the policy framework or guidelines set by the Board of Directors (if any) and proposed and approved by the Board of Directors. However, in the case that the Board of Directors has already set the operational guidelines, if the facts proposed to the Board of Directors have changed, the Executive Committee will consider reviewing the use of

- the approved budget to be suitable for that situation to the extent that it is not against the Delegation of Authority.
- Supervise, inspect, and monitor the business operations of the Company and its subsidiaries in accordance with the policies, business strategies, goals and operational plans, financial goals and budgets of the Company and its subsidiaries approved by the Board of Directors to ensure that the operations are efficient and effective, conducive to business conditions, along with giving management advice to senior executives.
- Study the feasibility of investing in new projects and have it authorized to consider and approve the Company and its subsidiaries to invest or co-invest with individuals, juristic persons, or any other business organizations in ways that the Executive Committee deems appropriate for the business operations according to the objectives of the Company and its subsidiaries before proposing to the Board of Directors' meeting for further approval.
- Consider and approve the spending on investment or joint venture, entering into legal contracts and/or any actions related to such investment or joint venture until completion within the specified limit as long as it is not contrary to the Delegation of Authority and/or relevant laws and regulations and/or the Articles of Association of the Company and its subsidiaries.

- 6) Monitor on the performance and progress of investment projects of each business and report results including problems or obstacles that arise and ways to improve them to the Board of Directors.
- 7) Consider and give suggestions or opinions to the Board of Directors regarding projects, proposals, or entering into any transactions related to the business operations of the Company and its subsidiaries, including considering options for raising funds when necessary and propose to the Board of Directors to proceed in accordance with relevant laws and regulations or the Company's regulations requiring the shareholders' meeting and/or the Board of Directors to consider and approve.
- 8) Consider and approve entering into financial transactions with financial institutions in account opening, borrowing, applying for credit, pledge, mortgage, guarantee and others, including buying, selling, and registration of any land ownership for the benefit of the operations of the Company and its subsidiaries, including entering into legal contracts, submitting requests, proposals, contacting government agencies in order to obtain various rights of the Company and its subsidiaries and/or taking any action related to such matters until completion according to the amount of money specified in the Delegation of Authority approved by the Board of Directors and/or relevant laws and regulations or the Company's regulations. However, the Board of Directors still has the power to consider and approve financial transactions with financial institutions in order to open an account if necessary.
- 9) Consider and approve rules, regulations, management policies and business operations of the Company and its subsidiaries or any actions binding the Company and its subsidiaries according to the amount specified in the Delegation of Authority that been approved by the Board of Directors.
- 10) Seek consultants or persons with independent opinions to provide opinions or advice as necessary and appropriate.
- 11) Take action to request management, executives, employees or any related person of the Company or its subsidiaries to give opinions, attend meetings or provide relevant information as necessary.
- 12) Report key performance of the Executive Committee to the Board of Directors on a regular basis.
- 13) Consider, review, and revise the Executive Committee's charter at least once a year and present it to the Board of Directors for approval.
- 14) Perform any other tasks as assigned by the Board of Directors.
- 15) Appoint and/or assign any person or persons to perform any act within the scope of authority of the Executive Committee as it deems appropriate and within the period as it deems appropriate where the Executive Committee may cancel, revoke, or change such authorized persons or powers as it deems appropriate.

However, the delegation of duties and responsibilities of the Executive Committee must not be in the form of delegation of power or sub-delegation that allows the Executive Committee and/or the person authorized by the Executive Committee to consider and approve transactions through which he/she or a person who may have conflicts of interest (as defined by the Notification of the Securities and Exchange Commission and/or the Notification of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies) may gain interest or may benefit in any manner or may have conflicts of interest with the Company or its subsidiaries. This excludes the approval of transactions that are in accordance with the policies and criteria considered and approved by the shareholders' meeting or the Board of Directors, and approval of transactions that are in accordance with normal business and normal trading conditions in accordance with the announcement of the Securities and Exchange Commission and/or announcements of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.

- **Scope of authorities, duties, and responsibilities of the Chief Executive Officer**

The Chief Executive Officer has the scope of authorities, duties and responsibilities as follows :

- 1) U1) Have a role to supervise meetings to ensure efficiency in accordance with the Company's regulations by supporting and giving opportunities for executive directors to freely express their opinions.
- 2) Support and encourage the Executive Committee to perform their duties with full capacity according to the scope of authority, duties, and responsibilities, and in accordance with the good corporate governance policy.
- 3) Supervise, monitor, and oversee the operations of the Board of Directors and other committees of the Company in accordance with the Company's rules and regulations and to achieve the set objectives, policies, and plans.
- 4) Supervise the management's implementation of policies and strategic practices, as well as providing advice and support to the management's business operations.

The full version of the Charter of the Executive Committee can be viewed here:



3) Risk Management for Sustainability Committee

- Information of the Risk Management for Sustainability Committee**

As of December 31, 2023, the Risk Management for Sustainability Committee consists of 12 directors as follows :

No.	Names	Position	Position in the Board of Directors
1	Mr. Aekarat Punnasung	Chairman	Director
2	Lieutenant Sutthinan Hatthawong	Committee	Independent Director
3	Mr. Nattharath Puangsuda	Committee	-
4	Ms. Varanatch Assanupong	Committee/Secretary of the Committee	-
5	Mr. Bundit Pichetpongsa	Committee	-
6	Mrs. Sasiyada Wilaiphol	Committee	-
7	Ms. Benjaporn Pounsiri	Committee	-
8	Ms. Somsri Maneechay	Committee	-
9	Ms. Wijitra Thiangtham	Committee	-
10	Mr. Santi Vilaiphol	Committee	-
11	Mr. Thawatwong Arunthong	Committee	-
12	Mr. Kiatipong Narongpankul	Committee	-

- Scope of authorities, duties, and responsibilities of the Risk Management for Sustainability Committee**

The Risk Management for Sustainability Committee has the scope of duties and responsibilities as follows:

- To identify Risk and Sustainable Management Policy that appropriate to the company and its subsidiaries according to international good practice. Such the policies will be implemented as a framework for risk management and sustainable management of the organization after approved by Board of Directors. The Committee also authorizes to issue any relevant announcements, procedures, or orders in order to support the implementation of such the policies effectively.
- To study and determine important principles and practices of risk management policy, social responsibility policy and sustainability management policy to ensure that such the policies appropriate to the company and its subsidiaries and/or according to international practices, including considering the overall risk management policy framework and guideline for the Company and its subsidiary as well as to identify the risk issues, risk factors, measurement, index and responsible person.
- To oversee the activities under the risk management policy, social responsibility policy and sustainability management policy and framework continuously to ensure an effective and appropriate including environmental, social and governance risk management systems implementation throughout the company and its subsidiary and in line with the business risk management policy which the Board of Directors has approved along with analysis and evaluation and follow up on compliance with the established business risk management policy.
- To ensure the effective and proper risk management policy, social responsibility policy and sustainability management policy for the company as well as report to the Board of Directors' meeting at least once a quarter or upon request.
- To review the risk management report to follow up the significant risk assessment issues, impact and risk opportunity in order to prioritize the risks with a proper action plan to tackle such risks and take action to ensure there is proper and adequate risk management in our company and the subsidiary.
- To provide suggestions for the corrective action plans to the Board of Directors or Management in compliance with the policy and strategy defined by the Board of Directors.
- To recruit a consultant or an independent person to provide comments or advice when deemed necessary and suitable.

- 8) To ensure that the operations, executives, employees or any person related to the company and its subsidiary give comments, attend the meeting, or provide relevant information as needed.
- 9) To determine, review and update the Risk Management for Sustainability Committee Charter at least once a year and propose to the Board of Directors for approval.
- 10) To perform other duties assigned by the Board of Directors.

The full version of the Charter of the Risk Management for Sustainability Committee can be viewed here :



4) Corporate Governance and Nomination and Remuneration Committee

- Information of the Corporate Governance and Nomination and Remuneration Committee**

As of December 31, 2023, the Corporate Governance and Nomination and Remuneration Committee consists of 4 directors as follows :

No.	Names	Position	Position in the Board of Directors
1	Ms. Prapa Puranachote	Chairman	Director
2	Mr. Suriya Prasatbuntitya	Committee	Director
3	Mr. Kasemsit Pathomsak	Committee	Independent Director
4	Lieutenant Sutthinan Hatthawong	Committee	Independent Director

- Corporate Governance and Nomination and Remuneration Committee**

The Corporate Governance and Nomination and Remuneration Committee has the scope of duties and responsibilities as follows :

- To identify the good corporate governance policy and the business code of conducts for the company that comply with the good corporate governance principle of the listed company regulated by the Stock Exchange of Thailand and the Securities and Exchange Commission, Thailand and propose to the Board of Directors for approval. The Committee also consider and identified any relevant announcement, procedures or any related instruction to fulfil the targets, objectives and plans efficiently.
- To study and specify the principle and key practices of the good corporate governance policy, business code of conducts, and other relevant policies which appropriate to the company and its subsidiary and/or any international practice.
- To ensure the good corporate governance policy, code of business ethics, and other relevant policies are implemented objectively.
- To provide recommendations to the Board of Directors and management about good corporate governance and business ethics.
- To nominate and elect the directors, sub-committee members and the senior management.
 - To come up with the structure, composition and qualification of the company's directors and its subsidiary's director and other sub-committee members.
 - To identify the policy, qualification, criteria and process to nominate the director, sub-committee members and the senior management.
 - To nominate, select and propose the qualified person to be appointed for the Board of Directors' consent before presenting to the shareholders' meeting for an appointment (in case of the director position) or for the Board of Directors' approval (in case of another position which is not the director).
 - To prepare the succession plan of the Managing Director for the Board of Directors' consideration as well as to ensure the succession plan for other senior management including other key positions of the company by considering from the knowledgeable and suitable person in each area, legal requirements, company's policies and regulations.
 - To screen and provide suggestions to the Board of Directors in consideration to appoint, transfer, employ and dismiss any senior management.

- 6) To identify the remuneration for the company's directors, sub-committee members and senior management
 1. To specify the policy, criteria and the method to identify the remuneration structure for the directors, sub-committee members and senior management.
 2. To identify the remuneration structure of the company's directors and its subsidiary company's directors, sub-committee members and senior management in forms of monetary and non-monetary, fixed remuneration (such as regular remuneration, meeting allowance) and/or other remunerations based on the company's performance (such as bonus, a pension if any) including to other allowances to be appropriated by considering from their duties, responsibilities, performance and to be in line with other company in the same business, the expected benefits from those persons and should be compliance with company's long-term strategies and goals and correspond with the value the company generates for the shareholders, but those values must not be too high so that only the short-term turnover will be focused, and to propose to the company's Board of Directors and/or the shareholders' meeting for consideration to approve (as the case may be).
 3. To determine the performance assessment criteria and to assess the directors and senior executive's performance and propose to the Board of Directors for approval.
 4. To be accountable to the Board of Directors and clarify all issues related to the remuneration of the company's directors in the shareholders' meeting.
5. To disclose the policy and criteria to identify the remuneration structure which reflects the duty and responsibility of each person including pattern and amount of the remuneration. Therefore, the disclosed amount of remuneration will be included other remunerations each director has received for being the director of the subsidiary (if any).
- 7) Take care, promote and support directors and senior executives to receive training and development in order to increase knowledge and experience that is beneficial to their work.
- 8) To recruit a consultant or an independent person to provide comments or advice when deemed necessary and suitable.
- 9) To ensure the operations department, executives, employees or any person related to the company or the subsidiary give comments, attend the meeting or give relevant information as needed.
- 10) Report important performance results of the Corporate Governance and Nomination and Remuneration Committee to the board of directors on a regular basis.
- 11) To determine, review and update the Corporate Governance and Nomination and Remuneration Committee Charter at least once a year and propose to the Board of Directors for approval.
- 12) To perform other duties assigned by the Board of Directors.

The full version of the Charter of the Corporate Governance and Nomination and Remuneration Committee can be viewed here :



5) Credit Committee

- Information of the Credit Committee**

As of December 31, 2023, Credit Committee consists of 6 directors as follow :

No.	Names	Position	Position in the Board of Directors
1	Mr. Aekarat Punnasung	Chairman	Director
2	Mrs. Vijit Boonchu	Committee	-
3	Ms. Varanatch Assanupong	Committee / Secretary	-
4	Mr. Bundit Pichetpongsa	Committee	-
5	Mrs. Ajara Mhordee	Committee	-
6	Mr. Nattharath Puangsuda	Committee	-

- Scope of duties and responsibilities of the Credit Committee**

the Credit Committee has the Scope of duties and responsibilities as follows:

- 1) Consider and determine the relevant policies and guidelines of the Company and its subsidiaries to open new clients, give credit limits, manage debtors, resolve outstanding debts, and collect debts to present to the Board of Directors for approval.
- 2) Monitor and oversee the compliance with relevant policies and guidelines in opening new clients, giving credit limit, managing debtors, resolving the outstanding debts, and collecting debts continuously and efficiently, including the considerations of relevant announcements, regulations or orders.
- 3) Consider and approve debt reduction, credit limits, and debt ceiling control according to the framework set by the Board of Directors.
- 4) Give suggestions on issues that need to be improved to the Board of Directors, in line with the policies and strategies set by the Board of Directors.
- 5) Review the receivable data on a monthly basis and report to the Board of Directors.
- 6) Seek a consultant or an independent person to provide opinions or advice as necessary and appropriate.
- 7) Engage the management, executives, employees, or any related persons of the Company or its subsidiaries to give opinions, attend the meeting, or provide relevant information as necessary.
- 8) Report on key performance of the Credit Committee to the Board of Directors for approval.
- 9) Consider, review, and update the Credit Committee Charter at least once a year and present to the Board of Directors for approval.
- 10) Perform any other tasks as assigned by the Board of Directors.

The full version of the Charter of the Credit Committee can be viewed here:



7.4 Executive Information

7.4.1 Executive Members

The Company's management structure according to the definition of the SEC Office showing 5 members of the Top management and the first four highest executives after the Top management (ranks 1 to 4) and the highest executive of Accounting Department as of December 31, 2023 are as follows :

No.	Name	Position
1	Mr.Aekarat Punnasung	Managing Director
2	Ms.Varanratch Assanupong	Chief Financial Officer
3	Mr.Bundit Pichetpongsa	Assistant Managing Director of Commercial Department
4	Mrs.Sasiyada Wilaiphol	Assistant Managing Director of Operations
5	Mrs.Ajara Mhordee	Senior Marketing Manager
6	Mrs.Narumon Jongjaroen	Account Manager



- **Scope of authority and duties of the Managing Director**

The Managing Director has the following scope of authority, duties and responsibilities :

- 1) Manage the business of the Company including supervising and controlling the overall operations to meet the objectives, regulations, policies, rules, requirements, orders, business strategies, goals and operational plans, financial goals, budgets, and resolutions of the Board of Directors and/or shareholders' meetings of the Company.
- 2) To ensure that the Company's business policies, plans and budgets are prepared and delivered to the Board of Directors for approval and to report progress according to the approved plans and budgets to the Board of Directors on a regular basis.
- 3) Implement or assign management authority in order to efficiently and effectively operate in accordance with the policies, plans and budgets approved by the Board of Directors on the basis of systematic internal control, as well as ensuring regular risk management.
- 4) Determine the organizational structure, method of administration, including the selection, training, hiring, and termination of employees and determine wage rates, salaries, compensation, bonuses, and benefits for employees.
- 5) Supervise, coordinate, order, execute, as well as entering into a juristic act, contract, order document, notice or any letter used to communicate with other departments or persons in order to efficiently and effectively accomplish the Company's operations.
- 6) Consider and approve the payment of operating expenses for the normal course of business operations of the Company, with the amount of each item as specified in the table of approval authority that has been approved and assigned by the Board of Directors.
- 7) Has the authority to issue orders, regulations, announcements, and memos to ensure that operations are in accordance with the policies and interests of the Company and to maintain work discipline within the organization.
- 8) Has the authority to appoint various working groups for benefits and good management efficiency and transparency and has the power to sub-authorize and/or assign other people to perform specific tasks on their behalf. Such sub-delegation and/or assignment shall be under the scope of delegation according to the Power of Attorney and/or in accordance with the rules, regulations, or orders specified by the Board of Directors and/or the Company.

However, the delegation of duties and responsibilities of the Managing Director or the person authorized by the Managing Director will not be in the form of authorization

- or sub-delegation that enables the Managing Director or the person authorized by the Managing Director to approve transactions that he/she or a person who may have conflicts of interest (according to the definition announced by the Securities and Exchange Commission and/or the announcement of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies), may have interests or may benefit in any manner or may have any other conflicts of interest with the Company or its subsidiaries, except for the approval of transactions in accordance with the policy and criteria approved by the shareholders' meeting or the Board of Directors and it is an approval of a transaction that is in accordance with normal business and normal trading conditions in accordance with the announcement of the Securities and Exchange Commission and/or the announcement of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or relevant agencies.
- 9) Approve the appointment of consultants in various fields necessary for the operation of the business as deemed appropriate.
 - 10) Monitor, review, and supervise the performance of subsidiaries.
 - 11) Be a leader and act as a role model according to the Company's ethical principles and business Code of Conduct, including promoting, supervising, monitoring management on sustainability principles, social responsibility, and complying with measures and anti-corruption practices.
 - 12) Play a role in setting the meeting agenda to ensure that important matters are included in the agenda of the Board of Directors' meeting.
 - 13) Have any authorities, duties, and responsibilities as assigned or in accordance with the policies assigned by the Board of Directors.

- **Succession Plan**

The company determined that the Corporate Governance and Nomination and Remuneration Committee was responsible for nominating knowledgeable, competent and relevant experience for Managing Director and Chief Financial Officer of the company to the Board of Directors to consider for appointment. The candidates could be internal or external.

Moreover, the Corporate Governance and Nomination and Remuneration Committee also responsible for monitoring training and development plan of internal management to become qualified candidates to replace the top management when vacant.

7.4.2 Remuneration Policy for Managing Directors and Executives

The Board of Directors shall supervise the establishment of a remuneration structure that incentivizes the managing director, senior management, and other personnel at all levels to perform their duties in accordance with the objectives and main goals of the organization and in accordance with the interests of the Company in the long term, which includes:

- (1) Consideration of the appropriateness of salary compensation, short-term performance such as bonuses, and long-term performance such as the Employee Stock Ownership Plan.
- (2) The formulation of the compensation policy takes into account factors such as the compensation level being greater than or equal to the industry by estimating the performance of the Company.

Monetary Remuneration

Remuneration of 5 executives as defined by the SEC.

Items	2022	2023
Total salary	10,223,217	10,355,136
Total bonus	6,719,069	3,798,587

Other Remuneration

The Company has paid other remuneration to executives consisting of provident funds and employer's contributions to the social security fund, totaling 217,664.34 baht for the fiscal year ended December 31, 2023. In addition, the Company has paid other non-monetary remuneration to executives such as annual health check-ups, group insurance, a vehicle for the position and/or a driver, vehicle subsidy rates and allowances.

7.5 Employees Information

- **Number of employees of the Company and its subsidiaries as of December 31, 2023.**

Unit : Persons

Company	Number of Monthly Employees									Number of Daily Employees								
	2021			2022			2023			2021			2022			2023		
	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total
AAI	233	348	581	253	370	623	235	344	579	1,367	1,937	3,304	1,619	2,397	4,016	1,324	2,045	3,369
APCC	9	9	18	11	8	19	9	17	26	0	0	0	0	0	0	0	0	0
THAIYA	24	10	34	10	8	18	9	8	17	0	0	0	0	0	0	0	0	0

Note :

AAI = Asian Alliance International Public Company Limited

APCC = Asian Pets Care Corporation Co., Ltd.

THAIYA = Thaiya Corporation (Shanghai) Co., Ltd.

- **Significant changes in the number of employees in the past 3 years.**

At the end of 2022, The Company and its subsidiaries' total employees (including executives) increased significantly due to the expansion of production capacity to accommodate the increasing volume of orders. However, during 2023, the company lowered its employees gradually to the appropriate number according to production volumes and robotics investment.

- **Remuneration for employees of the Company and its subsidiaries. (Excluding executives)**

Unit : Million baht

Company	Monthly employee			Daily employee		
	2021	2022	2023	2021	2022	2023
AAI	175.69	198.47	195.16	468.10	546.34	487.26
APCC	13.46	13.95	18.38	0	0	0
THAIYA	14.99	18.69	11.36	0	0	0
Total	204.14	231.11	224.90	468.10	546.34	487.26

Note :

AAI = Asian Alliance International Public Company Limited

APCC = Asian Pets Care Corporation Co., Ltd.

THAIYA = Thaiya Corporation (Shanghai) Co., Ltd.

- **Other remunerations**

Other remunerations given to employees include provident funds, social security funds, and other benefits such as medical treatment, annual health check-ups, group insurance, and vehicle subsidy rates.

- **Provident funds**

As of December 31, 2023, employees have joined the provident fund as follows

Unit : Persons

Company	Monthly employee		
	2021	2022	2023
AAI	401	447	304
APCC	15	10	15
THAIYA	0	0	0
Total	416	457	319

Note :

AAI = Asian Alliance International Public Company Limited

APCC = Asian Pets Care Corporation Co., Ltd.

THAIYA = Thaiya Corporation (Shanghai) Co., Ltd.

- **Significant labor disputes.**

There are no significant labor disputes in the past 3 years.

- **Human Resource Management Policy**

Asian Alliance International Co., Ltd (“Company”) realizes that employees are an important and valuable factor to success, progress, and growth. Therefore, the Company focuses on operation to enhance the capacity of employees of the

Company and subsidiaries. Personnel are developed in terms of management, academic affairs, and working culture provided that the Company provides modern and sufficient tools and utensils for work operations, determines returns and welfare at comparable level as other similar businesses and creates a good work environment and atmosphere with the highest safety.

The full version of the Human Resource Management Policy can be viewed here :



Performance evaluation

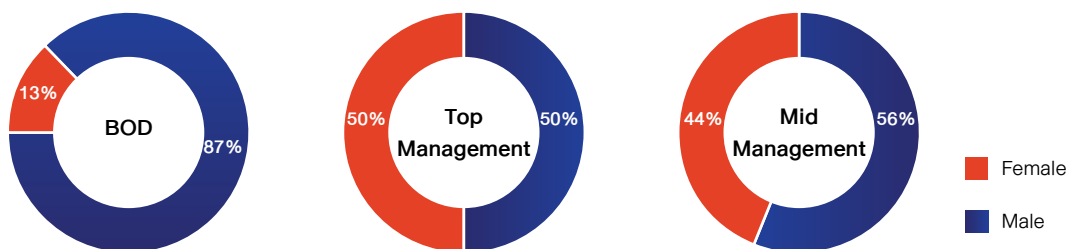
The Company has different performance evaluation systems according to the operational level as follows:

(1) the operational level employees and supervisors have assessments based on performance and behavior; (2) the middle management

has assessments based on KPIs, performance, and behavior; and (3) the top management has assessments based on KPIs. The annual evaluation results will be used to determine returns and promotions for the next year. In 2023, the percentage of employees who received promotions are as follows:

	Male	Female	Total
Promotion rate for 2022 (percentage)	4.3	4.6	4.5
Promotion rate for 2023 (percentage)	3.9	4.3	4.1

Proportion of Male and Female Executives as of December 31, 2023 as follows:



Employee training and development

The company has a training plan for This includes both internal courses, which are basic courses necessary for the performance of the work by covering the Company’s regulations, safety, and the management of quality systems, and external courses to increase the work potential by focusing on skills, expertise, and knowledge to further develop the work. The results of the implementation of the plan are as follows:

Level	2022				2023			
	Number of Trainees	Courses Approved	Actually Trained	Proportion of Courses Actually Trained to Approved Courses (%)	Number of Trainees	Courses Approved	Actually Trained	Proportion of Courses Actually Trained to Approved Courses (%)
Directors	6	7	3	42.86%	4	8	5	62.5%
Executives	3	5	5	100.00%	2	4	4	100.00%
Orientation for New Staff	1,636	-	-	100.00%	272	-	-	100.00%
All Employees	4,287	78	71	91.03%	3,912	70	56	80.00%

The training for the board of directors and senior executives for 2023 can be viewed for additional details in Part 2, Corporate Governance, Section 8.1.1, Recruitment, Development, and Evaluation of the Board’s Performance. Subject: Training and development of directors

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) Company Secretary

The Board of Directors' Meeting No. 4/2021 held on August 8, 2021, resolved to appoint Ms. Varanratch Assanupong as the Company Secretary with duties and responsibilities as specified in Section 89/15 of the Securities and Exchange Act B.E. 2535 (1992) (including any amendments).

(More information and details can be found in Attachment 1, details about directors, executives, controlling persons, persons assigned highest responsibility in accounting and finance, person assigned to be directly responsible for supervising accounting, and company secretary.)

2) Person Assigned to be Directly Responsible for Supervising Accounting

Mrs. Narumon Jongjaroen, the Company's Accounting Manager, is the person who directly supervising the Company's accounting. She is responsible for supervising accounting transactions to be accurate and efficient in accordance with accounting standards, regulations, requirements, and various criteria of the Company.

(More information and details can be found in Attachment 1, details about directors, executives, controlling persons, persons assigned highest responsibility in accounting and finance, person assigned to be directly responsible for supervising accounting, and company secretary.)

3) Head of Internal Audit Department

On October 1st, 2023, the Company has employed Internal Audit Department of Asian Sea Corporation PLC. for auditing and evaluating the Company's internal control system which Ms. Phastrawan Prichapanuwat is the Internal Audit Department Manager. (More information and details can be found in Attachment 3, Details of the Head of Internal Audit.)

4) Head of Compliance

The Company has not established a Compliance Department. However, the Board of Directors assigned the Corporate Governance and Nomination and Remuneration Committee to supervise compliance of the company due to the relevant rules, regulations, and the good corporate governance policy. The Board of Directors also assigned the Risk Management for Sustainability Committee to supervise that its sustainability management policy are practiced concretely.

7.6.2 Head of Investor Relations and Contact Information

To ensure that the disclosure of important information of the Company is carried out accurately, promptly, and transparently, the Company has appointed Ms. Varanratch Assanupong, Chief Financial Officer, as the Head of Investor Relations, to centralize important disclosing information of the Company to shareholders and investors, including financial information such as operating results, financial statements, and management discussion and analysis, to shareholders and investors equally, completely based on facts, and on a regular basis.

Investor Relations can be contacted at :

Email : Varanratch.a@asianalliance.co.th

Website : <https://investor.asianalliance.co.th/th/information-inquiry/ir-contact>

7.6.3 Auditor's Remuneration

For the fiscal year ended December 31, 2023, the Company and its subsidiaries paid audit fees to EY Office Limited in the amount of 2,238,766.72 baht. The 2,090,000.00 baht of which are Audit Fee of the company and its subsidiaries (equal to 2023), and and other the other 148,765.72 baht which are non-audit fee for the past fiscal year.

Corporate Governance Report



8.1 Summary of performance of the Board of Directors in the past year

8.1.1 Recruiting, developing, and evaluating the performance of the Board of Directors.

(1) Nomination of Independent Directors

The Board of Directors has determined the qualifications of independent directors according to the rules of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) in the committee charter. and is reviewed annually for completeness and appropriateness.

The Company has a policy to appoint independent directors at no less than one-third (1/3) of the total number of directors and there must be no less than three persons. As of December 31, 2023, the Board of Directors consists of 8 directors with 3 independent directors representing not less than one-third (1/3) of the total number of directors and all 3 independent directors are qualified according to relevant laws and regulations.

In addition, to separate the duties of policy setting and routine management and to enable the directors to effectively supervise and evaluate management, the Company has separated the Chairman of the Board of Directors and the Managing Director. Currently, the Chairman of the Board of Directors is an independent director who has high leadership, and responsible for ensuring that the directors are not influenced by the management and are able to exercise their voting rights and strictly adhere to the principles of good corporate governance.

At the Board of Directors' Meeting No. 4/2021, the Board of Directors resolved to appoint Mr. Vichai Assarasakorn, an independent director, as Chairman of the Board, effective from 8 August 2021 onwards, which the Nomination and Remuneration Committee has approved and saw that an independent Chairman of the Board would be able to create confidence that work was transparent and in accordance with the principles of good corporate governance and the organization's business ethics.

(2) Nomination of Directors and Senior Executives

As of December 31, 2023, the Company has a total of 8 directors, consisting of 4 directors representing ASIAN, 3 independent directors, and one executive director, who is an executive according to the definition of the notification of the SEC at KorJor. 17/2551 Re: Determination of Definitions in Notifications Regarding Issuance and Offer for Sale of Securities (including amendments), with the Managing Director as the highest executive.

Top management recruitment and succession are reported in Part 2, Corporate Governance, Section 7.4, Information about Executives.

(3) Director training and development

Each year, the Corporate Governance and Nomination and Remuneration Committee considers and proposes training plans for directors and senior executives to the Board of Directors' meeting to approve and also submit training course information to the committee to consider participating in additional courses of interest.

In 2023, directors and senior executives of the company Has received training as follows:

No.	Name - Surname	Course	Institute
1	Lieutenant Sutthinan Hatthawong	Advanced Audit Committee Program (AACP), Class 49/2023	Thai Institute of Directors Association (IOD)
2	Mr. Suriya Prasatbuntitya	Refreshment Program (RFP), Class 9/2023	Thai Institute of Directors Association (IOD)
3	Ms. Prapa Puranachote	Board Nomination and Compensation Program (BNCP), Class 16/2023	Thai Institute of Directors Association (IOD)
4	Mr. Aekarat Punnasung	Risk Management Program for Corporate Leaders (RCL), Class 33/2023	Thai Institute of Directors Association (IOD)
		Successful Formulation and Execution of Strategy (SFE) , Class 42/2023	Thai Institute of Directors Association (IOD)
		Transformational Executive Network for Exponential Growth Program (TEN X), Class 2	University of the Thai Chamber of Commerce
5	Ms. Varanratch Assanupong	Corporate Governance for Executives (CGE), Class 22/2023	Thai Institute of Directors Association (IOD)
		Refreshment Training Program (RFP) : Joint Venture Governance, Class 11/2023	Thai Institute of Directors Association (IOD)
		TLCA CFO Professional Development Program (TLCA CFO CPD) No.2/2566 Topic "Risk Management for CFOs"	Thai Listed Companies Association (TLCA)
		TLCA CFO CPD No. 3/2023 Topic: Fintech, financial technology	Thai Listed Companies Association (TLCA)
		Strategic CFO in Capital Markets, Class 10	The Stock Exchange of Thailand (SET)
		"Disclosure of sustainability information according to ISSB standards and linkage to the 56-1 One Report",	The Securities and Exchange Commission (SEC)
		M&A - Mastering	SRPPLAW
6	Mr. Bundit Pichetpongsa	Successful Formulation and Execution of Strategy (SFE) , Class 42/2023	Thai Institute of Directors Association (IOD)

At present, there are 6 directors who has Director Certificate Program (DCP) certified, and 1 director who has Director Accreditation Program (DAP) certified. In total, 7 out of 8 directors has been certified, or 87.5%.

In addition, the company also encourages senior executives to attend training and seminars related to developing knowledge and ability to perform duties and/or courses related to being directors (training details are shown in Biography of directors and executives as per attachment 1)

The company will organize an orientation for new directors to introduce the overall picture of the company and its subsidiaries and to understand the business relationships and shareholding structure between them, including providing important information necessary to perform their duties. of directors in the case of new directors. In 2023, there were no new directors on the Board of Directors.

(4) Performance Evaluation of the Board of Directors

The Company arranges for the Board of Directors, Sub-Committees, Managing Director, and Chief Financial Officer to conduct an individual self-assessment and a group self-assessment once a year. The prototype of the self-assessment form is adapted from the self-assessment form of the Board of Directors of the Stock Exchange of Thailand. The Company Secretary will be responsible for delivering the evaluation form and compiling a summary report to the Board of Directors' meeting to jointly

consider the performance and improvements. The evaluation criteria calculated as a percentage from the full score are scores above 90 are considered "Excellent", More than 80 "Very good", More than 70 "Good", More than 60 "Fair", and Equal to/below 60 "Needs Improvements". The all results of the evaluation of the performance of duties of the directors as a sub-committee for the year 2023 is excellent. The results of the evaluation of the performance of all individual directors is excellent and there was no committee member whose score was lower than good.

8.1.2 Meeting attendance and remuneration for the Board of Directors

Meeting attendance

The meeting attendance of the Board of Directors in 2023 are as follows:

No.	Names	Board of Directors Meeting Total 6 times	Audit Committee Meeting Total 7 times	Executive Committee Meetings Total 12 times	Corporate Governance and Nomination and Remuneration Committee Meeting Total 2 times	Risk Management for Sustainability Committee Meeting Total 5 times ^{1/}	Credit Committee Total 5 times	Annual General Meeting of Shareholders Total 1 time	Extraordinary General Meetings of Shareholders, Total 1 times
1	Mr. Vichai Assarasakorn	6/6	7/7	-	-	-	-	1/1	1/1
2	Lieutenant Sutthinan Hatthawong	6/6	7/7	-	2/2	5/5	-	1/1	1/1
3	Mr. Kasemsit Pathomsak ^{2/}	5/6	7/7	-	2/2	-	-	1/1	1/1
4	Mr. Somsak Amornrattanachaikul ^{3/}	5/6	-	11/12	-	-	-	1/1	1/1
5	Mr. Suriya Prasatbuntitya	6/6	-	-	2/2	-	-	1/1	1/1
6	Ms. Prapa Puranachote	6/6	-	-	2/2	-	-	1/1	1/1
7	Mr. Hendrikus Van Westendorp ^{4/}	5/6	-	11/12	-	-	-	1/1	1/1
8	Mr. Aekarat Punnasung	6/6	-	12/12	-	5/5	5/5	1/1	1/1

Note:

^{1/} The Risk Management Committee held a total of 4 times and held the Risk Management for Sustainability Committee 1 time after restructuring

^{2/} Mr. Kasemsit Pathomsak did not attend the Board of Directors' Meeting No. 4/2023 due to being engaged in another duty.

^{3/} Mr. Somsak Amornrattanachaikul did not attend the Board of Directors' Meeting No. 6/2023 and the Executive Committee Meeting No. 12/2023 due to being engaged in another duty.

^{4/} Mr. Hendrikus Van Westendorp³ did not attend the Board of Directors' Meeting No. 4/2023 and the Executive Committee Meeting No. 1/2023 due to being engaged in another duty.

Remuneration

(1) Monetary Remuneration (Pay at the same rate as 2022)

The Company's Annual General Meeting of Shareholders of 2023 held on April 20, 2023 resolved to approve directors' remuneration for the year 2023 within an amount not exceeding THB 2,000,000, with the following details:

- Director meeting allowances** จะจ่ายare paid to directors who are not executives/consultants/employees of the company and its subsidiaries. They will be paid to

Chairman	25,000 baht / person / time
Director	15,000 baht / person / time

2. Monthly remuneration paid to

- | | |
|---------------------------------|--------------------------------|
| Chairman of the Audit Committee | 15,000 baht per month / person |
| Audit Committee | 10,000 baht per month / person |

3. Annual Audit Committee Bonus, if the company has profit for the year, the company will pay a bonus to the Audit Committee at a fixed rate as follows.

- | | |
|---------------------------------|--------------|
| Chairman of the Audit Committee | 180,000 baht |
| Audit Committee (each person) | 120,000 baht |

However, when including the compensation in items 1. and 2., it must not exceed 2,000,000 baht (two million baht only).

Details of the remuneration of the Board of Directors for the year 2023 are as follows:

No.	Names	Meeting allowance for the Board of Directors	Meeting allowance for the Audit Committee	Meeting allowance for the Executive Committee	Meeting allowance for the Risk Management Committee	Meeting allowance for the Corporate Governance and Nomination and Remuneration Committee	Meeting allowance for the Credit Committee	Meeting allowance for the General Meeting of Shareholders	Meeting allowance for the Extraordinary General Meetings of Shareholders	Monthly Remuneration	Total
1	Mr. Vichai Assarasakorn	150,000	175,000	-	-	-	-	25,000	25,000	180,000	555,000
2	Lieutenant Sutthinan Hathawong	90,000	105,000	-	75,000	30,000	-	15,000	15,000	120,000	450,000
3	Mr. Kasemsit Pathomsak	75,000	105,000	-	-	30,000	-	15,000	15,000	120,000	360,000
4	Mr. Somsak Amornrattanachaikul	-	-	-	-	-	-	-	-	-	-
5	Mr. Suriya Prasatbuntitya	-	-	-	-	-	-	-	-	-	-
6	Ms. Prapa Puranachote	-	-	-	-	-	-	-	-	-	-
7	Mr. Hendrikus Van Westendorp	-	-	-	-	-	-	-	-	-	-
8	Mr. Aekarat Punnasung	-	-	-	-	-	-	-	-	-	-
	Total paid remuneration	315,000	385,000		75,000	60,000		55,000	55,000	420,000	1,365,000

However, if it is approved by the 2024 Annual General Meeting of Shareholders to pay audit committee bonuses totaling 420,000 baht for the 2023 operating, the Audit Committee Bonus will be paid to the chairman of the audit committee in the amount of 180,000 baht and the audit committee members (2 people) in the amount of 240,000 baht, total directors' remuneration paid 1,785,000 baht

(2) Other Remuneration

- None -

8.1.3 Supervision of Subsidiaries and Associated Companies

The Company has established a policy for supervision and management of subsidiaries and associated companies with the objective to determine both direct and indirect measures and mechanisms for the Company to be able to supervise and manage the affairs of subsidiaries and associated companies, including monitoring and supervising subsidiaries and associated companies to comply with various measures and mechanisms as defined by the Company itself and in accordance with the Company's policies, public company laws, the Civil and Commercial Code, securities laws and related laws, as well as announcements, regulations and relevant rules of the Capital Market Supervisory Board, the SEC Office, and the Stock Exchange of Thailand. This is to maintain the benefits of the Company's investments in such subsidiaries and associated companies. The details of the policy are as follows:

- (1) The Company will send a person representing the Company to be a director in each subsidiary and/or associated company according to the proportion of shareholding in each company to supervise the subsidiary and/or associated company to comply with the law, and other policies of the Company as appropriate. However, sending a representative of the Company to be a director in each subsidiary and/or associated company must be considered and approved by the Board of Directors' meeting, taking into account the suitability of each company.

For the investment in Asian Group SCS Europe GmbH ("AGE"), a joint venture in which the Company holds 60% of shares, the Company and the other party have the right to appoint half of the total number of directors according to the terms of the shareholders' agreement (at present, the Company appoints one director from a total of two persons). The Company considers that this proportion of directors' appointment is appropriate due to AGE operates as a sales agent for the company to reach customers who are brand owners in Europe, which requires joint management of both parties. Moreover, AGE is a small enterprises and could only supply the Company's product to its customers. In this regard, the Company regularly monitors the performance of AGE, and the Company can verify the revenue from sales of AGE, which comes from the commission paid by the Company.

- (2) If the entering into any transaction or action of subsidiaries that fall under the scope of acquisition or disposition of assets or connected transactions according to the relevant announcements of the Stock Exchange of Thailand, the Capital Market Supervisory Board, and the Securities and Exchange Commission, which will result in the Company

having to seek approval from the Board of Directors' meeting and/or shareholders' meeting of the Company or seek approval from relevant legal authorities prior to entering into the transaction, subsidiaries will be able to enter into or operate such transactions only after obtaining approval from the Board of Directors' meeting of the Company and/or the Company's shareholders' meeting and/or related agencies (as the case may be).

In addition, if the transaction or occurrence of certain events of the subsidiary causes the Company to disclose information to the Stock Exchange of Thailand in accordance with the rules specified in the Stock Exchange of Thailand's announcement, the representative director of the subsidiary has a duty to notify the company secretary of the Company immediately upon acknowledgement of the subsidiary's plan to enter into such transaction or the occurrence of such event.

- (3) The Board of Directors and executives of each subsidiary and/or associated company will have significant scope of duties and responsibilities in accordance with relevant laws, such as disclosure of information about financial status and operating results to the Company by enforcing the relevant announcements of the Stock Exchange of Thailand and the Capital Market Supervisory Board *mutatis mutandis*, as well as disclosing and submitting information about their own interests and that of the related persons to the Board of Directors to be informed of relationships and transactions with the Group of Companies in a manner that may cause conflicts of interest and avoid making transactions that may cause conflicts of interest.
- (4) The Company will determine plans and take necessary actions to ensure that its subsidiaries and/or associates disclose information about their results of operations and financial position to the parent company and the Company will take necessary actions and monitor the subsidiaries and/or affiliates to ensure their implementation of information disclosure systems and internal control systems that are sufficient and appropriate for business operations.

In addition, the Company will closely monitor the operating results and operations of such subsidiaries and/or associated companies and presents the results of the analysis as well as expressing opinions or recommendations to the Board of Directors and the Board of Directors of the subsidiaries or associated companies to be used to support for the consideration of the formulation of policies or to improve and enhance the continuous growth and development of the subsidiaries and associated companies. The Company will also supervise subsidiaries and/or affiliates and/or joint ventures to comply with the rules of the Securities and Exchange Act B.E. 2535 (1992),

(including amendments), regulations, notifications, orders, and relevant rules of the Capital Market Supervisory Board and/or the Securities and Exchange Commission and/or the Stock Exchange, including strictly complying with the requirements prescribed by laws or regulatory agencies in relation to the criteria for acquisition or disposal of assets and connected transactions.

8.1.4 Monitoring to ensure compliance with corporate governance policies and guidelines

(1) Prevention of conflicts of interest

The Company operates on the principle that all directors, executives, and employees of the company and its subsidiaries must perform their duties in the best interest of the Company as follows:

1. Directors and executives should refrain from operating business that is of the same nature and in competition with the business of the Company or its subsidiaries, whether for personal benefit or others, which may cause damage to the Company or its subsidiaries either directly or indirectly or become a partner or shareholder with decision-making power or management in an entity that competes with or is of the same nature as the Company or its subsidiaries, unless it can be shown that such action will not affect the Company or its subsidiaries, and there will be measures for the best interests of the Company and shareholders as a whole.
2. Directors and executives should refrain from holding shares in competitors of the Company or its subsidiaries in significant amounts if doing so will cause the directors and executives to be unable to perform or omit to act according to their duties or responsibilities or has an impact on the job. In the event that directors and executives acquire such shares before being directors and executives or before the Company or subsidiary enters into that business or is acquired through inheritance, directors and executives must report to the company secretary immediately.
3. Directors and executives must disclose business transactions or affairs that are carried out personally or with family or relatives or dependents that may cause a conflict of business interest with the Company or its subsidiaries by reporting to the company secretary. These transactions and affairs are for example:
 - (a) Joint investment or interest with traders who do business with the Company or its customers.
 - (b) Holding any position or even being an advisor to a trader doing business with the Company or its customers.
 - (c) Trading goods or providing services to the Company or its subsidiaries directly or through others.
4. Employees and their families must not engage in any business that directly or indirectly competes with the Company, including not taking any action that may cause a conflict of interest with the Company or its subsidiaries, whether it is the use of inside information acquired from being an employee for personal gain and in doing business that competes with the Company or its subsidiaries or perform work other than the work of the Company or its subsidiaries which affects the performance of employees.
5. Employees must not accept benefits from the shareholders of competitors or any business, including partners with whom the Company deals improperly. However, in the event that the shares of such competitors or trade partners are listed on the SET, it is considered that the purchase of shares of a listed company or investment through funds or investment units is not a conflict of interest as long as it does not affect the performance of employees.
6. Directors, executives, and employees must avoid engaging in activities that may cause conflicts of interest with the Company or its subsidiaries or interfere with the effective performance of duties.
7. Directors, executives, and employees will not seek benefits for themselves or others based on the Company's confidential information such as plans, income, meeting resolutions, business projections, research results, or biddings for personal benefit, regardless of whether or not it causes damage to the Company or its subsidiaries. Furthermore, directors, executives, and employees of the Company must strictly comply with the policy on the use of inside information of the Company.
8. The Board of Directors shall supervise the Company and the management to accurately and completely disclose information about transactions that may lead to conflicts of interest in the annual information disclosure form/ annual report, including supervising the Company to strictly comply with the rules, methods, and disclosure of connected transactions as required by law or regulatory agencies and in accordance with the Company's regulations.
9. Directors, executives, employees, and any person including sub-committees who have interests in any agenda shall not have the right to vote and shall not participate in the meeting on any agenda that they have conflicts of interest with.
10. In the event that it is necessary to enter into a connected transaction, such transaction shall be in accordance with general trading conditions in accordance with the principles approved by the Board of Directors with transparency and fairness, comparable to a transaction with a third party and taking into account Company's best interests.
11. In the event that a connected transaction is not in accordance with general trading conditions as approved by the Board of Directors or the nature and size of the transaction are not within the management's consideration

authority, it must be reviewed and commented on by the Audit Committee before proposing for approval from the Board of Directors and/or shareholders (as the case may be).

12. In the case of appointing a new director, the Company Secretary shall notify the person nominated for appointment as a director so that such person can report details of his or her interest and/or conflict of interest with the Company in conducting business activities in writing and sent to the Company for acknowledgement so that the Company will deliver such details to all shareholders at least 14 days in advance before the date of the shareholders' meeting to have the resolution to appoint.

(2) Use of insider information

The Company is aware of the importance of using inside information. In order to comply with the Securities and Exchange Act, including related regulations, the Company has set a policy on the use of inside information as follows.

1. Directors, executives, employees, and staff of the Company and its subsidiaries who know or possess inside information and/or are in a position or line of work responsible for inside information or have access to inside information must not:
 - (1) Buy or sell the Company's securities or enter into derivative contracts related to the Company's securities either for themselves or others.
 - (2) Disclose inside information to other persons, directly or indirectly, by any means, knowing or ought to know that the recipient may use such information for the purpose of buying or selling the Company's securities or enter into derivative contracts related to the Company's securities, whether for themselves or others.
2. Directors, executives, employees, and staff of the Company and subsidiaries in the financial sector must:
 - (1) Suspend the purchase or sale of the Company's securities whether for themselves or others.
 - (2) Not disclose financial information to other people whether directly or indirectly.

In this regard, the Company's securities should not be bought or sold for at least 30 days before the Company discloses its annual or quarterly financial information to the Stock Exchange of Thailand and should wait at least 24 hours after such disclosure before doing so.

3. If the trading partner of the Company and its subsidiaries is a company whose shares are listed on the Stock Exchange of Thailand and entering into transactions with such trading partner may be considered inside information of the trading partner, the directors, executives, employees, and staff of

the Company and its subsidiaries are obligated to process such partner's inside information in the same manner as the Company's inside information as stated in item 1 above.

4. In the event that the Company has inside information which is not yet disclosed for reasons that are inconclusive or highly uncertain, directors, executives, employees, and staff of the Company and related subsidiaries are responsible for maintaining the confidentiality of such information to prevent anyone from exploiting or unlawfully disclosing the information. Such persons should comply with the Guidelines for Handling of Confidential Information that Affects Securities Prices prepared by the SEC Office.

In addition, in the event that it is necessary to disclose inside information to relevant persons who play a necessary role for the Company, such as legal advisors in charge of advising transactions or the Credit Rating Agency (CRA), directors, executives, employees, and staff of the Company and related subsidiaries must ensure that the recipients are aware of their duties and have a system to maintain the confidentiality of information to prevent the use of such or disclosure of such information to others.

In this regard, the guideline for handling confidential information that affects the price of securities prepared by the SEC Office shall be applied.

The Company will organize training on the use of inside information policy for directors, executives, employees, and staff of the Company and related subsidiaries once a year to reestablish their understanding and to ensure compliance with the Securities and Exchange Act.

In addition, the Company will provide training to educate new directors and executives about their duty to prepare and disclose reports on the holding and changes in securities holdings of directors and executives as well as those related to the directors and executives under section 59 of the Securities and Exchange Act and relevant announcements of the SEC Office. The Company has assigned directors and/or executives to submit such reports to the company secretary to submit to the SEC. In the event that directors and/or executives submit such reports to the SEC Office by themselves, such directors and/or executives shall submit a copy of the report to the company secretary within the same day that the report is submitted to the SEC Office.

5. In the event that the Company holds shares or any other securities in other companies whose shares are listed on the Stock Exchange of Thailand, it must not appear that directors, executives, employees, or staff of the Company take any action that may affect changes in the price of shares or securities of that listed company significantly or

may mislead the general public about the price or trading volume of that stock or security.

6. If the company finds any directors, executives, employees, and staff of the Company and related subsidiaries violate the inside information policy, the Company will consider disciplinary action according to the regulations set by the Company by considering the intent of the action and the severity of that offence.

(3) Anti-Corruption

The Company participated in the project declaring its intention to join the anti-corruption project (CAC) and received certification in 2023. to show the intention and determination to fight against all forms of corruption according to the company's anti-corruption policy.

The full version of the Anti-Corruption Policy can be viewed here:



(4) Whistleblowing

The Company provides an opportunity for stakeholders both inside and outside the organization to report suspicions or complaints about suspected violations of the law, good corporate governance principles, regulations, company regulations, policies, business code of conduct, inaccurate financial reporting or a defective internal control system of the Company. The Company has established channels, methods, investigation procedures, and protection of the rights of complainants and those who provide facts under the Whistleblowing and Complaints Policy along with specifying protection measures to protect complainants or those who provide information or provide clues for investigation clearly. The channels for receiving complaints are as follows:

1. Hotline for complaints (24 hours) Tel: 095 - 372 - 0144
2. Company Secretary, Asian Alliance International Public Company Limited
 - E-mail : AAI-Secretary@asianalliance.co.th
 - Post address : Company Secretary
Asian Alliance International Public Company Limited
55/2 Rama 2 Road, Bang Krachao Subdistrict,
Mueang District, Samut Sakhon Province 74000

3. Internal Audit Department, Asian Alliance International Public Company Limited
 - E-mail : AAI-IA@asianalliance.co.th
 - Post address : Internal Audit Manager
Asian Alliance International Public Company Limited
55/2 Rama 2 Road, Bang Krachao Subdistrict,
Mueang District, Samut Sakhon Province 74000
4. Managing Director, Asian Alliance International Public Company Limited
 - E-mail: Aekarat@asianalliance.co.th
 - Post address : Managing Director
Asian Alliance International Public Company Limited
55/2 Rama 2 Road, Bang Krachao Subdistrict,
Mueang District, Samut Sakhon Province 74000
5. Audit Committee, Asian Alliance International Public Company Limited
 - E-mail : AAI-AC@asianalliance.co.th
 - Post address: Audit Committee
Asian Alliance International Public Company Limited
55/2 Rama 2 Road, Bang Krachao Subdistrict,
Mueang District, Samut Sakhon Province 74000
6. Complaints Box

The full version of the the Complaints and Whistleblowing Policy can be viewed here:



During 2023, the company received in total 2 complaints via channels for reporting corruption, malpractice, misconduct, and non-compliance with laws and organizational regulations. The Company investigated those 2 cases, one of those was found guilty, which is currently being processed according to relevant law and regulations. Relevant work processes have been reviewed and improved as need. The other is still under investigation. However, if any wrongdoing is found, the Company will ensure to take action according to discipline or legal as well as review and improvwork processes to prevent repeated incidents.

(5) Preparing a report on changes in securities holdings

Securities holdings of company directors in 2022 and 2023

No.	Name	Number of shares (shares)			Note
		As of 31 Dec. 2022	As of 31 Dec. 2023	Increase (decrease) during the year (shares)	
1	Mr. Vichai Assarasakorn	500,000	500,000	0	There are no buying/selling transactions during 2023.
2	Lieutenant Sutthinan Hatthawong	400,000	580,000	180,000	
3	Mr. Kasemsit Pathomsak	400,000	400,000	0	There are no buying/selling transactions during 2023.
4	Mr. Somsak Amornrattanachaikul	52,344,900	68,234,900	15,890,000	
5	Mr. Suriya Prasatbuntitya	300,000	300,000	0	There are no buying/selling transactions during 2023.
6	Ms. Prapa Puranachote	500,000	500,000	0	There are no buying/selling transactions during 2023.
7	Mr. Hendrikus Van Westendorp	500,000	500,000	0	There are no buying/selling transactions during 2023.
8	Mr. Aekarat Punnasung	501,000	501,000	0	There are no buying/selling transactions during 2023.

Securities holdings of executives in 2022 and 2023

No.	Name	Number of shares (shares)			Note
		As of 31 Dec. 2022	As of 31 Dec. 2023	Increase (decrease) during the year (shares)	
1	Ms. Varanratch Assanupong	400,000	400,000	0	There are no buying/selling transactions during 2023.
2	Mr. Bundit Pichetpongsa	400,000	400,000	0	There are no buying/selling transactions during 2023.
3	Mrs. Sasiyada Wilaiphol	200,000	200,000	0	There are no buying/selling transactions during 2023.
4	Mrs. Ajara Mhordee	0	0	0	There are no buying/selling transactions during 2023.
5	Mrs. Narumon Jongjaroen	71,000	71,000	0	There are no buying/selling transactions during 2023.

8.2 Report on performance of the Audit Committee for the year

Audit Committee Meeting

Audit Committee meetings of 2023 were attended together with the executives, internal auditor, and accounts auditor according to the details below:

No.	Name	Number of meeting attendance/ number of meetings
1	Mr. Vichai Assarasakorn	7/7
2	Lieutenant Sutthinan Hatthawong	7/7
3	Mr. Kasemsit Pathomsak	7/7

Performance of the Audit Committee

Performance of the Audit Committee in 2022 can be summarized as follows:

- Reviewed the Company and its subsidiaries' quarterly and annual financial statements for the year 2023 by inquiring and listening to clarifications from the management and the auditor on the accuracy and completeness of the financial statements and the adequacy of information disclosure, observations, and innovations for audit development. The Audit Committee agreed with the auditor that the financial statements of the Company and its subsidiaries have been displayed correctly as they should in all material respects in accordance with financial reporting standards, and they are credible and useful to the users of financial statements.
- Reviewed and gave opinions on related party transactions and connected transactions or transactions that may have conflicts of interest, including the disclosure of such transactions according to the regulations of the Stock Exchange of Thailand and the SEC. The Audit Committee agreed with the auditor that the transactions were reasonable and carried out according to normal business conditions, including that significant transactions were disclosed and presented in the financial statements and notes to the financial statements. Finance correctly and completely.
- Reviewed the internal control system and internal audit work by considering and approving the annual audit plan of the internal auditor that has been developed and improved to be efficient and cover important work/departments including reviewing internal audit reports on the operations of the company and its subsidiaries. The Audit Committee has reported the results of the inspection of the internal control system to the Board of Directors on a quarterly basis, and provided useful suggestions for the internal control system. In order to continually take corrective action according to the internal audit report. The Company's internal control system is appropriate and adequate and does not find any material defects that affect the Company's performance.
- Follow up on the operations of the company's management in announcing its intention to join the Thai Private Sector Collective Action Against Corruption project. The company has announced policies and guidelines for anti-corruption and has been certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) from the Thai Institute of Directors Association. (IOD) on June 30, 2023
- Considered, selected, and proposed the appointment of an internal auditor, and budget for internal audit fees for the year 2023 and 2024 based on performance, qualifications, skills, knowledge, and work experience. The Committee proposed the appointment of Asian Sea Corporation Public Company Limited., an independent internal control auditor, to be the Company's internal auditor from 1 October 2023 onwards and proposed the budget for the internal audit fee for the year 2023 - 2024 for approval. This transaction is considered a related party transaction which determines the service fee price. And the conditions are in accordance with normal business operations and can be compared with market prices.
- Considered, selected and proposed the appointment of an auditor and the audit fee for the year 2023, based on performance, qualifications, skills, knowledge, and work experience. The Committee proposed the appointment of EY Office Limited as the auditor of the Company, as well as proposing the audit fee for the year 2023 for approval.
- Reviewed to ensure that the Company and its subsidiaries comply with all relevant accounting standards, laws, regulations of the Stock Exchange of Thailand, and laws relating to the business of the Company and its subsidiaries completely, accurately, and according to good corporate governance principles.
- Reviewed the adequacy of the Company's risk management process and carried out an audit based on the risks involved, with Lieutenant Sutthinan Hatthawong, who is a member of the Audit Committee, joining as a member of the Risk Management Committee as well, with an aim to develop the Company's risk management work to be more intensive and comprehensive.

9. Supporting the development of internal auditors as well as developing guidelines for internal auditing to meet international quality standards with the goal of having the internal audit department provide training to develop knowledge about relevant standards or even laws.
10. The company has introduced Robotic Process Automation (RPA) and Business Intelligence (BI) systems and technologies to help with operations in order to make the internal control system and database management more accurate, as well as displaying results in a Dashboard style. and automatically monitor activities in the system with a robot system in line with the current digital era (Digital Transformation)

For the year 2023 the Audit Committee performed their duties with prudence, caution, and sufficient independence and was

of an opinion that the Company had accurate financial and operating reports, internal control systems, internal audits, and disclosure of related transactions and connected transactions correctly, as well as having operations that comply adequately with the good corporate governance system and are reliable. In addition, there is a continuous development and improvement on the operating system to be of better quality and suitable for the business environment. The Audit Committee reviewed the Charter of the Audit Committee, as well as evaluated the performance of the Audit Committee as a whole and evaluated itself individually according to the best practices of the Stock Exchange of Thailand To ensure that the work of the Audit Committee is efficient and achieves its objectives as specified, the results of the overall and individual evaluations are good. and helps strengthen operations and the corporate governance system more efficiently.

8.3 Summary of performance of other sub-committees

1) Executive Committee

Executive Committee Meeting

Meeting attendance of the Executive Committee for the year 2023 is as follows:

No.	Names	Position	No. of meeting attendance / No. of meetings
1.	Mr. Somsak Amornrattanachaikul ^{1/}	Chairman	11/12
2.	Mr. Aekarat Punnasung	Committee	12/12
3.	Mr. Hendrikus Van Westendorp ^{2/}	Committee	11/12
4.	Ms. Varanratch Assanupong ^{3/}	Committee/Secretary of the Committee	11/12
5.	Mr. Bundit Pichetpongsa ^{4/}	Committee	11/12
6.	Mrs. Sasiyada Wilaiphol ^{5/}	Committee	11/12
7.	Mr. Akamon Prasoppolsujarit ^{6/}	Committee	11/12
8.	Mrs. Ajara Mhordee	Committee	12/12
9.	Ms. Benjaporn Pongsiri ^{7/}	Committee	11/12
10.	Ms. Somsri Maneechay ^{8/}	Committee	10/12
11.	Mr. Thawatwong Arunthong ^{9/}	Committee	11/12
12.	Mrs. Vijit Boonchu ^{10/}	Committee	2/2

Note :

^{1/} Mr. Somsak Amornrattanachaikul did not attend the Executive Committee Meeting No. 12/2023 due to being engaged in another duty.

^{2/} Mr. Hendrikus Van Westendorp did not attend the Executive Committee Meeting No. 1/2023 due to being engaged in another duty.

^{3/} Ms. Varanratch Assanupong did not attend the Executive Committee Meeting No. 5/2023 due to being engaged in another duty.

^{4/} Mr. Bundit Pichetpongsa did not attend the Executive Committee Meeting No. 9/2023 due to being engaged in another duty.

^{5/} Mrs. Sasiyada Wilaiphol did not attend the Executive Committee Meeting No. 7/2023 due to being engaged in another duty.

^{6/} Mr. Akamon Prasoppolsujarit did not attend the Executive Committee Meeting No. 5/2023 due to being engaged in another duty.

^{7/} Ms. Benjaporn Pongsiri did not attend the Executive Committee Meeting No. 2/2023 due to being engaged in another duty.

^{8/} Ms. Somsri Maneechay did not attend the Executive Committee Meeting No. 5/2023 and No. 10/2023 due to being engaged in another duty.

^{9/} Mr. Thawatwong Arunthong did not attend the Executive Committee Meeting No. 4/2023 due to being engaged in another duty.

^{10/} Mrs. Vijit Boonchu was appointed as a member of the Executive Committee by the resolution of the Board of Directors' meeting No. 5/2023 on 8 November 2023

Performance of the Executive Committee

Executive Committee has performed its duties believing that the operations of the Company and its subsidiaries are in line with the established business directions and strategies and are efficient and consistent with good corporate governance principles and practices so that the Company and its subsidiaries can be successful in accordance with the set objectives, policies, and plans.

Performance of the Executive Committee in 2023 could be summarized as follows:

1. Consider and review policies, directions, business strategies, goals and operational plans, financial goals, budgets, human resource management, investment expansion, investor relations activities of the company and its subsidiaries and to supervise the operations of the appointed working group to achieve the goals by considering business factors appropriately.
2. Supervise, inspect, and monitor the business operations of the Company and its subsidiaries in accordance with the policies, business strategies, goals and operational

plans, financial goals, and budgets of the Company and its subsidiaries to be efficient and effective, conducive to business conditions, including providing advice on management to senior executives.

3. Study the feasibility of investing in new projects and consider and give approval to the Company and its subsidiaries to invest or jointly invest with individuals, juristic persons, or any other business organizations in the form that the Executive Board deems appropriate to carry out business in accordance with objectives of the Company and its subsidiaries.
4. Report on the operating results of the company and its subsidiaries to the Board of Directors on a quarterly basis
5. Disclose information about the company's operating results on a quarterly basis through the news system of the Stock Exchange of Thailand and annual operating results through Form 56-1 One Report in the topic of management analysis and explanation, as well as through the Company website.

2) Corporate Governance and Nomination and Remuneration Committee

Corporate Governance and Nomination and Remuneration Committee Meeting

Meeting attendance of the Corporate Governance and Nomination and Remuneration Committee for the year 2023 is as follows:

No.	Names	Position	No. of meeting attendance / No. of meetings
1.	Ms. Prapa Puranachote	Chairman	2/2
2.	Mr. Suriya Prasatbuntitya	Committee	2/2
3.	Mr. Kasemsit Pathomsak	Independent Director	2/2
4.	Lieutenant Sutthinan Hatthawong	Independent Director	2/2

Performance of the Corporate Governance and Nomination and Remuneration Committee

The Corporate Governance and Nomination and Remuneration Committee has performed its duties independently in accordance with the principles of good corporate governance in order to ensure that the nomination and remuneration process is transparent and creates confidence for shareholders and all stakeholders. Performance results of the Nomination and Remuneration Committee in 2023 can be summarized as follows:

1. Consider proposing the election of directors to replace those whose terms have expired by considering proposing directors whose terms have expired to return to office for another term because they have appropriate qualifications in accordance with the law, relevant rules, company regulations, principles of good corporate governance as well as knowledge, appropriate abilities and experience according to the Company's Board Skill Matrix



2. Consider reviewing the determination of skills, knowledge, expertise, and experience of the composition of the Board of Directors (Board Skill Matrix) by considering increasing knowledge of sustainability strategies.
 3. Consider to determine the remuneration of directors for the year 2023, taking into account the operating results, size of the business, practices used by listed companies in the same industry, including the responsibilities of the board of directors, together with the results of the evaluation of the performance of the directors. The committee, then, proposed to the Board of Directors to propose to the 2023 Annual General Meeting of Shareholders for approval.
 4. Consider to determine the Audit Committee bonus for 2022 and proposed to the Board of Directors to propose to the 2023 Annual General Meeting of Shareholders for approval.
 5. Determine evaluation guidelines to determine compensation for senior executives for the year 2023 and present to the Board of Directors for approval.
 6. Consider the criteria for evaluating the performance of employees at various levels and consider the criteria for bonuses and promotions of employees for the year 2023.
 7. Review employees' compensation and benefits of the company and its subsidiaries, including employee health insurance benefits, to ensure that those were appropriate still with the current situation so that employees have good morale and encouragement to perform their duties to the best of their ability.
 8. Consider and approve the results of performance evaluations of the Board, both individually and as a group, and the performance of senior executives, and present them to the Board of Directors.
 9. Follow up on the implementation of the succession plan.
 10. Participate in considering and making recommendations on restructuring the organization by moving corporate governance work to be carried out under the Nomination and Remuneration Committee. Change name to "The Corporate Governance and Nomination and Remuneration Committee" and put sustainability and risk work under the "The Risk Management for Sustainability Committee" in order to raise the importance of sustainability work and reduce duplication of works.
 11. Consider amending the committee charter after the Board of Directors has approved the organizational restructuring and review and improve various policies under the scope of work of the committee and present them to the Board of Directors for consideration and approval.
 12. Review the Company's good corporate governance policy to be in line with the principles of good corporate governance for listed companies as specified by the Stock Exchange of Thailand and the SEC as well as formulating business code of conduct as well as determining relevant announcements, regulations, or orders in order to achieve goals, objectives, and work plans efficiently.
 13. Supervise and ensure that good corporate governance policy, business ethics, and sustainability management policy produce concrete practical results.
 14. Organize the 2023 Annual General Meeting of Shareholders by providing all information related to matters to be decided at the meeting to shareholders adequately and timely in advance, informing shareholders of the various rules used in the meeting and publish such information on the company's website in advance of sending documents as well as facilitating shareholders to fully exercise their rights to attend meetings and vote.
 15. Provide an opportunity for shareholders to propose additional agenda items and nominate individuals to be considered for election as directors in advance according to the company's criteria.
 16. Supervise the reporting of securities holdings according to law and have the company secretary collect and report to the Securities and Exchange Commission (SEC) in accordance with relevant rules and regulations.
 17. Report on the operations of the committee to the Board of Directors on a quarterly basis.
- In 2023, the Board of Directors allowed minority shareholders to nominate individuals they deem suitable for selection as directors, but no shareholders nominated individuals to participate in the director selection process for the 2024 Annual General Meeting of Shareholders

3) Risk Management for Sustainability Committee

Risk Management for Sustainability Committee Meeting

There were 4 Risk Management Committee meetings and 1 Risk Management for Sustainability Committee meeting (after the Board of Directors approved the organizational restructuring). The attendance of the meetings of the Risk Management Committee for the year 2023 is as follows:

No.	Names ^{1/}	Position	No. of meeting attendance / No. of meetings
1	Mr. Aekarat Punnasung	Chairman	5/5
2	Lieutenant Sutthinan Hatthawong	Independent Director	5/5
3	Ms. Varanratch Assanupong	Committee/Secretary of the Committee	5/5
4	Mr. Bundit Pichetpongsa	Committee	5/5
5	Mrs. Sasiyada Wilaiphol ^{2/}	Committee	3/5
6	Ms. Benjaporn Pounsiri	Committee	5/5
7	Ms. Somsri Maneechay	Committee	5/5
8	Ms. Wijitra Thiangtham ^{3/}	Committee	4/5
9	Mr. Santi Vilaiphol	Committee	5/5
10	Mr. Nattharath Puangsuda ^{4/}	Committee	0/1
11	Mr. Kiatipong Narongpankul	Committee	1/1

Note :

^{1/} On November 8, 2023, the Board of Directors appointed all 9 Risk Management Committee members to be members of the Risk Management for Sustainability Committee by the resolution of the Board of Directors' meeting no. 5/2023 and 2 additional directors were appointed, namely Mr. Nattharath Puangsuda and Mr. Kiatipong Narongpankul.

^{2/} Mrs. Sasiyada Wilaiphol did not attend the Risk Management Committee Meeting No. 4/2023 and the Risk Management for Sustainability Committee Meeting No. 1/2023 due to being engaged in another duty.

^{3/} Ms. Wijitra Thiangtham did not attend the Risk Management Committee Meeting No. 1/2023 due to being engaged in another duty.

^{4/} Mr. Nattharath Puangsuda did not attend the Risk Management for Sustainability Committee Meeting No. 1/2023 due to being engaged in another duty.

Performance of the Risk Management for Sustainability Committee

The Risk Management for Sustainability Committee has performed its duties in the belief that the risk management of the Company and its subsidiaries is continual and efficient, in line with good corporate governance principles and practices in order for the Company and its subsidiaries to be able to achieve its goals and provide the greatest benefits to all shareholders and stakeholders appropriately, reducing the impact of risks from the business environment under uncertain situations and new risk factors that are complex and increasing both internal and external factors.

Performance of the Risk Management for Sustainability Committee in 2023 can be summarized as follows:

1. Supervise risk management to reduce impacts on business operations by following up on important situations that

may affect business operations of the Company and its subsidiaries to ensure that risk management plans are appropriately implemented. Review policies related to risk management and acceptable risk levels to be consistent with the situation, including continuous and regular enterprise-level risk assessments, as well as evaluating and registering emerging risks that may be a significant impact on the operations of the Company and its subsidiaries, if any.

2. Supervise to have an appropriate risk management plan and assign relevant departments to be responsible for managing those risks.
3. Review the risk measurement criteria to ensure that the risk measurement criteria used are appropriate and consistent with the current situation.

4. Acknowledge the business unit risks assessment report and require an audit that risk management is properly monitored and consider upgrading business-level risks that are high-risk and/or important issue to corporate-level risks in order for the Committee to implement a risk assessment and plan for the management of risk.
5. Participate in considering and making recommendations on restructuring the organization by moving corporate governance work to be carried out under the Nomination and Remuneration Committee. Change name to “The Corporate Governance and Nomination and Remuneration Committee” and put sustainability and risk work under the “The Risk Management for Sustainability Committee” in order to raise the importance of sustainability work and reduce duplication of works.
6. Report the operations of the committee to the board of directors on a quarterly basis.
7. Disclose risk information and operations for risk management through 56-1 One Report in the topic of risk management.
8. Review the sustainable development policies and goals to suit the business operations covering economic, social, and environmental dimensions, including setting goals and projects that support sustainable development according to the goals for the year 2023.
9. Monitor and supervise action plans according to the sustainability management policy to achieve the vision and sustainability goals of the Company.
10. Disclose information on sustainability performance covering 3 dimensions: environment, society, and governance through 56-1 One Report on the topic of driving business towards sustainability, in accordance with Global Reporting Initiative (GRI) Sustainability Reporting Standard, including compliance with United Nations’ Sustainable Development Goals framework (SDGs)

4) Credit Committee

Credit Committee Meeting

The meeting attendance of the Credit Committee for the year 2023 is as follows:

No.	Names	Position	No. of meeting attendance / No. of meetings
1.	Mr. Aekarat Punnasung	Chairman	5/5
2.	Ms. Varanratch Assanupong	Committee	5/5
3.	Mr. Bundit Pichetpongsa	Committee	5/5
4.	Mrs. Ajara Mhordee	Committee	5/5
5	Mrs. Vijit Boonchu ^{1/}	Committee	0/1
6	Mr. Nattharath Puangsuda ^{1/}	Committee	0/1

Note :

^{1/} Mrs. Vijit Boonchu and Mr. Nattharath Puangsuda were appointed as a member of the Executive Committee by the resolution of the Board of Directors’ meeting No. 5/2023 on 8 November 2023

Performance of the Credit Committee

Performance of the Credit Committee in 2023 can be summarized as follows:

1. Consider, review, and determine the credit term policy and the maximum credit limit for each customer.
2. Consider outstanding debtors and determined guidelines for follow-up and collection of overdue debtors.
3. Consider and recommend Board of Directors approving trade

credit insurance for large customers who require credit lines to reduce risk on a case-by-case basis.

The credit committee performs its duties to the best of its ability and operates efficiently in line with the business plan of the Company in order for the Company and its subsidiaries to achieve the set objectives, policies, and plans.

9

Internal Control and Related Party Transactions

9.1 Internal Control

The Company realizes the importance of good internal control, so it focuses on having appropriate and effective internal control to increase operational efficiency, and asset maintenance, including an accurate and reliable accounting and financial reporting system and compliance with laws, rules, and regulations related to the Company's business operations in line with acceptable risk management to the Board of Directors in order to achieve business goals and add value to stakeholders according to the principle of good corporate governance. The Internal Audit Department, which is independent from the management and reports directly to the Audit Committee, is responsible for reviewing and evaluating the effectiveness and adequacy of the internal control system, including the implementations of departments of the Company and its subsidiaries, based on an annual audit plan approved by the Audit Committee to comply with changing circumstances and risks. It also ensures that the Company's internal control system is effective and efficient in its business operations. The Company has applied the guidelines of the internal control system based on the international standards called COSO (the Committee of Sponsoring Organizations of the Treadway Commission) and the enterprise risk management framework to internal control, risk management, and corporate governance to be more complete in order to strengthen the internal control system to be able to respond and comply with the changing situation in a timely manner and to reasonably ensure that the Company can achieve its objectives according to the set goals.

Board of Directors' opinions on the adequacy and appropriateness of the internal control system and risk management

Based on the "Internal Control System Adequacy Assessment Form" by the Office of the Securities and Exchange Commission (SEC), the Board of Directors and the Audit Committee prepared an assessment form on internal control system adequacy on 20th February, 2023. Based on the results of the assessment, the Company has appropriate, concise, and adequate internal control; there is no difference in opinion from that of the Audit Committee, and the auditor has made no observations that matter about internal control.

9.1.1 Adequacy and appropriateness of the internal control system

The Board of Directors and the Audit Committee agreed that the internal control system of the Company and its subsidiaries is adequate and appropriate. There is sufficient personnel to effectively implement the system, including the internal control system, the information system for operations, or known as the SAP system, and the operating manual to control, supervise, and monitor operations to be able to prevent the assets of the Company and its subsidiaries from being misused or used without authority, including accurate transactions. Moreover, on audit process, the auditor opines that the Company and its subsidiaries prepared financial statements in alignment with accounting standards and disclosed information in accordance with the law. The assessment of the adequacy of the internal control system of the Company can be summarized according to five aspects of internal control elements as follows:

1. Control Environment

The Board of Directors and executives adhere to the values of integrity and ethics and focus on providing the company with an environment that facilitates an appropriate, concise, and adequate internal control system. The Company has set its corporate governance policy in written as a guideline for the Company's personnel, consisting of the Board of Directors, executives, and employees, to implement with transparency and accountability, resulting in confidence that the Company's operations will be conducted with fairness while considering the best interests of all stakeholders. The Company also establishes ethical practices to prevent conflicts of interest and encourages its personnel to perform their duties and make decisions on matters within the framework of ethics and integrity, including establishing an anti-corruption policy that requires employees not to participate in all forms of corruption, including giving or receiving bribes.



The Company has been certified joining Thai Private Sector Collective Action Against corruption (CAC) from Thai Institute of Directors on June 30th, 2023.

The Company defines a clear organizational structure and command line in balancing power and establishes a written operating authority manual for all parties to use as a guideline for performance by considering duties, responsibilities, and the internal control system.

2. Risk Assessment

The Company is aware of various risks that may occur under the influence of internal and external factors, including various environments that may affect business operations. The Company has provided risk management throughout the organization. Since the Board of Directors and executives value risk management, the Risk Management for Sustainability Committee has been set up to formulate the risk and sustainability management policy to cover the entire organization and supervise the implementation of a risk management system or process to reduce the impact on the Company's business appropriately.

In this regard, the Company's risk assessment considers changes from factors related to current and future business operations, emerging risk factors, and corruption-related risks. In addition, the Company establishes risk management guidelines appropriate to that risk in order to keep it at an acceptable level. There is a process for regularly reviewing the risk and monitoring the implementation according to risk management measures, as well as establishing additional measures to respond to such changes.

3. Control Activities

The Company sets appropriate control standards in accordance with the risks in each operating system by considering appropriate control activities, whether they are preventive or detective.

The Company has determined a policy for approving transactions, considering the highest interests and transparency.

4. Information and Communication

The Company has set appropriate and effective information systems, information communication, and communication channels within the Company and with stakeholders outside the Company to support the implementation of internal control as required and to provide the Board of Directors, executives, and stakeholders with sufficiently important information for decision-making on important matters related to the Company.

The Company has an access control system and makes efficient use of the information system, including reports its important information to the management and the Board of Directors regularly for decision-making. In addition, the Company has invested in an information system, such as SAP, RPA, and BI, to develop the Company's information system more effectively as well as making the internal control system more robust.

5. Monitoring Activities

The Company establishes a monitoring and performance evaluation system to meet the set goals appropriately by regularly monitoring the progress in meetings of the Risk Management for Sustainability Committee, including compliance with business ethics.

The Company requires the Internal Audit Department to review the work systems by considering risk factors, including reporting the results of the audit and the audit progress to the Audit Committee and senior management on a quarterly basis. The Internal Audit Department can report the results immediately for the issues detected with high risk and urgency for corrections.

9.1.2 The Audit Committee's opinions on deficiencies in the internal control system

The Audit Committee supervises and reviews the internal control system through the Internal Audit Department, which is responsible for monitoring and evaluating the performance according to the standards for professional internal audit performance to ensure that the findings from the audit are revised and corrected appropriately in a timely manner. The Audit Committee is of the opinion that the Company's internal control system is appropriate and sufficient to operate effectively in accordance with the objectives and goals. The Audit Committee does not find any material defects.

9.1.3 The Audit Committee's opinions in the case of different viewpoints from the Board of Directors

The Board of Directors establishes an evaluation and monitoring system for the internal control system that takes into account all aspects, such as accounting and finance, operations, compliance with laws and regulations, asset management, and fraud cases that have a significant impact on the Company and its subsidiaries' financial position and reputation. The Internal Audit Department routinely analyzes the internal control system to make sure it is fully and properly functioning. Responsible individuals in linked departments are in charge of overseeing compliance with the internal control system. The internal control system's shortcomings are evaluated and reported promptly. The Audit Committee agrees with the Board of Directors that the internal control system of the Company and its subsidiaries is adequate, appropriate, and does not detect significant deficiencies, and the auditor had no observations that matter about internal control.

9.1.4 The Audit Committee opined that the person who is the Head of the Internal Audit Department has sufficient education, experience, and training appropriate for the performance of duties.

For internal audits of the Company and its subsidiaries, the Company arranged for the Internal Audit Department and hired Internal Audit Team from Asian Sea Corporation PLC., which has been report as inter transaction with the parent company, to perform duties in 2023 in conjunction with the internal audit.

The Audit Committee supervises the Internal Audit Department to build confidence, provide independent and fair advice to the audit, assess the adequacy of the internal control system, including following up on results of corrections or improvements, optimize the operating process to cover the work processes of the Company and its subsidiaries, and report directly to the Audit Committee to ensure that their operations have adequate, appropriate, and effective internal control systems, along with risk management, to be at an acceptable level for the Company and good corporate governance. In this regard, Ms. Phastrawan Prichapanuwat, the Internal Audit Manager, was assigned to take charge of being the Head of the Internal Audit Department of the Company and its subsidiaries. The Audit Committee also appoint Ms. Orathai Punto to be Secretary of the Audit Committee. The Company has considered Ms. Phastrawan Prichapanuwat's qualifications and has formed the opinion that she is suitable for performing such duties because she is independent, has a degree and professional qualifications as an internationally certified internal auditor (CIA), has skills and experience in internal auditing, and has good knowledge and understanding of businesses and industries similar to the Company. He has also continuously participated in various courses related to internal audit operations.

9.1.5 Guidelines for appointment, removal, and transfer of Head of the Internal Audit Department

The appointment, removal, and transfer of the Head of the Internal Audit Department must be approved (or obtain consent) by the Audit Committee. The qualifications of the Head of the Internal Audit Department are shown in Attachment 3.





9.2 Related Party Transactions

1. Details of persons who may have conflicts of interest with the Company and/or subsidiaries for the fiscal year ending December 31st, 2022 and for the fiscal year ending December 31st, 2023.

Persons who may have conflicts and business characteristics	Relationship as of December 31, 2023
1. Asian Sea Corporation Public Company Limited (“ASIAN”) engaging in frozen seafood processing business	<ul style="list-style-type: none">• The major shareholder of the Company in the proportion of 70.00% of the Company’s paid-up capital.• There are three directors as follows:<ul style="list-style-type: none">(1) Mr. Somsak Amornrattanachaikul(2) Mr. Suriya Prasatbuntitya(3) Ms. Prapa Puranachote• Mr. Somsak Amornrattanachaikul, Director of the Company, holding a total proportion of shares of 64.05% of the ASIAN paid-up capital
2. Asian Seafoods Cold Storage (Suratthani) Company Limited (“ASIAN SURAT”) operating frozen seafood processing business	<ul style="list-style-type: none">• ASIAN, the Company’s major shareholder, holds 100% of the paid-up capital of ASIAN SURAT.• There is one director as follows:<ul style="list-style-type: none">(1) Mr. Somsak Amornrattanachaikul
3. Asian Feed Nutrition Company Limited (“AFEED”) engaging in the business of manufacturing and distributing aquatic animal feed products	<ul style="list-style-type: none">• ASIAN, the Company’s major shareholder, holds 100% of the paid-up capital of AFEED.• There are two directors as follows:<ul style="list-style-type: none">(1) Mr. Somsak Amornrattanachaikul(2) Mr. Aekarat Punnasung

2. Related party transactions of the Company and/or its subsidiaries with persons who may have conflicts

Transactions between the Company and/or its subsidiaries and persons who may have conflicts for the fiscal year ended December 31st, 2022, and for the year ended December 31st, 2023 can be summarized as follows:

1) Product Sales List

Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value (million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
1. The company sells ready-to-eat shelf-stable products	ASIAN	Revenue from sales	-	0.06	The company sells ready-to-eat food products in sealed containers to ASIAN, ASIAN SURAT, and AFEED upon the order of ASIAN, ASIAN SURAT and AFEED as gifts to employees of the respective companies and sells to executives and employees who are interested in ordering. The selling price, trade terms, and settlement of prices are comparable to the selling price, trade terms, and settlement of prices that the company sells to other customers who are not related to the company	The Audit Committee considers that such transactions are appropriate and reasonable because such transactions are the sale of the Company's products in accordance with the Company's normal business operations. The selling price, trade terms, and settlement of prices are comparable to the selling price, trade terms, and settlement of prices sold by the Company to other customers not related to the Company.
		Trade receivables	-	0.06		
	ASIAN SURAT	Revenue from sales	0.04	0.10		
	Trade receivables	-	0.05			
	AFEED	Revenue from sales	0.07	0.06		
		Trade receivables	-	0.05		
2. The company sells by-products	AFEED	Revenue from sales	50.50	36.19	The company sells by-products, namely fishmeal, steamed fish water, and fish oil to AFEED with selling prices comparable to market prices, including trade terms and settlement of prices can be compared with the trade terms and settlement of prices that the company sells to other customers who are not related to the company.	The Audit Committee considers that such transactions are appropriate and reasonable because such transactions are the sale of the Company's products in accordance with the Company's normal business operations. The selling price, trade terms, and settlement of prices are comparable to the selling price, trade terms, and settlement of prices sold by the Company to other customers not related to the Company.
		Trade receivables	2.12	2.29		

2) Sales of Other Products

Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value (million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
1. The company sells raw materials left over from the production process	ASIAN	Other revenues Other receivables	0.87 -	0.66 -	The company sells certain raw materials left over from the production process, such as tuna roe, to ASIAN. Generally, the company will use the residues as raw materials for fishmeal production. However, ASIAN has purchased tuna roe raw material from the company at a price higher than the price that the Company can sell for fishmeal products. Therefore, the transaction is beneficial to the company. In addition, trade terms and settlement of prices can be comparable to general trade terms and settlement of prices.	The Audit Committee considered that the transaction selling other products abovementioned are appropriate and reasonable and benefit the company. The trade terms and settlement of prices can be compared to the actual cost of procurement of the company and/or comparable to general trade terms and settlement of prices.

Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value (million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
2. The company sells factory materials.	ASIAN	Other revenues	1.23	1.21	The company sells factory materials, such as diesel fuel to ASIAN, ASIAN SURAT and AFEED to support business operations in the ASIAN group because the company has oil storage tanks, which has sufficient capacity. The selling price can be compared to the actual procurement cost of the company, including trade terms and settlement of prices can be comparable to general trade terms and settlement of prices.	The Audit Committee considered that the transaction selling other products abovementioned are appropriate and reasonable and benefit the company. The trade terms and settlement of prices can be compared to the actual cost of procurement of the company and/or comparable to general trade terms and settlement of prices.
		Other receivables	0.20	0.17		
	ASIAN SURAT	Other revenues	0.10	0.11		
	Other receivables	0.11	0.16			
	AFEED	Other revenues	0.11	0.06		
	Other receivables	0.08	0.03			
3. The company provided temporary workers	ASIAN	Other revenues	-	2.46	The company sent some daily workers to ASIAN temporarily to rotate excess manpower of the company to ASIAN for temporary used. The wage charges were at the same rate that the company paid to those workers.	The Audit Committee considered that the transaction are appropriate and reasonable and benefit the company as those occurs in specific situation and the charge can be compared to the cost of the company and market wage charges
		Other receivables	-	-		

3) Purchase of Raw Materials and Packaging

Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value (million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
1. The company buys seafood raw materials.	ASIAN	Cost of sales	5.19	2.17	The company purchases seafood raw materials, such as crab meat and fish meat from ASIAN and ASIAN SURAT to use as ingredients for toppings in pet food products. The company uses such seafood raw materials very little. The purchase of seafood raw materials from ASIAN and ASIAN SURAT helps the company to manage raw material procurement more conveniently and quickly. The selling price can be comparable to the actual procurement cost price of ASIAN and ASIAN SURAT, including trade terms and settlement of prices that are comparable to general trade terms and settlement of prices	The Audit Committee considers that such transactions are appropriate and reasonable because they are the purchase of consumables to support the Company's normal business operations. The selling price is comparable to the cost of procuring ASIAN and ASIAN SURAT consumables or the price purchased by the Company from other partners that are not related to the Company (as the case may be), including the trade terms and settlement of prices that are comparable to the trade terms and settlement of prices generally.
		Account payable	0.00	0.15		
	ASIAN SURAT	Cost of sales	0.13	-		
	Account payable	-	-			



4) Purchase of Other Products

Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value (million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
1. The company purchases consumables	ASIAN	Expenses	6.26	4.09	The company buys factory materials, such as ice from ASIAN to support efficiency of business operations. The buying price can be compared to the actual procurement cost of the company if buying from other sources, including trade terms and settlement of prices can be comparable to general trade terms and settlement of prices.	The Audit Committee considers that such transactions are appropriate and reasonable because they are the purchase of consumables to support the Company's normal business operations. The selling price is comparable to the cost of procuring ASIAN and ASIAN SURAT consumables or the price purchased by the Company from other partners that are not related to the Company (as the case may be), including the trade terms and settlement of prices that are comparable to the trade terms and settlement of prices generally.
		Other payables	0.26	1.01		

5) Service Receiving Transactions

Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value (million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
1. The company uses the service of freezing and immersing raw materials.	ASIAN	Expenses	55.89	45.48	The company uses the service of freezing and immersing raw materials from ASIAN in cold storage located in the same area as the company's factory location. The service fee is calculated by weight and flat rate. The room for storing raw materials, tuna and other raw materials allows the company to disburse raw materials for use in the production process conveniently and quickly. It can also reduce the cost of transportation. The company signed 1 year service contract, starting from 1 January to 31 December 2023, and the service rate is comparable to the market rate, including trade conditions and the payment of prices that can be comparable with other partners that are not related to the company and assessed by the appraiser, which has been approved by the Office of the Securities and Exchange Commission (SEC).	The Audit Committee considers that such transaction is appropriate and reasonable, since such transaction is the use of services to support the company's normal business operations. The contractual rate is comparable to the market rate, including the trade conditions and the payment of prices that can be comparable with other partners that are not related to the company. In addition, the contractual rate is comparable to the rental rate in the vicinity of the property assessed by the appraiser, which has been approved by the Office of the Securities and Exchange Commission (SEC).
		Other payables	4.92	4.50		

Such a transaction would occur in the future as those support normal operation of the Company.



Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value (million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
2. The company uses the service of customs clearance	ASIAN	Expenses Other payables	3.00 0.42	2.00 0.22	The Company uses customs clearance services for import and export from ASIAN as ASIAN has a department responsible for customs clearance services for import and export to companies in the Group. The company uses such services to facilitate coordination. The rates are comparable to market rates, including trade conditions and payment of prices that are comparable to other partners that are not related to the company.	The Audit Committee considers that such transaction is appropriate and reasonable, since such transaction is the use of services to support the company's normal business operations. The rates are comparable to market rates, including trading conditions and the payment of prices that are comparable to those of other partners not related to the company.
					Such a transaction would occur in the future as those support normal operation of the Company.	



Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value (million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
3. The company uses cargo management services	AFEED	Expenses Other payables	6.16 3.15	1.05 1.05	The Company's subsidiaries have hired AFEED to manage domestic transportation for pet food products, Monchou, Monchou Balanced and Hajiko brands. Since AFEED has a comprehensive domestic transportation management system, the rates are comparable to market rates, including trade terms and settlements that are comparable to trade terms and settlements in general.	The Audit Committee considers that such transaction is appropriate and reasonable because it is used to support the company's normal business operations. The rates are comparable to market rates, including commercial terms and settlements that are comparable to commercial terms and settlements in general.
4. The Company uses other services	ASIAN AFEED	Expenses Other payables Expenses Other payables	0.03 - 0.04 -	- - 0.03 -	The company has outsourcing pet food logistic activities since March 2023, so that the amount decreased significantly.	The Audit Committee considers that such transaction is appropriate and reasonable because it is used to support the company's normal business operations. The rates, terms of trade and payment are comparable to the rates, terms of trade and payment that ASIAN and AFEED from other companies in the Group.
					Such a transaction would occur in the future as those support normal operation of the Company.	



6) Rental Property

Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value (million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
1. The company rents land for use as a factory location	ASIAN	Expenses Other payables	8.60 -	8.60 -	the company has entered into a 30-year lease agreement from January 1, 2022-December 31, 2051. The company can renew the contract for another 30 years. The rental rate is 716,667 baht per month. The rental rate is based on the rental rate assessed by the appraiser, which has been approved by the Office of the Securities and Exchange Commission (SEC), by considering the size of the area and comparing the rental rates in nearby areas.	The Audit Committee considers that such transaction is appropriate and reasonable, since such transaction is the rent of land for the company's normal business operations. The rental rate is based on the rental rate assessed by the appraiser, which has been approved by the Office of the Securities and Exchange Commission (SEC), by considering the size of the area and comparing the rental rates in nearby areas.

Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value (million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
2. The company rents buildings to be used as pet food production factories	ASIAN	Expenses Other payables	5.10 -	5.10 -	<p>the company has entered into a building lease agreement, located at no. 5/5 Moo 3, Rama 2 Road, Ban Bo Subdistrict, Muang Samut Sakhon District, Samutsakorn Province. The total area is approximately 4,729 square meters, to produce pet food. The contract period is three years from January 1, 2022 to December 31, 2024. The company can renew the contract for another three years. The rental rate is 425,000 baht per month. The rental rate is based on the rental rate assessed by the appraiser, which has been approved by the Office of the Securities and Exchange Commission (SEC) by considering the size of the area and comparing the rental rates in nearby areas.</p>	<p>The Audit Committee considers that such transaction is appropriate and reasonable, since such transaction is the rent of building within the same area of the company location for the company's normal business operations. The rental rate is based on the rental rate assessed by the appraiser, which has been approved by the Office of the Securities and Exchange Commission (SEC), by considering the size of the area and comparing the rental rates in nearby area.</p>



Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value (million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
3. The company rents building space	ASIAN	Expenses Other payables	0.32 -	0.32 -	The company entered into a lease agreement for some area of approximately 200 square meters of the office building of ASIAN, located at no. 55/2 Moo 2, Rama 2 Road, Bangkrachao Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province for accounting, finance, internal audit, and corporate secretarial, and investor relations departments. The company entered into a lease agreement for three years from January 1, 2022 to December 31, 2024. The Company can renew the contract for three years at a time. The monthly rental rate is 135 baht per square meter, totaling 27,000 baht per month. The rental rate is based on the rental rate assessed by the appraiser, which has been approved by the Office of the Securities and Exchange Commission (SEC) by considering the size of the area and comparing the rental rates in nearby areas	The Audit Committee considers that such transactions are appropriate and reasonable because they occur according to business necessity for ease of coordination. The company has entered into an office building lease agreement. The contract rental rate is comparable to the rental rate in the vicinity assessed by the appraiser, which has been approved by the Office of the Securities and Exchange Commission (SEC).

7) Loan

Transaction	Person may have a conflict	Transaction Characteristics	Transaction Value(million baht)		Necessity and Reasonableness of Transaction	Audit Committee Consideration
			For the fiscal year ended December 31 st , 2022	For the fiscal year ended December 31 st , 2023		
1. The company provides short-term loans	ASIAN	Outstanding loan	-	831.90	The company provides short-term loans to ASIAN, which are due upon request and unsecured, which the company has been approved from AGM. The loan must not exceed THB 1,000 million with interest rate or yield based on ASIAN's credit rating which is currently at BBB level referring to 1-month bonds with BBB credit rating level from The Thai Bond Market Association ("THAIBMA")	The Audit Committee considers that such transaction is the financial assistance to support normal business operation of ASIAN which has been approved from AGM.
		Interest income	0.04	13.00		
		Accrued interest	-	2.44		

SECTION

03

FINANCIAL STATEMENTS





Declaration of the Directors' Responsibility for the Financial Statements

The Board of Directors of Asian Alliance International Public Company Limited recognizes its responsibility for financial statements of the Company and its subsidiaries - including financial information that appears in the annual report of 2023.

The financial statements have been prepared under generally accepted accounting standards, which regularly complies with a suitable accounting policies and due and reasonable discretion exercised in the preparation of financial statements. Adequate significant information has been disclosed in the notes to these financial statements for transparent use by shareholders and investors at large.

The Board has instituted and maintained effective internal control system, internal auditing risk management, and effective governance to become reasonably confident of accurate, complete, and adequate accounting information to retain Company assets and prevent frauds or significant anomalies in operation.

The Board of Directors has appointed the Audit Committee comprising 3 independent directors to oversee and review the accounting policies and the quality of financial reports, including the internal control system and internal audits to ensure that they are adequate and effective as well as considering the disclosure of related party transactions.

It is our view that the Company's overall internal control system is satisfactory and can reasonably ensure that the financial statements of the Company and its subsidiaries for the year ended December 31, 2023, it is accurate sufficient reliable and in accordance with generally accepted accounting standards as well as in accordance with relevant laws and regulations.

Mr. Vichai Assarasakorn
Chairman of the Board



Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Asian Alliance International Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Asian Alliance International Public Company Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Asian Alliance International Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Asian Alliance International Public Company Limited and its subsidiaries and of Asian Alliance International Public Company Limited as at 31 December 2023, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethic for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

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

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

Revenue recognition

The Group is principally engaged in the production of packaged seafoods and animal feeds. Sales are significant to the Group's financial statements and directly impact on the Group's operating results. I therefore focused on the Group's recognition of sales.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select sales documents to assess whether revenue recognition was consistent with the conditions of the relevant documents, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year, with particular emphasis on special testing for accounting entries made through journal vouchers.
- Reviewing credit notes that the Group issued after the period-end.
- Performing analytical procedures on correlational data of sales transactions, debt records and cash receipts occurring during the year and an analysis on disaggregated data to detect possible irregularities in sales transactions throughout the year.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

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

Vilailak Laohasrisakul

Certified Public Accountant (Thailand) No. 6140

EY Office Limited

Bangkok: 20 February 2024



Statement of financial position

Asian Alliance International Public Company Limited and its subsidiaries

As at 31 December 2023

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		(Unit: Baht)			
Assets					
Current assets					
Cash and cash equivalents	7	931,284,808	1,507,789,931	913,833,996	1,487,430,531
Trade and other receivables	8	873,679,445	981,090,681	860,252,775	957,828,066
Short-term loans to related parties	6	831,900,000	-	945,472,305	80,665,304
Inventories	9	1,301,123,140	1,754,429,613	1,260,662,453	1,713,729,765
Other current financial assets	32.1	10,184,927	109,853,045	10,184,927	109,853,045
Other current assets		86,319,633	122,579,430	76,083,708	110,389,446
Total current assets		4,034,491,953	4,475,742,700	4,066,490,164	4,459,896,157
Non-current assets					
Investment in subsidiary	10	-	-	130,800,000	130,800,000
Investments in joint ventures	11	30,605,561	34,179,322	571,500	571,500
Investment in associate	12	-	-	1,600,000	1,600,000
Long-term loans to joint ventures	6	13,632,458	14,456,783	-	-
Long-term loan to associate	6	4,395,007	3,662,763	4,800,000	4,800,000
Plant and equipment	13	1,326,216,758	1,353,387,797	1,321,666,032	1,349,912,625
Right-of-use assets	17	158,730,980	168,672,197	157,598,745	167,075,042
Intangible assets	14	16,108,143	16,713,618	64,585,205	64,667,598
Deferred tax assets	24	2,854,716	82,379	640,592	-
Other non-current assets		3,983,793	12,760,709	3,445,461	11,088,115
Total non-current assets		1,556,527,416	1,603,915,568	1,685,707,535	1,730,514,880
Total assets		5,591,019,369	6,079,658,268	5,752,197,699	6,190,411,037

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



Statement of financial position (Continued)

Asian Alliance International Public Company Limited and its subsidiaries

As at 31 December 2023

				(Unit: Baht)		
		Consolidated financial statements		Separate financial statements		
Note		2023	2022	2023	2022	
Liabilities and shareholders' equity						
Current liabilities						
	Trade and other payables	15	454,705,121	491,767,904	436,588,131	467,683,032
	Current portion of long-term loan	16	-	70,000,000	-	70,000,000
	Current portion of lease liabilities	17	14,065,428	12,694,407	13,034,907	11,713,689
	Income tax payable		13,413,714	16,934,037	13,413,714	16,934,037
	Other current liabilities		33,748,943	41,143,293	33,669,215	40,857,592
	Total current liabilities		515,933,206	632,539,641	496,705,967	607,188,350
Non-current liabilities						
	Long-term loan	16	-	200,000,000	-	200,000,000
	Lease liabilities	17	158,042,542	162,374,591	157,834,766	161,644,739
	Provision for long-term employee benefits	18	34,176,858	30,845,151	33,637,882	30,433,258
	Deferred tax liabilities	24	-	20,351,717	-	20,351,717
	Total non-current liabilities		192,219,400	413,571,459	191,472,648	412,429,714
	Total liabilities		708,152,606	1,046,111,100	688,178,615	1,019,618,064
Shareholders' equity						
	Share capital	19				
	Registered					
	2,125,000,000 ordinary shares of Baht 1 each		2,125,000,000	2,125,000,000	2,125,000,000	2,125,000,000
	Issued and paid-up					
	2,125,000,000 ordinary shares of Baht 1 each		2,125,000,000	2,125,000,000	2,125,000,000	2,125,000,000
	Share premium		1,890,025,167	1,890,025,167	1,890,025,167	1,890,025,167
	Deficit on business combination under common control		(50,505,039)	(50,505,039)	-	-
	Retained earnings					
	Appropriated - statutory reserve	20	144,397,497	123,174,479	144,397,497	123,174,479
	Unappropriated		771,546,062	941,082,051	904,596,420	1,032,593,327
	Other component of shareholders' equity		2,403,076	4,770,510	-	-
	Total shareholders' equity		4,882,866,763	5,033,547,168	5,064,019,084	5,170,792,973
	Total liabilities and shareholders' equity		5,591,019,369	6,079,658,268	5,752,197,699	6,190,411,037
			-	-	-	-

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

Directors



Statement of comprehensive income

Asian Alliance International Public Company Limited and its subsidiaries

For the year ended 31 December 2023

		(Unit: Baht)				
		Consolidated financial statements		Separate financial statements		
Note		2023	2022	2023	2022	
Profit or loss:						
Revenues						
	Sales	27	5,439,398,154	7,123,511,987	5,325,749,001	7,020,575,451
	Other income	21	53,784,336	71,863,704	53,786,249	72,043,222
	Total revenues		<u>5,493,182,490</u>	<u>7,195,375,691</u>	<u>5,379,535,250</u>	<u>7,092,618,673</u>
Expenses						
	Cost of sales		4,719,971,383	5,709,149,860	4,640,110,115	5,645,892,204
	Selling and distribution expenses		169,946,601	230,457,498	109,654,356	162,941,540
	Administrative expenses		166,344,784	194,395,556	152,554,240	180,025,005
	Loss on exchange rate and fair value adjustment of forward foreign exchange contracts		<u>54,738,945</u>	<u>44,401,668</u>	<u>54,321,779</u>	<u>43,890,256</u>
	Total expenses		<u>5,111,001,713</u>	<u>6,178,404,582</u>	<u>4,956,640,490</u>	<u>6,032,749,005</u>
	Operating profit		382,180,777	1,016,971,109	422,894,760	1,059,869,668
	Share of loss from joint ventures	11	(1,436,705)	(705,021)	-	-
	Share of profit from associate	12	732,244	1,229,779	-	-
	Finance income		30,807,191	3,689,621	31,860,462	4,056,843
	Finance cost	22	(15,528,159)	(36,241,751)	(14,329,047)	(34,464,863)
	Profit before income tax expenses		396,755,348	984,943,737	440,426,175	1,029,461,648
	Income tax expenses	24	(13,834,068)	(125,829,850)	(15,965,813)	(125,868,287)
	Profit for the year		<u>382,921,280</u>	<u>859,113,887</u>	<u>424,460,362</u>	<u>903,593,361</u>
Other comprehensive income:						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>						
	Exchange differences on translation of financial statements in foreign currency		<u>(2,367,434)</u>	<u>(4,787,043)</u>	-	-
	Other comprehensive income to be reclassified to profit or loss in subsequent periods		(2,367,434)	(4,787,043)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>						
	Actuarial loss - net of income tax	18	-	(201,421)	-	(322,775)
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		-	(201,421)	-	(322,775)
	Other comprehensive income for the year		<u>(2,367,434)</u>	<u>(4,988,464)</u>	-	(322,775)
	Total comprehensive income for the year		<u>380,553,846</u>	<u>854,125,423</u>	<u>424,460,362</u>	<u>903,270,586</u>
Earnings per share						
	Basic earnings per share	26				
	Profit attributable to equity holders of the Company		<u>0.18</u>	<u>0.48</u>	<u>0.20</u>	<u>0.51</u>

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



Statement of changes in shareholders' equity

Asian Alliance International Public Company Limited and its subsidiaries

For the year ended 31 December 2023



(Unit: Baht)

	Consolidated financial statements											
	Issued and paid-up share capital	Share premium	Share-based payment reserve	Deficit on business combination under common control	Retained earnings		Unappropriated	Unappropriated	Other component of equity	Total		
					Appropriated - statutory reserve	Unappropriated					Other comprehensive income	Exchange differences on translation of financial statements in foreign currency
Balance as at 1 January 2022	1,700,000,000	-	-	(50,505,039)	43,048,446	674,395,618	9,557,553	2,376,496,578		2,376,496,578		
Profit for the year	-	-	-	-	-	859,113,887	-	859,113,887		859,113,887		
Other comprehensive income for the year	-	-	-	-	(201,421)	(4,787,043)	(4,787,043)	(4,988,464)		(4,988,464)		
Total comprehensive income for the year	425,000,000	1,885,088,917	-	-	-	858,912,466	(4,787,043)	854,125,423		854,125,423		
Increase share capital (Note 19)	-	-	-	-	-	-	-	2,310,088,917		2,310,088,917		
Share-based payment	-	-	4,936,250	-	-	-	-	4,936,250		4,936,250		
Transfer share-based payment reserve to share premium	-	4,936,250	(4,936,250)	-	-	-	-	-		-		
Dividend paid (Note 29)	-	-	-	-	-	(512,100,000)	-	(512,100,000)		(512,100,000)		
Unappropriated retained earnings transferred to statutory reserve (Note 20)	-	-	-	-	80,126,033	(80,126,033)	-	-		-		
Balance as at 31 December 2022	2,125,000,000	1,890,025,167	-	(50,505,039)	123,174,479	941,082,051	4,770,510	5,033,547,168		5,033,547,168		
Balance as at 1 January 2023	2,125,000,000	1,890,025,167	-	(50,505,039)	123,174,479	941,082,051	4,770,510	5,033,547,168		5,033,547,168		
Profit for the year	-	-	-	-	-	382,921,280	-	382,921,280		382,921,280		
Other comprehensive income for the year	-	-	-	-	-	-	(2,367,434)	(2,367,434)		(2,367,434)		
Total comprehensive income for the year	-	-	-	-	-	382,921,280	(2,367,434)	380,553,846		380,553,846		
Dividend paid (Note 29)	-	-	-	-	-	(531,234,251)	-	(531,234,251)		(531,234,251)		
Unappropriated retained earnings transferred to statutory reserve (Note 20)	-	-	-	-	21,223,018	(21,223,018)	-	-		-		
Balance as at 31 December 2023	2,125,000,000	1,890,025,167	-	(50,505,039)	144,397,497	771,546,062	2,403,076	4,882,866,763		4,882,866,763		

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



Statement of changes in shareholders' equity (continued)

Asian Alliance International Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Baht)

	Separate financial statements					
	Issued and paid-up		Share-based payment reserve	Retained earnings		Total
	share capital	Share premium		statutory reserve	Unappropriated	
Balance as at 1 January 2022	1,700,000,000	-	-	43,048,446	721,548,774	2,464,597,220
Profit for the year	-	-	-	-	903,593,361	903,593,361
Other comprehensive income for the year	-	-	-	-	(322,775)	(322,775)
Total comprehensive income for the year	-	-	-	-	903,270,586	903,270,586
Increase share capital (Note 19)	425,000,000	1,885,088,917	-	-	-	2,310,088,917
Share-based payment	-	-	4,936,250	-	-	4,936,250
Transfer share-based payment reserve to share premium	-	4,936,250	(4,936,250)	-	-	-
Dividend paid (Note 29)	-	-	-	-	(512,100,000)	(512,100,000)
Unappropriated retained earnings transferred to statutory reserve (Note 20)	-	-	-	80,126,033	(80,126,033)	-
Balance as at 31 December 2022	<u>2,125,000,000</u>	<u>1,890,025,167</u>	<u>-</u>	<u>123,174,479</u>	<u>1,032,593,327</u>	<u>5,170,792,973</u>
Balance as at 1 January 2023	2,125,000,000	1,890,025,167	-	123,174,479	1,032,593,327	5,170,792,973
Profit for the year	-	-	-	-	424,460,362	424,460,362
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	424,460,362	424,460,362
Dividend paid (Note 29)	-	-	-	-	(531,234,251)	(531,234,251)
Unappropriated retained earnings transferred to statutory reserve (Note 20)	-	-	-	21,223,018	(21,223,018)	-
Balance as at 31 December 2023	<u>2,125,000,000</u>	<u>1,890,025,167</u>	<u>-</u>	<u>144,397,497</u>	<u>904,596,420</u>	<u>5,064,019,084</u>

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



Cash flow statement

Asian Alliance International Public Company Limited and its subsidiaries

For the year ended 31 December 2023

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before tax	396,755,348	984,943,737	440,426,175	1,029,461,648
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	207,574,954	173,627,748	203,694,429	170,788,691
Allowance for expected credit losses (reversal)	3,258,544	3,855,742	(142,653)	3,855,742
Reduction of cost of inventories to net realisable value	10,695,291	17,030,755	5,559,658	17,030,755
Loss on sales/written-off of plant and equipment	156,440	3,385,950	156,440	3,385,950
Loss on written-off intangible asset	-	909,948	-	-
Gain on cancellation of lease contract	-	(244,977)	-	(244,977)
Long-term employee benefit expenses	4,594,807	3,405,305	4,467,724	3,213,119
Unrealised loss on exchange rate	16,284,955	31,340,485	16,454,934	31,112,301
Unrealised loss (gain) on forward foreign exchange contracts	99,668,118	(133,309,687)	99,668,118	(133,309,687)
Share-based payment expenses	-	4,936,250	-	4,936,250
Share of loss from joint ventures	1,436,705	705,021	-	-
Share of profit from associate	(732,244)	(1,229,779)	-	-
Finance income	(30,807,191)	(3,689,621)	(31,860,462)	(4,056,843)
Finance cost	15,528,159	36,241,751	14,329,047	34,464,863
Profit from operating activities before changes in operating assets and liabilities	724,413,886	1,121,908,628	752,753,410	1,160,637,812
Operating assets (increase) decrease				
Trade and other receivables	85,627,364	(406,944,123)	78,748,601	(393,096,232)
Inventories	442,611,182	(141,935,362)	447,507,654	(131,795,085)
Other current assets	36,259,797	(36,512,150)	34,305,738	(36,907,754)
Other non-current assets	3,009,079	(1,426,294)	1,874,817	(1,306,001)
Operating liabilities increase (decrease)				
Trade and other payables	(21,384,278)	(10,788,530)	(15,416,397)	(25,738,799)
Other current liabilities	(7,394,350)	18,904,293	(7,188,377)	18,934,050
Cash paid for long-term employee benefits	(1,263,100)	(211,800)	(1,263,100)	(211,800)
Cash flows from operating activities	1,261,879,580	542,994,662	1,291,322,346	590,516,191
Interest received	29,503,154	1,309,400	31,001,038	2,420,071
Interest paid	(15,576,241)	(36,374,281)	(14,377,129)	(34,597,393)
Income tax paid	(40,478,445)	(100,745,784)	(40,478,445)	(100,745,784)
Net cash flows from operating activities	1,235,328,048	407,183,997	1,267,467,810	457,593,085

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



Cash flow statement (continued)

Asian Alliance International Public Company Limited and its subsidiaries

For the year ended 31 December 2023

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Decrease in restricted bank deposits	-	18,561,579	-	18,561,579
Cash payments for building construction and acquisitions of equipment	(162,588,921)	(429,752,304)	(159,824,652)	(427,010,807)
Cash payments for deposits of machinery	(1,283,611)	(7,051,448)	(1,283,611)	(7,051,448)
Cash payments for acquisitions of computer software	(1,038,711)	(2,481,676)	(996,017)	(1,747,229)
Proceeds from sales of equipment	575,660	525,472	575,660	525,472
Increase in short-term loans to related parties	(831,900,000)	-	(864,807,001)	(57,431,497)
Cash payment for long-term loans to joint venture	-	(186,893)	-	-
Cash received from repayment of long-term loans to joint venture	2,308,800	5,503,950	-	-
Net cash flows used in investing activities	(993,926,783)	(414,881,320)	(1,026,335,621)	(474,153,930)
Cash flows from financing activities				
Decrease in short-term loans from banks	-	(495,745,523)	-	(495,745,523)
Repayment of long-term loan	(270,000,000)	(75,090,000)	(270,000,000)	(75,090,000)
Cash received from long-term loan	-	270,000,000	-	270,000,000
Payment of principal of lease liabilities	(15,411,764)	(13,366,651)	(13,777,946)	(12,425,843)
Cash received from share capital increase	-	2,353,813,750	-	2,353,813,750
Cash payment for direct costs related to the share offering	-	(54,656,042)	-	(54,656,042)
Dividend paid	(530,950,778)	(512,100,000)	(530,950,778)	(512,100,000)
Net cash flows from (used in) financing activities	(816,362,542)	1,472,855,534	(814,728,724)	1,473,796,342
Decrease in exchange differences on translation of financial statements in foreign currency	(1,543,846)	(3,312,348)	-	-
Net (decrease) increase in cash and cash equivalents	(576,505,123)	1,461,845,863	(573,596,535)	1,457,235,497
Cash and cash equivalents at beginning of year	1,507,789,931	45,944,068	1,487,430,531	30,195,034
Cash and cash equivalents at end of year	931,284,808	1,507,789,931	913,833,996	1,487,430,531
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions				
Decrease in other payables for building construction and acquisitions of equipment	(12,540,063)	(14,189,656)	(12,540,063)	(14,189,656)
Increase in dividend payable	283,473	-	283,473	-
Transferred deposits of equipment to equipment	7,051,448	17,139,072	7,051,448	17,139,072
Increase in right-of-use assets	12,450,736	154,509,693	11,289,191	154,509,693
Actuarial loss	-	251,776	-	403,469

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



Notes to consolidated financial statements

Asian Alliance International Public Company Limited and its subsidiaries

For the year ended 31 December 2023

1. General information

Asian Alliance International Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Asian Sea Corporation Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the production of packaged seafoods, animal feeds and fishmeal. The registered office of the Company is at 55/2 Rama II Road, Bangkrajae, Muang Samut Sakhon, Samut Sakhon. There are 3 branches located in Samut Sakhon.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Asian Alliance International Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”).

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023 (Percent)	2022 (Percent)
<u>Subsidiary directly held by the Company</u>				
Asian Pets Care Corporation Co., Ltd.	Distribution of animal feeds, marketing and management activities, including investing in other business	Thailand	100	100
<u>Subsidiary held by Asian Pets Care Corporation Co., Ltd.</u>				
Thaiya Corporation (Shanghai) Co., Ltd.	Marketing service and distribution of animal feeds and frozen seafoods	China	100	100

In December 2023, Thaiya Corporation (Shanghai) Co., Ltd. called for an additional payment of USD 0.5 million for the shares. As at 31 December 2023, outstanding called-up shared capital amounted to USD 0.5 million (2022: USD 1.0 million).

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that significantly affect the amount of its returns.
 - c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using daily average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statement of changes in shareholders’ equity.
 - f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- 2.3 The separate financial statements present investments in subsidiary, joint venture and associate under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods and rendering of transportation services

Sales of goods

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

Rendering of transportation services

Upon the condition of sales which included transportation services, revenue arrangements with multiple deliverables are allocated between the element in proportion to the delivered products and the obligations to be performed in providing transportation services that are included in the contract using the basis of standalone selling prices of different products or services as obligated in the contract. Transportation service revenue is recognised as revenue over the periods.

The obligation to transfer services to a customer for which the Group has received consideration or an amount of consideration due from the customer is presented under the caption of "Other current liabilities" in the statement of financial position, which are recognised as revenue over the period of transportation services.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

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

Export incentive

Export incentives, which are received in the form of tax coupons, are recognised as income when the Group exports the goods.

4.2 Cash and cash equivalents

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

4.3 Inventories

Finished goods and work in process are valued at the lower of average cost and net realisable value. The cost of inventories includes raw material costs, labor costs and attributable factory overheads.

Raw materials, packing materials, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.4 Investments in subsidiary, joint ventures and associate

Investments in joint ventures and associate are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiary, joint venture and associate are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

4.5 Plant and equipment and depreciation

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

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

Land improvement	3 - 25 years
Buildings and building improvement	2 - 30 years
Machinery and equipment	2 - 20 years
Furniture, fixtures and office equipment	2 - 20 years
Motor vehicles	5 - 10 years

Depreciation is included in determining income. No depreciation is provided on assets under installation and construction.

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

4.6 Intangible assets

Intangible assets are initially recognised at cost. Subsequent to initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses (if any) and intangible assets with indefinite useful lives are carried at cost less impairment losses (if any).

Intangible assets with finite useful lives are computer software and are amortised on the straight-line basis over the economic useful life. The amortisation expense is charged to profit or loss. The computer software has useful lives between 3 and 15 years. No amortisation is charged for computer software under installation.

Intangible assets with indefinite useful lives are trademarks and are not amortised, but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite useful lives of the intangible assets is reviewed annually.

4.7 Leases

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

The Group as a lessee

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

Right-of-use assets

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

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

Land	30 years
Buildings	3 years
Factory equipment	3 - 5 years
Office equipment	5 years
Motor vehicles	4 and 5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term or a change in the lease payments.

Short-term leases and leases of low-value assets

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

4.8 Related party transactions

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

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

4.9 Foreign currencies

The consolidated and separate financial statement are presented in Baht, which is also the Company's functional currency. Item of each entity include in the consolidated financial statement are measured using the functional currency of that entity.

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

Gains and losses on exchange rate are included in determining income.

4.10 Impairment of non-financial assets

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

An impairment loss is recognised in profit or loss.

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

4.11 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.12 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.13 Equity- settled share-based payments

The Group recognises share-based payment transactions when services are rendered by employees, based on the fair value of the share options at the grant date. The expenses, together with a corresponding increase in "Share-based payment reserve" in shareholders' equity, are recognised over the service period as specified in the plan.

4.14 Income tax

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

Current tax

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

Deferred tax

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

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.15 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss. These financial assets include derivatives.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

The Group may elect to measure financial liabilities at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

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

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

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

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

Offsetting of financial instruments

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

4.16 Derivatives

The Group uses derivatives, forward foreign exchange contracts to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that is appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows.

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Provision for diminution in the value of inventories

In determining a provision for diminution in the value of inventories, the management needs to make judgement and estimates for slow-moving and obsolete inventories based upon, among other things, the product life cycle, the competitive environment, economic circumstances and the situation within the industry.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

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

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2023	2022	2023	2022	
Transactions with parent company					
Sales	719	867	719	867	Cost plus margin
Interest income	13,002	38	13,002	38	3.61% - 4.45% per annum (2022: 2.49% per annum)
Other income	3,667	1,231	3,667	1,231	Cost plus margin and mutually agreed price
Purchases of raw materials	2,169	5,193	2,169	5,193	Cost plus margin
Cold storage service expenses	43,820	54,223	43,820	54,223	Contract price
Rental expenses	15,687	15,687	15,687	15,687	Contract price
Other expenses	6,093	9,288	6,093	9,261	Cost plus margin and mutually agreed price
Dividend paid	371,873	512,098	371,873	512,098	As declared
Transactions with subsidiaries					
(eliminated from the consolidated financial statements)					
Sales	-	-	35,596	47,605	Cost plus margin
Interest income	-	-	1,826	1,286	1.70% - 4.45% per annum (2022: 2.48% - 2.91% per annum)
Other income	-	-	7	292	Cost plus margin and mutually agreed price
Transactions with joint ventures					
Interest income	772	919	-	-	4.00% - 5.00% per annum
Commission expenses	12,113	17,212	12,113	17,212	Mutually agreed price
Transactions with associate					
Sales	43,559	43,566	43,559	43,566	Cost plus margin
Interest income	192	192	192	192	4.00% per annum
Transactions with related parties					
Sales	36,344	50,605	36,344	50,605	Cost plus margin
Other income	171	207	171	207	Cost plus margin and mutually agreed price
Purchases of raw materials	-	135	-	135	Cost plus margin
Other expenses	1,082	6,202	31	44	Cost plus margin and mutually agreed price

As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related parties are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Trade and other receivables - related parties (Note 8)				
Parent company	2,671	204	2,671	204
Subsidiaries	-	-	3,598	3,031
Joint ventures	2,591	2,161	-	-
Associate	1,342	48	1,342	48
Related parties (related by common shareholders or directors)	2,579	2,303	2,579	2,303
Trade and other payables - related parties (Note 15)				
Parent company	5,876	5,607	5,876	5,607
Related parties (related by common shareholders or directors)	1,050	3,148	-	-

Short-term loans to related parties

Short-term loans to related parties are due at call and unsecured. During the current year, movements in the short-term loans to related parties account are as follows.

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Balance as at 31 December 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2023
Short-term loan to				
Asian Sea Corporation Public Company Limited	-	1,367,500	(535,600)	831,900

	(Unit: Thousand Baht)			
	Separate financial statements			
	Balance as at 31 December 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2023
Short-term loans to				
Asian Sea Corporation Public Company Limited	-	1,367,500	(535,600)	831,900
Asian Pets Care Corporation Co., Ltd.	80,665	166,250	(133,343)	113,572
Total	80,665	1,533,750	(668,943)	945,472

Long-term loans to joint ventures

During the current year, movements in the long-term loans to joint ventures account are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Balance as at 31 December 2022	Decrease during the year	Unrealised gain (loss) on exchange rate	Recognised share of profit	Recognised share of translation of financial statements in foreign currency	Balance as at 31 December 2023
Long-term loans to						
Asian Group SCS						
Europe GmbH	1,884	(2,309)	171	1,715	2	1,463
Shandong Thaiya Meisi						
Pet Foods Co., Ltd.	12,573	-	(404)	-	-	12,169
Total	14,457	(2,309)	(233)	1,715	2	13,632

Long-term loans to joint ventures are unsecured. Both principal and interest are to be repaid in specified installments as prescribed in the agreement.

Long-term loan to associate

During the current year, movements in the long-term loan to associate account are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Balance as at 31 December 2022	Recognised share of profit	Balance as at 31 December 2023	Balance as at 31 December 2022	Increase during the year	Balance as at 31 December 2023
Long-term loan to						
Inter Petrina Co., Ltd.	3,663	732	4,395	4,800	-	4,800

Long-term loan to associate is unsecured. Both principal and interest are to be repaid in specified installments as prescribed in the agreement.

Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	2023	2022
Short-term employee benefits	16,085	18,572
Post-employment benefits	635	479
Share-based payment	-	1,650
Total	16,720	20,701

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash	75	296	70	86
Bank deposits	931,210	1,507,494	913,764	1,487,345
Total	931,285	1,507,790	913,834	1,487,431

As at 31 December 2023, bank deposits in savings accounts and fixed deposits carried interest at rates between 0.05% and 2.05% per annum (2022: between 0.05% and 1.20% per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Trade receivables - related parties (Note 6)</u>				
Aged on the basis of due dates				
Not yet due	3,681	2,117	5,688	4,948
Past due up to 3 months	-	-	1,408	-
Total trade receivables - related parties	3,681	2,117	7,096	4,948

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	755,406	838,175	745,529	824,046
Past due				
Up to 3 months	53,335	78,661	48,461	71,709
3 - 6 months	2,251	-	2,251	-
6 - 12 months	4,106	3,052	4,066	-
Over 12 months	12,325	9,339	9,281	9,339
Total	827,423	929,227	809,588	905,094
Less: Allowance for expected credit losses	(12,683)	(9,339)	(9,281)	(9,339)
Total trade receivables - unrelated parties, net	814,740	919,888	800,307	895,755
Total trade receivables - net	818,421	922,005	807,403	900,703
<u>Other receivables</u>				
Other receivables - related parties (Note 6)	420	390	425	397
Other receivables - unrelated parties	58,486	65,302	58,486	65,302
Interest receivable from related parties (Note 6)	5,082	2,209	2,669	241
Total	63,988	67,901	61,580	65,940
Less: Allowance for expected credit losses	(8,730)	(8,815)	(8,730)	(8,815)
Total other receivables - net	55,258	59,086	52,850	57,125
Total trade and other receivables - net	873,679	981,091	860,253	957,828

The normal credit term is 0 day to 180 days.

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	18,154	14,298	18,154	14,298
Provision for expected credit losses	3,402	3,390	-	3,390
Effect from foreign exchange rate	(143)	466	(143)	466
Ending balance	21,413	18,154	18,011	18,154

9. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	659,881	832,409	(44,078)	(39,795)	615,803	792,614
Work in process	5,731	3,508	-	-	5,731	3,508
Raw materials	401,445	659,345	(4,903)	(484)	396,542	658,861
Packing materials	156,920	172,015	(2,669)	(676)	154,251	171,339
Spare parts and factory supplies	37,550	37,508	-	-	37,550	37,508
Goods in transit	91,246	90,600	-	-	91,246	90,600
Total	1,352,773	1,795,385	(51,650)	(40,955)	1,301,123	1,754,430

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	631,862	805,533	(42,360)	(39,795)	589,502	765,738
Work in process	5,731	3,508	-	-	5,731	3,508
Raw materials	398,018	655,530	(1,486)	(484)	396,532	655,046
Packing materials	142,770	162,006	(2,669)	(676)	140,101	161,330
Spare parts and factory supplies	37,550	37,508	-	-	37,550	37,508
Goods in transit	91,246	90,600	-	-	91,246	90,600
Total	1,307,177	1,754,685	(46,515)	(40,955)	1,260,662	1,713,730

During the year 2023, the Group reduced cost of inventories by Baht 11 million (2022: Baht 17 million) (Separate financial statements: Baht 6 million, 2022: Baht 17 million), to reflect the net realisable value. This was included in cost of sales.

10. Investment in subsidiary

Details of investment in subsidiary as presented in the separate financial statements are as follows.

(Unit: Thousand Baht)

Company	Paid-up capital		Shareholding percentage		Cost	
	2023	2022	2023	2022	2023	2022
			(%)	(%)		
Asian Pets Care Corporation Co., Ltd.	200,000	200,000	100	100	130,800	130,800

11. Investments in joint ventures

11.1 Details of investments in joint ventures

Investments in joint ventures represent investments in entities which are jointly controlled by the Group and other companies. Details of these investments are as follows.

(Unit: Thousand Baht)

Joint ventures	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2023	2022	2023	2022	2023	2022
			(%)	(%)				
Asian Group SCS Europe GmbH	Marketing and distribution of the Group's products outside Thailand	Germany	60	60	572	572	-	-
Shandong Thaiya Meisi Pet Foods Co., Ltd.	Producing pet food pellets in China	China	51	51	44,487	44,487	30,606	34,179
Total					<u>45,059</u>	<u>45,059</u>	<u>30,606</u>	<u>34,179</u>

(Unit: Thousand Baht)

Joint venture	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			2023	2022	2023	2022
			(%)	(%)		
Asian Group SCS Europe GmbH	Marketing and distribution of the Group's products outside Thailand	Germany	60	60	572	572

11.2 Share of comprehensive income and dividend received

During the years, the Group recognised its share of comprehensive income from investments in joint ventures in the consolidated financial statements as follows.

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements			
	Share of profit (loss)		Share of other comprehensive income	
	2023	2022	2023	2022
Asian Group SCS Europe GmbH	1,715	4,736	2	181
Shandong Thaiya Meisi Pet Foods Co., Ltd.	(3,152)	(5,441)	(421)	(930)
Total	(1,437)	(705)	(419)	(749)

The Group recognised cumulative share of losses from investment in a joint venture until the value of the investment approached zero. Subsequent cumulative share of losses incurred by the joint venture have been recognised as deductions from the balance of long-term loan receivable (as mentioned in Note 6).

The joint ventures did not pay any dividend in the years 2023 and 2022.

The share of profit (loss) from investments in joint ventures for the year ended 31 December 2023 have been accounted for based on the financial information prepared by the management of those companies, which has not been audited by their auditors. However, the Group's management believes that there would be no material discrepancies if those financial information had been audited by the joint ventures' auditors.

12. Investment in associate

12.1 Details of investment in associate

(Unit: Thousand Baht)

Associate	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Carrying amounts based on equity method			
			2023	2022	Cost		2023	2022
			(%)	(%)				
Inter Petrina Co., Ltd.	Distribution of animal feeds	Thailand	40	40	1,600	1,600	-	-

(Unit: Thousand Baht)

Associate	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			2023	2022	2023	2022
			(%)	(%)		
Inter Petrina Co., Ltd.	Distribution of animal feeds	Thailand	40	40	1,600	1,600

12.2 Share of profit and dividend received

During the years, the Group recognised its share of profit from investment in associate in the consolidated financial statements as follows.

(Unit: Thousand Baht)

Associate	Consolidated financial statements	
	Share of profit	
	2023	2022
Inter Petrina Co., Ltd.	732	1,230

The Group recognised cumulative share of losses from investment in an associate until the value of the investment approached zero. Subsequent cumulative share of losses incurred by the associate has been recognised by deducting from the balances of long-term loan receivables (as mentioned in Note 6).

The associate did not pay any dividend in the years 2023 and 2022.

The share of profit from investment in associate for the year ended 31 December 2023 have been accounted for based on the financial information prepared by the management of that company, which has not been audited by its auditor. However, the Group's management believes that there would be no material discrepancies if those financial information had been audited by the associate's auditor.

13. Plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and construction	
Cost							
As at 1 January 2022	41,099	611,623	1,280,255	49,923	11,500	93,829	2,088,229
Additions	2,918	23,859	149,692	14,274	31	241,928	432,702
Disposals/written-off	(1,910)	(5,922)	(43,397)	(12,718)	-	-	(63,947)
Transfer in (out)	1,139	124,952	65,179	2,398	-	(193,668)	-
Translation adjustments	-	-	-	(12)	-	-	(12)
As at 31 December 2022	43,246	754,512	1,451,729	53,865	11,531	142,089	2,456,972
Additions	408	13,799	115,899	8,499	11	18,484	157,100
Disposals/written-off	-	-	(10,210)	(81)	(1,488)	-	(11,779)
Transfer in (out)	-	9,565	111,593	1,258	-	(122,416)	-
Translation adjustments	-	-	-	(1)	-	-	(1)
As at 31 December 2023	43,654	777,876	1,669,011	63,540	10,054	38,157	2,602,292
Accumulated depreciation							
As at 1 January 2022	(25,710)	(295,797)	(650,587)	(29,933)	(8,911)	-	(1,010,938)
Depreciation for the year	(3,594)	(29,638)	(111,638)	(7,327)	(496)	-	(152,693)
Depreciation on disposals/ written-off	1,037	4,630	41,882	12,486	-	-	60,035
Translation adjustments	-	-	-	12	-	-	12
As at 31 December 2022	(28,267)	(320,805)	(720,343)	(24,762)	(9,407)	-	(1,103,584)
Depreciation for the year	(3,163)	(31,675)	(139,322)	(8,901)	(477)	-	(183,538)
Depreciation on disposals/ written-off	-	-	9,487	71	1,488	-	11,046
Translation adjustments	-	-	-	1	-	-	1
As at 31 December 2023	(31,430)	(352,480)	(850,178)	(33,591)	(8,396)	-	(1,276,075)
Net book value							
As at 31 December 2022	14,979	433,707	731,386	29,103	2,124	142,089	1,353,388
As at 31 December 2023	12,224	425,396	818,833	29,949	1,658	38,157	1,326,217
Depreciation for the years							
2022 (Baht 147 million included in manufacturing cost, and the balance in selling and administrative expenses)							152,693
2023 (Baht 177 million included in manufacturing cost, and the balance in selling and administrative expenses)							183,538

(Unit: Thousand Baht)

Separate financial statements							
	Land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and construction	Total
Cost							
As at 1 January 2022	41,099	611,303	1,278,286	48,135	11,500	93,829	2,084,152
Additions	2,918	23,859	146,972	14,253	31	241,928	429,961
Disposals/written-off	(1,910)	(5,922)	(43,397)	(12,718)	-	-	(63,947)
Transfer in (out)	1,139	124,952	65,179	2,398	-	(193,668)	-
As at 31 December 2022	43,246	754,192	1,447,040	52,068	11,531	142,089	2,450,166
Additions	408	13,799	113,361	8,273	11	18,484	154,336
Disposals/written-off	-	-	(10,210)	(81)	(1,488)	-	(11,779)
Transfer in (out)	-	9,565	111,593	1,258	-	(122,416)	-
As at 31 December 2023	43,654	777,556	1,661,784	61,518	10,054	38,157	2,592,723
Accumulated depreciation							
As at 1 January 2022	(25,710)	(295,637)	(649,701)	(28,963)	(8,911)	-	(1,008,922)
Depreciation for the year	(3,594)	(29,574)	(110,724)	(6,978)	(496)	-	(151,366)
Depreciation on disposals/written-off	1,037	4,630	41,882	12,486	-	-	60,035
As at 31 December 2022	(28,267)	(320,581)	(718,543)	(23,455)	(9,407)	-	(1,100,253)
Depreciation for the year	(3,163)	(31,611)	(137,966)	(8,633)	(477)	-	(181,850)
Depreciation on disposals/written-off	-	-	9,487	71	1,488	-	11,046
As at 31 December 2023	(31,430)	(352,192)	(847,022)	(32,017)	(8,396)	-	(1,271,057)
Net book value							
As at 31 December 2022	14,979	433,611	728,497	28,613	2,124	142,089	1,349,913
As at 31 December 2023	12,224	425,364	814,762	29,501	1,658	38,157	1,321,666
Depreciation for the years							
2022 (Baht 146 million included in manufacturing cost, and the balance in selling and administrative expenses)							151,366
2023 (Baht 175 million included in manufacturing cost, and the balance in selling and administrative expenses)							181,850

As at 31 December 2023, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 489 million (2022: Baht 401 million) and Separate financial statements: Baht 487 million (2022: Baht 401 million).



14. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements			
	Trademark	Computer software	Computer under installation	Total	Trademark	Computer software	Computer under installation	Total
Cost								
As at 1 January 2022	1,140	17,760	408	19,308	52,300	12,658	354	65,312
Additions	-	1,132	1,350	2,482	-	397	1,350	1,747
Written-off	(1,140)	-	(54)	(1,194)	-	-	-	-
Transfer in (out)	-	354	(354)	-	-	354	(354)	-
Translation adjustments	-	(11)	-	(11)	-	-	-	-
As at 31 December 2022	-	19,235	1,350	20,585	52,300	13,409	1,350	67,059
Additions	-	298	741	1,039	-	255	741	996
Transfer in (out)	-	775	(775)	-	-	775	(775)	-
Translation adjustments	-	(6)	-	(6)	-	-	-	-
As at 31 December 2023	-	20,302	1,316	21,618	52,300	14,439	1,316	68,055
Accumulated amortisation								
As at 1 January 2022	(283)	(2,427)	-	(2,710)	-	(1,501)	-	(1,501)
Amortisation for the year	-	(1,452)	-	(1,452)	-	(890)	-	(890)
Amoritsation on written-off	283	-	-	283	-	-	-	-
Translation adjustments	-	8	-	8	-	-	-	-
As at 31 December 2022	-	(3,871)	-	(3,871)	-	(2,391)	-	(2,391)
Amoritsation on written-off	-	(1,645)	-	(1,645)	-	(1,079)	-	(1,079)
Translation adjustments	-	6	-	6	-	-	-	-
As at 31 December 2023	-	(5,510)	-	(5,510)	-	(3,470)	-	(3,470)
Net book value								
As at 31 December 2022	-	15,364	1,350	16,714	52,300	11,018	1,350	64,668
As at 31 December 2023	-	14,792	1,316	16,108	52,300	10,969	1,316	64,585

Intangible assets with indefinite useful lives

The Company's trademarks have indefinite useful lives. They are thus not amortised. As at 31 December 2023 and 2022, details of the Company's trademarks are as follows.

(Unit: Thousand Baht)

Trademarks	Separate financial statement	
	Cost	
	2023	2022
Mon Chou	47,000	47,000
Hajiko	5,300	5,300
Total	52,300	52,300

The Company allocates trademarks with indefinite useful lives to two cash-generating units, namely the Mon Chou and Hajiko trademarks, for annual impairment testing.

The Company has determined that the recoverable amounts of its cash-generating units based on value in use, using cash flow projections based on financial estimates approved by management and key assumptions relating to revenue growth rate and discount rate.

15. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade payables - related parties (Note 6)	5,559	7,935	4,509	4,787
Trade payables - unrelated parties	337,430	313,124	326,215	297,493
Other payables - related parties (Note 6)	1,367	820	1,367	820
Other payables - unrelated parties	41,485	73,014	39,683	72,498
Accrued expenses	68,864	96,875	64,814	92,085
Total	454,705	491,768	436,588	467,683

16. Long-term loan

	Interest rate (percent per annum)	Repayment schedule	(Unit: Thousand Baht)	
			Consolidated/Separate	
			financial statements	
			2023	2022
For first year after receiving the loan, interest rate at 3.25 and subsequently, interest rate at MLR - 1.75		Monthly repayment as from June 2023 until August 2025	-	270,000
Total			-	270,000
Less: Portion due within one year			-	(70,000)
Portion due more than one year			-	200,000

Movements in the long-term loan account for the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	2023	2022
Beginning balance	270,000	75,090
Additional borrowings	-	270,000
Repayments	(270,000)	(75,090)
Ending balance	-	270,000

The loan required the parent company to maintain its proportionate shareholding in the Company and a certain group of the shareholders to maintain their proportional shareholding in the parent company, as prescribed in the agreement. The loan agreements contains several covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rates prescribed in the agreement. During the year 2023, the Company fully made repayment of this loan.

17. Leases

The Group as a lessee

The Group entered into lease contract for the purposes of use in the Group's operations, whereby underlying asset is not allowed to be subleased and transferred to others, unless a prior written consent of the lessor has been obtained.

a) Right-of-use assets

Movement in right-of-use assets account for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land	Buildings	Factory equipment	Office equipment	Motor vehicles	Total
As at 1 January 2022	9,932	15,892	15,141	65	2,547	43,577
Effect of contract modification	131,842	8,497	-	-	-	140,339
Additions	-	928	10,777	-	2,466	14,171
Depreciation for the year	(4,723)	(5,123)	(8,512)	(31)	(1,094)	(19,483)
Cancellation contract	-	(9,932)	-	-	-	(9,932)
As at 31 December 2022	137,051	10,262	17,406	34	3,919	168,672
Additions	-	-	11,289	-	1,162	12,451
Depreciation for the year	(4,723)	(5,123)	(10,345)	(20)	(2,181)	(22,392)
As at 31 December 2023	132,328	5,139	18,350	14	2,900	158,731

(Unit: Thousand Baht)

	Separate financial statements					
	Land	Buildings	Factory	Office	Motor	Total
			equipment	equipment	vehicles	
As at 1 January 2022	9,932	15,892	15,141	65	-	41,030
Effect of contract modification	131,842	8,497	-	-	-	140,339
Additions	-	928	10,777	-	2,466	14,171
Depreciation for the year	(4,723)	(5,123)	(8,512)	(31)	(144)	(18,533)
Cancellation contract	-	(9,932)	-	-	-	(9,932)
As at 31 December 2022	137,051	10,262	17,406	34	2,322	167,075
Additions	-	-	11,289	-	-	11,289
Depreciation for the year	(4,723)	(5,123)	(10,345)	(20)	(554)	(20,765)
As at 31 December 2023	132,328	5,139	18,350	14	1,768	157,599

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Lease payments	422,571	436,525	421,305	434,756
Less: Deferred interest expenses	(250,463)	(261,456)	(250,435)	(261,397)
Total	172,108	175,069	170,870	173,359
Less: Portion due within one year	(14,065)	(12,694)	(13,035)	(11,714)
Portion due more than one year	158,043	162,375	157,835	161,645

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	175,069	44,103	173,359	41,452
Effect of contract modification	-	140,339	-	140,339
Additions	12,451	14,171	11,289	14,171
Accretion of interest	12,123	10,871	11,991	10,782
Payments of lease	(27,535)	(24,238)	(25,769)	(23,208)
Cancellation of contract	-	(10,177)	-	(10,177)
Ending balance	172,108	175,069	170,870	173,359

A maturity analysis of lease payments is disclosed in Note 32.2 under the liquidity risk.

c) Expenses relating to leases those are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	20223	2022
Depreciation expense of right-of-use assets	22,392	19,483	20,765	18,533
Interest expenses on lease liabilities	12,123	10,871	11,991	10,782
Expenses relating to short-term leases	8,390	12,154	8,390	12,154

d) Other

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 35.9 million (2022: Baht 36.4 million) Separate financial statements: Bath 34.2 million (2022: Baht 35.4 million), including the cash outflow related to short-term lease.

18. Provision for long-term employee benefits

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Provision for long-term employee benefits				
at beginning of year	30,845	27,400	30,433	27,028
Included in profit or loss:				
Current service cost	3,660	2,814	3,549	2,632
Interest cost	935	591	919	581
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Financial assumptions changes	-	(1,691)	-	(1,656)
Experience adjustments	-	1,943	-	2,060
Benefits paid during the year	(1,263)	(212)	(1,263)	(212)
Provision for long-term employee benefits				
at end of year	34,177	30,845	33,638	30,433

As at 31 December 2023, the Group expects to pay Baht 0.8 million of long-term employee benefits during the next year (2022: Baht 1.4 million) and Separate financial statements: Baht 0.8 million (2022: Baht 1.4 million).

As at 31 December 2023 and 2022, the weighted average duration of the liabilities for long-term employee benefits of the Group is 18 years (the Company only: 18 years).

Significant actuarial assumptions are summarised below.

	(Unit: percent per annum)	
	Consolidated/Separate	
	financial statements	
	2023	2022
Discount rate	1.44 - 5.65	1.44 - 5.65
Salary increase rate	3.00 - 5.00	3.00 - 5.00
Employee turnover rate	0 - 50	0 - 50

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations are summarised below.

	(Unit: Thousand Baht)			
	As at 31 December 2023			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(3,578)	4,182	(3,498)	4,086
Salary increase rate	4,460	(3,867)	4,359	(3,783)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Employee turnover rate	(3,509)	4,233	(3,423)	4,129

	(Unit: Thousand Baht)			
	As at 31 December 2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(3,325)	3,901	(3,262)	3,825
Salary increase rate	3,818	(3,321)	3,744	(3,258)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Employee turnover rate	(2,975)	3,568	(2,912)	3,493

19. Share Capital

	Consolidated/Separate financial statements				
	Par value per share	Number of shares		Share capital	
		Registered	Paid-up	Registered	Paid-up
	(Baht)	(Million Shares)		(Million Baht)	
Share capital as at 1 January 2022	10	170	170	1,700	1,700
Change in a par value	1	1,530	1,530	-	-
Increase share capital	1	425	425	425	425
Share capital as at 31 December 2022	1	2,125	2,125	2,125	2,125
Share capital as at 31 December 2023		2,125	2,125	2,125	2,125

20. Statutory reserves

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

21. Other income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Export incentives	34,831	49,091	34,831	49,091
Others	18,953	22,773	18,955	22,952
Total	53,784	71,864	53,786	72,043

22. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Interest expenses on borrowings	3,405	25,371	2,338	23,683
Interest expenses on lease liabilities	12,123	10,871	11,991	10,782
Total	15,528	36,242	14,329	34,465

23. Expenses by nature

Significant expenses classified by nature are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Changes in inventories of finished goods and work in process	170,305	63,558	171,448	66,481
Raw materials and consumables used	2,993,359	3,871,584	2,986,438	3,866,857
Salaries, wages and other employee benefits	797,036	892,166	767,295	859,504
Depreciation and amortisation	207,575	173,628	203,694	170,789
Electricity expenses	76,696	70,974	76,650	70,974
Transport expenses	63,639	102,127	53,453	90,912
Loss on exchange rate and fair value adjustment of forward foreign exchange contracts	54,739	44,402	54,322	43,890
Warehouse service fee	50,686	64,233	50,686	64,233

24. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax				
Current income tax charge	36,958	92,737	36,958	92,737
Income tax directly related to shareholders' equity	-	10,931	-	10,931
Deferred tax:				
Relating to origination and reversal of temporary differences	(23,124)	22,162	(20,992)	22,200
Income tax expenses reported in profit or loss	<u>13,834</u>	<u>125,830</u>	<u>15,966</u>	<u>125,868</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax relating to actuarial loss	-	(50)	-	(81)

The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit before tax	396,755	984,944	440,426	1,029,462
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	79,351	196,989	88,085	205,892
Share of (profit) loss from joint ventures and associate	141	(105)	-	-
Effects of eliminated entries	(670)	263	-	-
Deferred tax assets relating to tax losses	7,057	8,111	-	-
Effects of:				
Promotional privileges (Note 25)	(75,112)	(80,062)	(75,112)	(80,062)
Exempted revenues and non-deductible expenses	3,867	1,731	3,793	1,135
Others	(800)	(1,097)	(800)	(1,097)
Total	(72,045)	(79,428)	(72,119)	(80,024)
Income tax expenses reported in profit or loss	13,384	125,830	15,966	125,868

The components of deferred tax assets and deferred tax liabilities are as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Deferred tax assets				
Allowance for expected credit losses	1,856	1,868	1,856	1,868
Allowance for diminution in value of inventories	6,703	8,191	6,703	8,191
Provision for long-term employee benefits	6,836	6,169	6,728	6,086
Leases	2,654	1,257	2,654	1,257
Total	18,049	17,485	17,941	17,402
Deferred tax liabilities				
Depreciation and amortisation	(14,009)	(15,783)	(16,115)	(15,783)
Unrealised gain from derivatives	(1,185)	(21,971)	(1,186)	(21,971)
Total	(15,194)	(37,754)	(17,301)	(37,754)
Net	2,855	(20,269)	640	(20,352)

As at 31 December 2023, the Group has deductible temporary differences and unused tax losses amounting to Baht 79 million (2022: Baht 56 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

As at 31 December 2023, the Group has unused tax losses amounting to Baht 71 million (2022: Baht 56 million) will expire in 2028 (2022: expire in 2027).

25. Promotional privileges

The Company has been granted promotional privileges under the Investment Promotion Act B.E. 2520 by the Board of Investment. Subject to certain imposed conditions, significant tax privileges included the following.

Certificate No.	63-0035-1-05-1-0	64-0635-1-00-1-0	65-1479-1-00-1-0
Promoted operations	Production of packaged seafoods, animal feeds and fishmeal	Production of packaged animal feeds	Production of packaged ready-to-eat foods and animal feeds
<u>Promotional privileges for</u>			
1. Exemption from corporate income tax for net profit from the promoted operation equal to 100% of the investment made in automatic warehouses or robotic machines for a period of 3 years, commencing from the date the promoted operations commenced generating revenues.	Granted	-	-
Period of corporate income tax exemption	10 Jan 2020 - 9 Jan 2023	-	-



Certificate No.	63-0035-1-05-1-0	64-0635-1-00-1-0	65-1479-1-00-1-0
Promoted operations	Production of packaged seafoods, animal feeds and fishmeal	Production of packaged animal feeds	Production of packaged ready-to-eat foods and animal feeds
2. Exemption from corporate income tax for net profit from the promoted operation does not exceed 100% of investment capital exclusive of land and working capital for a period of 5 years, commencing from the date the promoted operations commenced generating revenues. Period of corporate income tax exemption	-	Granted	Granted
3. Utilisation of net loss incurred during the exemption period as a deduction from net profit incurred subsequent to such period for another 5 years.	Granted	7 Sep 2021 - 6 Sep 2026 Granted	Not yet commencing Granted
4. Exemption from income tax on dividend that is distributed from the promoted operations.	Granted	Granted	Granted
5. Exemption from import duty on machinery as approved by the Board of Investment.	Granted	Granted	Granted
6. Exemption from import duty on imported essential raw materials used in manufacturing for export sales for a period of 1 year commencing from the first importation date.	-	Granted	Granted
7. Exemption from import duty on imported articles for re-export for a period of 1 year commencing from the first importation date.	-	Granted	Granted

The Company's operating revenues for the years ended 31 December 2023 and 2022, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	2023	2022	2023	2022	2023	2022
Sales						
Domestic sales	262,966	260,433	195,722	195,847	458,688	456,280
Export sales	1,963,315	1,894,050	2,903,746	4,670,245	4,867,061	6,564,295
Total	2,226,281	2,154,483	3,099,468	4,866,092	5,325,749	7,020,575

26. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year. The weighted average number of ordinary shares reflects the impact of the change in the par value of the ordinary shares, as discussed in Note 19, as if the change in the par value of the ordinary shares had occurred at the beginning of the earliest period reported.

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit for the year attributable to equity holders of the Company (Thousand Baht)	382,921	859,114	424,460	903,593
Weighted average number of ordinary shares (Thousand shares)	2,125,000	1,776,849	2,125,000	1,776,849
Basic earnings per share (Baht)	0.18	0.48	0.20	0.51

27. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group is principally engaged in the manufacturing and distribution of shelf-stabled foods segment. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of revenues, operating profit and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment.

The following tables present revenues regarding the Group's products for the years ended 31 December 2023 and 2022.

	(Unit: Thousand Baht) Consolidated financial statements	
	2023	2022
Product type		
Human food (ready-to-eat) products	1,102,138	1,024,924
Pet food products	4,337,260	6,098,588
Total	5,439,398	7,123,512

Geographic information

Revenues from external customers are based on locations of customers as follows.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Revenues from external customers		
United States of America	2,826,091	4,198,885
United Kingdom	589,405	880,441
Thailand	555,371	539,288
Saudi Arabia	505,707	411,823
Japan	267,405	292,906
Italy	151,045	118,158
Others	544,374	682,011
Total	5,439,398	7,123,512

In the year 2023, the Group had three major customers with revenues of more than 10% of its revenues amounting to Baht 3,056 million (2022: three major customers with revenues of Baht 4,619 million).

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Timing of revenue recognition				
Revenues recognised at a point in time	5,416,379	7,071,772	5,302,730	6,968,835
Revenues recognised over time	23,019	51,740	23,019	51,740
Total	5,439,398	7,123,512	5,325,749	7,020,575

28. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of 2% of basic salary. The fund, which is managed by MFC Asset Management Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to Baht 1.9 million (2022: Baht 2.2 million) were recognised as expenses and Separate financial statements: Baht 1.8 million (2022: Baht 2.2 million).

29. Dividend paid

Dividends	Approved by	Number of shares (Million shares)	Dividend per share (Baht)	Total dividends (Million Baht)
Final dividends for 2021	Annual General Meeting of the shareholders on 4 March 2022	170	1.8824	320.0
Interim dividends for 2022	Board of Directors' Meeting on 4 August 2022	1,700	0.1130	192.1
Total for 2022				512.1
Final dividends for 2022	Annual General Meeting of the shareholders on 20 April 2023	2,125	0.2000	425.0
Interim dividends for 2023	Board of Directors' Meeting on 9 August 2023	2,125	0.0500	106.3
Total for 2023				531.3

30. Commitments and contingent liabilities

30.1 Investment commitment

As at 31 December 2023, Asian Pets Care Corporation Co., Ltd. (subsidiary) has outstanding commitment of USD 0.5 million (2022: USD 1.0 million) in respect of uncalled portion of investment in Thaiya Corporation (Shanghai) Co., Ltd. as mentioned in Note 2.2.

30.2 Guarantees

As at 31 December 2023 and 2022, there were outstanding bank guarantees of Baht 7.9 million issued by banks on behalf of the Company to guarantee electricity use.

31. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the following assets that were measured at fair value using level 2 (fair value is measured using other observable inputs for such assets, whether directly or indirectly) as follows.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	2023	2022
Assets measured at fair value		
Forward foreign exchange contracts	10,185	109,853

During the current year, there were no transfers within the fair value hierarchy.

32. Financial instruments

32.1 Derivatives

(Unit: Thousand Baht)

Consolidated/Separate
financial statements

2023	2022
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Derivative assets

Derivative assets not designated as hedging instruments

Forward foreign exchange contracts	10,185	109,853
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Derivatives not designated as hedging instruments

The Group uses forward foreign exchange contracts to manage the foreign currency risk related to export of products. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally of 3 months to 7 months.

32.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, other current financial assets, short-term loans to related parties, long-term loans to joint ventures and associate, trade and other payables, and long-term loan from bank. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, loans, deposits with banks and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk.

Trade and other receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are covered by credit insurance obtained from the banks. In addition, the Group does not have high concentrations of credit risk since it has a large and various customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses for groups of receivables with similar credit risk characteristics, with the rate of provision for expected credit losses used in the calculation based on age of the outstanding receivables for each group. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and other receivables are written-off in accordance with the Group's policy, when appropriate.

Financial instruments and cash deposits

Credit risk associated with balances at banks is managed in accordance with the Group's policy. Investments are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits may be updated throughout the year. The credit limits are set to minimise risk concentrations and risk of losses as a result of counterparty's potential failure to make payments.

The Group's credit risk in derivative is relatively low since the counterparties are the bank which have high credit rating, assessed by international credit rating agency.

Market risk

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its purchasing and selling of goods transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts. Generally, the forward contracts mature within one year.

As at 31 December 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2023	2022	2023	2022	2023	2022
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	21,966	25,434	3,340	2,981	34.22	34.56
Japanese yen	-	-	1,086	12,331	0.24	0.26
EURO	44	100	19	224	38.03	36.83
New Zealand dollar	-	-	-	135	-	22.18

Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2023	2022	2023	2022	2023	2022
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	21,457	24,926	3,340	2,981	34.22	34.56
Japanese yen	-	-	1,086	12,331	0.24	0.26
EURO	-	-	19	224	38.40	37.21
New Zealand dollar	-	-	-	135	-	22.18
Renminbi	404	314	-	-	4.87	4.90

As at 31 December 2023 and 2022, forward exchange contracts outstanding, which will mature in one year, are summarised below.

Consolidated/Separate financial statements				
Foreign currency	Contractual Amount		Contractual exchange rate	
	2023	2022	2023	2022
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	

Sold amount

US dollar	9,918	65,859	34.38 - 35.85	33.84 - 37.38
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The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2023 and 2022. The Group's exposure to foreign currency changes for all other currencies is not material.

Consolidated financial statements				
Currency	2023		2022	
	Increase/ Decrease	Effect on profit before tax	Increase/ Decrease	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
US dollar	+5	15,051	+5	(73,435)
	-5	(15,051)	-5	73,435

Separate financial statements				
Currency	2023		2022	
	Increase/ Decrease	Effect on profit before tax	Increase/ Decrease	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
US dollar	+5	14,181	+5	(74,313)
	-5	(14,181)	-5	74,313

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its deposits at banks, short-term and long-term loans to related parties and long-term loan from bank. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rate further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

Consolidated financial statements						
2023						
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	150,228	-	779,367	1,690	931,285	Note 7
Trade and other receivables	-	-	-	873,679	873,679	-
Short-term loans to related parties	831,900	-	-	-	831,900	4.15
Other current financial assets	-	-	-	10,185	10,185	-
Long-term loans to joint venture	-	13,632	-	-	13,632	4.00 - 5.00
Long-term loan to associate	-	4,395	-	-	4,395	4.00
	<u>982,128</u>	<u>18,027</u>	<u>779,367</u>	<u>885,554</u>	<u>2,665,076</u>	
Financial liabilities						
Trade and other payables	-	-	-	454,705	454,705	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>454,705</u>	<u>454,705</u>	



(Unit: Thousand Baht)

Consolidated financial statements

2022

	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	900,000	-	587,383	20,407	1,507,790	Note 7
Trade and other receivables	-	-	-	981,091	981,091	-
Other current financial assets	-	-	-	109,853	109,853	-
Long-term loans to joint ventures	-	14,457	-	-	14,457	4.00 - 5.00
Long-term loan to associate	-	3,663	-	-	3,663	4.00
	<u>900,000</u>	<u>18,120</u>	<u>587,383</u>	<u>1,111,351</u>	<u>2,616,854</u>	
Financial liabilities						
Trade and other payables	-	-	-	491,768	491,768	-
Long-term loan	70,000	-	200,000	-	270,000	Note 16
	<u>70,000</u>	<u>-</u>	<u>200,000</u>	<u>491,768</u>	<u>761,768</u>	

(Unit: Thousand Baht)

Separate financial statements

2023

	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	150,228	-	761,939	1,667	913,834	Note 7
Trade and other receivables	-	-	-	860,253	860,253	-
Short-term loans to related parties	945,472	-	-	-	945,472	2.05 - 4.15
Other current financial assets	-	-	-	10,185	10,185	-
Long-term loan to associate	-	4,800	-	-	4,800	4.00
	<u>1,095,700</u>	<u>4,800</u>	<u>761,939</u>	<u>872,105</u>	<u>2,734,544</u>	
Financial liabilities						
Trade and other payables	-	-	-	436,588	436,588	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>436,588</u>	<u>436,588</u>	

(Unit: Thousand Baht)

Separate financial statements						
2022						
Fixed interest rate						
	Within		Floating	Non-interest	Total	Effective interest rate (% per annum)
	1 year	1 - 5 years	interest rate	Bearing		
Financial assets						
Cash and cash equivalents	900,000	-	567,254	20,177	1,487,431	Note 7
Trade and other receivables	-	-	-	957,828	957,828	-
Short-term loans to related parties	80,665	-	-	-	80,665	2.91
Other current financial assets	-	-	-	109,853	109,853	-
Long-term loan to associate	-	4,800	-	-	4,800	4.00
	<u>980,665</u>	<u>4,800</u>	<u>567,254</u>	<u>1,087,858</u>	<u>2,640,577</u>	
Financial liabilities						
Trade and other payables	-	-	-	467,683	467,683	-
Long-term loan	70,000	-	200,000	-	270,000	Note 16
	<u>70,000</u>	<u>-</u>	<u>200,000</u>	<u>467,683</u>	<u>737,683</u>	

Liquidity risk

As of 31 December 2023, more than 50% of of the Group's liabilities were set to mature within one year, based on the carrying value of borrowings reflected in the consolidated financial statements and Separate financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded the risk is low. Furthermore, the Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2023 and 2022 based on contractual undiscounted cash flows.

(Unit: Thousand Baht)

Consolidated financial statements					
2023					
	On demand	Less than 1 year	1 - 5 years	Over 5 years	Total
Non-derivatives					
Trade and other payables	-	454,705	-	-	454,705
Lease liabilities	-	25,647	50,234	346,600	422,571
Total non-derivatives	<u>-</u>	<u>480,352</u>	<u>50,324</u>	<u>346,600</u>	<u>877,276</u>

(Unit: Thousand Baht)

Consolidated financial statements					
2022					
On demand	Less than 1 year	1 - 5 years	Over 5 years	Total	
Non-derivatives					
Trade and other payables	-	491,720	-	-	491,720
Long-term loan	-	78,251	205,687	-	283,938
Lease liabilities	-	24,402	55,117	357,006	436,525
Total non-derivatives	-	594,373	260,804	357,006	1,212,183

(Unit: Thousand Baht)

Separate financial statements					
2023					
On demand	Less than 1 year	1 - 5 years	Over 5 years	Total	
Non-derivatives					
Trade and other payables	-	436,588	-	-	436,588
Lease liabilities	-	24,592	50,113	346,600	421,135
Total non-derivatives	-	461,180	50,113	346,600	857,893

(Unit: Thousand Baht)

Separate financial statements					
2022					
On demand	Less than 1 year	1 - 5 years	Over 5 years	Total	
Non-derivatives					
Trade and other payables	-	467,635	-	-	467,635
Long-term loan	-	78,251	205,687	-	283,938
Lease liabilities	-	23,372	54,378	357,006	434,756
Total non-derivatives	-	569,258	260,065	357,006	1,186,329

32.3 Fair values of financial instruments

Given that some of the Group's financial assets and financial liabilities are short-term or bear interest at rates close to market rates, and loans denominated in Thai Baht carry interest at market rates, the Group's management believes that the fair values of those financial assets and financial liabilities closely approximate their carrying values in the statement of financial position.



33. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2023, the Group's debt-to-equity ratio was 0.1:1 (2022: 0.2:1) and the Company's was 0.1:1 (2022: 0.2:1).

34. Events after the reporting period

On 20 February 2024, the Board of Directors' meeting of the Company approved the dividend payment from its operating profit for the year 2023 and retained earnings, at the rate of Baht 0.23 per share, totaling Baht 488.8 million. During the year 2023, the Company already paid an interim dividend of Baht 0.05 per share, totaling Baht 106.3 million. The remaining dividend of Baht 0.18 per share, totaling Baht 382.5 million will be paid in May 2024. In this regard, the approval for the dividend shall be proposed to the Annual General Meeting of shareholders of the Company for the year 2024 for further consideration and approval.

35. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 20 February 2024.

SECTION

04

Attachment





Attachment 1

Company Directors as of December 31, 2023

Mr. Vichai Assarasakorn

Position : Chairman of the Board of Directors / Independent Director / Chairman of the Audit Committee

Age : 63

Nationality : Thai



Appointment date

30 July 2021

No. of years in position

2 years 5 months

Education

- 1981 - 1984 : Bachelor of Engineering in Electrical Engineering, The University of New South Wales, Australia.
- 1978 - 1980 : Waverley College, Sydney, Australia.

Relation among Family with other Directors, Management, Major Shareholders of the Company, or Subsidiaries

None

Shareholding (%)

- Personal : 0.024%
- Spouse: None
- Children not yet of legal age : None

Training

- Executive Program in Energy Literacy, Class 7 (Energy Academy 7), Thailand Energy Academy
- Director Certification Program (DCP) DCP212, Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP 215/2016), Thai Institute of Directors Association (IOD)
- TEPCoT Course, Class 8, University of the Thai Chamber of Commerce
- ASEAN Senior Executive Program, Sasin Graduate Institute of Business Administration of Chulalongkorn University (Sasin)

- Senior Executive Program (CMA), Class 12, Capital Market Academy
- National Defense Course for the Joint State-Private Sectors (Diploma, National Defense College) Class 22, National Defense College

Work Experiences (5-years Past Experiences)

2021 - Present	Chairman of the Board of Directors / Independent Director / Chairman of the Audit Committee, Asian Alliance International Public Company Limited
2019 - 2021	Independent Director / Audit Committee, Asian Sea Corporation Public Company Limited
2017 - present	Independent Director / Chairman of the Audit Committee, Krung Thai Bank Public Company Limited
2014 - Present	Director, Panel Plus Co., Ltd.
2014 - Present	Director, Panel Plus MDF Co., Ltd.
1995 - Present	Director, Chiang Heng International Co., Ltd.
2014 - Present	Vice President, Anti-Corruption Organization (Thailand)
2015 - Present	Vice Chairman, Thai Chamber of Commerce
2014 - Present	Director, University Council of the Thai Chamber of Commerce

Positions in other listed companies

1. Independent Director / Chairman of the Audit Committee, Krung Thai Bank Public Company Limited

Positions in other organizations

None

Position in other organizations that have conflicts to the Company

None



Lieutenant Sutthinan Hatthawong

Position : Independent Director / Member of the Audit Committee / Member of the Corporate Governance and Nomination and Remuneration Committee / Member of the Risk Management for Sustainability Committee

Age : 63

Nationality : Thai



Appointment date

24 May 2021

No. of years in position

2 years 7 months

Education

- Master of Business Administration, Asian University of Science and Technology
- Bachelor of Science (Electrical Engineering), Naval Academy School

Relation among Family with other Directors, Management, Major Shareholders of the Company, or Subsidiaries

None

Shareholding (%)

- Personal : 0.027%
- Spouse : None
- Children not yet of legal age : None

Training

- Advanced Audit Committee Program (AACP), Class 49/2023, Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) 186/2021, Thai Institute of Directors Association (IOD)
- The Transportation Working Group (TPTWG), Port Experts Group
- The Economic Value Management (EVM) Project
- The National Security Management for Senior Executives Course (Batch 3)
- The Ministry of Transport Management for Executives Course: Leadership Development Program: Excellent Leaders and Team for excellent outcome
- The future direction of the ASEAN Economic Community (AEC) and Logistics Development (Batch 1)
- The Thailand and the ASEAN Community Course (Batch 2)
- The Training course on "To become a CEO" (Batch 1)
- The Thailand National Defence Course (Batch 57), Thailand National Defence College
- The TOP Executive Program in Commerce and Trade : TEPCOT

- The Port Management and Harbour Organization Technique, Belgium
- The Seminar on Port Security, Belgium
- The Regional Seminar on Safe Packing Of CTUS, Republic of Korea
- The Port Management & Logistics, Slovenia
- Training Course on "Mega Port Initiative", the United States of America (U.S.A.)
- The International Seaport Interdiction Training, U.S.A.
- The World Ports Climate Conference 2008, the Netherlands
- The Establishing Infrastructure Fund, the United Kingdom
- The 38th Session of the Facilitation Committee, IMO Headquarters, London, the United Kingdom
- The Busan International Port Conference (BIPC) 2015, Republic of Korea

Work Experiences (5-years Past Experiences)

2021 - Present	Independent Director / Member of the Audit Committee / Member of the Corporate Governance and Nomination and Remuneration Committee / Member of the Risk Management for Sustainability Committee, Asian Alliance International Public Company Limited
2015 - 2017	Director, Port Authority of Thailand

Positions in other listed companies

None

Positions in other organizations

None

Position in other organizations that have conflicts to the Company

None



Mr. Kasemsit Pathomsak

Position : Independent Director / Member of the Audit Committee / Member of the Corporate Governance and Nomination and Remuneration Committee

Age : 53

Nationality : Thai



Appointment date

24 May 2021

No. of years in positions

2 years 7 month

Education

- Owner/President Management – Harvard Business School, Harvard University
- Master's Degree in Finance, Bentley University, Massachusetts, USA
- Bachelor's Degree in Business Management, Northeastern University, Massachusetts, USA

Relation among Family with other Directors, Management, Major Shareholders of the Company, or Subsidiaries

None

Shareholding (%)

- Personal : 0.019%
- Spouse : None
- Children not yet of legal age : None

Training

- Corporate Governance for Capital Market; Intermediaries Program 12/2016, Thai Institute of Directors Association (IOD) (2016)
- Audit Committee Program 32/2010, Thai Institute of Directors Association (IOD) (2010)
- Monitoring the System of Internal Control and Risk Management 9/2010, Thai Institute of Directors Association (IOD) (2010)
- Director Accreditation Program 48/2005, Thai Institute of Directors Association (IOD) (2005)
- Director Certification Program 175/2003, Thai Institute of Directors Association (IOD) (2003)
- Senior Executive Program (CMA Class 9), Capital Market Academy
- Top Executive Program in Commerce and Trade (TEPCoT), Class 7, Commerce Academy
- Management Science Program for Senior Executives (Eng. 3), National Institute of Development Administration
- Senior Executive Program Energy lecturer (Energy Academy 11), Thailand Energy Academy
- Tourism Management Course for Executives Class 1, Tourism Authority of Thailand
- High-level executive courses Urban Development Administration (Mahanakorn Class 1), Metropolitan Development College Navamindradhiraj University
- National Defense College, Class 63, National Defense College

Work Experiences (5-years Past Experiences)

- Dec. 2023 - Present Director, Eastern Water Resources Development and Management Public Company Limited.
- Sep. 2022 - Present Director, Starr International Insurance (Thailand) Public Company Limited
- Apr. 2022 - Present Director, A.J. Plast Public Company Limited
- 2021 - Present Independent Director / Member of the Audit Committee / Member of the Corporate Governance and Nomination and Remuneration Committee, Asian Alliance International Public Company Limited
- 2005 - Present Executive Chairman, Merchant Partners Securities Public Company Limited
- 2014 - Present Executive Chairman, Merchant Partners Asset Management Limited.
- Feb. 2013 - Present Chairman of Board of Directors, Independent Director, Chairman of the Audit and Corporate Governance Committee, Christiani & Nielsen (Thai) Public Company Limited
- 2018 - Present Director, WP Energy Public Company Limited
- 2016 - Present Director, National Power Supply Public Company Limited
- Dec. 2021 - Oct.2023 Independent Director and Member of the Audit Committee, CMO Public Company Limited
- Oct. 2019 -2022 Air Transport Policy and Strategy Subcommittee Civil Aviation Board Ministry of Transport
- 2013 - Present Vicr Chairman, Board of Trade of Thailand
- Oct. 2019 - 2021 Advisor to the Sub-Committee on Strategic Studies and Monitoring Commission on International Relations foreign affairs House of Representatives
- 2010 - 2020 Director, UOB Kay Hian Securities (Thailand) Public Company Limited

Positions in other listed companies

1. Chairman of Board of Directors, Independent Director, Chairman of the Audit and Corporate Governance Committee, Christiani & Nielsen (Thai) Public Company Limited
2. Director, WP Energy Public Company Limited
3. Director, A.J. Plast Public Company Limited
4. Director, Eastern Water Resources Development and Management Public Company Limited.

Positions in other organizations

1. Director, Starr International Insurance (Thailand) Public Company Limited
2. Executive Chairman, Merchant Partners Securities Public Company Limited
3. Executive Chairman, Merchant Partners Asset Management Limited.
4. Director, National Power Supply Public Company Limited

Position in other organizations that have conflicts to the Company

None



Mr. Somsak Amornrattanachaikul

Position : Director / Chairman of the Executive Committee

Age : 63

Nationality : Thai



Appointment date

15 March 2011

No. of years in position

12 years 9 months

Education

- Bachelor of Political Science, Ramkhamhaeng University

Relation among Family with other Directors, Management, Major Shareholders of the Company, or Subsidiaries

None

Shareholding (%)

- Personal : 3.211%
- Spouse : None
- Children not yet of legal age : None

Training

- Top Executive Program on China Business Insights and Network: TEPCIAN, Class 2 (2022)
- Role of Chairman Program Class 9/2003 , Thai Institute of Directors Association (IOD)

Work Experiences (5-years Past Experiences)

- 2021 - Present Chairman of the Executive Committee, Asian Alliance International Public Company Limited
- 2021 - Present Director, Asian Sea Corporation Public Company Limited
- 2005 - Present Director, Asian Alliance International Public Company Limited
- 2005 - 2021 Chairman of the Board of Directors, Asian Sea Corporation Public Company Limited
- 1999 - Present Chief Executive Officer, Asian Sea Corporation Public Company Limited
- 1993 - Present Director, Asian Sea Corporation Public Company Limited

Positions in other listed companies

1. Director / Chief Executive Officer, Asian Sea Corporation Public Company Limited

Positions in other organizations

None

Position in other organizations that have conflicts to the Company

None



Mr. Suriya Prasatbuntitya

Position : Director / Member of the Corporate Governance and Nomination and Remuneration Committee

Age : 69

Nationality : Thai



Appointment date

24 May 2021

No. of years in position

2 years 7 months

Education

- Master of Development Administration in Public Administration, National Institute of Development Administration (NIDA)
- Bachelor of political science in government, Chulalongkorn University

Relation among Family with other Directors, Management, Major Shareholders of the Company, or Subsidiaries

None

Shareholding (%)

- Personal : 0.014%
- Spouse : None
- Children not yet of legal age : None

Training

- Refreshment Program (RFP) Class 9/2023, Thai Institute of Directors Association (IOD)
- Role of Chairman Program (RCP) Class 52/2022, Thai Institute of Directors Association (IOD)
- Director Leadership Certification Program (DLCP), Class 5/2022, Thai Institute of Directors Association (IOD)
- Professional Development: Risk Management and Internal Audit Program (23/07/2019), Thai Listed Companies Association (TLCA)
- IT Governance & Cyber Resilience (ITG 10/2019), Thai Institute of Directors Association (IOD)
- Risk Management Program for Corporate Leaders Class 14/2018, Thai Institute of Directors Association (IOD)
- Social Enterprise Course, Stock Exchange of Thailand
- Director Certificate Program, Class DCP 250/2017, Thai Institute of Directors Association (IOD)
- Risk Management and Internal Control Program, Thai Listed Companies Association (TLCA)

Work Experiences (5-years Past Experiences)

- | | |
|----------------|---|
| 2021 - Present | Director / Member of the Corporate Governance and Nomination and Remuneration Committee, Asian Alliance International Public Company Limited |
| 2021 - Present | Chairman of the Board of Directors / Member of the Executive Committee / Member of the Corporate Governance and Nomination and Remuneration Committee / Chairman of the Risk Management for Sustainability Committee / Chairman of the Credit Committee, Asian Sea Corporation Public Company Limited |
| 2016 - Present | Director / Executive Vice President, Asian Sea Corporation Public Company Limited |
| 2012 - 2015 | Chiang Mai Governor / Tak Governor, Ministry of Interior |
| 2007 - 2012 | Deputy Governor of Samut Sakhon and Pathum Thani Provinces, Ministry of Interior |
| 2004 - 2007 | Director of Division and Office in Department of Disaster Prevention and Mitigation, Ministry of Interior |

Positions in other listed companies

1. Chairman of the Board of Directors , Asian Sea Corporation Public Company Limited

Positions in other organizations

None

Position in other organizations that have conflicts to the Company

None



Ms. Prapa Puranachote

Position : Director / Chairman of the Corporate Governance and Nomination and Remuneration Committee

Age : 69

Nationality : Thai



Appointment date

24 May 2021

No. of years in position

2 years 7 months

Education

- Master of Business Administration, National Institute of Development Administration (NIDA)
- Bachelor of Journalism, Thammasat University

Relation among Family with other Directors, Management, Major Shareholders of the Company, or Subsidiaries

None

Shareholding (%)

- Personal : 0.024%
- Spouse : None
- Children not yet of legal age : None

Training

- Board Nomination and Compensation Program (BNCP) Class 16/2023, Thai Institute of Directors (IOD)
- Senior Executive Program in Urban Leadership Development (Class 5), Navamindradhiraj University
- Science Management Program for Senior Executives (SSE 2), National Institute of Development Administration (NIDA)
- Global Business Leader Program (GBL), Lead Business Institute.
- Corporate Governance for Capital Market Intermediaries (CGI) class 14/2016, Thai Institute of Directors (IOD)
- Public Economic Management Program for Senior Executives class 7 (CPE 7), King Prajadhipok's Institute.
- Director Certificate Program class DCP 148/2011, Thai Institute of Directors (IOD).
- Senior Executive Program class 14 (SCM 14), Capital Market Academy, The Stock Exchange of Thailand.
- Senior Executive Program "Thammasat Leadership Program" class 2 (ETU 2), Alumni Relations Office, Thammasat University.
- Senior Executive Program in Energy Science class 6 (ESE 6), Institute of Energy Science.

Work Experiences (5-years Past Experiences)

Mar 2023 - Present	Director, Smart Industrial Estate and Smart Industrial Zone Steering Committee, Industrial Estate Authority of Thailand
2021 - Present	Director / Chairman of the Corporate Governance and Nomination and Remuneration Committee, Asian Alliance International Public Company Limited.
2022 - Present	Honorary Director Finance and Banking, Special Investigation Committee, Department of Special Investigation Ministry of justice.
2020 - Present	Director / Member of the Executive Committee / Chairman of the Nomination and Remuneration Committee / Corporate Governance Advisor, Asian Sea Corporation Public Company Limited
2011 - 2019	Director / Executive Director / Risk Management Committee / Good Corporate Governance Committee / Managing Director, MFC Asset Management Public Company Limited
2015 - 2018	Independent Director / Audit Committee, RATCH Group Public Company Limited
2004 - 2011	Deputy Managing Director / Executive Officer Provident Fund Division, Krung Thai Asset Management Public Company Limited

Positions in other listed companies

1. Director, Asian Sea Corporation Public Company Limited

Positions in other organizations

None

Position in other organizations that have conflicts to the Company

None



Mr. Aekarat Punnasung

Position : Director / Member of the Executive Committee / Chairman of the Risk Management for Sustainability Committee / Chairman of the Credit Committee / Managing Director

Age : 53

Nationality : Thai



Appointment date

1 April 2018

No. of years in position

5 years 8 months

Education

- Master of Science in International Marketing, Newcastle University, United Kingdom.
- Bachelor Degree in Agricultural Economics, Kasetsart University.

Relation among Family with other Directors, Management, Major Shareholders of the Company, or Subsidiaries

None

Shareholding (%)

- Personal : 0.024%
- Spouse : None
- Children not yet of legal age : None

Training

- Risk Management Program for Corporate Leaders (RCL) Class 33/2023, Thai Institute of Directors Association (IOD)
- Successful Formulation & Execution of Strategy (SFE) Class 42/2023, Thai Institute of Directors Association (IOD)
- Transformational Executive Network for Exponential Growth (TenX) Class 2, University of the Thai Chamber of Commerce
- Insight in SET : Knowledge for Growth and Sustainability in the Capital Market Class 1, The Stock Exchange of Thailand
- TTB Digital LEAN Supply Chain Class 17/2022, TMB Thanachart Bank Public Company Limited
- Director Leadership Certification Program Class DLCP 5/2022, Thai Institute of Directors Association (IOD)
- Director Certificate Program, Class DCP 150/2011, Thai Institute of Directors Association (IOD)

Work Experiences (5-years Past Experiences)

2021 - Present	Director / Member of the Executive Committee / Chairman of the Risk Management for Sustainability Committee / Chairman of the Credit Committee / Managing Director, Asian Alliance International Public Company Limited
2018 - Present	Managing Director, Asian Alliance International Public Company Limited
2007 - Present	Director, Asian Alliance International Public Company Limited
2009 - 2010	Assistant Managing Director, Asian Alliance International Public Company Limited
Present	Member of the Executive Committee / Member of the Credit Committee / Member of the Risk Management for Sustainability Committee, Asian Sea Corporation Public Company Limited
2008 - 2021	Director, Asian Sea Corporation Public Company Limited
2015 - 2018	Managing Director, Asian Sea Corporation Public Company Limited
2012 - 2014	Executive Vice President, Asian Sea Corporation Public Company Limited
2010 - 2012	Assistant Managing Director, Marketing Department, Asian Sea Corporation Public Company Limited
2004 - 2011	Assistant Managing Director, Asian Seafoods Coldstorage (Suratthani) Co. Ltd.

Positions in other listed companies

None

Positions in other organizations

None

Position in other organizations that have conflicts to the Company

None



Mr. Hendrikus Van Westendorp

Position : Director / Member of the Executive Committee

Age : 59

Nationality : Nederlandse



Appointment date

24 May 2021

No. of years in position

2 years 7 months

Education

- Senior Executive Program Harvard Business School - Tsing Hua - CEIBS
- Commercial Technical Program Nyenrode Business University, Breukelen
- BSc Mechanical Engineering, Amsterdam

Relation among Family with other Directors, Management, Major Shareholders of the Company, or Subsidiaries

None

Shareholding (%)

- Personal : 0.024%
- Spouse : None
- Children not yet of legal age : None

Training

- Director Certification Program (DCP) Class 326/2022 (English Program), Thai Institute of Directors Association (IOD)

Work Experiences (5-years Past Experiences)

2021 - Present	Director / Member of the Executive Committee, Asian Alliance International Public Company Limited
2021 - Present	Executive Committee / Strategic Planning Consultant, Asian Sea Corporation Public Company Limited
2019 - 2021	Director, Asian Sea Corporation Public Company Limited
2015 - 2020	Executive Vice President / Chief Financial Officer / Executive Committee, Asian Sea Corporation Public Company Limited
2011 - 2015	Chief Financial Officer, Nutreco Asia
2009 - 2011	Managing Director Skretting Asia, Shanghai, China, Nutreco Asia
2005 - 2009	Managing Director Skretting Japan, Fukuoka, Nutreco Asia
2002 - 2005	Projects Director Europe Marine Harvest Europe, Amersfoort, Netherlands, Nutreco
2000 - 2001	Post - Merger Integration Manager Marine Harvest Europe, Bergen, Norway, Nutreco1

Positions in other listed companies

None

Positions in other organizations

None

Position in other organizations that have conflicts to the Company

None

Company Directors as of December 31, 2023.

Ms. Varanratch Assanupong

Position : Chief Financial Officer / Company Secretary / Executive Committee / Risk Management for Sustainability Committee / Credit Committee

Age : 48

Nationality : Thai



Education

- Master of Business Administration (Finance), New York Institute of Technology (NYIT), USA
- Bachelor of Business Administration (Finance), Kasetsart University

Shareholding (%)

0.019%

Training

- Corporate Governance for Executives - Class 22/2023, Thai Institute of Directors Association (IOD)
- Refreshment Training Program (RFP) : Joint Venture Governance - Class 11/2023, Thai Institute of Directors Association (IOD)
- TLCA CFO Professional Development Program (TLCA CFO CPD) No.2/2566 Topic " Risk Management for CFOs ", Thai Listed Companies Association
- TLCA CFO CPD No. 3/2023 Topic: Fintech, financial technology, Thai Listed Companies Association
- Strategic CFO in Capital Markets - Class10, , Stock Exchange of Thailand
- "Disclosure of sustainability information according to ISSB standards and linkage to the 56-1 One Report", Securities and Exchange Commission (SEC)
- M&A - Mastering SPA, SRPPLAW
- TFRS Course 2013, NYC Management Co., Ltd.
- TLCA CFO Professional Development Program (TLCA CFO CPD) No. 3/2022, PDPA for Accounting and Finance, Thai Listed Companies Association
- Director Certification Program (DCP), Class 320/2022, Thai Institute of Directors Association (IOD)
- Company Secretary Program (CSP), Class 127/2022, Thai Institute of Directors Association (IOD)

- CFO's Orientation Course for New IPOs, Class 5, 2021, Stock Exchange of Thailand
- GRI Certified Training Course based on the GRI Sustainability Reporting Standards, 2021, Thaipat Institute
- Foundations in Responsible Investment, 2021, PRI Academy
- Sustainability and Climate Risk, 2021, Global Association of Risk Professionals (GARP)
- How to Develop Risk Management Plan (HRP), Class HRP 19/2018, Thai Institute of Directors Association (IOD)

Work Experiences (5-years Past Experiences)

2021 - Present	Chief Financial Officer / Company Secretary / Executive Committee / Risk Management for Sustainability Committee / Credit Committee, Asian Alliance International Public Company Limited
2018 - Present	Risk Management for Sustainability Committee, Asian Sea Corporation Public Company Limited
2017 - 2021	Finance and Investor Relations Manager, Asian Sea Corporation Public Company Limited
Present	Director, Britania Asian KhaoYai Company Limited Director, One Origin Khao Yai Thanarat Company Limited Director, Origin Nationwide Company Limited Director, One Asian Sriracha Company Limited

Mr. Akamon Prasoppolsujarit

Position : Member of the Executive Committee

Age : 56

Nationality : Thai



Education

- Master of Accounting and Finance, Chulalongkorn University.

Shareholding (%)

None

Training

- Refreshment Program (RFP) Class 9/2566, Thai Institute of Directors Association (IOD)
- TLCA CFO CPD No. 7/2023 Topic "Economic Update for CFO (No. 2)", Thai Listed Companies Association
- TLCA CFO CPD No. 6/2023 Topic "What is the future of the CFO role?", Thai Listed Companies Association
- TLCA CFO CPD No. 5/2023 Topic "RPA (Robotic Process Automation) in finance and Accounting", Thai Listed Companies Association
- TLCA CFO CPD No. 3/2023 Topic "Fintech Financial Technology", Thai Listed Companies Association
- TLCA CFO CPD No. 2/2023 Topic "Risk Management for CFOs", Thai Listed Companies Association
- TLCA CFO CPD No. 1/2023 Topic "Economic Update for CFO", Thai Listed Companies Association
- Successful Formulation & Execution of Strategy (SFE), Class 39, Thai Institute of Directors Association (IOD)
- TLCA CFO CPD No. 8/2022, Topic "ESG Bonds in Corporate Financing", Thai Listed Companies Association
- TLCA CFO CPD No. 7/2022, Topic "Introduction to Sustainable Finance", Thai Listed Companies Association
- TLCA CFO CPD No. 6/2022, Topic "CFO's Role in Corporate Sustainability", Thai Listed Companies Association
- TLCA CFO CPD No. 3/2022, topic "PDPA for Accounting and Finance", Thai Listed Companies Association
- TLCA CFO CPD No. 2/2022, "Economic Update for CFO", Thai Listed Companies Association
- Strategic CFO in Capital Market Class 7, Stock Exchange of Thailand
- Director Certification Program (DCP) Year 2009, Thai Institute of Directors Association (IOD)
- CFO Refresher class 2/2021, Stock Exchange of Thailand
- Key Points and Notes on TFRS for PAEs Requirement and Amendments in 2021, Stock Exchange of Thailand

Work Experiences (5-years Past Experiences)

Present	Director, Asian Wellness Residence Company Limited
2022 - Present	Member of the Executive Committee, Asian Alliance International Public Company Limited
2020 - Present	Chief Financial Officer / Member of the Executive Committee / Member of the Credit Committee / Member of the Risk Management for Sustainability Committee, Asian Sea Corporation Public Company Limited
2017 - 2018	Director, Dusit Management Company Limited
2017 - 2018	Director, Dusit Overseas Co., Ltd.
2017 - 2018	Supervisor, Dusit Fudu Hotel Management (Shanghai) Co., Ltd.
2016 - 2018	Chief Financial Officer - Special Project Acting Chief Financial Officer, Dusit Thani Plc.



Mr. Bundit Pichetpongsa

Position : Member of the Executive Committee / Member of the Risk Management for Sustainability Committee / Member of the Credit Committee

Age : 46

Nationality : Thai



Education

- Master of Business Administration, University of South Australia, Australia
- Bachelor in Food Science and Technology, Thammasat University

Shareholding (%)

0.019%

Training

- Successful Formulation and Execution of Strategy, Class 42/2023, Thai Institute of Directors Association (IOD)
- Corporate Governance for Executives CGE, Class 19/2022, April 2022, Thai Institute of Directors Association (IOD)
- How to Develop Risk Management Plan (HRP), Class HRP 19/2018, Thai Institute of Directors Association (IOD)
- Course BRC Food Issue 8 Requirement and Implementation with Integrated Audit Technique and Shadow Audit Training Course 2019, System Development Consultant Co.,Ltd.
- Internal Audit GMP/HACCP for Food Industrial and Food Safety Audit Technique 2019, BSI Group
- Implementation GMP/HACCP for Food Industrial 2019, BSI Group
- Hazard Analysis and Critical Control Points Training Course 2015, Bureau Veritas
- Course Requirement for Global Standard for Food Safety I.7 & Internal Quality Audit 2015, System Development Consultant Co.,Ltd.

Work Experiences (5-years Past Experiences)

- 2022 - Present Member of the Executive Committee / Member of the Risk Management for Sustainability Committee / Member of the Credit Committee, Asian Alliance International Public Company Limited
- 2013 - Present Assistant Managing Director of Commercial Department, Asian Alliance International Public Company Limited

Mrs. Sasiyada Wilaiphol

Position : Member of the Executive Committee /
Member of the Risk Management for
Sustainability Committee

Age : 51

Nationality : Thai



Education

- Bachelor of Food Technology, Ramkhamhaeng University

Shareholding (%)

0.009%

Training

- Risk Management Program for Corporate Leaders (RCL), Class 27/2022, Thai Institute of Directors Association (IOD)
- Corporate Governance for Executives CGE, Class 19/2022, April 2022, Thai Institute of Directors Association (IOD)
- BRC Food Issue 8 Requirement and Implementation with Integrated Audit Technique and Shadow Audit Training Course 2019, System Development Consultant Co.,Ltd
- FSPCA Preventive Controls for Human Food 2017, System Development Consultant Co.,Ltd
- FSPCA Preventive Controls for Animal Food 2017, System Development Consultant Co.,Ltd
- FACTORY MANAGER, Aug 2017, Factory Manager Course, The Federation of Thai Industries
- Interetaion of MSC Version 4.0 Requirements Training Course 2016, Bureau Veritas
- Related Laws and Basic Principles of Food Production in Sealed Containers B.E. 2015, King Mongkut's University of Technology Thonburi.
- ISO/FSSC 22000 & IFS Food V.6 Training Course 2015, System Development Consultant Co.,Ltd
- MINI FOOD ENGINEERING PROGRAM, Aug 2015, King Mongkut's University of Technology Thonburi (KMUTT)
- MINI MASTER OF BUSINESS ADMINISTRATION: MINI MBA, May 2010, NIDA Business School
- THE MANAGERIAL GRID SEMINAR, Jul 2004, Grid International Inc., U.S.A. and Grid Organization Development and Change Management, Thailand
- MANAGEMENT PSYCHOLOGY, Aug 2003, Organized by Technology Promotion Association (Thailand-Japan)

- THERMAL PROCESSING PRINCIPLES AND PRACTICES AS APPLIED TO LOW ACID AND ACIDIFIED FOODS IN CLOSED CONTAINERS, May 2002, Food Science Department, School of Agriculture West Lafayette, INDIANA, Purdue University
- BETTER PROCESS CONTROL SCHOOL, May 2002, Food Science Department, School of Agriculture West Lafayette, INDIANA, Purdue University

Work Experiences (5-years Past Experiences)

- | | |
|----------------|---|
| 2022 - Present | Member of the Executive Committee / Member of the Risk Management for Sustainability Committee, Asian Alliance International Public Company Limited |
| 2014 - Present | Assistant Managing Director of Operations, Asian Alliance International Public Company Limited. |



Mrs. Ajara Mhordee

Position : Member of the Executive Committee /
Member of the Credit Committee

Age : 66

Nationality : Thai



Education

- Master's Degree in Marine Science, Chulalongkorn University
- Bachelor's Degree in Marine Science, Chulalongkorn University

Shareholding (%)

None

Training

- BRC (British Retain Consortium) Global standard food, Issue No.7
- Auditor Training Course / BVQI
- ISO 14001:2004 Internal Audit course
- FDA seafood sensory training course
- Course GMP&HACCP Codex Alimentarius Requirements / NQAC.S

Work Experiences (5-years Past Experiences)

- | | |
|----------------|---|
| 2021 - Present | Member of the Executive Committee / Member of the Credit Committee, Asian Alliance International Public Company Limited |
| 2014 - Present | Senior Marketing Manager, Asian Alliance International Public Company Limited |



Ms. Benjaporn Pongsiri

Position : Member of the Executive Committee /
Member of the Risk Management for
Sustainability Committee

Age : 50

Nationality : Thai



Education

- Bachelor of Science and food technology, Suan Sunandha Rajabhat University

Shareholding (%)

0.023%

Training

- Implementation GMP/HACCP for Food Industrial : BSI Training Academy
- Implementation of BRC Global Standard for Food Safety Issue 8 : System Development Consultant Co., Ltd.
- BRC Food Issue 8 Requirement and Implementation with Integrated Audit Technique @ Shadow Audit : System Development Consultant Co., Ltd.
- Pet Food Nutrition Workshop : Pet food Industry Association (PIA)
- Code of Conduct for UK Client Awareness : Intertek
- Social Compliance Responsibility Training (4 Pillar) : BSI Training Academy.
- BRC Global Standard Food Safety Issue 9 : Requirement and Internal Audit : BSI Group
- TACCP/VACCP for Food Defence and Food Fraud : Enermech and Quality Service Co.,Ltd.
- Hazard and risk analysis in raw materials and food production processes in the GHPs/HACCP (Codex), BRCGS Food V.9 and FSMA standard systems : Enermech and Quality Service Co.,Ltd.
- Pet Food Industry Entrepreneur and Innovation : Program Management Unit Competitiveness (PMUC)

Work Experiences (5-years Past Experiences)

- 2022 - Present Member of the Executive Committee / Member of the Risk Management for Sustainability Committee, Asian Alliance International Public Company Limited
- 2009 - Present Research and Product Development Manager, Asian Alliance International Public Company Limited

Ms. Somsri Maneechay

Position : Member of the Executive Committee /
Member of the Risk Management for
Sustainability Committee

Age : 53

Nationality : Thai



Education

- Master's Degree Faculty of Business Administration General Business Administration, Chiang Mai University
- Bachelor's Degree Faculty of Agriculture, Fisheries Branch, Rajamangala Institute of Technology Bang Phra Campus, Chonburi

Shareholding (%)

0.001%

Training

- Implementation GMP/HACCP for Food Industrial : BSI Group
- Internal Audit GMP/HACCP for Food Industrial and Food Safety Audit Technique : BSI Group
- Implementation of BRC Global Standard for Food Safety Issue 8 : System Development Consultant Co., Ltd.
- Pet food Nutrition Workshop - PIA Technical Forum 2019 : Pet food Industry Association (PIA)
- Code of Conduct for UK Client Awareness : Intertek
- Food Defense Awareness : International Food Protection Training Institute (IFPTI)
- Halal certification standards for SMEs and community enterprises : The Central Islamic Council of Thailand
- Social Compliance Responsibility (4 Pillar) : BSI Group
- Personal Data Protection Act (PDPA) and Practical Application of Organization : Excellent Quality
- Food Safety Culture Implement and Documentation : BSI Group
- BRC Global Standard Food Safety Issue 9 : Requirement and Internal Audit : BSI Group
- Customs-Trade Partnership Against Terrorism (C-TPAT) : BSI Group
- TACCP/VACCP for Food Defence and Food Fraud : Enermech and Quality Service Co.,Ltd.
- Halal Food and industrial practices : The Central Islamic Council of Thailand
- Hazard and risk analysis in raw materials and food production processes in the GHPs/HACCP (Codex), BRCGS Food V.9 and FSMA standard systems : Enermech and Quality Service Co.,Ltd.

Work Experiences (5-years Past Experiences)

- | | |
|----------------|---|
| 2022 - Present | Member of the Executive Committee / Member of the Risk Management for Sustainability Committee, Asian Alliance International Public Company Limited |
| 2015 - Present | Quality Management Manager, Asian Alliance International Public Company Limited |



Ms. Wijitra Thiangtham

Position : Member of the Risk Management for Sustainability Committee

Age : 47

Nationality : Thai



Education

- Bachelor's Degree in General Management, Nakhon Pathom Rajabhat University

Shareholding (%)

0.002%

Training

- Internal auditors TLS 8001-2010 (TLS8001 Internal Audit)
- Safety Officer Management Level
- Labor Law and Personnel Management (Labor Law for HR)
- Enterprise Risk Management
- GMP/HACCP for Food Industry
- GMP/HACCP for Food Industrial and Food Safety Audit Technique
- Requirements and internal audits according to BRC Food Issue 8 (BRC Food Issue 8 Requirement and Implementation).
- Code of Conduct for UK Clients (4 Pillar)
- Human resource management in line with the Personal Protection Act (PDPA).
- Personal Data Protection Act (PDPA) and its application in the organization
- How to comply with social responsibility requirements (Social Compliance Responsibility Training) (4 Pillar)
- Job evaluation and compensation management in line with current situations (Job Evaluation).
- Building a food safety culture in the organization Food Safety Culture Implement and Documentation
- Succession Planning is not difficult (Succession Planning).
- Preparation of environmental management system ISO 14001:2015 (ISO14001:2015 Requirement)
- SEDEX (Health and Safety) audit techniques

Work Experiences (5-years Past Experiences)

- | | |
|----------------|---|
| 2022 - Present | Member of the Risk Management for Sustainability Committee, Asian Alliance International Public Company Limited |
| 2018 - Present | Human Resources Manager, Asian Alliance International Public Company Limited |
| 2014 - 2018 | Personnel Manager, Nanyang Garment Co., Ltd. |

Mr. Santi Vilaiphol

Position : Member of the Risk Management for Sustainability Committee

Age : 50

Nationality : Thai



Education

- Bachelor of Industrial Technology, Production Technology, King Mongkut's Institute of Technology North Bangkok

Shareholding (%)

0.005%

Training

- Internal Audit GMP/HACCP for Food Industrial and Food Safety Audit Technique course, BSI Training Academy
- Implementation GMP/HACCP for Food Industrial, , BSI Training Academy
- Social Compliance Responsibility Training (4 Pillar), BSI Training Academy
- Course BRC Food Issue 8 Requirement and Implementation, System Development Consultant co., Ltd.
- Safety officer course in management level, Safety and Training Center Co., Ltd.
- Environmental Manager Program, Class 57, Thai Environment Institute Foundation
- Retort Supervisors for food production in hermetically sealed containers, low acid type and acid adjusted type (Retort Supervisors) 222/2016, King Mongkut's University of Technology Thonburi

Work Experiences (5-years Past Experiences)

- | | |
|-----------------|---|
| 2022 - Present | Member of the Risk Management for Sustainability Committee, Asian Alliance International Public Company Limited |
| 2015 - Present: | Utility Engineer Department Manager, Asian Alliance International Public Company Limited |



Mr. Thawatwong Arunthong

Position : Member of the Executive Committee /
Member of the Risk Management for
Sustainability Committee

Age : 40

Nationality : Thai



Education

- Master of International Business Administration, Deakin University, Melbourne, Australia
- Bachelor of Business Administration, Bangkok University

Shareholding (%)

0.024%

Training

- Food Safety Culture Implement and Documentation
- GMP/HACCP internal audits for the food industry and food safety inspection techniques.
- Corporate Social Responsibility Training (4 Pillars)
- Applying GMP/HACCP to the food industry.
- BRC Food issue 8
- BRC Food issue 9
- Personal Data Protection Act (PDPA) and its application in the organization
- Promoting industrial factories to have social responsibility and sustainable co-existence with the community.
- Preparing course for dealing with Thai customs to inspect business establishments.
- Safety officers at the management level
- Effective Purchasing & Procurement Management

Work Experiences (5-years Past Experiences)

- | | |
|----------------|---|
| 2022 - Present | Member of the Executive Committee / Member of the Risk Management for Sustainability Committee, Asian Alliance International Public Company Limited |
| 2016 - Present | Purchasing Department Manager, Asian Alliance International Public Company Limited |
| 2015 - 2016 | Marketing Manager (Export), Premier Canning Industry Company Limited |



Mrs. Narumon Jongjaroen

Position : Person assigned to be directly responsible for supervising accounting

Age : 42

Nationality : Thai



Education

- Bachelor of Accounting, Sukhothai Thammathirat Open University

Shareholding (%)

0.003%

Training

- Industrial Cost Accounting System, Class 2/65, Federation of Accounting Professions in the Royal Patronage (training course 12 hours)
- How to Transform to Digital Accounting Step into Digital Accounting Class 2/65, Federation of Accounting Professions in the Royal Patronage (training course 6 hours)
- TFRS Update Program 2022, Faculty of Commerce and Accountancy Alumni Association of Chulalongkorn University (Training course 7 hours)
- Courses attended by EY Office Limited in 2021 include:
 - 1) UPDATE TFRSs for PAEs and TFRS for NPAs used and changes in 2021 (training course 7.00 hours)
 - 2) Financial Reporting Trends 2021 (1.30 hour training course)
 - 3) Finance Transformation Consolidation and Reporting using LucaNet (1.30 hour training course)
 - 4) Digital Assets from the Accounting and Tax Perspectives (1.30 hour training course)
 - 5) Sustainability ESG and Company's Reporting (organizational sustainability concept and information preparation for reporting) (Training course 1.30 hours)
 - 6) Risk analysis course that will be examined on Transfer Pricing (1.30 hour training course)
 - 7) Tax Consideration for Outbound Investment Keep pace with and adapt to international tax measures in line with BEPS 2.0. for proper foreign investment structuring (Training course 1.30 hours)

Work Experiences (5-years Past Experiences)

- | | |
|----------------|---|
| 2021 - Present | Accounting Manager / Person assigned to be directly responsible for supervising accounting, Asian Alliance International Public Company Limited |
| 2006 - 2021 | Accounting Manager, Asian Sea Corporation Public Company Limited |



Mrs. Vijit Boonchu

Position : Member of the Executive Committee /
Member of the Credit Committee

Age : 49

Nationality : Thai



Education

- Bachelor of BSC. Microbiology, King's Mongkut Institute of Technology Thonburi

Shareholding (%)

None

Training

- Quality & Food Safety System 1997, HACCP
- Leadership Program : Line Manager University 2000 (Inhouse training), Gallop and Mars
- Performance Coaching Program 2020 (Inhouse training), Betagro and Coaching Parfait
- Strength Coaching Program 2021 (Inhouse training), Betagro and Gallop

Work Experiences (5-years Past Experiences)

Present	Member of the Executive Committee / Member of the Credit Committee, Asian Alliance International Public Company Limited. Managing Director, Asian Nutrition Co., Ltd.
2016 - 2020	International Sales Director, Pet Focus Thailand Co., Ltd. (Betagro Group)
2013 - 2016	Business Owner at Nakhon Ratchasima Province
1997 - 2013	Senior Quality Control Officer / Product Development Manager / Scientific Affair & External Product Development Manager / Palatability Test Manager / Affiliates Sales Manager / Regional Project Manager, Mars Petcare Thailand



Mr. Nattharath Puangsuda

Position : Member of the Risk Management for Sustainability Committee / Member of the Credit Committee

Age : 55

Nationality : Thai



Education

- Bachelor of Laws, Ramkhamhaeng University

Shareholding (%)

0.009%

Training

- Board Reporting Program (BRP) 40/2022, Thai Institute of Directors (IOD)
- Company Reporting Program (CRP) 32/2022, Thai Institute of Directors (IOD)
- Asian Seafoods (Ex-com Development), Pencil Sharpener Co., Ltd.

Work Experiences (5-years Past Experiences)

Present	Member of the Risk Management for Sustainability Committee / Member of the Credit Committee, Asian Alliance International Public Company Limited
2016 - Present	Member of the Executive Committee / Member of the Credit Committee / Member of the Risk Management for Sustainability Committee / Company Secretary, Asian Sea Corporation Public Company Limited
2016 - 2023	Assistant Managing Director, Asian Feed Company Limited
2016 - 2018	Assistant Managing Director of Legal Department, Asian Seafoods Coldstorage Public Company Limited
2016	Deputy Manager of Legal Department, Metro Systems Corporation Public Company Limited



Mr. Kiatipong Narongpankul

Position : Member of the Risk Management for Sustainability Committee

Age : 43

Nationality : Thai



Education

- Bachelor of Science Environmental field Suan Dusit University

Shareholding (%)

0.001%

Training

- Principles of hazard and risk analysis in raw materials and food production processes according to recommendations in the GHPs/HACCP (Codex), BRCGS Food V.9 and FSMA standard systems., ENERMECH AND QUALITY SERVICE CO., LTD.
- TACCP/VACCP for Food Defense and Food Fraud, ENERMECH AND QUALITY SERVICE CO., LTD.
- PDPA for IT Management Course: Batch 6, Political Science Association, Kasetsart University.
- Safety officer course in management level, Safety and Training Center Co., Ltd.

Work Experiences (5-years Past Experiences)

- | | |
|----------------|--|
| present | Member of the Risk Management for Sustainability Committee, Asian Alliance International Public Company Limited. |
| 2021 - present | Information Technology Manager, Asian Alliance International Public Company Limited. |
| 2010 - 2021 | Assistant Information Technology Manager, Asian Sea Corporation Public Company Limited. |



Attachment 2

Details of Directors and Subsidiaries

Directors of all 2 subsidiaries

Directors Name	Subsidiaries	
	APCC	THAIYA
1. Mr.Somsak Amornrattanachaikul	/, //	/
2. Mr.Somchai Amornrattanachaikul	/, //	
3. Mr.Lin Shengxin		///

Note :

- / = Legal Representative (China) / Authorized Director
- // = Director
- /// = Supervisor (China)

- APCC = Asian Pets Care Corporation Co., Ltd.
- THAIYA = Thaiya Corporation (Shanghai) Co., Ltd.



Attachment 3

Detail of Head of Internal Audit

Head of Internal Audit

Miss Phastrawan Prichapanuwat

Position : Internal Audit Department Manager

Age : 41

Nationality : Thai



Appointed

1 October 2023

Shareholding (%)

None

Education

- Master's degree (MBA), Major in Accounting, Ramkhamhaeng University

Training

- Chief Audit Executive Professional Leadership Program No. 3
- Fraud Risk Prevention & Investigation
- Personal Data Protection (PDPA)
- Professional Forensic Accounting
- Corruption Risk & Control technical update (CRC5/2020)
- Fraud risk management and internal auditing of financial institution (The institute of internal auditors of Thailand)
- Technical insight into modern integrated risk management (National Institute of Development Administration)
- COSO-ERM (Federation of accounting professions)
- Internal Audit Program: Prepared Course for Certified Internal Auditor: Pre - CIA (Faculty of commerce and accountancy, Chulalongkorn University)
- J-SOX Flash Report

Work Experiences (5-years Past Experiences)

2017 - Present	Asian Sea Corporation Public Company Limited
2016	T.C. pharmaceutical industries Co., Ltd. and Red Bull Beverage Co., Ltd.
2008 - 2015	Ajinomoto (Thailand) Co., Ltd
2005 - 2008	S. K. accountant services Co., Ltd.



Attachment 4

Business Assets and Details on Asset Valuation

In the fiscal year 2023, the company and its subsidiaries have not appraised or re-value their assets.

Appendix





About this Report

Asian Alliance International PLC. has disclosed information on sustainability performance through Part 3: Driving Business towards Sustainability, Section 1: Business Operations and Performance of this 56-1 One Report cover all three dimensions, namely Environmental, Social, and Governance according to the Sustainability Strategy of the Company. The Company also applies international reporting guidelines to determine the materiality and the presentation of the content, as follows.

- Manual for preparing the Annual Registration Statement/ Annual Report (56-1 One Report) of the Securities and Exchange Commission or the SEC
- Manual suggesting relevant indicators for Food and Agriculture Sector of Stock Exchange of Thailand.
- Global Reporting Initiative (GRI) Sustainability Reporting Standards aligning with relevant indicators (GRI Standards 2021: Universal Standards and Topic Standards) and Sector Standard Project for Agriculture (Sector Standard: GRI 13 Agricultural, Aquaculture and Fish Sectors 2022).
- Reporting performance progress supporting Sustainable Development Goals (SDGs)

Timeframe and Scope of the Report

The sustainability's performance presented in this report covered sustainability performance of AAI and its subsidiaries in 2023 and in line with the fiscal year in 56-1 One Report, which are 1 January – 31 December, on yearly basis. Performance in Environmental dimension in this report covers AAI's performance in Thailand, meanwhile Performance in Social and Governance dimension covers AAI and its subsidiaries in Thailand and China, exclude Inter Petrina Co. Ltd., covers wet pet food, shelf-stable human tuna, and by-products under customers' brand and company's brands. However, GHG Emission has been measure only at AAI's Samutsakorn Plant.

Report Assurance

Sustainability performance information in 2023 56-1 One Report has been approved by the Risk Management for Sustainability Committee which was comprised of key managers of relevant departments, top management, and independent director. GHG emissions report in this report has been verified by an independent assurer for the 5th consecutive year according to Thailand Greenhouse Gas Management Organization (Public Organization) criteria to ensure that the information was accurate, complete, reliable and traceable.

Contacts Channels to provide feedback on this report

Contacts channels to provide feedback if there are any more information required or suggestion on the report.

Responsible Department	Company Secretary
The Company	Asian Alliance Internation Public Company Limited.
Address (Head Quarter)	55/2 Moo 2 Rama 2 Rd., Tambon Bangkrajao, Ampur Mueng, Samutsakorn 74000
Phone Number	0 3482 2700-4
Website	www.asianalliance.co.th

GRI	SET	Detail	Unit	2021	2022	2023	Noted
Environmental violations							
3-3	E1.2C	Number of cases or incidents of violation of the law or creating environmental impacts and explaining corrective measures.	number of cases	No	No	No	Number of cases or incidents of legal violations or negative environmental impacts, with explanations of mitigation measures
3-3	E1.3R	The value of damages or fines resulting from violating laws or creating environmental impacts.	Baht	No	No	No	Value of damages or fines received from legal violations or negative environmental impacts
3-3		Environmental liabilities incurred at the end of the year	case	No	No	No	Responsibility to environment at end years
		Number of cases in which non-monetary penalties were imposed	case	No	No	No	Number of punishment not financial
		Total number of cases brought through the dispute resolution mechanism	case	No	No	No	Number of cases through resolution mechanism
Performance in terms of emissions/air							
Average data							
305-7		NO _x (Standard ≤ 400)	ppm	190.24	269.35	320.92	
		SO _x (Standard ≤ 700)	ppm	194.82	217.49	371.64	
		CO (Standard ≤ 690)	ppm	354.84	259.64	349.48	
		Total Suspended Particulate : TSP (Standard ≤ 320)	mg/m ³	173.52	125.97	21.14	
boiler number 1							
305-7		NO _x (Standard ≤ 400)	ppm	196.02	300.49	329.71	
		SO _x (Standard ≤ 700)	ppm	165.86	130.21	242.95	
		CO (Standard ≤ 690)	ppm	271.41	105.17	231.71	
		Total Suspended Particulate : TSP (Standard ≤ 320)	mg/m ³	186.01	215.49	29.52	



GRI	SET	Detail	Unit	2021	2022	2023	Noted
boiler number 2							
		NO _x (Standard ≤ 400)	ppm	217.98	168.11	248.59	
305-7		SO _x (Standard ≤ 700)	ppm	255.35	165.45	273.46	
		CO (Standard ≤ 690)	ppm	342.54	32.02	179.87	
		Total Suspended Particulate : TSP (Standard ≤ 320)	mg/m ³	138.39	82.72	19.78	Pollution values are measured on average each year. It depends on whether or not the boiler is being used as the main unit at the time of measurement.
boiler number 3							
		NO _x (Standard ≤ 400)	ppm	156.72	339.45	384.47	
305-7		SO _x (Standard ≤ 700)	ppm	163.25	356.80	598.50	
		CO (Standard ≤ 690)	ppm	450.56	641.74	636.86	
		Total Suspended Particulate : TSP (Standard ≤ 320)	mg/m ³	196.16	79.70	14.12	
IFishmeal number 1							
305-7		Total Suspended Particulate : TSP (Standard ≤ 400)	mg/m ³	-	-	7.12	The company begins measurement in 2023.
Fishmeal number 2							
305-7		Total Suspended Particulate : TSP (Standard ≤ 400)	mg/m ³	-	-	5.22	The company begins measurement in 2023.



GRI	SET	Detail	Unit	2021	2022	2023	Noted
Performance in water and wastewater management							
SET: E3 water management							
E3.2C		Water consumption	M ³	966,630	1,067,924	829,124	
		• Separated by water source > Tap water	M ³	793,385	750,123	547,556	
		• Separated by water source > Groundwater	M ³	173,245	317,802	281,568	
E3.3R		Water use target	M ³	No	No	No	
E3.4R		Water consumption per unit (water intensity)	M ³ /Tons	25.02	25.43	28.02	
"3-3		Percentage of wastewater that is treated before being discarded.	%	100	100	100	
303-4		Wastewater volume	M ³	1,126,203.00	1,089,322.90	670,572.00	The amount of water that enters the treatment system before being discarded Some of the water is water from the recycling process.
303-5"							
E3.5R		• Separated according to the water source that releases the public canal.	M3	1,126,203.00	1,089,322.90	670,572.00	
		Amount of reused water or reused	M ³	156,995.62	161,193.00	120,284.07	
Performance in dealing with climate change							
SET: E5 Greenhouse effect management							
E5.2C		Amount of direct greenhouse gas emissions, Scope 1	tons of carbon dioxide equivalent	53,853.00	39,381.00	32,466.00	
E5.2C		Amount of indirect greenhouse gas emissions from energy use, Scope 2	tons of carbon dioxide equivalent	11,802.00	11,970.00	11,600.00	
E5.5R		Total greenhouse gas emissions of Scope 1, Scope 2, and Scope 3	tons of carbon dioxide equivalent	65,655.00	51,351.00	47,911.00	
305-3		Quantity of greenhouse gas emissions per unit (carbon intensity)	tons of carbon dioxide equivalent/Tons	1.70	1.22	1.49	Only scope 1 and 2 are included.
305-4"		Amount of indirect greenhouse gas emissions, Scope 3	tons of carbon dioxide equivalent			3,845.00	starts operations in 2023.



GRI	SET	Detail	Unit	2021	2022	2023	Noted
Performance in waste management							
SET: E4 Waste management							
"306-1	E4.2C	Total amount of waste generated	Tons	8,495.38	9,342.25	7,451.67	
306-2	E4.2C	Amount of hazardous waste generated	Tons	0.28	1.35	2.24	Company did not collect separate data
306-3	E4.2C	The amount of waste generated is not dangerous.	Tons	8,288.07	9,128.57	7,449.43	
306-4	E4.4R	Amount of trash and waste that has gone through the reuse and/or recycling process	Tons	8,495.10	9,340.90	7,449.43	
SET-FBE: E1 Food waste management							
Total amount of food waste							
		• Amount of food waste that goes to landfill	Kg	5,309,383.00	6,045,741.00	4,723,594.83	
		• Amount of food waste that is burned and destroyed	Kg	No	No	No	
	FBE-E1.2	• Amount of food waste used for fertilizer	Kg	-	-	13,410.00	
		• Amount of food waste that is disposed of by other methods	Kg	5,309,383.00	6,045,741.00	4,710,184.83	
3-3		Total amount of food waste that can be used	Kg	No	No	No	Company did not collect separate data
	FBE-E1.3	• Amount of leftover food that is donated	Kg	No	No	No	Company did not collect separate data will plan to do in 2024
		• Amount of leftover food that is processed into new products	Kg	No	No	No	Company did not collect separate data
Addition indicators							
Waste from the process							
		Amount of garbage and waste that is reused / recycled	Tons	717.35	961.12	784.49	
		Amount of raw material scraps from the tuna processing process that are recycled to make fish meal.	Tons	5,309.38	6,045.74	4,710.18	
		Amount of garbage and non-hazardous waste that can be composted to make fertilizer or soil improver.	Tons	334.95	272.03	529.49	



GRI	SET	Detail	Unit	2021	2022	2023	Noted
Performance in energy management							
Performance in energy management							
		Total energy consumption = Gross consumption - sold energy	GJ	438,269.04	500,919.06	453,934.28	
		Total energy consumption from all fuels non-renew + Renew	GJ	438,269.04	500,919.06	453,934.28	
		Using and purchasing energy from renewable sources	GJ	372,189.91	430,074.68	387,469.32	
		diesel fuel	GJ	1,545.80	1,784.98	1,757.80	
	E2.2C	gasoline	GJ	166.45	121.65	95.95	
		coal	GJ	366,451.23	423,755.09	382,142.17	
"3-3 302-1"		Liquefied Petroleum Gas (LPG)	GJ	4,026.44	4,412.96	3,473.40	
		Amount of renewable energy usage within the organization = (Production + Purchase) - Sales	GJ	9,926.25	16,434.19	15,979.29	
		electricity	GJ	56,152.87	54,410.18	50,485.67	
		purchasing energy	MWh	2,757.29	4,565.05	4,438.69	
E2.3C		Purchasing electricity from renewable energy sources such as Solar PPA	MWh	2,757.29	4,565.05	4,438.69	
Energy use intensity							
302-3	E2.5R	Energy intensity per unit	GJ/Tons	11.34	11.93	15.34	
		Coal consumption per product weight	GJ/Tons	9.48	10.09	13.18	



GRI	SET	Detail	Unit	2021	2022	2023
Results of operations in living with the community/community development and support						
SET: S4 Community/Social Responsibility						
3-3	S4.3C	Number of conflicts with communities/ societies, and remediation measures	Number of cases	0	0	0
413-1	S4.6R	Total financial contribution to community/ social development projects or activities	บาท	10,750,000	2,930,000	2,900,000
GRI 13:12 Local communities IIA: SET: S4 Community/Social Responsibility						
		number of Operation Site	Area	3	3	3
413-1	S4.1C S4.2C S4.3C S4.4R	Number of Project Site for developing and engaging with local communities. Community impact assessment or development projects	Area	2	2	2
		Proportion of operations involve local communities assessment impact communities or development project	Percentage of total local community project area	66.67	66.67	66.67
Performance in food quality and safety						
SET-FBE: S1 Responsibility to consumers						
416-1	FBE-S1.2	Number of incidents or complaints relating to impact on health or safety from the consumption of products, along with remediation and mitigation measures	Number of Cases	0	0	0



GRI	SET	Detail	Unit	2021	2022	2023
Performance on security and data privacy						
SET: G1 Cyber Security and Personal Data Protection						
	S3.2C	Number of cases of customer data leaks and corrective measures	Cases	0	0	0
	COM-G1.4	Percentage of employees training and use of personal information	%	N/A	93%	75%
3-3	COM-G1.4	Numbers of employees training and use of personal information	People	N/A	4,360	3,013
	COM-G1.5	Number of cases or incident company was attacked by cyber and corrective measure	Cases	0	0	0
	COM-G1.6	Number of cases or incident personal information leaks and corrective measure	People	0	0	0
SET: S3 Responsibility to customers/consumers						
Consumer Rights						
2-29	S3.3C	Number of incident or complaint with violation of consumer right and corrective measure	Cases	0	0	0
3-3						
417-2						
417-3						



GRI	SET	Detail	Unit	2021			2022			2023			Noted
				Male	Female	Total	Male	Female	Total	Male	Female	Total	
SET: S2 Treating labor fairly													
Safety, occupational health and working environment													
3-3	S2.13C	Number of cases or incident of injuries work in time off work	Times		52		78		58				
403-1		Statistic injuries from working	People	0	0	0	0	0	0	0	0	0	0
403-3		• Employees	People	0	0	0	0	0	0	0	0	0	0
403-9		• Contractor	People		No		No		No			No	It will be implemented in 2024.
403-10		Statistic death from working	People	0	0	0	0	0	0	0	0	0	0
		• Employees	People	0	0	0	0	0	0	0	0	0	0
		• Contractor	People		No		No		No			No	It will be implemented in 2024.
		Statistic injuries from working (no time off work)	People	73	80	153	169	218	387	83	125	208	
		• Employees	People	73	80	153	169	218	387	83	125	208	
		• Contractor	People		No		No		No			No	It will be implemented in 2024.
		Statistic injuries from working (time off work)	People	37	15	52	48	30	78	45	13	58	
		• Employees	People	37	15	52	48	30	78	45	13	58	
		• Contractor	People		No		No		No			No	It will be implemented in 2024.
S2.15R		Lost Time Injury Frequency Rate	person/1million workhours	6.35	3.56	5.18	6.85	6.09	6.54	7.11	3.00	5.44	

GRI	SET	Detail	Unit	2021			2022			2023			Noted
				Male	Female	Total	Male	Female	Total	Male	Female	Total	
GRI 403-8 Occupational health and safety working system													
Regular employees who are covered by the occupational health and safety management system													
403-8		Number of employees covered by health and safety management system	People		3,937		4,676		3,991				
		Proportion of employees covered by health and safety management system	% of employees		100		100		100				
		Number of employees covered by health and safety management system and has been inspected within the organization	People		3,903		4,658		3,974				There is no office audit in China.
		Proportion of employees covered by health and safety management system and has been inspected within the organization	% of employees		99.14		99.62		99.57				
		Number of employees covered by health and safety management system and has been inspected or certified by an external organization.	People		3,885		4,639		3,948				Only offices and factories in Samut Sakhon were inspected.
		Proportion of employees covered by health and safety management system and has been inspected or certified by an external organization.	% of employees		98.68		99.21		98.92				
SET: S1 human rights													
3-3	S1.3R	Number of incident regarding human right and corrective measure and remedial process	Cases		0		0		0				
406-1													



GRI	SET	Detail	Unit	2021			2022			2023			Noted
				Male	Female	Total	Male	Female	Total	Male	Female	Total	
SET-FBE: S2 Respect for differences and equality													
405-1	FBE-S2.2	Employees information classified by gender and nationality	People	1,633	2,304	3,937	1,893	2,783	4,676	1,577	2,414	3,991	
406-1		<ul style="list-style-type: none"> Thai Foreign 	People	346	587	933	372	611	983	321	530	851	
	FBE-S2.3	Number of incidents or complaints regarding violations of rights, equality and Unfair labor treatment with corrective and measure	Times	0	0	0	0	0	0	0	0	0	
SET-FBE: S3 Promotion of women's labor													
	FBE-S3.2	Number of female employees classified by position level	People	1,633	2,304	3,937	1,893	2,783	4,676	1,577	2,414	3,991	
405-1		Operation level	People	1,582	2,241	3,823	1,843	2,717	4,560	1,530	2,347	3,877	
		Management level	People	49	60	109	48	63	111	45	64	109	
		Senior executives	People	2	3	5	2	3	5	2	3	5	
SET-FBE: S4 opposition to child labor													
408-1	FBE-S4.3	Number of incidents or cases where child labor has been reported or detected within the organization and supply chain	Cases	0	0	0	0	0	0	0	0	0	



GRI	SET	Detail	Unit	2021	2022	2023
Human resource management performance						
SET: S2 Labor fairly						
Employment						
2-7 405-1	S2.1C	Employee	People	3,937	4,676	3,991
Employees are classified according to their domicile:						
2-7 405-1	S2.1C	Thailand	People	933	983	851
	S2.1C	Foreigner	People	3,004	3,693	3,140
Total number of contract employees (all contractors including employees with special employment contracts)						
2-7	S2.1C	Thailand	People	0	0	0
405-1	S2.1C	Foreigner	People	0	0	0
Number of employees by type						
2-7	S2.1C	Full time	People	3,937	4,676	3,991
405-1	S2.1C	Part Time	People	0	0	0
Employees classified by position level						
2-7	S2.1C	Management Director	People	1	1	1
405-1	S2.1C	Manager	People	113	115	113
	S2.1C	Operation officer	People	3,823	4,560	3,877
Employees divided by age						
	S2.1C	Under 30	People	1,793	2,265	1,765
	S2.1C	Percentage	%	45.54	48.44	44.22
	S2.1C	30 - 50 Years old	People	2,024	2,274	2,064
2-7 405-1	S2.1C	Percentage	%	51.41	48.63	51.72
	S2.1C	Higher than 50	People	120	137	162
	S2.1C	Percentage	%	3.05	2.93	4.06
	S2.2C	number of disable and/or elder	People	3	3	4



GRI	SET	Detail	Unit	2021	2022	2023
Pay compensation						
S2.3C		Total amount of employee compensation	Milion Baht	672	777	712
S2.4C		Percentage of employees who are members of the provident fund.	%	69%	71%	53%
S2.5R		Gender pay differences	Female:Male	No	No	No
401-2						The company provides this benefit to employees on a monthly basis.
405-2						There is no difference in remuneration in the remuneration policy.

GRI	SET	Detail	Unit	2021			2022			2023			Noted
				Male	Female	Total	Male	Female	Total	Male	Female	Total	
GRI 401: Employment 2016													
Employee turnover rate													
		Total number of employees who resigned	People	303	406	709	421	493	914	479	527	1,006	
401-1		Percentage of total employees	%	7.70	10.31	18.01	9.00	10.54	19.55	12.00	13.20	25.21	
		Total number of employees who voluntarily resigned	People	303	406	709	421	493	914	479	527	1,006	
		Percentage of total employees	%	7.70	10.31	18.01	9.00	10.54	19.55	12.00	13.20	25.21	



GRI	SET	Detail	Unit	2021	2022	2023
Performance on good corporate governance and business ethics						
SET: G1 Composition of the committee						
committee structure						
2-9	G1.2C	Total number of committees	People	8	8	8
	G1.2C	Number of executive directors	People	2	2	2
	G1.3C	Number of independent committees	People	3	3	3
	G1.4C	Number of non-executive directors (Excluding independent directors)	People	3	3	3
	G1.5C	Number of female directors	People	1	1	1
2-11		Number of independent directors in each sub-committee				
		• Audit Committee	People	3	3	3
	G1.8C	• Risk Management Committee for Organization Sustainability	People	1	1	1
		• Corporate Governance Committee Recruitment and compensation	People	2	2	2
	G1.10C	Number of years in office for each director	Years	3	3	3
Roles and responsibilities of the committee						
	G1.11C	Number of meetings of the Board of Directors	Times	N/A	7	6
	G1.11C	Number of attendees at the meeting of the Board of Directors	%	N/A	98.21	93.75
		Average number of attendees at each meeting of the Board of Directors	People	N/A	7.86	7.50
	G1.13C	Number of meetings of the Audit Committee	Times	N/A	5	7
2-12	G1.15C	Number of meetings of each sub-committee				
		Executive Committee	Times	N/A	12	12
		Nomination and Remuneration Committee	Times	N/A	5	2
		Risk Management Committee	Times	N/A	3	5
		Corporate Governance and Sustainability Management Committee	Times	N/A	4	4
		credit committee	Times	N/A	6	5



GRI	SET	Detail	Unit	2021	2022	2023
Remuneration for directors and senior executives						
2-19	G1.22C	Amount of compensation for individual directors	Baht	N/A	1,195,000	1,365,000
2-20	G1.25C	Total compensation amount of senior executives	Baht	N/A	16,942,286	14,153,723
Business ethics						
2-26	G1.36C	Number of cases of violation of business ethics or corruption with corrective measures	Cases	Yes	Yes	Yes
Performance in product research and development						
SET: G5 innovation development						
3-3	G5.3C	Expenses for research and innovation development	Baht	23,175,486	20,429,169	25,245,102
SET-FBE: G2 Health and nutritional promotion products						
G4-FP7	FBE-G2.4	Percentage of products with nutritional labeling	%	100	100	100
SET: G4 Sustainable supply chain management						
3-3	G4.3R	Percentage of new business partners of the company that passed Screening for environmental and social issues	%	No	No	No
308-1	414-1	Number of new business partners of the company that have passed environmental and social issues screening.	List	No	No	plan for implementation in 2024.
		Percentage of key suppliers who have signed to abide by the Business Supplier Code of Ethics.	%	No	No	plan for implementation in 2024.
		Number of important trading partners who signed	List	No	No	plan for implementation in 2024.
		Total number of key suppliers:: Partners that are at high risk of negative ESG impacts or have significant business connections to the company, or a combination of both	List	No	No	plan for implementation in 2024.



GRI	SET	Detail	Unit	2021	2022	2023
SET-FBE: G3 Sustainable sourcing of raw materials						
		Percentage of new business partners of the company that passed Screening for environmental and social issues	%	No	No	No
	G4.3R					plan for implementation in 2024.
		Number of new business partners of the company that have passed environmental and social issues screening.	List	No	No	No
		Percentage of key suppliers who have signed to abide by the Business Supplier Code of Ethics.	%	No	No	No
		Number of important trading partners who signed	List	No	No	No
	G4.5R					plan for implementation in 2024.
		Total number of key suppliers:: Partners that are at high risk of negative ESG impacts or have significant business connections to the company, or a combination of both	List	No	No	No
						plan for implementation in 2024.
SET-FBE: G3 Sustainable sourcing of raw materials						
		Percentage of raw materials and agricultural products procured from responsible sources.	%	100	100	100
	FBE-G3.2					It is information on raw materials obtained from the fishing industry.
		Percentage of products from land animals certified to meet animal welfare standards.	%	100	100	100
	FBE-G3.4					
		Percentage of aquatic products certified to sustainable fishing standards	%	100	100	100
	FBE-G3.5					
SET-FBE: G1 Consumer health and safety						
		Percentage of products or agricultural products that are certified to food safety standards.	%	100	100	100
	G4-FP5					
	FBE-G1.2					

Content Index

Statement of Use	Asian Alliance International Public Company Limited has reported with reference to GRI Standards for the period from 1 January 2023 to 31 December 2023
GRI Used	GRI Standards 2021 which consist of GRI 1: Foundation 2021, GRI 2: General Disclosures 2021 and GRI 3: Material Topics 2021
Applicable GRI Sector Standards	<ul style="list-style-type: none"> (Currently, there is no GRI for Food Sector Standard, therefore, this report is aligned with G4 Food Processing Sector)

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
GRI 2 General Disclosures 2021	2-1 Organizational details	<ul style="list-style-type: none"> 2023 AR: Page 17 				
	2-2 Entities included in the organization's sustainability reporting	<ul style="list-style-type: none"> 2023 AR Appendix : Page 221-222 				
	2-3 Reporting period, frequency and contact point	<ul style="list-style-type: none"> 2023 AR Appendix : Page 221-222 AAI Website: https://investor.asianalliance.co.th/th/downloads/one-reports 				
	2-4 Restatements of information				Not applicable as this first year of reporting	





GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
	2-5 External assurance				Information unavailable The company's carbon footprint has been verified against the Carbon Footprint for Organization (CFO) program by the Thailand Greenhouse Gas Management Organization (TGO).	
	2-6 Activities, value chain and other business relationships	<ul style="list-style-type: none"> • 2023 AR: Page 24-27, 32, 53-54 • AAI Website: https://asianalliance.co.th/en/asian-link/ 				
	2-7 Employees	<ul style="list-style-type: none"> • 2023 AR: Page 101-103 		S2.1C FBE-S2.2		
	2-8 Workers who are not employees				Information unavailable	
	2-9 Governance structure and composition	<ul style="list-style-type: none"> • 2023 AR: Page 88 , 195-216 • AAI Website: https://asianalliance.co.th/about-us/board-of-directors/ 		G1.1C G1.2C G1.3C G1.4C G1.5C G1.6C G1.8C G1.9C G1.10C		



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET Indicator ^{1/}	Remark	External Assurance
	2-10 Nomination and selection of the highest governance body	<ul style="list-style-type: none"> 2023 AR: Page 97 AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aai-board-diversity-policy-th.pdf https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-governance-policies/20231201-aai-good-corporate-governance-policy-th.pdf 		G1.18C G1.19C G1.20C	No new directors were appointed to the company in 2022 and 2023	
	2-11 Chair of the highest governance body	<ul style="list-style-type: none"> 2023 AR: Page 105 AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/charter-board-and-subcommittee/20231201-aai-charter-board-of-directors-th.pdf 		G1.7C		
	2-12 Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> 2023 AR: Page 88-98 		G1.11C G1.12C G1.13C G1.14C G1.15C G1.16C G1.17R		
	2-13 Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> 2023 AR: Page 96-97 AAI Website: https://investor.asianalliance.co.th/th/corporate-governance/charter-board-and-subcommittee 				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
	2-14 Role of the highest governance body in sustainability reporting	<ul style="list-style-type: none"> • 2023 AR: Page 96-97 • AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/charter-board-and-subcommittee/20231213-aai-risk-management-committee-charter-th.pdf 				
	2-15 Conflicts of interest	<ul style="list-style-type: none"> • 2023 AR: page 87, 108-109 • AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/code-of-conduct/20231201-aai-business-ethics-th.pdf https://investor.asianalliance.co.th/th/corporate-governance/business-ethics 				
	2-16 Communication of critical concerns	<ul style="list-style-type: none"> • 2023 AR: page 111 • AAI Website https://investor.asianalliance.co.th/th/corporate-governance/whistleblowing-channel https://investor.asianalliance.co.th/storage/downloads/corporate-governance/whistleblowing-channel/20240103-aai-policy-for-complaint-and-whistleblowing-th.pdf 				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET Indicator ^{1/}	Remark	External Assurance
	2-17 Collective knowledge of the highest governance body	<p>2023 AR: page 106</p> <ul style="list-style-type: none"> AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance-policies/20231201-aai-good-corporate-governance-policy-th.pdf 		G1.27C G1.28R		
	2-18 Evaluation of the performance of the highest governance body	<ul style="list-style-type: none"> 2023 AR: page 107 AAI Website: https://investor.asianalliance.co.th/th/corporate-governance/self-evaluation-of-the-board-of-directors 		G1.29C G1.30C G1.31C G1.32R G1.33R		
	2-19 Remuneration policies	<ul style="list-style-type: none"> 2023 AR: page 97-98, 107 AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance-charter-board-and-subcommittee/20231213-the-nomination-and-remuneration-committee-charter-th.pdf 		G1.21C G1.24C		
	2-20 Process to determine remuneration	<ul style="list-style-type: none"> 2023 AR: page 97-98 AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance-charter-board-and-subcommittee/20231213-the-nomination-and-remuneration-committee-charter-th.pdf 		G1.21C G1.24C		



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
	2-21 Annual total compensation ratio	2023 AR: page 100-101, 107		G1.22C G1.23C G1.25C G1.26R	The company did not pay other non-monetary remuneration to executives, except in 2022 when the Company IPO and Listed in SET	
	2-22 Statement on sustainable development strategy	2023 AR: page 12-14,45-46 AAI Website: https://asianalliance.co.th/sustainable-development/				
	2-23 Policy commitments	CG and Business Ethics 2023 AR: page 86-117 AAI Website: https://asianalliance.co.th/sustainable-development/stakeholders/ https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20220926-aa-i-human-rights-principles-and-law-compliance-th.pdf				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
	2-24 Embedding policy commitments	<p>Sustainability Framework and Strategy, 2023 AR: page 12-14, 45-46 AAI Website: https://asianalliance.co.th/sustainable-development Sustainability Policy, and Guideline 2023 AR: page 45-46 AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aii-sustainable-development-and-corporate-social-responsibility-th.pdf Human Rights Management System Guideline 2023 AR: page 66-68 AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aii-human-rights-principles-and-law-compliance-th.pdf Supply Chain Management 2023 AR: page 70 AAI Website: https://asianalliance.co.th/sustainable-development/stakeholders/</p>				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
	2-25 Processes to remediate negative impacts	<p>Risk and Crisis Management 2023 AR: page 36 AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa-i-risk-management-policy-th.pdf</p>				
	2-26 Mechanisms for seeking advice and raising concerns	<p>Grievance and whistleblowing policy and guidelines 2023 AR: page 111 AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/whistleblowing-channel/20240103-aa-i-policy-for-complaint-and-whistleblowing-th.pdf</p>		G1.34C G1.35C G1.36C G1.37C		
	2-27 Compliance with laws and regulations	<p>Corporate Governance 2023 AR: page 68-69 https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa-i-good-corporate-governance-policy-th.pdf Risk and Crisis Management 2023 AR: page 36 AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa-i-risk-management-policy-th.pdf</p>				



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
	2-28 Membership associations	Sustainability Performance Data 2023 AR: page 20-21 Awards and Recognitions 2023 AR: page 9-10				
	2-29 Approach to stakeholder engagement	2023 AR: page 56-58				
	2-30 Collective bargaining agreements	Human Resource management, Labor Practice 2023 AR: page 103 AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/charter-board-and-subcommittee/20230202-aa-human-resource-management-policy-th.pdf		S2.21R		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	2023 AR: page 59				
	3-2 List of material topics	2023 AR: page 59		G2.2R		
Governance Performance						
Corporate Governance						
GRI 3: Material Topics 2021	3-3 Management of material topics	2023 AR: page 45-46, 68-70, 103-104	SDGs 1-14, 16	G2.1C G2.3R G2.4R		
Risk and Crisis Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability risk management policy and guidelines 2023 AR: page 36 AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aai-risk-management-policy-th.pdf ESG risks and opportunities 2023 AR: page 60 Emerging risks 2023 AR: page 42-43 Business continuity plans (BCP)	SDGs 8, 16	G3.1C G3.2C G3.3C G3.4C G3.5R	Under Strategic risks, sustainability risks (ESG risks) are assessed annually through the assessment of the organization's materiality issues. This assessment considers both risks and opportunities to form strategic planning and enterprise risk management.	



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
		<p>2023 AR: page 69</p> <p>AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20240205-aii-business-continuity-plan-th.pdf</p> <p>Standards on sustainability risk management</p> <p>2023 AR: page 118-119</p> <p>AAI Website: https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aii-internal-control-and-internal-audit-policy-th.pdf</p>				
Research and Product Innovation						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>Process to develop and promote an innovation culture</p> <p>2023 AR: page 53</p> <p>AAI Website : https://asianalliance.co.th/sustainable-development/consumer/</p> <p>Spending on innovation research & development</p> <p>2023 AR Appendix : page 238</p> <p>Benefits received from innovation development</p> <p>2023 AR: page 60,69-70</p>	SDGs 2, 8-9, 12	G5.1C G5.2C G5.3C G5.4R		

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
GRI G4: Food Processing Sector Disclosures	G4-FP7 Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives.	Percentage of products with nutritional labelling 2023 AR: page 49,67		FBE-G2.1 FBE-G2.2 FBE-G2.3 FBE-G2.4		
Supply Chain Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	Percentage of suppliers acknowledging the Supplier Code of Conduct 2023 AR: page 53,69-70 Percentage of products from land animals certified to animal welfare standards 2023 AR: page 70 Percentage of products from aquatic animals certified to sustainable fishing standards 2023 AR: page 70	SDGs 2, 8, 12, 14	G4.1C G4.2C G4.4R G4.5R FBE-G3.1 FBE-G3.2 FBE-G3.3 FBE-G3.4 FBE-G3.5	The company is developing due diligence process to address its actual and potential impact on social and environment aspects. The revised performance of this indicator is expected to be reported in the next 1-2 year.	



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria			G4.3R	Information unavailable/incomplete. AA is developing the screening process. The revised performance of this indicator is expected to be reported in the next 1-2 years.	
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria			G4.3R	Information unavailable/incomplete. AA is developing the screening process. The revised performance of this indicator is expected to be reported in the next 1-2 years.	



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET Indicator ^{1/}	Remark	External Assurance
GRI G4: Food Processing Sector Disclosures	G4-FP5 Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	<p>Food Safety Standards 2023 AR: page 20-21</p> <p>Policy and measures on management in safe agricultural raw materials and products 2023 AR: page 70</p> <p>Percentage of agricultural products or produce that has been certified to meet food safety standards 2023 AR: page 49,70</p>	SDG 2	FBE-G1.1 FBE-G1.2		
Environmental Performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	<p>Environmental management policy and guidelines 2023 AR: page 60</p> <p>AAI Website : https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aai-environment-policy-th.pdf</p> <p>Number of cases or incidents of legal violations or negative environmental impacts, with explanations of mitigation measures 2023 AR: page 60</p> <p>Value of damages or fines received from legal violations or negative environmental impacts 2023 AR: page 60</p>		E1.1C E1.2C E1.3R		



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
Emissions						
GRI 3: Material Topics 2021	3-3 Management of material topics	2023 AR: page 63	SDGs 11, 12			
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	2023 AR: page 63				
Water and Effluent management						
GRI 3: Material Topics 2021	3-3 Management of material topics	2023 AR: page 64	SDGs 6, 12	E1.5R E3.1C E3.3R E3.4R	Water and Effluent management The Company target to treat waste water 100% before release those back to nature	
GRI 303: Water and Effluents 2018	303-4 Water discharge	2023 AR: page 64		E3.5R		
	303-5 Water consumption	2023 AR: page 64		E3.2C		
Climate Change Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	2023 AR: page 47,60-62, 2023 AR Appendix : Page 224	SDG 13	E1.7R E5.1C E5.3C E5.4R FBE-E4.1 FBE- E4.2		



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
GRI 305: Emission 2016	305-1 Direct (Scope 1) GHG emissions	2023 AR: page 47,61		E5.2C E5.5R		VGreen
	305-2 Energy indirect (Scope 2) GHG emissions	2023 AR: page 47,61		E5.2C E5.5R		VGreen
	305-3 Other indirect (Scope 3) GHG emissions	2023 AR: page 61		E5.5R		VGreen
	305-4 GHG emissions intensity	2023 AR: page 47,61		E5.6R		VGreen
Waste Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	2023 AR: page 48,65, 2023 AR Appendix : Page 225	SDGs 11, 12, 13	E1.6R E4.3R FBE-E1.1 FBE-E1.2 FBE-E1.3		
GRI 306: Waste (2020)	306-1 Waste generation and significant waste-related impacts	2023 AR: page 65		E4.2C		
	306-2 Management of significant waste-related impacts	2023 AR: page 65		E4.1C FBE-E1.1		
	306-3 Waste generated	2023 AR: page 65, 2023 AR Appendix : Page 225		E4.2C FBE-E1.2 FBE-E1.3		
	306-4 Waste diverted from disposal	2023 AR: page 65, 2023 AR Appendix : Page 225		E4.4R FBE-E1.2 FBE-E1.3		
	306-5 Waste directed to disposal	2023 AR: page 65, 2023 AR Appendix : Page 225		E4.2C FBE-E1.2 FBE-E1.3		



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
Energy Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	2023 AR: page 48,62 2023 AR Appendix : Page 226	SDGs 7, 12, 13	E1.4R E2.1C E2.3C E2.4R		
	302-1 Energy consumption within the organization	2023 AR: page 48,62 2023 AR Appendix : Page 226		E2.2C		
	302-3 Energy intensity	2023 AR: page 48,62 2023 AR Appendix : Page 226		E2.5R		
Social Performance						
Human Rights and Employee Labor Practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	2023 AR: page 66. AAI Website : https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa-i-sustainable-development-and-corporate-social-responsibility-th.pdf https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa-i-sustainable-development-and-corporate-social-responsibility-th.pdf https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa-i-human-rights-principles-and-law-compliance-th.pdf	SDGs 1, 3, 5, 8, 16	S1.1C S1.2R		



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	2023 AR: page 66-67		S2.12C S2.14R		
	403-2 Hazard identification, risk assessment, and incident investigation	2023 AR: page 66-67 2023 AR Appendix : Page 229-230				
	403-3 Occupational health services	2023 AR: page 66-67 2023 AR Appendix : Page 229-230		S2.12C		
	403-4 Worker participation, consultation, and communication on occupational health and safety	2023 AR: page 66-67 2023 AR Appendix : Page 229-230				
	403-5 Worker training on occupational health and safety	2023 AR: page 66-67 2023 AR Appendix : Page 229-230				
	403-6 Promotion of worker health	2023 AR: page 66-67 2023 AR Appendix : Page 229-230				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2023 AR: page 66-67 2023 AR Appendix : Page 229-230				
	403-8 Workers covered by an occupational health and safety management system	2023 AR: page 66-67 2023 AR Appendix : Page 229-230				
	403-9 Work-related injuries	2023 AR: page 66-67 2023 AR Appendix : Page 229-230		S2.13C S2.15R		
	403-10 Work-related ill health	2023 AR: page 66-67 2023 AR Appendix : Page 229-230		S2.13C		



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET Indicator ^{1/}	Remark	External Assurance
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2023 AR: page 100 2023 AR Appendix : Page 229-230 Policy and guidelines related to promoting gender equality in the workplace 2023 AR: page 66 AAI Website : https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa1-human-rights-principles-and-law-compliance-th.pdf		S2.1C S2.2C FBE-S2.1 FBE-S2.2 FBE-S3.1 FBE-S3.2		
	405-2 Ratio of basic salary and remuneration of women to men			S2.3C S2.5R	Information unavailable. There is no discrimination in the compensation policy.	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	2023 AR: page 49,66 2023 AR Appendix : Page 229-230		S1.2R S1.3R FBE-S2.3		



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	2023 AR: page 66 2023 AR Appendix : Page 229-230 AAI Website : https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa-human-rights-principles-and-law-compliance-th.pdf			The Company does not have related risks.	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	2023 AR: page 66 2023 AR Appendix : Page 229-230 AAI Website : https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa-human-rights-principles-and-law-compliance-th.pdf		FBE-S4.1 FBE-S4.2 FBE-S4.3	The Company does not have related risks	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	2023 AR: page 66 2023 AR Appendix : Page 229-230 AAI Website : https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa-human-rights-principles-and-law-compliance-th.pdf			The Company does not have related risks	
Community Development						



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	2023 AR: page 48,68 2023 AR Appendix : Page 227	SDGs 1-4, 11	S4.6R		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs 413-2 Operations with significant actual and potential negative impacts on local communities	2023 AR: page 48,68 2023 AR Appendix : Page 227		S4.1C S4.2C S4.3C S4.4R S4.5R	Only Thailand operations with significant actual and potential negative impacts on local communities is reported. The data on other countries in reporting boundary is not available. The data collection system is under developing progress. Our operations did not cause any significant negative impacts, actual or potential, on the communities.	
Human Resource Management						



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
GRI 3 Material Topics 2021	3-3 Disclosure of material topics	2023 AR: page 50,57,103 2023 AR Appendix : Page 232-237 AAI Website : https://investor.asianalliance.co.th/storage/downloads/corporate-governance/charter-board-and-subcommittee/20230202-aa-human-resource-management-policy-th.pdf	SDGs 4-5, 8, 10	S2.6C S2.8R S2.9R S2.16C S2.18C	The information covers significant operating sites in Thailand and there are no any significant negative impacts on local communities. The data on other countries are under developing.	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	2023 AR Appendix : Page 232-237 2023 AR: page 103 2023 AR Appendix: Page 232-237		S2.17C S2.4C S2.11R	 The company offers life and disability insurance benefits to monthly employees in Thailand. However, no equity ownership benefit is provided.	
GRI 404: Training and Education (2016)	404-1 Average hours of training per year per employee 404-2 Programs for upgrading employee skills and transition assistance programs	2023 AR Appendix: Page 232-237 2023 AR: page 103 2023 AR Appendix : Page 232-237		S2.7C S2.6C S2.11R		



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
	404-3 Percentage of employees receiving regular performance and career development reviews	2023 AR: page 103 2023 AR Appendix : Page 232-237		S2.8R		
Quality and Food Safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	2023 AR: page 49,67 2023 AR Appendix: Page 227	SDG 2			
GRI 416: Customer Health and Safety (2016)	416-1 Assessment of the health and safety impacts of product and service categories	2023 AR: page 49,67 2023 AR Appendix: Page 227		FBE-S1.1	The Company has an assessment process for evaluating the risks of raw materials and products that may impact consumer health and safety	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	2023 AR: page 49,67 2023 AR Appendix: Page 227		FBE-S1.2		



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
Responsible marketing communication and product labelling						
GRI 3: Material Topics 2021	3-3 Management of material topics	Consumer data protection policy and guidelines 2023 AR: page 49, 67 Grievance channels for customers/ consumers 2023 AR: page 111 AAI Website : https://asianalliance.co.th/sustainable-development/rights-of-human/#whistle-blowing-channels	SDG 2	S3.1C S3.4R		
GRI 417: Marketing and Labeling (2016)	417-1 Requirements for product and service information and labeling	AAI Website : https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa-i-sustainable-development-and-corporate-social-responsibility-th.pdf		S3.8R S3.9R		
	417-2 Incidents of non- compliance concerning product and service information and labeling	2023 AR: page 67 2023 AR Appendix: Page 228		S3.3C		
	417-3 Incidents of non- compliance concerning marketing communications	2023 AR: page 67 2023 AR Appendix : Page 228		S3.3C		



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	Mapped to SDGs	Mapped SET indicator ^{1/}	Remark	External Assurance
Data Security and Data Privacy						
GRI 3: Material Topics 2021	3-3 Management of material topics	2023 AR: page 67-68, 2023 AR Appendix : Page 228 AAI Website : https://investor.asianalliance.co.th/storage/downloads/corporate-governance/corporate-policies/20231201-aa1-privacy-policy-th.pdf	SDG 16	S3.2C COM-G1.1 COM-G1.3 COM-G1.4 COM-G1.5 COM-G1.6		

Remarks

^{1/} The indicators are reported according to the Sustainability Reporting Guide for Listed Companies, Guidance on ESG Metrics by Industry Group: Agro & Food Industry, and Services, The Stock Exchange of Thailand.





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