



ANNUAL REPORT



2024



Shun Thai Rubber Gloves Industry Public Company Limited

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Message from the Chairman of the Board of Directors

In 2024, Shun Thai Rubber Gloves Industry Public Company Limited is still in the rubber glove market with intense price competition. And still affected by the amount of stock that still exists even though the amount has been greatly reduced. Over the past year, the board of directors has monitored the situation of the rubber glove industry both domestically and internationally and abroad closely. In order to maintain the company's competitiveness, the board of directors has adjusted the strategies in terms of management, production, marketing and pricing for the management to implement. As a result, the company can significantly reduce personnel costs, marketing costs, and reduce the cost of rubber gloves production. Although the company still has a “loss” in 2024, the loss is likely to decrease and the company is confident that it has the opportunity to make a profit in the near future.



In 2024, the country's economic situation will continue to slow down. In terms of costs, whether financial costs, labor costs, energy costs, and raw material costs used in the rubber glove production process, all have increased. These factors will have a severe impact on rubber glove industry operators, especially SME operators. However, the board of directors has closely monitored and assessed the situation by using strict budget control. Reducing costs for all parties and accelerating revenue growth are important tools to drive the company. Under an effective internal control system, the company can adapt and accommodate situations that arise to some extent and confident that the company can still stand firmly in this industry.

On this occasion, I would like to thank all parties for their support and trust in the company. I and all directors of the company have a firm intention to perform our duties and responsibilities as directors who have been trusted by shareholders with full knowledge, ability and experience for the progress and stability of the company.

Sincerely yours,

A handwritten signature in blue ink, consisting of a stylized 'C' followed by a long horizontal stroke.

(Mr. Chakarn Saengruksawong)

Chairman of the Board of Directors

Part 1

Business and Operations

1. Structures and Operations of the Group

1.1 Policy and Overview of Business Operations

Shun Thai Rubber Gloves Industry Public Company Limited had started business since 1988 and registered as a public company limited on September 4, 2001, conducting business of manufacturing, distribution and export of rubber gloves, classifying into 3 types, consisting of:

(1) Medical Glove, classifying into 2 subtypes:

- Surgical Glove: It is used for surgery. This glove has thin texture with strength, durability and length to elbow. It must be treated by sterilization 100% using gamma irradiation. For its packaging, it has fineness and convenience for using. This glove is a disposable glove for protecting from pathogen.

- Examination Glove: It is for general medical examination, possessing both Powdered and Powder free gloves. This glove shall be designed to be appropriate to the use, namely, it shall be wear easily and easy to open its package. This glove will not have left or right side. It is designed to be Ambidextrous (can wear both side of it). This glove is thin, fits for hands. It is short at wrist and cheap. This glove is a disposable glove for protecting pathogen transmission.

(2) Household Glove has a large size. It is durable and resisted for using that shall expose to water or detergent with long lifetime. Its design is emphasized to be beautiful appearance, easy to wear, soft lining and packed refined in order to attract the maid's interest.

(3) Industrial Glove for general use. It is used for packing which is unnecessary to be beautiful appearance. This glove is suitable for using in industrial factory such as food preservation industry or instant food production, etc.

1.1.1 Vision, Objectives, Goals

Board of directors is contributed to prescribe and approve vision, mission, strategies, goals, business plan and budgets of the Company as well as govern the management division to operate to meet the business plan and the given budget efficiently and effectively in order to add the highest economic value to the business, taking account into the Sustainable Growth, relevant sectors or Stakeholders in the Value Chain.

Board of directors has provided the Company to have internal control system internal audit and risk management measures as well as monitoring the operations of the said matter regularly in the meeting of board of directors.

Objectives

- Focus in marketing for products with high profitability ratios and Custom Made,
- Reduce and control production costs,
- Improve production processes and internal management to increase productivity and reduce the damaged product,
- Maintain Product Quality to meet the international standards,
- Develop the Green Product,
- Build Brand Loyalty by delivery of quality products that customers require.

Goals

“There is efficient production process, modern management system, ECO -friendly and -community, build sustainable growth to all sectors of Stakeholders and produce variety products and standardized, emphasizing on effectiveness of production and marketing, and continuous development of Value Chain.”

1.1.2 Key Changes and Development

Shun Thai Rubber Gloves Industry Public Company Limited had been registered establishment on May 24, 1988 with initial registered capital of 30 million Baht.

- **1998**

The Company had joint business with B Mark Company Limited, Italy to establish B Mark Shun Thai Company Limited in Italy to be a dealer of rubber gloves of the Company to customer in Italy and Europe, holding shares of 40 percent (amount of 46,920 shares).

The Company had increased the paid-up registered capital as 75 million Baht in 1999 and increased paid-up registered capital as 125 million Baht in 2000 in order to support the Company’s growth and had started to construct the 2nd factory.

- **2001**

The Company had registered as a public company on September 4, 2001 and changed par value from 10 Baht to 1 Baht per share.

Later, the Ordinary General Meeting of Shareholders No. 7/2544 on December 28, 2001 had resolution to increase the registered capital as 195 million Baht, issued 70 million shares of the common stock which is issuance and offer for sale to Private Placement (PP) of 20 million shares at price of 1 Baht per share, the remaining 50 million shares is offer for sale to general public at price of 1.80 Baht per share.

- **2002**

It is the important year of the Company because of the Company had offer for sale of shares to general public at the first time and at the same year, the Company's shares had been listed as the registered security in stock exchange MAI, which opened to trade on August 1, 2002 using stock trading acronyms as "STHAI".

- **2003**

The Company had invested in shares of S.T. Med Company Limited, an associate, established as the company limited in United States of America in order to be a product dealer in United States of America and Americas by the Company holds 19 percent of shares (amount of 95,000 shares).

And increase the registered capital from 195 million Baht to 260 million Baht, issuing 65 million new ordinary shares by allocated to existing shareholders in ratios of 3 previous shares per 1 new share at price of 1 Baht per share as per the resolution of Extraordinary Meeting of Shareholders No. 1/2546 on July 31, 2003.

The said capital increase causes the Company has the paid-up capital exceeding 200 million Baht. Stock Exchange of Thailand therefore transferred the Company's securities which are the registered securities in MAI to be the registered securities in SET by trading in Pharmaceutical Products & Cosmetics using acronyms as "STHAI" as before. It became effective in security trade system since January 1, 2004 which is the beginning date of accounting period.

- **2004**

The Company had invested in ordinary shares in Latex Systems Company Limited, a company manufactured and distributed latex mattress by the Company holds 5.77 percent of shares (amount of 80,000 shares).

- **2006**

The Company had issued the warrants to purchase ordinary shares allocated to existing shareholders No. 1 (STHAI-W1) and allocated to board of directors and employees of the Company No. 1 (ESOP-W1) of 195,000,000 units and 15,000,000 units, respectively, with term of 3 years and the first conversion to ordinary

shares on September 29, 2006 which exercise ratio as per the warrant of 1 unit per 1 ordinary share at price of 2 Baht per share.

- **2008**

The Company had increased the registered capital of the Company of 102,657,633 Baht from previous registered capital of 600,000,000 Baht to the registered capital of 702,657,633 Baht, issuing 102,657,633 new ordinary shares with par value of 1 Baht per share, which offered for sale to existing shareholders in ratios of 4 previous shares per 1 new share at price of 1.70 Baht per share.

Later, 76,092,793 shares remaining from increasing the capital were allocated to distribute as the 2nd time to offer for sale to existing shareholders in ratios of 5 previous shares per 1 new share at price of 1.70 Baht. Moreover, there were those who exercised the subscription rights of 62,198,000 shares, accounting for amount of 105,736,600 Baht, which the remaining shares of 13,894,793 shares.

And there is investment sale of S.T.MED Company Limited and B Mark Shun Thai Company Limited, which are associates, holding 19 percent and 40 percent of shares, respectively by 95,000 Shares of S.T.MED Company Limited were sold on July 4, 2008 to outsiders at price of 10,000 US Dollars.

- **2009**

The Company had exercised the final right of conversion of warrant to purchase ordinary shares of the Company allocated to existing shareholders No.1 (STHAI-W1) and allocated to board of directors and employees of the Company No. 1 (ESOP-W1), commencing to exercise the first right on 2006 and expiring on 2009 with person who exercised the rights of 60,000 shares, resulting in the Company had paid-up registered capital of 499,453,373 Baht and registered capital of 702,657,633 Baht.

The Board of Directors Meeting No. 3/2552 on August 11, 2009 had resolution to sell investment in Latex Systems Company Limited which operates business of manufacturing and distribution of latex mattress, holding 5.77 percent of shares (amount of 80,000 shares) to Thai Rubber Latex Corporation Thailand PCL with amount of 739,200 Baht in December 2009.

The Company had sold investment in B Mark Shun Thai Company Limited, an associate in Italy which is responsible for a dealer of rubber gloves in Italy and Europe, holding 40 percent of shares (amount of 46,920 shares). The said investment sale met the resolution of Board of Directors Meeting No. 4/2551 on June 10, 2008 sold out to outsider at price of 40,000 US Dollars and already had transferred the ownership on May 2010.

- **2010**

The Ordinary Meeting of Shareholders No. 1/2553 on April 9, 2010 had resolution to reduce the registered capital by writing off the registered shares remaining from supporting the capital increase in proportion and exercise of subscription right of warrant to purchase ordinary shares of the Company.

The Company had 13,894,793 unsold shares from supporting the capital increase in proportion and 189,309,467 ordinary shares remaining from supporting exercise of exercise of warrant conversion, resulting in the Company had total 203,204,260 unsold ordinary shares with registered capital of 702,657,633 Baht and paid-up registered capital of 499,453,373 Baht.

Therefore, when already write-off the registered capital as per resolution of Ordinary Meeting of Shareholders No. 1/2553, the Company had the paid-up registered capital of 499,453,373 Baht.

In addition, the Ordinary Meeting of Shareholders No. 1/2553 had resolution to amend Clause 4 of the Company's memorandum of association regarding the Company's registered capital to correspond to the reduced registered capital which the Company already had amended it with Ministry of Commerce.

- **2012**

The Company had an administration policy emphasizing the work quality improvement and expansion of customer group to increase the sales, reduce the cost and intend to make a profit in order to the Company's financial status becomes strong and be able to return profits to shareholders in the future.

- **2013**

The Annual Ordinary Meeting of Shareholders 2013 had resolution to increase the Company's registered capital from former capital of 499,453,373 Baht to the registered capital of 998,906,746 Baht, issuing 499,453,373 new ordinary shares, at price of 1 Baht per share by offer for sale to existing shareholders in rate of 1 former ordinary shares per 1 new ordinary shares at price of 0.25 Baht per share. After distribution of the said common stocks, the Company had the paid-up registered capital of 998,906,746 Baht and ordinary share discount of 270.90 million Baht due to capital increase is lower than the Par Value.

- **2014**

The Ordinary Meeting of Shareholders No. 1/2557 on December 29, 2014 had resolution to increase the Company's registered capital from former ordinary shares of 998,906,746 Baht to new ordinary shares of 3,995,626,984 Baht, issuing 2,996,720,238 new ordinary shares with par value of 1 Baht per share through offer for sale to existing shareholders in ratios of 1 former ordinary share per 3 new ordinary shares at price of 0.10

Baht per share by paid on February 11-13, 16-17, 2015. However, the Company received money from the capital increase of 299,672,023.80 Baht. After the said operations, there was no shares remaining from the allocation.

In addition, it also had resolution to approve business potential development plan as informed to stock exchange.

- **2015**

In June 2015, the Company had hold the Extraordinary Meeting of Shareholders No. 2/2558 on Tuesday, June 9, 2015 with resolution to increase the Company's registered capital from former capital of 3,995,626,984 Baht to the registered capital of 19,978,134,920 Baht by issuing 15,982,507,936 new ordinary shares splitting into offer for sale of common stock of 11,986,880,952 shares per existing shareholders of the Company as per the Rights Offering, splitting into 2 payments and allocating the common stock not exceeding 3,995,626,984 shares to support exercise of rights as per the warrant to purchase ordinary share No. 2 (STHAI-W2) issued for existing shareholders after the Company already had increased the capital and paid both payments.

In August 2015, the Board of Directors Meeting No. 12/2558 on August 18, 2015 had resolution to approve the Company to purchase ordinary shares of Northern Renewable Energy Company Limited ("NRE") with main objectives of business operations of comprehensive production and distribution of biomass energy, production of electricity from biomass and waste by purchase 3,136,000 ordinary shares with par value of 100 Baht per share, accounting for 48.25 percent of paid-up registered capital of NRE at price of 100 Baht per share, totaling 313,600,000 Baht from 21 existing shareholders of NRE which were not involve with the Company. After the said transactions, the Company hold the ordinary shares in NRE, accounting for totally 48.25 percent.

- **2016**

Board of Directors Meeting No. 10/2559 on May 19, 2016 had resolution to purchase common stock of NRE as per the former Rights Offering which the Company hold in ratios of 48.25 percent of registered capital by purchased 1,688,750 shares at price of 100.00 Baht per share, accounting for total paid-up share price of 168.88 million Baht.

- **2017**

Board of Directors Meeting No. 2/2560 on February 14, 2017 had resolution to reduce proportion of investment in NRE by selling 2.43 million shares of NRE with amount of 243 million Baht by Mr. Phatchari Nitsiriphat as a representative offer to the board of directors meeting.

Board of Directors Meeting No. 2/2560 on February 14, 2017 had resolution to reduce size of power plant of the project from 9.9 MW to 3 MW.

- **2018**

As per the Board of Directors Meeting No. 2/2561 on January 26, 2018 had notified the changes of directors and authority of board of directors by approving resignation of chairman of board of directors and auditor / independent director, totaling 2 persons.

Later, in February 2018, Board of Directors Meeting No. 4/2561 on February 14, 2018 had notified additional changes of directors and authority of board of directors by approving resignation of a director/chief executive officer, and approving appointment of a new director substitute for the resigned director and change of 3 positions in board of directors.

On September 3, 2018, Shun Thai Rubber Gloves Industry Public Company Limited had clarified to stock exchange regarding submission of annual financial statement 2017 which auditor from ANA Audit Company Limited did not express opinion to the Company's financial statement because of limitation under criteria of significant un-expression of opinion.

The said action affected and was very important to financial statement, auditor of Shun Thai Rubber Gloves Industry Public Company Limited therefore was unable to express opinion to the financial statement.

Because of Shun Thai Rubber Gloves Industry Public Company Limited had additional invested in NRE in 2017 and paid for the increased capital of 168,875,000 Baht on May 30, 2017. Later, it was found that other shareholders of NRE did not pay for the said common stock to NRE anyway, Shun Thai Rubber Gloves Industry Public Company Limited therefore asked NRE to re-find the increased capital amount of 168,875,000 bath to Shun Thai Rubber Gloves Industry Public Company Limited by submitting the Letter No. Inv-Out 031/2561 dated August 30, 2018 to Northern Renewable Energy Company Limited to request to refund the increased capital because of the capital increase of the Company in NRE was incomplete and the Company had notified stock exchange on September 5, 2018.

During the 1st quarter of 2018, there was change of directors and executives, re-planning a new operation plan in organization, planning to reduce manufacturing cost and improving the efficiency of machines in order to have better productivity and quality.

Sale Department had planned to increase the sales in powder free market in order to correspond to global market's direction with utilization rate of powder gloves decreased continuously due to problem of starch protein allergy.

Outcomes of control and improvement of this work plan result in manufacturing cost in 2018 decreases and the Company's performance had gross profit.

● **2019**

As per the Company was unable to submit the annual financial statement 2018 under the due date, it was from Northern Renewable Energy Company Limited, the associate, was unable to submit the final annual financial statement 2017, resulting in the Company was unable to know the performance of Northern Renewable Energy Company Limited in annual financial statement 2017.

The Company, as the majority shareholders of Northern Renewable Energy Company Limited, therefore was necessary to proceed all respects in order to the Company solves the said situation.

The Company by virtue of Section 1173 and 1174 of Civil and Commercial Code therefore invited shareholders to attend the Extraordinary Meeting of Shareholders No. Special / 2562 of the Company on Thursday, November 7, 2019 at 10.00 a.m. at the Meeting Room of Shun Thai Rubber Gloves Industry Public Company Limited, No. 1, Promphan Tower 2, Room No. 608, the 6th Floor, Latphrao Soi 3, Chomphon Sub-district, Chatuchak District, Bangkok, which on the meeting date of the said Extraordinary Meeting of Shareholders No. Special / 2562, the meeting had considered and approved agenda as follows:

Agenda Item 1: Consider to remove 6 members of the board from their position as follows:

Agenda Item 1.1 Mr. Phatchari Nitsiriphat

Agenda Item 1.2 Miss Plabplueng Suwan

Agenda Item 1.3 Mr. Kamol Kowanisaisukkul

Agenda Item 1.4 Mr. Suwan Damnernthong

Agenda Item 1.5 Mr. Jongjet Boonkerd

Agenda Item 1.6 Mrs. Chareerat Teraratanashewin

Resolution: The Meeting of Shareholders had resolution with majority vote to remove all of 6 members of the board from their position.

Agenda Item 2: Consider to appoint 6 new members of the board as the name lists as follows:

Agenda Item 2.1 Mr. Ekkachai Tangsatjatham

Agenda Item 2.2 Mr. Chai Wattanasuwan

Agenda Item 2.3 Mr. Chumpol Sonchai

Agenda Item 2.4 Mr. Wisit Kanjanopas

Agenda Item 2.5 Mr. Kittipat Intarakaset

Agenda Item 2.6 Mr. Anuwat Lhaykitrung

Resolution: The Meeting had resolution with majority vote to appoint all of 6 new members of the board.

Agenda Item 3: Consider to change the authorized directors as per the certificate of affidavit.

From “Mr. Phatchari Nitsiriphat, Miss Plabplueng Suwan, Mr. Kamol Kowanaisaisukkul, two-third of these directors sign their name and affix the Company seal”,

To “Mr. Ekkachai Tangsatjatham, Mr. Chai Wattanasuwan, Mr. Chumpol Sonchai, two-third of these directors jointly sign their names”.

Resolution: The Meeting had resolution with majority vote to change the authorized directors to Mr. Ekkachai Tangsatjatham, Mr. Chai Wattanasuwan, Mr. Chumpol Sonchai, two-third of these directors jointly sign their names”

Agenda Item 4: Consider to authorize new authorized directors of the Company to have power to consider and prescribe other details and any operation regarding the changes and/or increase numbers of members of the board and appoint new members of the board and to have power to sign in the request form of registration to Department of Business Development, Ministry of Commerce, requests for permission and proofs that are necessary and related to change and/or increase numbers of members of the board, including contact and submission of the request for permission and the said documents and proofs to government agencies and relevant agencies, and have power to proceed any other action that is necessary and appropriate regarding the change and/or increase of the numbers of the board and appointment of new members of the board as well as the change of authority of authorized directors as mentioned in Agenda Item 2 and Agenda Item 3 above.

Resolution: The Meeting had resolution with majority vote to authorize to the new authorized directors to have power to consider and prescribe other details.

Agenda Item 5: Consider to prosecute civil and/or criminal case to director and/or any other person related to registration of capital increase of the Company from 650,000,000 Baht to 1,000,000,000 Baht on May 19, 2016 that may be illegal and offenses under the Determining Offence Relating to Registered Partnership, Limited Partnership, Limited Company, Association and Foundation Act B.E. 2499 (1956) as mentioned above.

Resolution: The Meeting had resolution with majority vote to prosecute civil and/or criminal case to director and/or any other relevant person.

Later, on November 19, 2019, a new group of directors that had been appointed from shareholders of NRE had submitted the said request for registration to change the director and director's authority of NRE to registrar of Department of Business Development which the said submission of request for registration is the case of the director, applicant, unnamed as per the Company's certificate, therefore, registrar also shall submit the said request for registration to former shareholders and directors of NRE that they will agree or protest any aspect or not.

It was appeared that during December 6-9, 2019, there were 4 shareholders and former directors of NRE protested the said registration to the registrar.

New directors of NRE already had prepared clarification of registration protest to submit to the registrar of Bangkok Office of the Central Company and Partnership Registration. After this, the registrar of Bangkok Office of the Central Company and Partnership Registration would further have an order in the said issue.

● **2020**

The Company had proceeded from previous action by the registrar of Bangkok Office of the Central Company and Partnership Registration already had considered the request for registration to change numbers and authority of directors of NRE and had the order to accept the said registration on January 28, 2020.

The Ordinary Meeting of Shareholders on June 26, 2020 has resolution to approve:

1. Reduction of unpaid registered capital of the Company from 19,978,103,486 shares at par value of 1 Baht per share, amount of 19,978,103,486 Baht to 15,982,476,502 shares at par value of 1 Baht, amount of 15,982,476,502 Baht, and approve amendment of memorandum of association of the Company to correspond to the said reduction of registered capital. The Company already had registered to reduce capital to Ministry of Commerce on July 10, 2020,

2. Change of par value of the Company from 1 Baht per share to 0.50 Baht per share, resulting in numbers of shares changed from 15,982,476,502 shares at par value of 1 Baht per share to 31,964,953,004 shares at par value of 0.50 Baht, and approve amendment of memorandum of association of the Company to correspond to the said change of par value. The Company already had registered to change to Ministry of Commerce on July 13, 2020, and

3. Reduction of registered capital of the Company from 31,964,953,004 shares at par value of 0.50 Baht per share, amount of 15,982,476,502 Baht to 1,633,859,004 shares at par value of 0.50 Baht per share, amount of 816,929,502 Baht, in order to compensate ordinary share discount and accumulated loss, and approve amendment of memorandum of association of the Company to correspond to the said reduction of registered capital. The Company already had registered to reduce capital to Ministry of Commerce on September 30, 2020.

- **2021**

On March 31, 2021, the Company already had submitted the request for purchase and currently, it is in request consideration process of stock exchange.

On April 28, 2021, the Board of Directors Meeting No. 4/2564 had resolution to approve payment of interim dividend at rate of 0.098 Baht per share for 1,633,859,004 ordinary shares, totally dividend payment of 160.12 million Baht which the said interim dividend payment already had offered to ordinary meeting of shareholders on July 7, 2021 by the said dividend had been paid to shareholders on May 24, 2021.

- **2022**

The Company had resolution of Board of Directors Meeting No. 1 / 2565 on January 27, 2022 to approve appointment of Mr. Chatchawas Sethaluck to take position of Audit Committee substitute for vacancy, taking effect from January 27, 2022 onwards.

Therefore, there were 3 Audit Committees, namely Mr. Teerawit Thanakitsunthorn, Chairman of Audit Committee/Independent Director, Mr. Chakan Sangraksawong, Audit Committee/Independent Director, and Mr. Chatchawas Sethaluck, Audit Committee/Independent Director.

The Board of Directors Meeting No. 2/2565 on February 28, 2022 and the Annual Ordinary Meeting of Shareholders 2022 on April 29, 2022 had resolution to approve the dividend payment for 2021 to shareholders at rate of 0.11 Baht per share for 1,633,859,004 ordinary shares, totally dividend payment of 179.72 million Baht by the said dividend had been paid to shareholders in May 27, 2022.

- **2023**

On June 23, 2023, the North Bangkok District Court and on October 26, 2023, the Dusit District Court ruled in favor of the Company to win the case. The complaint was filed in court on February 19, 2021 in a criminal case for making false statements to the Registrar of the Bangkok Partnership Registration Office and notifying the Registrar of the Bangkok Partnership Registration Office to write down false statements in public or official documents, for which the court has rendered a final judgment against the offender and the case.

On August 29, 2023, the Company filed a civil lawsuit against its subsidiaries. On November 24, 2023, the Company and its subsidiaries entered into a compromise agreement before the civil court. The Company admitted that it owed the Company as stated in the plaint, which the total debt as of the contract date totaled Baht 331.05 million, and settled the dispute. The subsidiary agrees as follows:

- Registration and transfer of ownership of 5 plots of land with buildings on land with a book value of 245.82 million Baht.
- The subsidiary will reduce its registered capital by 168.88 million Baht. Amendment of shareholders' registration book, issuance of new share certificates and change of list of shareholders

- **2024**

As the Company filed a request to resume trading (Resume Stage) on March 31, The Stock Exchange of Thailand issued a letter dated August 20, 2024, announcing the revocation of the Company's common shares from being listed securities. Subsequently, on September 3, 2024, the Company filed an appeal against this revocation.

On December 18, 2024, The Stock Exchange of Thailand issued a letter announcing the results of the appeal consideration, upholding the original decision to revoke the Company's common shares from being listed securities. This revocation will take effect from January 9, 2025, onwards.

1.2 Natures of Business Operations

1.2.1 Revenue Structure

From rubber gloves of the Company in 10 years with details as follows:

Year	Rubber Gloves Distribution (Thousand Baht)				Total
	Domestic	%	Foreign	%	
2015	298,915	39.85%	451,136	60.15%	750,051
2016	241,538	33.34%	482,846	66.66%	724,384
2017	224,107	32.00%	476,304	68.00%	700,411
2018	252,979	33.37%	505,121	66.63%	758,100
2019	246,805	37.25%	415,752	62.75%	662,557
2020	735,395	62.22%	446,523	37.78%	1,181,918
2021	940,847	65.82%	488,593	34.18%	1,429,440
2022	251,491	38.65%	399,252	61.35%	650,743
2023	157,425	40.60%	230,367	59.40%	387,792
2024	134,588	40.15%	200,639	59.85%	335,227

1.2.2 Product Information

(1) Characteristics of Products and Services and Development of Business Innovation

A. Medical Glove, dividing into:

- Surgical Glove: For using in surgery. It has thin texture, durability and approximately 280 mm in length, treated by sterilization 100%. It is a disposal glove for single; and

- Examination Glove: For using in medical examinations. These gloves offer a snug fit, are approximately 240 mm in length, ambidextrous, and disposable. They are made from natural or synthetic rubber.

B. Industrial Glove has resistance to work in industrial factory and to chemical substance. These gloves are durable, clean, safe for food contact, and suitable for use in electronic industries.

C. Household Glove is a rubber glove that maid uses for cleaning and washing. They are thick, strong, and highly durable, making them ideal for household chores.

However, the Company has manufactured both in the manners of Original Equipment Manufacturer (OEM) and Original Brand Manufacturer (OBM), consisting of Pure Glove, Royal Guard and Sunshine Brands.



Standards of products are international standards which the Company had taken to be guidelines and reference for manufacturing rubber gloves to sell to customer. The Company's rubber gloves receive certification of product standards and product quality test, referencing standards as follows:

No.	Product Standards	Descriptions
1	TISI. 538-2560 Received the license on December 23, 2020	Industrial product standard for disposal sterile rubber surgical glove
2	TISI. 1056-2556 Received the license on January 26, 2021	Industrial product standard for disposal examination glove
3	TISI. 2505-2553 Received the license on September 9, 2013	Industrial product standard for food industry rubber glove
4	Protective Gloves acc.EN ISO 374-1:2016+A1	Standard for Protective Gloves (Europe)
5	510K Certificate FDA (Food Drug administration)	Standard for Examination and Surgical Gloves (United State of America)
6	EN455 Standard	Standard for Examination and Surgical Gloves (Europe)
7	ASTM D3577, ASTM D3578, ASTM D 6319	Standard for Examination and Surgical Gloves (United State of America)
8	ISO 11193, ISO 10282	Standard for Examination and Surgical Gloves (International)

In addition, the Company receives factory standards certified from external institutes and gets the reward of Good Performance Exporter of Thailand from Thai government, resulting in the Company receives the right of ranking good exporter from The Revenue Department with details as follows:

No.	Standards that Factory Received	Received Year	Current Certifier
1	Quality Management System - ISO 9001: 2015	2006	BSI
2	Quality Management System - ISO 13485: 2016 & EN ISO 13485: 2016	2009	BSI
3	510K Certificate FDA (Food Drug Administration)	1989	USFDA (U.S. Food and Drug Administration)

Quantity of Rubber Gloves Delivered to Customers (Order Shipment)

Quantity of gloves delivery to customers was shown during 2020-2024, dividing into yearly and comparing as quarterly.

Quantity of gloves delivery to customers divided as quarterly of 2020-2024

Quarterly Glove Volume	Volume (Thousand Pieces)
Quarter 1/20	207,982
Quarter 2/20	256,551
Quarter 3/20	254,664
Quarter 4/20	242,233
<u>Total Glove Volume in 2020</u>	<u>961,430</u>
Quarter 1/21	247,428
Quarter 2/21	221,509
Quarter 3/21	237,785
Quarter 4/21	175,785
<u>Total Glove Volume in 2021</u>	<u>882,507</u>
Quarter 1/22	244,069
Quarter 2/22	137,903
Quarter 3/22	100,754
Quarter 4/22	61,453
<u>Total Glove Volume in 2022</u>	<u>544,179</u>
Quarter 1/23	110,561
Quarter 2/23	71,524
Quarter 3/23	97,446
Quarter 4/23	81,379
<u>Total Glove Volume in 2023</u>	<u>360,910</u>
Quarter 1/24	58,326
Quarter 2/24	59,657
Quarter 3/24	60,078
Quarter 4/24	66,344
<u>Total Glove Volume in 2024</u>	<u>244,405</u>
<u>Total Quantity of Gloves in 2020 - 2024</u>	<u>2,993,431</u>

(2) Marketing and Competition

(A) Marketing Policies of Major Products or Services

The Company has formulated a marketing plan to determine the buyer group or target group, which is considered an important factor in increasing sales for the company. The company is looking for a specific group of customers who have the purchasing power of high-priced gloves with more special characteristics, whether from the existing customer base, both foreign and domestic customers, and finding new customers. together with maintaining the existing market with the proportion of sales divided by domestic and foreign markets as the following table

Income proportion (%)	Year 2021	Year 2022	Year 2023	Year 2024
International Customer	34	61	59	60
Domestic customer	66	39	41	40
total	100	100	100	100

Marketing Strategies

- The Company had a policy emphasized to expand marketing base by the Company focuses on expansion of product market that the Company has potential to manufacture and gives high yield such as Powder Free Rubber Natural Medical and Nitrile Gloves, and Household Glove, manufacturing under quality requirements in standard criteria and to be suitable for production line of the Company.
- The Company has distribution via variety of channels including via mediums such as trader, broker and direct sale to large user group such as hospital, industrial factory, etc. both domestic and foreign.
- For pricing, the Company will take account into material cost, foreign exchange rate, order quantity and proportion of glove sizes per order list, and compare the glove prices of competitors in the market to be a criteria for determining the sale price.

B. Competition Conditions in Industry

Domestic Market Conditions

The demand for rubber gloves within the country has decreased in demand due to the sluggish market all over the world. In addition, there are many new rubber glove factories in the country. This gives traders quite a lot of options when buying latex gloves. This results in high competition in the market. Due to the stagnation of latex gloves, many factories have closed. The factories that remained were also trying to reduce the price of gloves to get more orders.

International Market Conditions

The demand for rubber gloves in overseas has decreased in demand due to the sluggish market of rubber gloves all over the world. In addition, there are many new rubber glove factories abroad. Especially in countries with high purchasing power like China which able to produces as many nitrile gloves as Malaysia and now has become one of top exporters. And since India is the second most populous country in the world, customers have more options to buy gloves from other countries and the market share is even higher than ever.

The Competition of the Rubber Glove Industry

Thailand is one of the main countries with a net production and export base in rubber glove products in the world. In 2022, Thailand accounted for more than 11% of the total value of rubber gloves exports. COVID-19 has caused the latex glove market to compete for a share in the global market. Especially a new manufacturer of latex gloves like China. It competed for market share until it was able to overtake Thailand in the top spot. 2nd in the world after Malaysia, making it highly competitive in terms of price and quality of gloves.

As for the overall latex glove market, in 2024, it was found to be in an oversupply state and prices fell considerably. The demand for rubber gloves domestic and abroad has eased. In addition, the market is also under pressure from competition in the price of gloves, whether from foreign countries or the domestic market, which reflects that the Thai latex glove business is facing a much higher production capacity than demand.

Supply of Rubber Glove Industry

1) Government Policy for Promotion of Rubber Glove Manufacturing and Export

For Thailand, government sector focuses on stimulus of domestic latex use and building a mechanism for stability on price and sustainability of domestic rubber tree plantation. It is evident that, in 2024, the price

of natural latex has continued to rise steadily. This policy has had a direct impact on the rubber glove manufacturing and export industry due to the increase in raw material costs. As a result, the government has implemented policies to promote the production and export of rubber gloves to stimulate the economy and enhance the competitiveness of Thai rubber glove exports in the global market.

2) Sufficiency and Price of Raw Materials

Sufficiency and price of raw materials used in manufacturing rubber gloves are key factors affected to rubber glove supply and competitiveness of global rubber glove manufacturer. Main raw materials used for manufacturing rubber gloves such as concentrated latex for manufacturing natural rubber gloves and synthetic latex for manufacturing nitrile glove.

(3) Procurement of Products and Services

Manufacturing Rubber Gloves

Currently, the Company has 2 rubber glove manufacturing factories and total 15 sets of machines for manufacturing rubber gloves, dividing as follows:

- Factory 1 has 7 sets of rubber glove production line (Set No. 1 – 7)
- Factory 2 has 8 sets of rubber glove production line (Set No. 8 – 15)

Procurement of Raw Materials and Raw Material Distributor

The Company had purchased concentrated latex from concentrated latex producer in Rayong, Chon Buri and provinces in southern part such as Surat Thani, etc. by it is domestic concentrated latex purchase totally which the Company has focused on quality of concentrated latex of each distributor. For synthetic latex, it is purchased from domestic and other countries to support the manufacturing.

The Company's policy of concentrated latex purchase will select distributor distributed the best quality latex and offered the most appropriated price as well as provided longer credit payment. For purchase price of latex will be under the market price at that time and there is comparison of quotations from at least 3 distributors at the same period of time and compare the estimated price with Rubber Authority of Thailand

Price comparison table for 60% latex from 2020 – 2024 (unit Baht/Kg.)

Price (Baht/Kg.)	2020	2021	2022	2023	2024
Actual Average	31.73	43.30	43.39	36.33	49.52
Rubber Authority of Thailand	36.93	43.72	44.58	38.81	53.84

In the past, the company was able to procure concentrated latex at an average price lower than the Rubber Authority of Thailand.

(4) Assets used in business operations

In 2024 and 2023, the Company recorded total assets of BAHT 978.05 million and BAHT 1,106.20 million, respectively. The majority of these assets consisted of cash, property, plant and equipment, inventories, trade receivables, and investment properties.

In 2024, the Company held net cash and cash equivalents of BAHT 223.13 million, and net land, buildings, and equipment used in rubber glove manufacturing amounted to BAHT 276.85 million. The details are as follows:

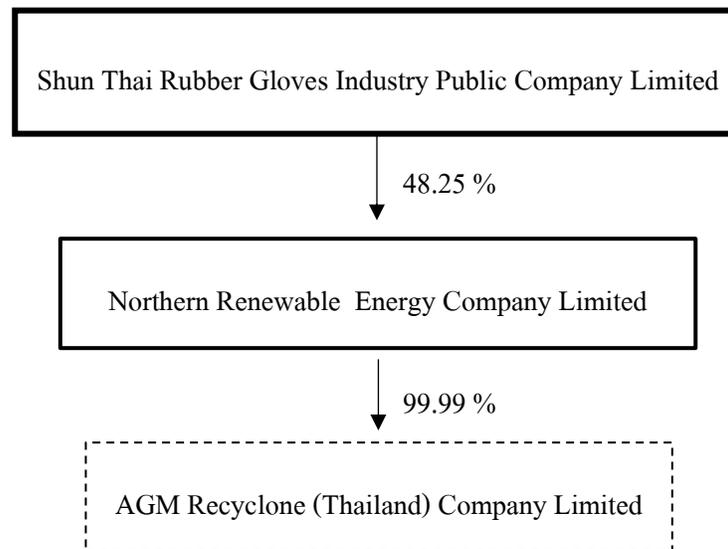
Key characteristics of fixed assets used by the Company in business operations as of December 31, 2024

Type/Nature of Property	Ownership characteristics	Book Value (Million Baht)	Obligations
Land and Land Improvement Section Located at T. Kached, A. Muang Rayong, Rayong Province , total area 141 Rai 0 Ngan 60.4 Square Wah	Owned	91.61	Land Area 108 Rai 1 Ngan 16 Square Wah, Mortgage worth 70 million Baht
Building and Renovation Section is located at T. Kached, A. Muang Rayong, Rayong Province.	Owned	89.50	The factory building is mortgaged with a combined value of land.
Machinery & Equipment	Owned	93.78	Mortgaged worth 91.14 million Baht
Other	Owned	1.96	-
Total		276.85	

1.3 Shareholding Structure of Group

1.3.1 Shareholding Structure of the Group of Company

Shun Thai Rubber Gloves Industry Public Company Limited had been registered as company limited in Thailand on May 24, 1988 and had been registered as a public company limited on September 4, 2001. Currently, the Company has registered capital of 816,929,502 Baht and it is paid-up capital of 816,929,502 Baht, splitting into 1,633,859,004 ordinary shares at par value of 0.50 Baht per share.



Company Name	Types of Business	Shareholding Proportions
1. Main Business Shun Thai Rubber Gloves Industry Public Company Limited	Manufacturing, distribution and export of rubber gloves	
2. Other Businesses Northern Renewable Energy Company Limited	Comprehensive production and distribution of biomass energy and production of electricity from biomass and waste (temporary business closure)	48.25 %
3. AGM Recyclone (Thailand) Company Limited	Transformation of biomass to be renewable energy to generate eco-friendly electricity (Inactive company)	Northern Renewable Energy Company Limited 99.99 %

1.3.2 Person with a potential conflict of interest holds shares of a subsidiary or associated company at an amount exceeding 10 percent of the voting shares.

- No Conflict -

1.3.3 Relationship with Group of Major Shareholders

- None -

1.3.4 Shareholders

(1) List of Major Shareholders

List of the Company's top 10 major shareholders as of March 14, 2025 and their proportion as follows

No.	List of Major Shareholders	Number of shares	Shareholding (%)
1	MISS TENG CHUN-YU	228,622,885	13.99
2	Mr. Luckchai Kittipol	227,660,454	13.93
3	MISS CHUN-CHING TENG	125,760,138	7.70
4	MISS Nonn Nonnkarintha	82,136,428	5.03
5	Mr. Polaphat Nitsiriphat	81,738,644	5.00
6	MR. HSUN-MIN YANG	62,026,817	3.80
7	Mr. Ekkachai Tangsatjatham	43,248,200	2.65
8	Mr. Kiet Srichomkwan	41,985,593	2.57
9	Mr. Phatchari Nitsiriphat	37,098,033	2.27
10	Mr. Sitthichai Tangsatjatham	31,866,779	1.95
Total		962,143,971	58.89

Source : Thailand Securities Depository Company Limited

1.4 Amounts of Registered Capital and Paid-Up Capital

The Company has registered capital of 816,929,502 Baht and it is paid-up capital of 816,929,502 Baht, splitting into 1,633,859,004 ordinary shares, - preference shares at par value of 0.50 Baht per share.

1.5 Issuance of Other Securities (Convertible Securities and Debt Securities)

As of December 31, 2024, the Company did not issue convertible and debt securities.

1.6 Dividend Payment Policy

The Company has dividend payment policy in rate of not less than 40 percent of net profit as per the separate financial statement after deduction of corporate income tax and legal reserves of each year. The said dividend payment rate may be changed from the prescribed rate, depending on performance, financial status, liquidity, necessity of investment, current capital, additional investment, business expansion, conditions and limitations as prescribed in loan agreement and other factors related to administration as see appropriate by board of directors and/or shareholders of the Company. The said dividend payment will have accumulated profit as shown in separate financial statement and be under relevant laws. When board of directors has resolution to approve to pay for annual dividend, shall be offered for approval to the meeting of shareholders of the Company, unless it is interim dividend payment which board of directors has power to approve to pay for dividend and report to the meeting of shareholders in the next meeting.

As per the Board of Directors Meeting No. 2/2565 on February 28, 2022 and Annual Ordinary Meeting of Shareholders 2022 on April 29, 2022 had resolution to approve to pay for dividend for the year 2022 to shareholders at rate of 0.11 Baht per share for 1,633,859,004 ordinary shares, totaling 179.72 million Baht by the said dividend had been paid to shareholders in May 27, 2022.

As per the Board of Directors Meeting No. 4/2564 on April 28, 2021 had resolution to approve to pay for interim dividend at rate of 0.098 Baht per share for 1,633,859,004 ordinary shares, totaling 160.12 million Baht which the said interim dividend payment already had been offered to the ordinary meeting of shareholders on July 7, 2021 and the said dividend had been paid to shareholders on May 24, 2021.

Year	2022	2023	2024
Net Profit Per Share (Baht/share)	(0.048)	(0.003)	(0.084)
Net Profit Rate Per Share (%)	(12.05)	(1.33)	(40.76)
Dividend Rate Per Share of Accounting Period	No dividend declared	No dividend declared	No dividend declared
Interim Dividend Per Share (Baht/share)	-	-	-
Dividend Payment Rate Per Net Profit (%)	-	-	-

2. Risk Management

2.1 Risk Management Policy and Plan

Shun Thai Rubber Gloves Industry Public Company Limited is aware of the importance of good management to support driving organization toward sustainable success, having readiness for handling the changed conditions that the Company has to suffer at all time both from internal and external factors which may affect to capacity of goal achievement of the organization.

In complicated and continuous changed environment of business operation, the Company will use risk management system as a tool for supporting the strategic planning, management, operation improvement, potential enhancement, increase business opportunities, added-value creation to organization and supporting overall objective achievement by prescribing all levels of employees to aware of their duties and responsibilities in risk management mutually as organizational culture.

2.1.1 The Company prescribes the risk management is responsibility of all levels of employees that shall aware of the operational risk in their agencies and the organization by training and providing knowledge about products and correct work procedures to create expertise and creating work manuals as documents to prevent mistakes that may occur from a person's work. Including providing specialized knowledge from training by experts outside the organization.

2.1.2 The Company promote and support to use risk management as an important tool for management of the Company that all levels of personnel shall understand, cooperate and mutual use risk management to build

good image, strengthen good corporate governance and excellent management, and build confidence to shareholders and stakeholders of the Company.

2.1.3 The Company provided to have efficient risk management under principles of Good Corporate Governance and integration as well as risk management report systematization in order to Risk Management Committee manages the risk efficiently to reduce opportunity of risk occurrence and impact from the risk, reduce uncertainty in overall performance and increase opportunity of success.

2.1.4 The Company promotes and stimulates the risk management to become organizational culture by encouraging all employees aware of the importance of risk management.

2.1.5 All employee are responsible for complying with the risk management system and procedures in organizational, line of work, and operational levels as prescribed by the Risk Management Committee.

2.1.6 Risk Management Committee and executives audit, monitor and evaluate the performance to manage the risks of organization to be appropriate.

2.2 Risk Factors on Business Operations of the Company

2.2.1 Risks from Business Operations

- **Risks from Competition, Marketing and External Factors**

Since 2020 onwards, There is COVID-19 pandemic, leading to exponential growth of of rubber glove demand until 2021, resulting in there is fluctuation of the sale price increased and changed rapidly. However, cost price of raw materials is increased as well. Nevertheless, rubber glove industry remains have performance and turnovers higher than as before, resulting in both domestic and foreign major manufacturers such as Malaysia had increased production capacity to respond to higher market's demand as well as there are many new manufacturers established factory in the said period.

Until 2022, especially in the second half of the year, rubber glove market has fierce price competition condition due to rubber glove industry had entered into Over supply condition from increasing production capacity of manufacturers both in Malaysia and Thailand as well as taking over market of manufacturerers from China along with COVID-19 pandemic situations around the world that are resolved and going back to normal from early 2020 onwards, are factors affecting average sale price decreases significantly compared to period of COVID-19 pandemic or 2020-2021.

After the Over-supply period, the Company continues to focus on developing new products and focusing more on custom made customers group to reduce the risk of price wars and differentiate the Company's products.

- **Production Risk Factors on Procurement of Raw Materials**

The Company had procured main raw materials for domestic and foreign manufacturing by purchasing natural latex from sellers and farmers in nearby area.

Concentrated Latex 60% (Natural Rubber)

The Company had procured concentrated latex from domestic trading partners with risks from fluctuation of raw material price. Concentrated latex 60% is the main raw material of manufacturing the rubber gloves by average price of concentrated latex in 2023 increases from 2022. In order to prevent the risk of raw material shortage and price of raw materials, the Company therefore orders concentrated latex from many distributors both in eastern and southern parts of Thailand by entering into futures contract, and compares the quotations of at least 3 distributors in the same period of time along with compare with estimated price from Rubber Authority of Thailand (RAOT), in addition, the Company also considers the Credit Term as well.

Nitrile Rubber

In 2024, 82.11% of nitrile rubber was sourced from overseas suppliers, while 17.89% was procured domestically. This was primarily due to lower prices offered by foreign suppliers. Purchases were made in advance, though not excessively, and price comparisons were conducted with no fewer than three suppliers. In 2025, the Company plans to expand testing of lower-priced latex samples to explore new sourcing alternatives.

Fuels for Steam Energy

The Company uses fuels from 4 fuel sources consisting of palm kernel shell, woodchips, wood pellets and wood slab by all of them are purchased from domestic trading partners, however, in order to procure sufficient and quality raw materials, the Company primarily purchases woodchips and conducts price comparisons for every order.

- **Production Risks**

Production is a key factor of business operations. If machine is unable to run normally, it will cause the losses of opportunity of monetization and delivery of products to customers. However, the Company has plan to preventive and improved the machines regularly in order to be able to manufacture products continuously.

There is also investment in machinery for improving former 's holder in 2023 as well as additional invested to enhance efficiency of production.

- **Personnel Risks**

The Company shall rely on expertise personnel on manufacturing rubber gloves as well as shall always administer numbers of employees to be sufficient for manufacturing due to characteristics of the Company's products shall rely on personnel with experts and specific skills.

However, the Company has set appropriate and competitive compensation and pay attention to treat to employees fairly and correctly under the principles of human rights, to have training and development of employee's skill continuously in order to maintain numbers of personnel to be sufficient and enhance capability of personnel to keep up with change of competition world at the present and in the future, and give opportunity to personnel to sustainable grow up together with the Company.

- **Inventory Risks**

Due to the Company's business is the manufacturing industry, therefore suffers to the risks of inventory level. If numbers of inventory is too low, the Company may suffer the risks of delivery and sale opportunity. If there is over inventory, it may be the burden of the Company in part of too high Carrying Cost.

The Company therefore has inventory management in order to the inventory to be in the appropriate level by considering the delivery schedule, to be sufficient for sale and delivery to customers in the prescribed term, taking account into the use of Working Capital to be the highest useful and appropriate, and maintain inventory level to not too high or low by analyzing product age in order to use in management and efficient production planning.

- **Foreign Exchange Risk**

The Company is exposed to foreign exchange risk due to the sale of products to foreign customers and the purchase of raw materials from abroad. The Company has opened both USD and EURO foreign currency deposit accounts since November 2021 to manage risks by using foreign currency received from customers and using the same currency to pay for goods, also known as Natural Hedging. It also reduces the risk of currency fluctuations. Additionally, the Company opened additional foreign currency deposit accounts that offer higher interest returns. Additional financial instruments such as Forward Contracts or Option for foreign currencies that cannot be processed as above are considered.

- **Risk of Outstanding Payment from Customers**

The Company considers to give different credit term for each customer under the principles of the Company by policy for selecting each customer will be considered the customer's reputation and financial status in order to ensure that there will not be problem on debt payment that may occur in the future.

For estimating the allowance for doubtful accounts, the Company will consider it from debtor's behavior. If it is over the given term and there is the definite indication that the debtor is unable to pay for debt to the Company, the Company will estimate the full amount of allowance for doubtful accounts and demand payment of a debt closely in order to reduce the loss.

- **Environmental and Community Risks**

The Company operates its business and production facilities within local communities and recognizes the importance of minimizing impacts on the environment and surrounding areas. The Company is committed to implementing various measures in compliance with applicable standards, regulations, and laws to ensure its operations are sustainable and environmentally friendly.

Environmental Measures

1. Adoption of Environmentally Friendly Raw Materials
 - The Company selects raw materials that minimize environmental and community impact.
2. Utilization of Biomass Energy
 - Biomass fuel is used as a substitute for conventional fuel sources to reduce air pollution.
3. Waste Treatment and Pollution Control Systems
 - Pollution emission control systems have been installed.
 - Wastewater and air pollution treatment systems are operated under legal standards before any discharge into the environment.
 - Air quality and wastewater discharge are regularly monitored to ensure compliance with regulatory standards.
4. Continuous Improvement of Treatment Systems
 - The Company continuously develops and improves its treatment systems to enhance pollution control efficiency.

Furthermore, Shun Thai Public Company Limited consistently reports its environmental performance to relevant government agencies and the public to ensure that its business operations do not adversely affect surrounding areas and remain aligned with all applicable environmental standards.

3. Summary of the Financial Information

Analysis of Operations and Financial Status, Important Change

- **Overall Operations**

In 2024, the Company continued to encounter intense price competition in the rubber glove market from other manufacturers. The decline in glove demand led to reduced production levels, resulting in higher cost of goods sold.

For example, manufacturers equipped with newer machinery were able to produce in larger volumes at lower costs, allowing them to capture greater market share.

Nevertheless, the Company is in the process of adjusting its strategies to align with current market conditions, improving product efficiency, and controlling production costs. These efforts aim to enhance price competitiveness and support long-term recovery.

Future Strategies and Plans

1. Improve product quality and raise selling price level for existing customers
2. Recruit new export customers to increase margin product portfolio.
3. Change product groups to have better margins, including industrial markets. Beauty businesses and more dealer groups.
4. Reduce costs in both COG and operation

- **Performance**

Income

The income composition consisted of 40.15% from domestic sales, amounting to BAHT 134.59 million, and 59.85% from international sales, totaling BAHT 200.64 million.

Total income from rubber glove sales in 2024 amounted to BAHT 335.23 million, representing a 13.6% decrease from 2023. This decline was primarily due to intense price competition and reduced customer demand.

The Company sold a total of 244 million gloves, a 32.2% decrease from the previous year. While the average selling price per unit increased, total income still declined by 27.5% compared to 2023.

Cost of Goods Sold

The average cost of goods sold in 2024 decreased by 18.2% from 2023, mainly due to the reduced sales volume.

Gross Profit

The Company reported a gross loss of BAHT 19.78 million, a 57.3% decrease from the previous year. This was mainly due to a 27.5% increase in average selling price and a 32.2% decline in sales volume, while cost of goods sold increased by 20.6% compared to 2023.

Loss on Asset Impairment

In 2024, the Company recorded a loss on asset impairment of BAHT 1.84 million, mainly from impairment of production molds. Additionally, there was a BAHT 61.94 million impairment loss on unused rubber glove production machinery, following a reduction in production capacity and downsizing, which resulted in some machinery being taken out of regular use.

These impairments were recorded to reflect the true value of the assets in the financial statements and to avoid depreciation expenses that would not align with actual asset utilization in the following year.

Sales and administrative expenses (SG&A)

The Company reduced selling expenses by 11.5%, in line with the decrease in sales volume, and also reduced administrative expenses by 28% compared to 2023.

Net Profit

In 2024, the Company recorded a net loss of BAHT 136 million, comprising an operating loss of BAHT 133.61 million and a net impairment loss on fixed assets totaling BAHT 63.78 million. The Company also reported a loss before interest, tax, depreciation, and amortization (EBITDA) of BAHT 63.87 million.

Consolidated Financial Statements

Consolidated Financial Statements (Unit: Thousand Baht)	2024	2023	2022	2021	2024	2023	2022	2021
Statement of Comprehensive Income								
Revenue from Rubber Glove Sales								
Domestic Sales	134,598	157,434	251,521	940,847	40.2%	40.6%	38.7%	65.8%
International Sales	200,639	230,366	399,245	488,593	59.8%	59.4%	61.4%	34.2%
Total Revenue from Rubber Glove Sales	335,237	387,800	650,766	1,429,440	100.0%	100.0%	100.0%	100.0%
Cost of Goods Sold	(355,025)	(434,184)	(642,617)	(897,413)	-105.9%	-112.0%	-98.7%	-62.8%
Gross Profit	(19,788)	(46,384)	8,149	532,029	-5.9%	-12.0%	1.3%	37.2%
Other Income	4,408	5,062	4,797	5,017	1.3%	1.3%	0.7%	0.4%
Gain (Loss) from Exchange Rate	(2,453)	3,662	7,325	4,295	-0.7%	0.9%	1.1%	0.3%
Bad Debt Loss of Receivables (Reversal)			(292)	933	0.0%	0.0%	0.0%	0.1%
Gain from Repayment of Investment in Subsidiary								
Reversal of Impairment of Investment in Subsidiary								
Selling Expenses	(7,037)	(7,953)	(10,853)	(16,553)	-2.1%	-2.1%	-1.7%	-1.2%
Loss from Impairment of Assets	(63,787)	(29,857)	(35,935)		-19.0%	-7.7%	-5.5%	0.0%
Administrative Expenses	(44,957)	(62,451)	(54,067)	(64,765)	-13.4%	-16.1%	-8.3%	-4.5%
Profit (Loss) from Operating Activities	(133,614)	(137,921)	(80,876)	460,956	-39.9%	-35.6%	-12.4%	32.2%
Share of Loss from Investment in Associate					0.0%	0.0%	0.0%	0.0%
Financial Costs	(650)	(751)	(1,105)	(1,298)	-0.2%	-0.2%	-0.2%	-0.1%
Profit (Loss) Before Tax Expenses	(134,264)	(138,672)	(81,981)	459,658	-40.1%	-35.8%	-12.6%	32.2%
Income Tax Expenses (Revenue)	(2,117)	(844)	12,949	(95,053)	-0.6%	-0.2%	2.0%	-6.6%
Net Profit (Loss)	(136,381)	(139,516)	(69,032)	364,605	-40.7%	-36.0%	-10.6%	25.5%
Profit (Loss) Allocation								
Attributable to Parent Company	(136,011)	(115,738)	(73,897)	370,182	-40.6%	-29.8%	-11.4%	25.9%
Attributable to Non-controlling Interests	(370)	(23,778)	4,865	(5,577)	-0.1%	-6.1%	0.7%	-0.4%
	(136,381)	(139,516)	(69,032)	364,605	-40.7%	-36.0%	-10.6%	25.5%
Depreciation and Amortization	69,742	83,433	82,437	65,699	20.8%	21.5%	12.7%	4.6%
EBITDA	(63,872)	(54,488)	1,561	526,655	-19.1%	-14.1%	0.2%	36.8%

Financial Ratios for Operations		2024	2023	2022	2021
Liquidity Ratio					
Liquidity Ratio	Times	5.94	6.65	5.50	3.70
Quick Liquidity Ratio	Times	3.92	5.15	3.83	2.87
Cash Liquidity Ratio	Times	0.09	0.08	(0.16)	1.66
Accounts Receivable Turnover Ratio	Times	10.54	9.00	13.28	25.72
Average Collection Period	Day	35	41	28	15
Inventory Turnover Ratio	Times	3.37	3.38	4.21	6.62
Average Sales Period	Day	109	108	87	56
Accounts Payable Turnover Ratio	Times	5.54	4.24	5.65	5.77
Average Payment Period	Day	66	87	65	64
Cash Cycle	Day	78	62	50	7
Profitability Ratio					
Gross Profit Margin	%	-5.90%	-11.96%	1.25%	37.22%
Operating Profit Margin	%	-39.86%	-35.56%	-12.43%	32.25%
Other Income to Total Income Ratio	%	1.30%	1.29%	0.73%	0.35%
Cash Profitability Ratio	%	-4.82%	-7.96%	33.16%	94.06%
Net Profit Margin	%	-40.68%	-35.98%	-10.61%	25.51%
Earnings Before Interest, Taxes, Depreciation, and Amortization	%	-19.05%	-14.05%	0.24%	36.84%
Return on Equity (ROE)	%	-13.12%	-11.33%	-5.31%	27.58%
Efficiency Ratio					
Return on Assets (ROA)	%	-12.14%	-10.14%	-4.74%	23.67%
Return on Equity (ROE)	%	-15.12%	-13.44%	-5.86%	
Return on Fixed Assets	%	-17.79%	-12.09%	2.70%	87.18%
Asset Turnover Ratio	Turn	0.30	0.28	0.45	0.93
Financial Policy Analysis Ratio					
Debt to Equity Ratio	Turn	0.08	0.07	0.08	0.16

Consolidated Financial Statements

Consolidated Financial Statements (Unit: Thousand Baht)	2024	2023	2022	2021	2024	2023	2022	2021
Statement of Financial Position								
Assets								
Current Assets								
Cash and Cash Equivalents	223,134	268,211	269,454	538,988	22.8%	24.2%	21.2%	32.7%
Trade Receivables and Other Current Receivables - Net	28,530	23,256	35,090	62,918	2.9%	2.1%	2.8%	3.8%
Inventories - Net	78,104	84,298	132,870	172,419	8.0%	7.6%	10.5%	10.5%
Other Current Financial Assets	51,141	397	397	397	5.2%	0.0%	0.0%	0.0%
Total Current Assets	380,909	376,162	437,811	774,722	38.9%	34.0%	34.5%	47.1%
Non-Current Assets								
Other Non-Current Financial Assets	16,138	16,025	15,936	33,434	1.7%	1.4%	1.3%	2.0%
Other Non-Current Receivables - Net	-	-	-	-	-	-	-	-
Long-Term Loans to Subsidiaries	-	-	-	-	-	-	-	-
Investments in Associates - Net	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Investment Properties - Net	276,742	278,951	313,516	301,608	28.3%	25.2%	24.7%	18.3%
Property, Plant, and Equipment - Net	276,855	405,840	472,381	521,570	28.3%	36.7%	37.2%	31.7%
Right-of-Use Assets (ROU) - Net	0	447	1,032	-	0.0%	0.0%	0.1%	0.0%
Intangible Assets - Net	3,128	2,540	21	29	0.3%	0.2%	0.0%	0.0%
Deferred Tax Assets	22,795	24,912	25,756	13,186	2.3%	2.3%	2.0%	0.8%
Other Non-Current Assets	1,491	1,329	2,497	1,499	0.2%	0.1%	0.2%	0.1%
Total Non-Current Assets	597,149	730,044	831,139	871,326	61.1%	66.0%	65.5%	52.9%
Total Assets	978,058	1,106,206	1,268,950	1,646,048	100.0%	100.0%	100.0%	100.0%

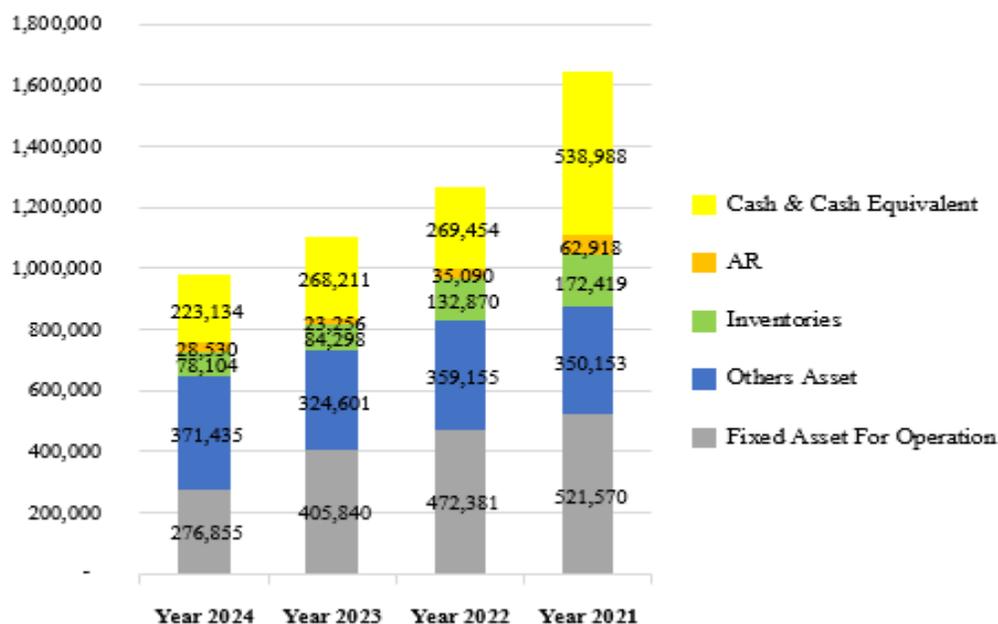
Consolidated Financial Statements

Liabilities and Shareholders' Equity								
Current Liabilities								
Trade Payables and Other Current Payables	56,694	48,825	71,513	156,091	5.8%	4.4%	5.6%	9.5%
Lease Liabilities Due Within One Year	0	304	582	0	0.0%	0.0%	0.0%	0.0%
Short-Term Loans from Related Parties	7,475	7,475	7,475	7,475	0.8%	0.7%	0.6%	0.5%
Income Taxes Payable	-	-	-	45,888	0.0%	0.0%	0.0%	2.8%
Other Current Financial Liabilities	-	-	-	-	0.0%	0.0%	0.0%	0.0%
Total Current Liabilities	64,169	56,604	79,570	209,454	6.6%	5.1%	6.3%	12.7%
Non-Current Liabilities								
Lease Liabilities	-	-	304	-	0.0%	0.0%	0.0%	0.0%
Deferred Tax Liabilities	6,170	6,170	6,170	5,987	0.6%	0.6%	0.5%	0.4%
Provision for Non-Current Liabilities for Employee Benefits	5,989	5,321	5,279	6,471	0.6%	0.5%	0.4%	0.4%
Total Non-Current Liabilities	12,159	11,491	11,753	12,458	1.2%	1.0%	0.9%	0.8%
Total Liabilities	76,328	68,095	91,323	221,912	7.8%	6.2%	7.2%	13.5%
Provision for Non-Current Liabilities for Employee Benefits	5,989	5,321	5,279	6,471	0.6%	0.5%	0.4%	0.4%
Total Non-Current Liabilities	12,159	11,491	11,753	12,458	1.2%	1.0%	0.9%	0.8%
Total Liabilities	76,328	68,095	91,323	221,912	7.8%	6.2%	7.2%	13.5%

Consolidated Financial Statements (Unit: Thousand Baht)	2024	2023	2022	2021	2024	2023	2022	2021
Shareholders' Equity								
Share Capital								
Registered Capital	816,930	816,930	816,930	816,930				
Issued and Paid-Up Capital	816,930	816,930	816,930	816,930	83.5%	73.8%	64.4%	49.6%
Below Par Value of Common Shares:								
Retained Earnings:								
Allocated - Legal Reserve	75,750	75,750	75,750	75,000				
Unallocated	(44,108)	91,903	207,641	460,497				
Other Components of Shareholders' Equity	24,681	24,681	24,681	23,949				
Total Equity Attributable to Parent Company	873,253	1,009,264	1,125,002	1,376,376	89.3%	91.2%	88.7%	83.6%
Non-controlling Interest:	28,477	28,847	52,625	47,760				
Total Shareholders' Equity	901,730	1,038,111	1,177,627	1,424,136	92.2%	93.8%	92.8%	86.5%
Total Liabilities and Shareholders' Equity	978,058	1,106,206	1,268,950	1,646,048	100.0%	100.0%	100.0%	100.0%

● Financial Status

Asset Group Items (Unit : Thousand Baht)



● Assets

Cash and cash equivalents

As of 31 December 2024, the Company had cash and cash equivalents of 223.13 million Baht. This was a decrease of 45.07 million Baht from the beginning of the period. Net operating income was 6.57 million Baht. Net investment activities were 11.73 million Baht Including purchasing molds for 5.77 million Baht,

improving roofs and walls 4.75 from natural disasters, and purchasing other equipment for 1.21 million Baht and 0.30 million Baht were spent from financing activities.

Trade receivables and other receivables - Net

The Company reported net trade receivables and other receivables totaling Baht 28.53 million, comprising trade receivables of 18.58 million Baht and other current receivables of Baht 9.95 million

Inventories - net

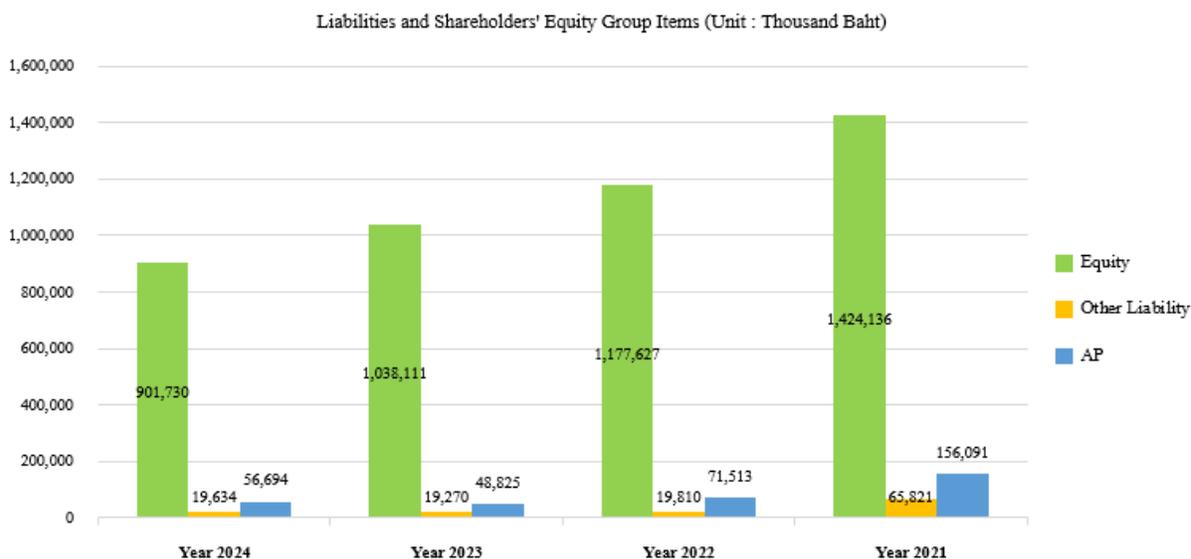
The Company held net inventories of 78.10 million Baht, consisting of raw materials valued at Baht 21.66 million and finished goods in the form of rubber gloves valued at Baht 56.44 million.

Property, Plant & Equipment - Net

The Company holds property, plant, and equipment used in its rubber glove manufacturing operations, with a total net value of Baht 276.85 million. These primarily consist of net land and land improvements valued at Baht 91.61 million, net buildings and building improvements valued at Baht 89.49 million, net machinery and equipment valued at Baht 93.78 million and other assets totaling BAHT 1.97 million.

Other Assets - Net

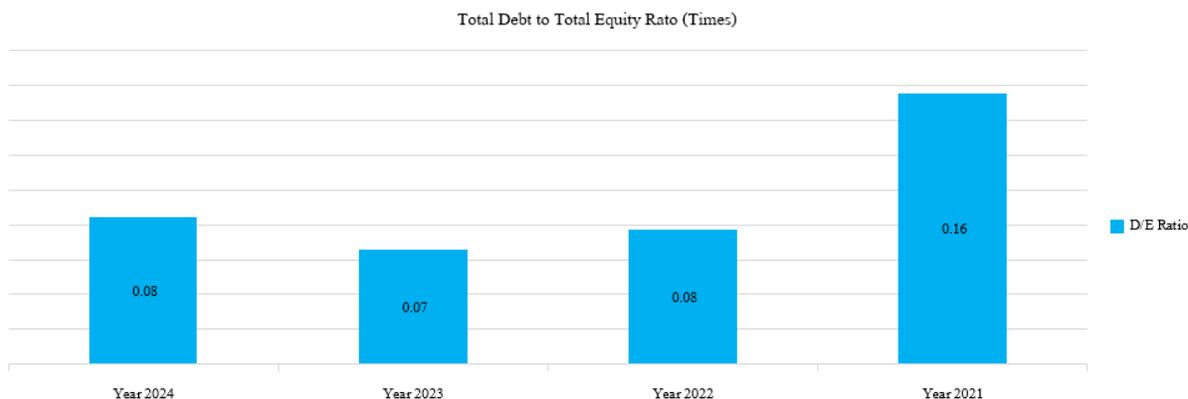
The Company has other net assets totaling BAHT 320.29 million, comprising investment properties with a net value of BAHT 276.74 million and other assets totaling BAHT 43.55 million. These other assets include fixed deposits amounting to BAHT 16.13 million, as well as assets for normal business operations, such as deferred income tax assets amounting to BAHT 22.79 million, among others.



● Liabilities

The Company had total liabilities amounting to BAHT 76.32 million, representing a debt-to-equity ratio of 0.08 times, which was an increase from 2023, when the ratio was also 0.08 times

Total liabilities consisted of accounts payable amounting to Baht 56.69 million. Business liabilities such as employee benefits amounted to 5.98 million Baht, deferred tax liabilities amounted to Baht 6.17 million, and short-term loans belonging to subsidiaries amounted to Baht 7.48 million. As of the end of 2024, the Company remained free of financial debt



● Equity

In 2024, the Company has a registered capital of 816,929,502 Baht and paid-up capital of 816,929,502 Baht. Legal reserve of 75.75 million Baht. As of the end of the year, the Company had an unappropriated accumulated loss of 44.10 million Baht, shareholders' equity attributable to the parent company amounted to Baht 873.25 million, and total shareholders' equity amounted to Baht 901.73 million.

Details of reduction of registered capital and stock value change shall meet the resolution of Annual Ordinary Meeting of Shareholders 2020 on June 26, 2020 with resolution as follows:

1. Reduction of registered capital of the Company from 19,978,103,486 share, value of 1 Baht per share, amount of 19,978,103,486 Baht to 15,982,476,502 shares, value of 1 Baht per share, amount of 15,982,476,502 Baht, and approved amendment of memorandum of association of the Company. In order to correspond to the said registered capital reduction, the Company already had registered the capital reduction to Ministry of Commerce on July 10, 2020.

2. Change of par value of the Company from 1 Baht per share to 0.50 Baht per share, resulting in numbers of shares are changed from 15,982,476,502 shares with par value of 1 Baht per share to 31,964,953,004 shares with par value of 0.50 Baht per share, and approved amendment of memorandum of association of the Company. In order to correspond to change of the said par value, the Company already had registered the change to Ministry of Commerce on July 13, 2020.

3. Capital reduction registration of the Company from 31,964,953,004 shares with value of 0.50 Baht per share, amount of 15,982,476,502 Baht to 1,633,859,004 shares with value of 0.50 Baht per share, amount of 816,929,502 Baht to compensate ordinary share discount and accumulated loss, and approved amendment of memorandum of association of the Company. In order to correspond to the said capital reduction, the Company already had registered the capital reduction to Ministry of Commerce on September 30, 2020.

4. General and Other Important Information

4.1 General Information

The Company Name:

Shun Thai Rubber Gloves Industry Public Company Limited

Registration Number:

No. 0 1 0 7 5 4 4 0 0 0 8 6 (Fomer No. LPC. 669)

Types of Business Operation:

Manufacture, distribute and export medical, household and industrial gloves

Amount and Types of All Distributed Shares of the Company:

Rergistered Capital	816,929,502	Baht	Par Value	0.50 Baht per share
Paid-Up Capital	816,929,502	Baht		
Numbers of Ordinary Shares	1,633,859,004	shares		

Locations of Head Office and Factories:

No. 9, Village No. 4, Kachet Sub-district, Mueang District, Rayong 21100, Thailand

Telephone No. (038) 634-072-3 , 634 – 482-5

Fax No. (038) 634-001, 634-480

www.shunthaiglove.com

Location of Branch Offices:

No. 14 Village No. 4, Kachet Sub-district, Mueang District, Rayong 21100, Thailand

No. 52/18 Village No. 4, Kachet Sub-district, Mueang District, Rayong 21100, Thailand

No. 52/19 Village No. 4, Kachet Sub-district, Mueang District, Rayong 21100, Thailand

Telephone No. (038) 634 – 482-5, Fax No. (038) 634-001, 634-480

No. 1, Promphan Tower 2, the 6th Floor, Room No. 608, Latphrao Soi 3,

Chomphon Sub-district, Chatuchak District, Bangkok 10900, Thailand

Telephone No. (02) 511 – 6040, Telephone No. (02) 511 – 6049

Securities Registrar:

Thailand Securities Depository Company Limited

93 Ratchadaphisek Road, Din Daeng Sub-district,

Din Daeng District, Bangkok 10400, Thailand

Telephone No. (02) 009 – 9000, Fax No. (02) 009 – 9991

Auditor:

Miss Kultida Pasurakul, Certified Public Accountant Registration No. 5946

ANS Audit Company Limited

100/72, the 22nd Floor, Vongvanij Building B, Building No. 100/2

Rama IX Road, Huai Khwang Sub-district, Bangkok

Telehpne No. (02)645-0109, Fax No. (02)645-0110

Company Secretary:

Miss Kimfan Watthanapichitpong

No. 1, Promphan Tower 2, the 6th Floor, Room No. 608, Latphrao Soi 3,

Chomphon Sub-district, Chatuchak District, Bangkok 10900, Thailand

Telephone No. (02) 511 – 6040, Telephone No. (02) 511 – 6049

Email : Kimfan.w@shunthaiglove.com

Subsidiaries:

(Details of its subsidiaries that the Company holds share from 10 percent or more of all numbers of distributed shares of the Company)

Company Name:

Northern Renewable Energy Company Limited

Registration Number:

0 1 0 5 5 5 4 0 4 1 2 4 7

Types of Business Operation:

Produce and distribute comprehensive biomass energy,
and produce electricity from biomass and waste

Registered Capital of the Company:

1,000,000,000 Baht, dividing into 10,000,000 ordinary shares

Par value of 100 Baht per share

Paid-Up Capital of the Company:

1,000,000,000 Baht, dividing into 10,000,000 ordinary shares

Par value of 100 Baht per share

Numbers of Hold Shares:

Ordinary shares of 4,824,750 shares, accounting for 48.25 percent of
paid-up registered capital

Location of Head Office:

No. 75/28, The Prime, Soi Ramkhamhaeng 21,

Ramkhamhaeng Road, Hua Mak Sub-district, Bang Kapi District, Bangkok 10240, Thailand

4.2 Other Material Facts

The Company filed a request to resume trading (Resume Stage) on March 31, The Stock Exchange of Thailand issued a letter dated August 20, 2024, announcing the revocation of the Company's common shares from being listed securities. Subsequently, on September 3, 2024, the Company filed an appeal against this revocation.

On December 18, 2024, The Stock Exchange of Thailand issued a letter announcing the results of the appeal consideration, upholding the original decision to revoke the Company's common shares from being listed securities. This revocation will take effect from January 9, 2025, onwards.

4.3 Legal Disputes

On February 19, 2021, the Company filed lawsuits against a director of Northern Renewable Energy Co., Ltd. with the Bangkok North Municipal Court under Black Case No. Or. 455/2021, and with the Dusit Municipal Court under Black Case No. Or. 2580/2023, on the grounds of false declaration of information. The director of Northern Renewable Energy Co., Ltd. pleaded guilty in both cases. As a result, both courts rendered a guilty verdict, and since no party filed an appeal, the judgments are now final.

On August 29, 2023, the Company filed a civil lawsuit against a subsidiary in the Civil Court under Black Case No. Por. 4154/2023, requesting the Court to order the subsidiary to repay capital increase funds for 168.88 million Baht, along with interest at a rate of 7.5% per annum from May 19, 2016 (the date the subsidiary received the capital increase from the Company) until April 10, 2021, and interest at a rate of 5% per annum from April 11, 2021, until the full repayment is completed. As of August 29, 2023 (the date of filing), the accumulated interest was 82.17 million Baht.

In addition, the Company claimed damages for loss of benefits and opportunity to use the capital to generate income, for 80.00 million Baht, together with interest at a rate of 5% per annum from August 29, 2023, until full repayment. Subsequently, on November 24, 2023, the Company and the subsidiary entered into a compromise agreement, and the Court rendered a judgment by consent. Since neither party appealed the judgment, the case is now finalized.

4.4 Secondary Market

The Company does not have registration in stock exchanges of other countries.

4.5 Financial Institution with Regular Contact (only in case of issuance of debt instruments)

The Company does not have issuance of debt instruments.

Part 2

Corporate Governance

5. Corporate Governance Policy

Shun Thai Rubber Gloves Industry Public Company Limited is confident that good corporate governance can enable the Company to gain efficient and effective management with transparency and accountability as well as to improve the corporate performance for increasing trust and confidence of shareholders and all stakeholders. In addition, corporate governance can enable the Company to get success and achieve the most important goals of the Company by building sustainable growth and prosperity for all stakeholders in the value chain of the business. Therefore, the Company sets the corporate governance policy as the Company's guidelines and operational framework in accordance with the approaches of the supervising authorities, the United Nations Sustainable Development Goals (SDGs), and the United Nations Guiding Principles on Business and Human Rights (UNGPs).

5.1. Overview of the Corporate Governance Policy and Practice

5.1.1 Policy on Directors to Management

Shun Thai Rubber Gloves Industry Public Company Limited is aware of importance of corporate governance as the main factor to build fairness to stakeholders, promote effectiveness of the Company's operation, and create sustainable growth and prosperity to all stake holders in the business value chain. Therefore, the Company emphasizes on good corporate governance with the following important goals.

- To get competability and good performance with consideration on long-term impact
- To operate business with ethics, right respect, and responsibility to all stakeholders in the business value chain
- To be friendly with society and environment
- To get adaptability under changing factors

5.1.2 Policy on Shareholders and Stakeholders

Stakeholders play very important roles for the Company so the Company organizes the corporate governance system relating to the main stakeholders such as customers, receivables, payables, trade partners, employees, community where the Company is located, society, the government sector, other stakeholders such as competitors and auditors etc. The principles and guidelines are set as follows.

- The Company shall treat each group of stakeholders by being aware of stakeholders' right according to laws or agreements with the Company.

- The Company shall not do anything that violates the stakeholders' right.
 - The Company shall determine compensation measure in case that any stakeholder gets damage from right violation.
 - The Company shall develop mechanism for stakeholders to involve in promoting the Company performance to create sustainable stability to the business.
 - The Company shall disclose relevant important information to stakeholders adequately for involving with the business effectively.
 - The Company shall provide a measure for whistleblowing to the directors about illegal matters, inaccuracy of financial statements, defects of the internal control system, or unethical matters. In addition, the Company shall set mechanism for right protection of whistleblowers.
 - The Company shall manage on social responsibility especially in direct effects on business operation for ensuring the stakeholders that the Company runs business by considering environmental and social factors for sustainable development.
- Shareholders: The Company is always aware of transparency of business operation, is committed to create continuous growth and good benefits for the stakeholders in a long term.
 - Customers: The Company is committed to develop product quality and standards, pay attention to give customer service in a friendly manner for full customer satisfaction, and arrange a work unit or personnel responsible for receiving and dealing with customers' complaints quickly and keep customer information in confidence.
 - Trade Partners: The Company shall adhere to and treat its partners equally on the basis of fairness by considering on mutual benefits.
 - Payables: The Company shall treat its payables fairly by strictly complying to terms and conditions of contracts and financial obligations.
 - Competitors: The Company shall behave in accordance with the framework of international competition rules, and the Company shall treat competitors with fairness by avoiding dishonest methods to destroy competitors' reputation.

- **Employees:** The Company shall adhere that employees are valuable resources which should be treated fairly in terms of benefit opportunity, potential development, and assurance in quality of life, work safety, appropriate welfares, and provident fund.
- **Society and Environment:** The Company shall be committed to operate business for the benefits of economy and society. The Company shall give importance in environmental preservation by appointing the governance committee for supervision and social responsibility as well as for promoting organizational cultures and raising awareness of all personnel in the organization and all stakeholders to develop and promote society and environment in parallel to the Company's growth.

Shareholder Meeting

The Company applies the Public Company Act, Articles of Association, and rules and regulations of Stock Exchange of Thailand as guidelines for strict practice. Accordingly, the shareholder meetings are managed as follows.

- (1) All directors perceive importance and participate in the shareholder meetings.
- (2) Support and opportunity for the shareholders who are unable to attend the meeting to appoint proxy.
 - (2.1) In case that any shareholder is unable to attend the shareholder meeting, the Company shall facilitate such shareholder by providing 3 types of the proxy forms to give opportunity for the grantor to choose as wished. All proxy forms must conform to the specification of Department of Business Development, Ministry of Commerce.
 - (2.2) The grantor shall be facilitated in appointing an independent director to be a proxy performing as the grantor's intention. The Company shall attach the descriptive list of such independent directors and the proxy form to the shareholders every year.

- (3) Equality in the shareholder meeting
 - (3.1) Before the meeting, the meeting chairman clearly notifies the shareholders about rules and regulations used in the meetings and voting procedure for resolution of each agenda.
 - (3.2) In the shareholder meeting, the Chairman of the Board of Directors who attends the meeting and is the board of directors provides opportunity for the shareholders to ask questions and clearly explains issues relevant to the meeting agenda or the Company in every meeting.
 - (3.3) The Company provides opportunity for each shareholder to vote for the election of the directors.
 - (3.4) The shareholder meeting must be conducted according to the agendas specified in the meeting notification to the shareholders. The Company does not have a policy to add more agendas or change the agenda sequence in exception that such addition or change is reasonable and legal in all aspects.
 - (3.5) For transparency and accountability, the Company shall use ballots in every agenda of the shareholder meeting. To increase quickness and accuracy, the Company shall use the computer system for the shareholder registration and resolutions.
- (4) After the shareholder meeting, the Company shall prepare the meeting minute according to the agendas, resolutions, and the number of votes ‘yes’, votes ‘no’, or no votes as well as important details for consideration within 14 days after the meeting. Then the Company notify the meeting minutes to shareholders through the company website.
- (5) In the meeting, opportunity is provided for the shareholders to give opinions, ask questions, and give suggestions fully in adequate and suitable time. The important issues from discussion and opinions shall be recorded in the meeting minutes.

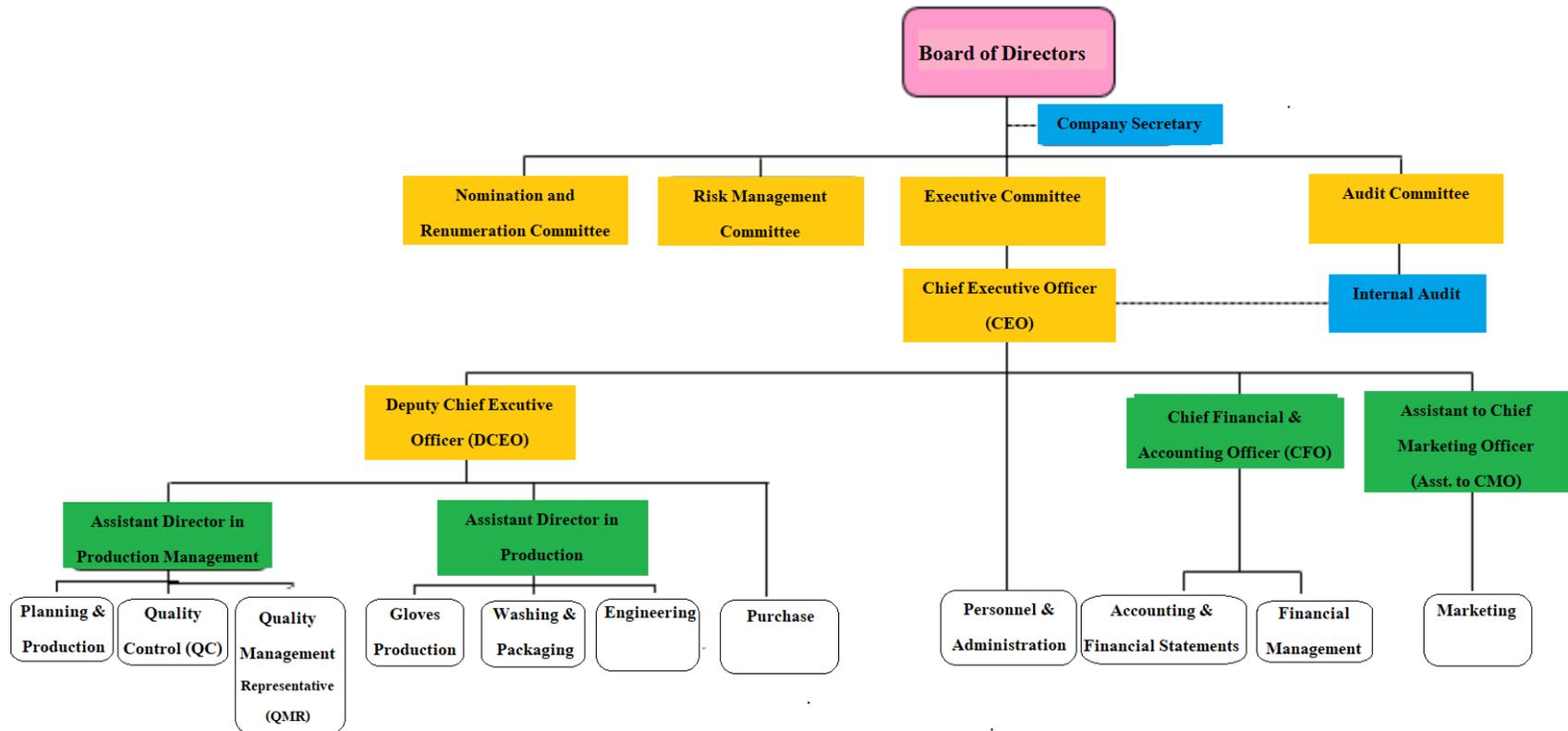
5.2 Business Ethics

The Company issues code of conduct for the board of directors, management, and employees to be adhere to as guidelines for performing duties and responsibilities according to the Company's missions with integrity, honest, and fairness as well as treatment to the Company, stakeholders, public, and society. The Company shall regularly communicate with the employees, monitor the implementation to be compliant to such guidelines, and impose disciplinary sanctions.

6. Corporate Governance Structure and Important Information about the Committees, Sub-committees, Executives, Employees and Others

6.1 Corporate Governance Structure

The Company has established the management structure, as illustrated in the following organizational chart (Data as of December 31, 2024).



6.2 Details of the Committees

The management structure of the Company includes 5 sets of committees: 1) Board of Directors, 2) Executive Committee, 3) Audit Committee, 4) Risk Management Committee, and 5) Nomination and Remuneration Committee.

The Company's Board of Directors and executives consists of qualified people with all qualifications according to Section 68 of Public Limited Companies Act B.E. 2535 (1992) (including the Amendment) and The Notification of the Capital Market Supervisory Board No. Torlor 39/2559 on Application for Approval and Granting of Approval for Offering of Newly Issued Shares dated on December 15, 2008.

The structure of the Board of Directors consists of the following committees.

6.2.1 Components of the Board of Directors

On March 30, 2024, the Board of Directors consists of 6 directors as follows.

No.	Names	Positions
1.	Mr. Chakarn Saengruksawong	Chairman of the Board of Directors, Independent Director, Audit Committee, Chairman of Nomination and Remuneration Committee
2.	Ms.Chun Ching Teng	Chief Executive Officer, Chairman of the Board of Directors, Nomination and Remuneration Committee, Director
3.	Mr. Ekkachai Tangsatjatham	Deputy Chief Executive Officer, Director, Executive Director, Nomination and Remuneration Committee, Risk Management Committee
4.	Mr. Sirasit Pasawat	Director
5.	Mr. Teerawit Tanakijsoontorn	Chairman of Audit Committee, Independent Director, Chairman of Risk Management Committee, Director
6.	Mr. Chatchawas Sethaluck	Audit Committee, Independent Director, Director

According to the Company's Articles of Association, in every annual general meeting of the shareholders, one-third of the committee shall retire from the positions. If the number of the committees to be retired cannot be divided exactly into 3 parts, the number nearest to one-third shall be applied and the committee

who has been in the position for the longest period shall retire. However, the committees who retire by rotation may be nominated and re-elected to the position.

6.2.2 Committees and Controlling Authorities

The Company has 2 authorized signatories as follows.

No.	Names	Positions
1.	Ms. Chun Ching Teng	Chief Executive Officer, Chairman of the Board of Directors, Nomination and Remuneration Committee, Director
2.	Mr. Ekkachai Tangsatjatham	Deputy Chief Executive Officer, Director, Executive Director, Nomination and Remuneration Committee, Risk Management Committee
Two directors jointly sign and affix the company's seal.		

The Scope of Authority and Duties of the Board of Directors

1. Performance of the Board of Directors

The Company's Board of Directors performs duties by using knowledge, ability, and experience useful for the Company's business, and performs duties according to the Company's objectives, articles of association, and resolutions from the Company's shareholder meetings with carefulness to protect the Company's benefits and responsibility to the shareholders.

2. Review and Approval of Appropriate Policies

The Board of Directors is responsible for reviewing and approving on policies and operational direction proposed by the Executive Committees in exception of the issues prescribed by laws which need to get prior approvals from the shareholder meetings.

3. Supervision on the Executive Committees

The Board of Directors supervises the Executive Committees to effectively manage work operation as specified in the policies, and notifies the Executive Committees to present important implementational matters on connected transactions for consideration according to the regulation of The Securities and Exchange Commission and Stock Exchange of Thailand.

If necessary, the Board of Directors may determine to employ external consultants for giving professional advices or opinions supplementing to decision-making on important issues in the Company's business operation.

4. Arrangement of the Internal Control and Internal Audit Systems

The Board of Directors supervises the Company to arrange the effective internal control and internal audit systems by appointing an audit team, supervising internal work operation, and employing outsource auditors to monitor and implement the internal audit together, and coordinate with the Audit Committee.

5. Code of Conduct and Business Ethics

The Board of Director arranges for the Company to prepare a compliance manual concerning code of conduct and business ethics as guidelines for executives and employees to practice in the organization.

6.3 Details of the Sub-committees

6.3.1 Appointment, Duties, and Responsibilities

The Scope of Authority and Duties of the Executive Committee

The Executive Committee has authority, duties, and important roles in implementation according to the Company's strategies, policies, and regulations. The Executive Committee has authority to supervise the Company's business and implement various matters as assigned by the Board of Directors to achieve the Company's goals and mission.

In addition, the Executive Committee has authority, duties, and responsibilities on the following matters.

1. Plan and manage the Company's business to achieve the specified objectives and goals
2. Supervise and monitor the Company's performance and financial position, and report the performance and financial position to the Board of Directors on the monthly basis.
3. Consider, review, and approve transactions on investment, sales of assets, personnel resource management, finance and financial management, general management, and other matters concerning the Company's business under the scope approved by the Board of Directors.
4. Consider in screening and giving opinions on issues to get approval from the Board of Directors, excepts activities which the Board of Directors assigns to other sub-committees to implement.

5. Consider and review on the Company's risk management and the internal control system.
6. The Board of Directors may assign sub-delegation to any executive or person to implement one or more matters as the Board of Directors considers appropriate. The transaction approval of the Executive Committee or sub-delegation should not be connected transactions, transactions with conflict of interest, or transactions which the Executive Committee has a stake as specified in the Company's Articles of Association and the notifications of the Capital Market Advisory Board. Any transaction approval must be compliant to the policies and procedures prescribed by the Board of Directors and the regulatory agencies.
7. Have authority to invite the management or any person relating to the Company to give opinions, attend meetings, or give relevant information..
8. Report the main performance to the Board of Directors regularly including main issues which should be informed to the Board of Directors.
9. Regularly consider and review appropriateness and sufficiency of the Articles of Association to be suitable and up to date.
10. Perform other duties as assigned by the Board of Directors.

The Scope of Authority and Duties of the Audit Committee

The Audit Committee has authority, duties, and responsibilities as prescribed in Audit Committee Charter in the following issues.

Authority

1. Has authority to invite management or employees to attend meetings, to give opinions, or to submit documents as required and necessary.
2. Consider in selection, appointment, or employment termination of auditors as well as in remuneration to propose to the Board of Committee to present in the general meeting of shareholders, and assess auditors' performance annually.
3. Know about non-audit work and remuneration for such work for consideration without making auditors lack of independence in implementation.

4. Attend meetings with auditors for discussion without participation of the management at least once a year.
5. Consider to make decision in case of disagreement between the management and auditors on financial statements or limitations in auditing implementation.
6. Review the implementational procedure and supervise connected transaction which may get conflict of interest to be compliant to relevant laws or regulations.
7. Consider reports of the Risk Management Sub-committee and the management of the Company. Consult with the management about policies on risk assessment and management.
8. Manage to get external consultants or professional experts to give advices or opinions as the Board of Director considers appropriate.
9. Report to the Board of Director to take corrective action on transactions with conflict of interest, fraud, corruption, and defects of internal control as well as transactions incompliant to relevant laws with important details of the financial position.

Duties and Responsibilities

1. Review the Company's financial reports to be accurate according to the accounting standards publicly approved with sufficient disclosure.
2. Review the Company's internal control and internal audit systems to be appropriate and effective.
3. Review to ensure that the Company is compliant the Public Limited Company's ACT.
4. Consider and propose on selection, re-selection, employment termination, and remuneration of auditors.
5. Consider and review connected transactions or transactions with conflict of interest to be compliant to the laws and regulations of The Stock Exchange of Thailand to ensure that such transactions are reasonable and highly beneficial for the Company.
6. Review the Company's risk management system to be appropriate and effective.
7. Consider on independence of the internal audit unit, and approve appointment, transfer, and employment termination. Consider performance and promotion to the head of the internal audit unit.

8. Review and give opinions on the internal audit plans. Coordinate with the internal audit office and the auditors.
9. Prepare reports of the Internal Audit Committee by disclosing them in the Company's annual reports. These reports are signed by the Chairman of the Audit Committee. The reports must contain at least the following details.
 - 1) Opinion about accuracy, completeness, and reliability of the Company's financial reports.
 - 2) Opinion about sufficiency of the Company's internal control system.
 - 3) Opinion about compliance to the laws concerning the Company's business.
 - 4) Opinion about appropriateness of auditors.
 - 5) Overall opinion or observation of the Audit Committee in compliance to the charter.
 - 6) Any other issues that the shareholders and general investors should know under the scope of duties and responsibilities as assigned by the Board of Directors.
10. Have authority to employ consultants or external people according to the Company's regulations to give opinions or advices, if necessary.
11. Have authority to invite the management or any person relating to the Company to give opinions, attend meetings, or give relevant information.
12. Report performance of the Audit Committee to the Board of Directors at least 4 times a year.
13. Regularly consider, review, and assess sufficiency of the charter to be suitable and up to date.

The Scope of Authority and Duties of the Risk Management Committee

The Risk Management Committee has authority, duties, and responsibilities as prescribed in Risk Management Committee Charter in the following issues.

1. Determine, review, and approve risk management policies and framework in accordance with objectives, goals, strategies, and risk appetite of the Company and the subsidiaries. Present them to the Board of Committee for consideration and approval.
2. Consider and determine guidelines, measures, and action plans for risk management of the Company and the subsidiaries in accordance with the risk management policies and framework as

- approved by the Board of Directors. Consider and give opinions about the results of risk assessment.
3. Review sufficiency of risk management policies, strategies, process, and systems every year for improving them to be adequately effective in accordance with the business conditions of the Company and the subsidiaries.
 4. Supervise and monitor implementation according to the risk management policies as approved by the Board of Directors. Regularly develop guidelines and risk management systems for the Company and the subsidiaries to have effective risk management systems with continuous implementation.
 5. Suggest methods of risk prevention and reduction into the risk appetite level. Monitor implementation according to the action plans to continuously reduce risk and to ensure that risk is managed sufficiently and appropriately.
 6. Review the risk management reports to monitor main risks of the Company and the subsidiaries, and take actions to ensure that risk is managed sufficiently and appropriately to the level of risk appetite on a regular basis.
 7. Supervise and promote the executives and the employees of the Company and the subsidiaries to possess knowledge and understanding about one's own duties in risk management of the Company and the subsidiaries. Give advices and consultation to practitioners who deal with risk management.
 8. Regularly communicate and exchange information, and coordinate with the Audit Committee about risk and the internal control which affects or may affect on the Company and the subsidiaries. The internal audit unit is responsible for the review to ensure that the Company and the subsidiaries have appropriate internal control for risk management.
 9. Regularly report to the Board of Directors about the main risk of the Company and the subsidiaries, risk statuses, approaches for risk management, and progress and outcome of risk management.
 10. Perform other work relating to risk management, as assigned by the Board of Directors and approved by the Audit Committee.

The Scope of Authority and Duties of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has authority, duties, and responsibilities as prescribed in the charter in the following issues.

1. Consider and review the criteria on qualifications of people to take a position of the Board of Directors in line with the Company's business strategies.

2. Determine the process to consider, recruit, assess, and select qualified people to take the positions in the Board of Directors in replacement of the full-term positions or other cases, and present to receive approval from the Board of Directors and/or the shareholder meetings.
3. Consider and review on independence of the Board of Directors as well as on conflict of interest which may occur from the directors' implementation. Consider appropriateness of position-taking in the Board of Directors in case of changes relevant to qualification of the directors in the Board.
4. Prepare a plan for succession of the Chief Executive Officer to present to the Board of Directors for consideration.
5. Propose guidelines on the method to pay remuneration to the Board of Directors and Sub-committees appointed by the Board of Directors, including annual bonus and meeting allowance.
6. Propose policies on consideration of remuneration payment to the Chief Executive Officer, including salary and annual bonus in accordance with the Company's performance and the performance of the Chief Executive Officer.
7. Appraise performance of the Chief Executive Officer to determine remuneration before present to get approval to the Board of Directors every year.
8. Consider budgets for salary increase, changes of wages, and annual rewards for the employees before presenting for approval to the Board of Directors every year.
9. Regularly consider, review, and study on changes and trends of remuneration for the Board of Directors and Chief Executive Officers to present for approval from the Board of Directors.
10. Consider, review, and suggest if there is any change about the charter of the Nomination and Remuneration Committee to the Board of Directors to get approval for suitable improvement to be always up to date.
11. Have authority to invite the management or any person relevant to the Company to give opinions, attend the meeting, or give relevant information.

6.3.2 Name list of the Sub-Committees

The Executive Committee consists of 2 members as follows:

No.	Name-Surname	Position
1.	Ms Chun-Ching Teng	Chairman of the Executive Committee, Director
2.	Mr. Ekkachai Tangsatjatham	Executive Committee, Director

The Audit Committee consists of 3 committees.

No.	Names	Positions
1.	Mr. Teerawit Tanakijsoontorn	Chairman of the Audit Committee, Independent Committee
2.	Mr. Chakarn Saengruksawong	Audit Committee, Independent Committee
3.	Mr. Chatchawas Sethaluck	Audit Committee, Independent Committee

The Risk Management Committee consists of 3 committees.

No.	Name-Surname	Position
1.	Mr. Teerawit Tanakijsoontorn	Chairman of the Risk Management Committee, Independent Committee
2.	Mr. Ekkachai Tangsatjatham	Risk Management Committee, Director
3.	Mr. Chatchawas Sethaluck	Risk Management Committee, Independent Director

Nomination and Remuneration Committee There are 3 persons as follows:

No.	Name-Surname	Position
1.	Mr. Chakarn Saengruksawong	Chairman of the Nomination and Remuneration Committee, Independent Committee
2.	Mr. Ekkachai Tangsatjatham	Recruitment and Remuneration Committee, Director
3.	Ms Chun-Ching Teng	Recruitment and Remuneration Committee, Director

Chief Executive Officer**The Scope of Authority and Duties of the Chief Executive Officer**

1. Make decision on important issues of the Company. Determine the Company's mission, objectives, approaches, and policies. Supervise the overall implementation, products, and customer relationship, and be responsible for the Board of Directors.
2. Have authority to approve expenses for projects which have been approved by the Board of Directors. Each expense and payment is considered according to actual expense.
3. Consider on investment and trade of the Company's fixed assets to present to the Executive Committee and/or the Board of Directors.
4. Consider on fundraising to present to the Executive Committee and/or the Board of Directors.

5. Have authority to employ, appoint, lay off, terminate, or dismiss the employees below the manager level as well as to determine wage rate, give rewards, increase salary, benefits and bonus to the employees below the manager level.
6. Have authority to approve provision of bad debt allowance/bad debt, prosecution, and debt trading not exceeding 500,000 Baht.
7. Have authority to take actions or act as the representative of the Company with outsiders in activities which are related and beneficial to the Company.
8. Approve appointment of consultants in various aspects necessary for the business operation.
9. Perform activities related to general management of the Company.

However, approval of the aforementioned transactions does not include approval of transactions which the Chief Executive Officer or people may have a stake or conflict of interest in one way or another with the Company, including transactions that required approval from the shareholders in connected transactions and acquisition/sales of important assets of the Company or associated companies. These transactions must comply to the requirements of the Stock Exchange of Thailand.

6.4 Details of the Executives

6.4.1 Names and Positions of the Executives of the Company

order	Name - Surname	position	note
1	Ms Chun-Ching Teng	Chief Executive Officer, Director	Start of work 1 January 2024
2	Mr. Ekkachai Tangsatjatham	Deputy Chief Executive Officer, Director	Start of work 1 January 2024
3	Ms. Kimfan Watthanapichitpong	Company Secretary	Start of work 6 November 2024
4	Ms. Chanphen Watthanaphichitpong	Assistant Director, Production Management Group	Started work 18 May 1998
5	Mr. Prasit Sokaew	Assistant Group Director of Production	Work started 4 January 2021 to 28 December 2024
6	Ms. Photjana Duangkoson	Senior Manager, Accounting and Financial Statements	Started work 17 August 2015
7	Ms. Kannika Kongsapcharoen	Senior Procurement Manager	Work starts from 1 January 2024

6.4.2 Remuneration Policy and Suitability Report

Remuneration for the Committees

The Company sets a clear and transparent policy on remuneration for the committees at the same level of the industry. The remuneration is high enough for supporting and retaining qualified committees as required. The policy is approved in the shareholder meeting. The committees who are appointed to be the Audit Committee will get additional remuneration according to the increase of workload.

Remuneration for the Executives

Remuneration for the executives complies to the principles and policy specified by the Board of Directors in relation to the Company's performance and the performance of each executive.

Financial Remuneration in 2024 is described below.

6.4.3 Total Remuneration

Remuneration for the Board of Directors: In the 2024 Annual General Shareholder Meeting, it was unanimously resolved to approve the remuneration for the committees in 2024 in the following rate.

The amount of remuneration for the committees in 2024 was not more than 5 million Baht, only on the monthly basis without the meeting allowance.

1. The Board of Directors
 - 1.1 Chairman 35,000 Baht per month
 - 1.2 Committee 20,000 Baht per month
2. Audit Committee and Executive Committee Except for executives who already have fixed salaries.
 - 2.1 Chairman of the Audit Committee 20,000 Baht per month
 - 2.2 Audit Committee 15,000 Baht per month
3. The Board of Directors shall appoint the Board of Directors, except for executives with fixed salaries, and shall pay remuneration not more than 6 times/year and shall pay remuneration only once a month.
 - 3.1 Chairman 20,000 Baht per time
 - 3.2 Committee 15,000 Baht per time

4. In case that the Company has already paid remuneration to the committees as mentioned above, the Board of Committee shall consider to pay remuneration to the committees who are beneficial. However, the total remuneration for all the committees must not exceed the approved amount.

6.5 Details of the Employees

On December 31, 2024, the Company has totally 252 employees, classified into 96 Thai nationality and 156 other nationalities. The employees are classified according to the main lines of work and provided compensation in the form of monthly salaries and daily wages. During the years 2021–2024, compensation was paid as follows:

Company/Field/Business/Subsidiary	Year 2024	Year 2023	Year 2022	Year 2021
Operations / Service Staff	58.60	45.58	67.97	78.88
Executive staff	5.30	9.86	11.01	11.63
Total Remuneration (Million Baht)	63.90	55.44	78.98	90.51

In addition, the Company provided other welfares to the employees such as staff uniforms, male/female dormitories, shuttle bus service, food allowance, extra payment (depending on difficulty of work), overtime/shift wages, position allowance, travel/accommodation allowance, and provident fund.

Policy on Employee Development

The Company emphasized on training to increase employees' knowledge and skills suitable for work in each department. The Company managed employees to join both in-house training and public training such as in relevant laws and regulations of the government agencies, safety and environment in production, accounting and financial standards, ISO standards, skills development, training organized by the Stock Exchange of Thailand and the Securities and Exchange Commission to the listed companies, technology in compound rubber production, production system, chlorine, and assets and equipment etc.

Moreover, employee performance standards were measured after completing the training to increase operational potential and review appropriate wage rate.

In the past 3 years, the Company did not have any labor disputes.

6.6 Other Important Details

6.6.1 Details of The Employee Responsible for Other Supervision

The Board of Directors resolved to appoint Mr. Niran Kongto as Acting Company Secretary from August 2023 to February 28, 2024, and subsequently appointed Ms. Kimfan Watthanapichitpong as Acting Company Secretary effective from March 1, 2024, And subsequently appointed Ms.Kimfan Watthanapichitpong to be the Company Secretary effective from November 6, 2024.

6.6.2 Details of Head of Investor Relations

The Company appointed Ms. Piyanan Kaewuksorn, the Investment Relations Manager has served as the Head of Investor Relations since June 1, 2023.

6.6.3 Remuneration for Auditor

In 2024, the Company paid audit fee to auditors of ANS Audit Co. Ltd., and non-audit service fee such as for accommodation, travel, and allowance to auditors to work in Rayong Province where the main office of the Company is located. The remuneration for auditors is summarized in the following table.

List	ANS Audit Co., Ltd.					
	Year 2024	Year 2023	Year 2022	Year 2021	Year 2020	Year 2019
1. Audit Fee	2,000,000	2,200,000	2,200,000	2,200,000	2,000,000	2,000,000
2. Non-audit Service Fee	111,380	191,405	162,000	45,700	134,761	109,395
Total	2,111,380	2,391,405	2,362,000	2,245,700	2,134,761	2,109,395

7. Report on Key Performance of Corporate Governance

7.1 Summary of the Committees' Performance in the Previous Year

7.1.1 Nomination, Development, and Performance Appraisal of the Committees

A. Independent Committee: Selection Criteria, Qualifications, and Nomination Procedure

Qualification of Independent Committee

1. Hold shares not more than 1% of paid-up capital of the Company, affiliated companies, associated companies, and related companies.
2. Be a committee who does not involve in the Company's management; is not an employee or a consultant with regular salary; is not a professional service provider receiving service fee more than 2 million Baht per year from the Company, affiliated companies, associated companies, related companies, and juristic people which may have conflict of interest in the past not less than 2 years.
3. Be a committee without direct/indirect benefits or stake in terms of finance and management of the Company, affiliated companies, associated companies, or juristic people which may have conflict of interest.
4. Be a committee who is not relevant or a close relative of an executive or a major shareholder.
5. Be a committee who is not appointed to be a representative to protect interest of the Board of Directors, a major shareholder, or a shareholder who relates to the major shareholder.

In addition, the independent committee must express ability to give opinions or report freely according to the assigned mission without consideration on any interest concerning assets or position. The independent committee must not be under influence of any person or groups of people, and he/she should not be forced not to give opinion as it should be.

B. Nomination of the Committees and Top Executives Through the Nomination Committee

Nomination of the Committees and Executives

The Nomination and Remuneration Committee is responsible for selecting persons to be appointed as the committees by considering on qualification, knowledge and ability, experience, and regularity of meeting attendance with the Board of Directors to present to the meeting of the Board of Directors for consideration and

present to the shareholder meeting for approval of the committee appointment through majority of votes according to the following criteria and procedures.

1. One shareholder has the number of votes equal to the number of shares i.e., one vote per one share.
2. One shareholder may use all their votes according to (1) for selecting one or more persons to be committees but cannot divide their votes to any committee more or less than the other committees.
3. Persons with the highest number of votes in a descending order will be appointed to be the committees equal to the number of persons to be elected at a time. In case that the persons elected in a descending order have equal votes or exceeding number of the persons to be elected at that time, the Chairman shall give a casting vote.
4. In every annual general meeting, one-third of the committees must retire from the positions. If the number of the committees cannot be divided exactly into 3 parts, the number nearest to one-third shall be applied. In the 1st or 2nd years after being registered as the public company, the committee retirement by rotation is performed by drawing lots. In the following years, the committees who have been in the positions for the longest period shall retire. However, the committee with retirement by rotation may be nominated and re-elected to the position.
5. Any committee who wishes to resign before the end of term shall submit the letter of resignation to the Company and the resignation is effective from the date of submitting the resignation letter to the Company.
6. In case that the committee position becomes vacant by reason other than retirement by rotation, the Board shall elect a new committee to fill in the vacant position. The person who is the new committee shall be in the committee position only for the remaining term of the committee he/she replaces.
7. Resolution for any committee to retire before the end of term can be done only by virtue of the shareholder meeting resolution through votes not less than three-quarters of the shareholders who attend the meeting, have right to vote, and have shares in total not less than half of the number of shares holding.

Appointment of the Audit Committee

The Board of Committee considers and select persons with qualifications, knowledge, ability, and work experience supporting to the systems of corporate governance and internal control according to standards in the right way.

1. The Board of Directors appoints the audit committees. At least, 3 audit committees are appointed, and at least one of them must be knowledgeable and experienced in finance and accounting adequately for reviewing creditability of the financial statements.
2. The Audit Committee must contain at least 3 committees. If the number of committees are less than the mentioned number, additional appointment should be made to complete the specified number within 3 months after the date of decreasing number.
3. The Committee selects 1 audit committee to be the Chairman of the Audit Committee, and select a person with qualifications approved by the Audit Committee to be the Secretary of the Audit Committee.
4. A person to be appointed to hold the position of the Company's audit committee must have the following qualifications.
 - 1) Hold shares not more than 1% of paid-up capital of the Company, affiliated companies, associated companies, and related companies, including shares held by a related person.
 - 2) Be a committee who does not involve in management of the Company, affiliated companies, related companies, or the Company's major shareholders; and is not an employee or a consultant with regular salary of the Company, affiliated companies, associated companies, related companies or the Company's major shareholders.
 - 3) Be a committee without direct/indirect benefits or stake in terms of finance and management of the Company, affiliated companies, associated companies, or the Company's major shareholders; and do not have such benefits or stake in the past 1 year before being appointed to be the audit committee in exception that the Board of Directors carefully considers that such benefits and stake do not have any effects on the audit committee's implementation and independence in giving opinions.
 - 4) Be a committee who is not a related person or a close relative of an executive or a major shareholder of the Company.
 - 5) Be a committee who is not appointed to be a representative to protect interest of the Board of Directors, a major shareholder, or a shareholder relating to the Company's major shareholder.

6) Be a committee with capability to perform tasks, give opinions, or report work performance independently as assigned by the Board of Directors without under control of the major shareholders of the Company or a related person or a close relatives of such persons.

7) Be a committee with appropriate knowledge, ability, and skills.

7.1.2 Meeting Attendance and Remuneration for Each Committee

List of Directors	Position	Meeting		
		Board of Directors Meeting (Attendance at the Right to Meeting)	Annual General Meeting of Shareholders (Attendance at the Right to Meeting)	Extraordinary General Meeting of Shareholders (Attendance at the Right to Meeting)
Mr. Chakarn Saengruksawong	Chairman of the Board of Directors, Audit Committee , Independent Director , Director	12/12	1/1	-
Ms. Chun-Ching Teng	Chief Executive Officer, Director	12/12	1/1	-
Mr. Ekkachai Tangsatjatham	Deputy Chief Executive Officer, Director	12/12	1/1	-
Mr. Sirasit Pasawat	Deputy Chief Executive Officer , Director	12/12	1/1	-
Mr. Teerawit Thanakijsoonthorn	Chairman of Audit Committee, Independent Director, Director	12/12	1/1	-
Mr. Chatchawas Sethaluck	Audit Committee , Independent Director , Director	12/12	1/1	-

Table of Remuneration for All Sets of Committees in 2024 and the Number of Meetings

No.	Name - Surname	Position	Board of Directors	Audit Committee	Risk Management Committee	Nomination and Remuneration Committee	Executive Committee	Total Monthly Remuneration Jan-Dec 23
1	Mr. Chakarn Saengruksawong	Chairman of the Board of Directors, Member of the Audit Committee, Independent Director, Chairman of the Nomination and Remuneration Committee	12 / 12	5 / 5	-	6 / 6	-	720,000.00
2	Ms. Chun-Ching Teng	Chief Executive Officer, Chairman of the Board of Directors, Nomination and Remuneration Committee, Director Management Committee, Director	12 / 12	-	-	4 / 6	12 / 12	240,000.00
3	Mr. Ekkachai Tangsatjatham	Deputy Chief Executive Officer, Director, Member of the Executive Committee, Member of the Nomination and Remuneration Committee, Member of the Risk Management Committee	12 / 12	-	3 / 3	6 / 6	12 / 12	240,000.00
4	Mr. Sirasit Pasawat	Director	12 / 12	-	-	-	-	240,000.00
5	Mr. Teerawit Thanakijsoonthorn	Chairman of Audit Committee, Independent Director, Director, Chairman of Risk Management Committee	12 / 12	5 / 5	3 / 3	-	-	540,000.00
6	Mr. Chatchawas Sethaluck	Audit Committee, Independent Director, Director	12 / 12	4 / 5	3 / 3	-	-	465,000.00
Total			2,445,000.00					

7.1.3 Monitor on Compliance to the Corporate Governance Policy and Guidelines

The Company plans for the Board of Directors meeting at least once a month to consider the main agendas set in each year. However, if there is any important agenda, the Chairman of the Board of Directors shall call for the meeting for such important agenda by notifying in advance not less than the period specified by laws. In 2024, the Board of Directors held 12 meetings in total. The authority, duties, and responsibility of the Board of Directors are specified by referring to Public Company Limited Act.

The Scope of Authority and Duties of the Board of Directors

- 1) Have authority, duties, and responsibilities on the Company's management to be compliant to laws, objectives, Articles of Association, and resolutions of the shareholder meetings.
- 2) Arrange the annual general meeting of shareholders.
- 3) Manage for arranging the Company's balance sheets and profit and loss statements at the end of the Company's accounting period which are audited by auditors and presented to the annual general meeting of shareholders for consideration and approval.
- 4) Determine vision, mission, goals, guidelines, policies, business plans, and budgets of the Company. Control and supervise administration and management of the Executive Committee to be compliant to the assigned policies. However, regarding the issues which are prescribed by laws to receive approval from the shareholder meetings such as capital increase, capital decrease, issuance of corporate bonds, sales or transfer the entire business or some important parts of the Company to other persons, purchase or acceptance of transfer of business of another company to the Company, or amendments to the Company's memorandum of association or articles of association etc.; the Board of Directors needs to receive approval before proceeding.
- 5) Monitor and supervise the management to ensure that the implementation is continuously compliant to plans and budgets. Regularly consider and review such policies, plans, and budgets.
- 6) Supervise for the Company to be compliant to the laws and notifications such as in connected transactions, acquisition or sales of important assets, and laws relevant to the Company's business.
- 7) Consider and determine the management structure; and have authority to appoint the Executive Committee, Chairman of the Executive Committee, Sub-committees, and Chief Executive Officer (CEO) as appropriate. Determine the scope of authority, duties, and responsibilities of the Executive Committee, Chairman of the Executive Committee, Sub-committees, and Chief Executive Officer (CEO) as appropriate.

- 8) Prepare the annual report of the Board of Directors. Be responsible for arranging and disclosing financial statements to show the financial position and performance in the previous year, and present to the shareholder meeting for consideration and approval.
- 9) Appoint the Company Secretary to be responsible for implementing various tasks for the benefits of the business operation of Company or the Board of Directors such as arranging register of directors, appointment letters for the Board of Directors meeting, and appointment letters for the shareholder meeting etc.

Compliance to Good Corporate Governance

1. Prevention of Conflict of Interest

The Board of Directors in Shun Thai Rubber Gloves Industry Public Company Limited sets the policy on prevention of conflict of interest on the principle that any decision to entering any transactions of the Company must be for the full benefits of the Company and the shareholders. The Company's personnel including committees, executives, and employees shall not take chance from acting as the Company's personnel to seek advantages for themselves or companions, regardless of financial matters or other matters. They must attempt to avoid involving activities which may cause conflict of interest. However, any business activities either on one's own behalf or on behalf of a juristic person which he/she has stake relating the Company, such transactions must be disclosed according to the criteria specified by the Company. The duties of the committees, executives, and employees are to maintain fair benefits of the Company by limiting the scope of freedom in different activities of the executive committee and employees to the minimum.

2. Use of Internal Information to Seek Benefits

Shun Thai Rubber Gloves Industry Public Company Limited operates business with transparency and awareness of importance in using the internal and relevant rules and regulations. The Company sets the policy on use of internal information and supervision to prevent the committees and executives including persons in the administration level of accounting or finance at the manager level or higher and employees not to use confidential/internal information of the Company which is not disclosed to public to seek benefits for oneself or others regardless of direct or indirect way, or receiving or not receiving benefits, or using such information for securities trading. The Company performs according to the main policy on use of internal information to seek benefits and communicate for the committees, executives, and employees to use as practical guidelines.

3. Anti-Corruption

Shun Thai Rubber Gloves Industry Public Company Limited emphasizes on anti-corruption so the Company sets the anti-corruption policy and the whistleblowing and complaint policy with the focus on

communicating to the committees, executives, and employees to adhere as guidelines. The whistleblowing and complaint policy is set for listening to opinions, suggestions, or complaints from personnel and outsiders who are affected or at risk of being affected from the Company's business operation or illegal/unethical behaviors regarding corruption of the Company's personnel. The Company implements appropriate internal control to decrease risk of corruption and to raise awareness and values of anti-corruption to the Company's personnel, as the main factors for enabling the Company to prevent corruption in the organization through the anti-corruption measure.

4. Whistleblowing

4.1 Consulting Channel

Before notifying clues, if the personnel are not sure that an action is behavior according to "Item 2 on Scope of Whistleblowing", and want information about the whistleblowing policy and procedure, they can seek information from Code of Conduct and consult with organizations responsible for whistleblowing and complaints or the Compliance Unit of Sustainability, Governance and Corporate Communication Office.

4.2 Whistleblowing Channel

Personnel, outsiders, business partners, and business alliances can notify clues of behaviors according to "Item 2 on Scope of Whistleblowing" through the following channels.

1.1 Whistleblowing organizations and channels which each business group or each company establishes such as creating user accounts or email to particularly receive whistleblowing or sealed letters etc.

1.2 The website of Shun Thai Rubber Gloves Industry Public Company Limited at www.shunthaiglove.com.

1.3 Email to IA Department via sthai_ia@shunthaiglove.com.

1.4 Email to the Audit Committee via Whistleblow@shunthaiglove.com

1.5 Mail to the Board of Director or the Audit Committee

Shun Thai Rubber Gloves Industry Public Company Limited

No. 1 Promphan 2 Building, Room 608, 6th Floor, Lat Phrao Soi 3, Chomphon Sub-district, Chatuchak District, Bangkok 10900

Shun Thai Rubber Gloves Industry Public Company Limited

No. 9 Moo 4, Kachet Sub-district, Mueang District, Rayong Province 21100

7.2 Report on Performance of the Audit Committee in the Previous Year

7.2.1 Number of Meetings and Meeting Attendance of Each Audit Committee

The Audit Committee

List of Directors	Position	Number of Meetings / Session	Note
Mr.Teerawit Thanakijsoonthorn	Chairman of the Audit Committee	5 / 5	Appointed by resolution of the Board of Directors. No. 7/2021 on July 21, 2021
Mr.Chakan Saengruksawong	Member of the Audit Committee	5 / 5	Appointed by resolution of the Board of Directors. No. 1/2018 on January 26, 2018
Mr.Chatchawas Sethaluck	Member of the Audit Committee	4 / 5	Appointed by resolution of the Board of Directors. No. 1/2022 on January 27, 2022

Mr. Teerawit Tanakijsoontorn is the committee who is knowledgeable and experienced in accounting or finance or audit adequately for reviewing creditability of the Company's financial statements.

7.2.2 Performance of the Audit Committee

On December 31, 2024, the Audit Committee consisted of 3 independent directors, the Company must appoint at least 1 audit committee who is knowledgeable and experience in accounting and finance, and be able to review creditability of the financial statement. The Audit Committee has authority, duties, and responsibilities prescribed in the Audit Committee Charter as follows.

Authority

1. Have authority to invite the management or employees to attend the meeting, give opinions, or submit documents as required and necessary.
2. Consider in selection, appointment, or employment termination of auditors as well as in remuneration to propose to the Board of Committee to present in the general meeting of shareholders, and assess auditors' performance annually.
3. Know about non-audit work and remuneration for such work for consideration without making auditors lack of independence in implementation.
4. Attend meetings with auditors for discussion without participation of the management at least once a year.
5. Consider to make decision in case of disagreement between the management and auditors on financial statements or limitations in auditing implementation.

6. Review the implementation procedure and supervise connected transactions which may get conflict of interest to be compliant to relevant laws or regulations.
7. Consider reports of the Risk Management Sub-committee and the management of the Company. Consult with the management about policies on risk assessment and management.
8. Manage to get external consultants or professional experts to give advices or opinions as the Board of Director considers appropriate.
9. Report to the Board of Director to take corrective action on transactions with conflict of interest, fraud, corruption, and defects of internal control as well as transactions incompliant to relevant laws with important details of the financial position.

Duties and Responsibilities

1. Review the Company's financial reports to be accurate according to the accounting standards publicly approved with sufficient disclosure.
2. Review the Company's internal control and internal audit systems to be appropriate and effective.
3. Review to ensure that the Company is compliant to the laws concerning the Company's business.
4. Consider and propose on appointment, re-selection, employment termination, and remuneration of auditors.
5. Consider and review connected transactions or transactions with conflict of interest to be compliant to the laws to ensure that such transactions are reasonable and highly beneficial for the Company.
6. Review the Company's risk management system to be appropriate and effective.
7. Consider on independence of the internal audit unit, and approve appointment, transfer, and employment termination. Consider performance and promotion to the head of the internal audit unit.
8. Review and give opinions on the internal audit plans. Coordinate with the internal audit office and the auditors.
9. Prepare reports of the Internal Audit Committee by disclosing them in the Company's annual reports. These reports are signed by the Chairman of the Audit Committee. The reports must contain at least the following details.
 - 1) Opinion about accuracy, completeness, and reliability of the Company's financial reports.

- 2) Opinion about sufficiency of the Company's internal control system.
 - 3) Opinion about compliance to the laws concerning the Company's business.
 - 4) Opinion about appropriateness of auditors.
 - 5) Overall opinion or observation of the Audit Committee in compliance to the charter.
 - 6) Any other issues that the shareholders and general investors should know under the scope of duties and responsibilities as assigned by the Board of Directors.
10. Have authority to employ consultants or external people according to the Company's regulations to give opinions or advices.
 11. Have authority to invite the management or any person relating to the Company to give opinions, attend meetings, or give relevant information.
 12. Report performance of the Audit Committee to the Board of Directors at least 4 times a year.
 13. Regularly consider, review, and assess sufficiency of the charter to be suitable and up to date.

7.3 Summary of the Sub-committees' Performance

7.3.1 Number of Meetings and Meeting Attendance of Each Sub-committee

The Executive Committee

List of Directors	Position	Number of Meetings / Session	Note
Ms. Chun Ching Teng	Chairman of the Board	12 / 12	Appointed by resolution of the Board of Directors. No. 5/2023 on May 3, 2023
Mr. Ekkachai Tangsatjatham	Referee	12 / 12	Appointed by resolution of the Board of Directors. No. 8/2019 on May 8, 2019

Miss Kimfan Watthanaphichitphong serves as Secretary of the Executive Committee.

The Risk Management Committee

List of Directors	Position	Number of Meetings / Session	Note
Mr. Teerawit Thanakijsoonthorn	Chairman of the Board	3/3	Appointed by resolution of the Board of Directors. No. 9/2021 on September 15, 2021
Mr. Ekkachai Tangsatjatham	Referee	3/3	Appointed by resolution of the Board of Directors. No. 9/2021 on September 15, 2021
Mr. Chatchawas Sethaluck	Referee	3/3	Appointed by resolution of the Board of Directors. No. 5/2023 on May 3, 2023

By Mr. Niran Kongto Serves as Secretary of the Risk Management Committee.

The Nomination and Remuneration Committee

List of Directors	Position	Number of Meetings / Session	Note
Mr. Chakarn Saengruksawong	Chairman of the Board	6 / 6	Appointed by resolution of the Board of Directors. No. 9/2021 on September 15, 2021
Mr. Ekkachai Tangsatjatham	Referee	6 / 6	Appointed by resolution of the Board of Directors. No. 9/2021 on September 15, 2021
Ms. Chun Ching Teng	Referee	4 / 6	Appointed by resolution of the Board of Directors. No. 5/2023 on May 3, 2023

Miss Kimfan Watthanaphichitphong acts as the Secretary of the Nomination and Remuneration Committee.

7.3.2 Performance of the Sub-committees as Assigned by the Board of Directors**The Executive Committee****The Scope of Authority, Duties, and Responsibility of the Executive Committee**

- Control and supervise the Company's management to be compliant to laws, objectives, articles of associations, resolutions of the shareholder meeting, and resolution of the Board of Directors

meeting with integrity, carefulness, and maintenance of the Company's benefits by arranging the meeting of the Executive Committee at least once a month.

2. Consider to refine the following issues according to necessary for the business and present to the Board of Directors for approval.
 - 2.1 Policies, goals, and annual plans of the Company
 - 2.2 Annual budget of the Company
 - 2.3 Guidelines, policies, and goals of investment as the framework for the management implementation
3. Perform tasks as assigned by the Board of Directors
4. Have authority to take actions on the following matters within the scope of each matter specified as follows.
 - 4.1 Control and determine approaches for investment management on other business of the Company within the scope assigned by the Board of Directors and compliance to laws.
 - 4.2 Have authority to issue instructions, rules, notifications, and memorandum to implement work according to the Company's policies and benefits, and to maintain disciplines in the organization.

Components

1. The Executive Committee consists of at least two (2) directors in the Board of Directors.
2. The Board of Directors appoints one (1) executive committee to hold the position of the Chairman of the Executive Committee.
3. The Executive Committee can appoint one (1) employee of the Company to act as the Secretary of the Executive Committee for assisting the implementation of the Executive Committee in meeting appointment, preparation of meeting agendas, submission of meeting documents, and arrangement of meeting minutes.

The Risk Management Committee

The risk management committee has the scope of authority, duties, and responsibilities as prescribed in the Risk Management Committee Charter on the following issues.

- 1) Determine, review, and approve the risk management policies and framework in compliance to objectives, goals, strategies, and risk appetite of the Company and the subsidiaries, and present to the Board of Directors for consideration and approval.
- 2) Consider and determine approaches, measures, and action plans for risk management of the Company and the subsidiaries in compliance to risk management policies and framework approved by the Board of Directors. Consider and give opinions on results of risk assessment.
- 3) Review adequacy of the policies, strategies, procedures, and systems of risk management every year to improve effectiveness and adequacy in accordance with the business conditions of the Company and the subsidiaries.
- 4) Supervise and monitor implementation according to the risk management policies approved by the Board of Directors. Continuously develop risk management approaches and systems to ensure that the risk management systems of the Company and the subsidiaries are effective and continuous.
- 5) Suggest methods for risk prevention and decrease into the risk appetite level. Monitor implementation as planned to continuously decrease risk and to ensure that risk is managed adequately and appropriately.
- 6) Review risk management report to monitor main risks of the Company and the subsidiaries. Implement to ensure that risk management is adequate and appropriate and risks can be managed into the risk appetite level, and risk management is performed continuously.
- 7) Supervise and promote knowledge and understanding of executives and employees of the Company and the subsidiaries about their own duties in risk management of the Company and the subsidiaries. Give suggestions and advices to employees relating to risk management.
- 8) Regularly communicate and exchange information through coordination with the Audit Committee about risks and internal control which have or may have effects on the Company or the subsidiaries. The internal audit unit review such matters to ensure that the Company and the subsidiaries have internal control suitable for risk management.
- 9) Regularly report to the Board of Directors about the main risks of the Company and the subsidiaries, risk conditions, approaches for risk management, progress, and results of risk management.
- 10) Perform other tasks concerning risk management as assigned by the Board of Directors and approved by the Risk Management Committee.

The Nomination and Remuneration Committee

The Nomination and Remuneration Committee has authority, duties, and responsibilities on the following issues.

The Nomination and Remuneration Committee of Shun Thai Rubber Gloves Industry Public Company Limited is appointed by the Board of Directors to implement work independently within the scope of duties and responsibilities as prescribed in the Nomination and Remuneration Committee Charter, and compliant to the corporate governance requirement.

In 2024, the Nomination and Remuneration Committee total 6 time and 3 committees attended all meetings. The performance report of the Nomination and Remuneration Committee which was presented to the Board of Directors is summarized as follows.

1. Consider adding and hiring a Sales Director position and set probationary evaluation goals.
2. Consider adding a Production Director position. To ensure continuity of operations in the production department. By determining the qualifications for holding the position and considering the appointment of personnel in the organization to the position.
3. Review of the Charter of the Nomination and Remuneration Committee

8. Internal Control and Connected Transactions.

8.1 Internal Control

The Company gives importance in the internal control system. The Board of Directors appoints the Audit Committee to an independent unit to support and implement on behalf of the Board of Directors as an important instrument of good corporate governance to ensure that the organizational operation is compliant to the requirements and code of conduct. The internal control system must be effective without conflict of interest and corruption. The Company manages on review and monitor of the internal control system by arranging sufficient personnel for implementing the internal control system and monitoring the operation of the Company and the subsidiaries to ensure that the Company and the subsidiaries have the internal control and internal audit systems which are efficient and effective.

In the Board of Directors meeting on 24 February 2025, 3 committees attended the meeting to consider and assess adequacy of the existing internal control systems of the Company and the subsidiaries by basing an assessment form on adequacy of the internal control system of the Securities and Exchange Commission, inquiry with the executives and relevant departments of the Company and the subsidiaries about the adequacy of the internal control system. The Board of Directors considered that the Company and the

subsidiaries had the internal control and internal audit systems appropriate and adequate for the business size; able to protect assets of the Company and the subsidiaries from loss or taking advantages by unauthorized persons; able to significantly manage risk; and helpful for accounting and financial reports of the Company and the subsidiaries to be accurate with complete, sufficient, and reliable information disclosure. In addition, the executives and the employees of the Company and the subsidiaries operated work in compliance to the specified internal control system. Moreover, the ANS Audit Company Limited, the Company's auditor, gave opinions that no situations were found with weaknesses of the existing internal control system which might significantly affect the financial statements of the Company and the subsidiaries.

The Company has developed an internal audit and control assessment plan based on the international standards of COSO 2013 (The Committee of Sponsoring Organizations of the Treadway Commission), with the following details:

Audit Issues in Quarter 1/2024 are summarized below.

- Sales system
- Production planning system
- Follow-up on previous audit issues

Audit Issues in Quarter 2/2024 are summarized below.

- Production and packaging systems
- Warehouse management system and delivery system
- Follow-up on previous audit issues

Audit Issues in Quarter 3/2024 are summarized below.

- Maintenance system
- Purchasing/procurement system
- Follow-up on previous audit issues

Audit Issues in Quarter 4/2024 are summarized below.

- Human resource management system
- Quality management system and quality assurance system
- Accounting system
- Follow-up on previous audit issues

Opinion of the Audit Committee for the Position of Internal Audit Supervisor

Mr. Niran Kongto assumed the position as Secretary of the Audit Committee and Internal Audit Manager which were appointed by the Audit Committee Meeting No. 2/2023 on Wednesday, May 10, 2023 as he has at least 12 years of experience working in auditing within private organizations, as well as having received training to increase skills and knowledge from the Association of Internal Auditors of Thailand and the Federation of Accounting Professions. In the course of internal audit, risk management, internal control, and understanding of the Company's activities and operations, it is deemed appropriate to perform such duties adequately.

8.2 Connected Transactions

Please refer to the section of financial statements in Note No. 4.

Part 3

Financial statement

SHUN THAI RUBBER GLOVES INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2024

Independent Auditor's Report**To the Shareholders and the Board of Directors of Shun Thai Rubber Gloves Industry Public Company Limited****Qualified Opinion**

I have audited the consolidated and separate financial statements of Shun Thai Rubber Gloves Industry Public Company Limited and its subsidiary, and of Shun Thai Rubber Gloves Industry Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2024, the consolidated and separate statement of comprehensive income, the consolidated and separate statements of changes in shareholders' equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In my opinion, except for the matter possibly affecting the financial statements as mentioned in the paragraph "Basis for Qualified Opinion", the accompanying consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of Shun Thai Rubber Gloves Industry Public Company Limited and its subsidiary, and of Shun Thai Rubber Gloves Industry Public Company Limited, respectively, as at December 31, 2024, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Qualified Opinion

As described in Notes to Financial Statements No 9 investment in subsidiaries included investment in AGM Recyclone (Thailand) Co Ltd. (AGM), which is an indirect subsidiary of the Company of Baht 18 million. The financial statement of AGM for the year 2022 to the current year ended December 31, 2024, has not been provided and I was unable to satisfy myself by means of audit procedures for the financial position and operating results of such the Company. Therefore, I am unable to identify whether there is any necessary adjustment. In my opinion, the financial statement for December 31, 2024, is qualified in that matter.

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate financial statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate 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 qualified opinion.

Emphasis of Matter

I draw attention to Note to financial statement as follows:

- 1) Note to financial statement No.9, as at December 31, 2024, the Company has liability from the transfer of assets to the repayment of an investment of Baht 168.88 million, which was presented as netting with an investment in subsidiary. This liability will be reversed upon the subsidiary fulfilling the compromise agreement terms dated November 24, 2023. Currently, the subsidiary is in the process of adhering to the terms of the compromise agreement.

As at December 31, 2024, other shareholders in the subsidiary have yet to fully pay their share subscriptions. Consequently, the subsidiary's financial statements reflected outstanding share subscriptions receivable totaling Bath 179.45 million.

- 2) Note to financial statement No.2, On December 18, 2024, the Stock Exchange of Thailand (SET) has resolved to delist the Company's securities from being listed securities, because the Company has been unable to repossess the qualifications in order to resume trading as required by and within the deadline by the SET.

However, my conclusion is not modified in respect of the above matters.

Key Audit Matters

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

Allowance for impairment of investment properties and property, plant and equipment (in Consolidated Financial Statements)***Risk***

As described in Note to financial statement No. 10, as at December 31, 2024, the allowance for impairment as presented in investment property of Baht 219.68 million, the Group assessed the allowance for impairment of investment properties account stated at cost method by considering the recoverable amount based on appraisal value by an independent appraiser less cost to sales.

As described in Note to financial statement No. 11, as at December 31, 2024, the allowance for impairment as presented in property plant and equipment of Baht 171.34 million, the Company measures land in property, plant and equipment account at the revalued amount based on appraisal value by an independent appraiser and the Company assessed the allowance for impairment of building and equipment as presented in property plant and equipment account stated at cost method by considering the recoverable amount based on appraisal value by an independent appraiser less cost to sale.

I focused on this area because of the allowance for impairment of investment properties and property plant and equipment are significant in the consolidated financial statements. This also involves the use of important judgments of independent appraisers and executives in considering the reasonableness of key assumptions used in the valuation of such assets.

Auditor's Response

I obtain an understanding for measurement of investment properties and property, plant and equipment and perform audit procedures the following:

- A consideration of related internal and external information to assess whether there are any indicators of impairment of investment properties and property plant and equipment and an analysis of information related to the asset's fair value less costs to sell and its value in use.
- A review of the basis applied in determining impairment of investment properties and property plant and equipment, the consistency of the application of that basis, and the rationale for the recognized impairment of investment properties and property, plant and equipment.
- Review the assumptions used by the independent appraiser and reassess the updated assumption prepared by the Group's management under the current circumstance to ensure they remain appropriate and reasonable by comparing them with market data, such as the advertised sale prices of adjacent land, construction costs relative to the appraised values published by the Valuers Association of Thailand, and the market prices of machinery.
- In addition, I assessed the disclosure of information by the Group's management with respect to assessment of impairment of investment property and property plant and equipment.

Other information

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

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

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

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

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 Consolidated and Separate Financial Statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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

I communicate with 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year 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.

Kultida Pasurakul

Certified Public Accountant

Registration Number 5946

ANS Audit Company Limited

Bangkok, February 24, 2025

SHUN THAI RUBBER GLOVES INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
 STATEMENTS OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2024

		Unit: Thousand Baht				
		Consolidated Financial Statements		Separate Financial Statements		
Notes		2024	2023	2024	2023	
Assets						
Current assets						
	Cash and cash equivalents	6	223,134	268,211	223,102	268,095
	Trade and other current receivables - net	7	28,530	23,256	28,431	23,156
	Inventories - net	8	78,104	84,298	78,104	84,298
	Other current financial assets	6	51,141	397	50,747	3
	Total current assets		380,909	376,162	380,384	375,552
Non-current assets						
	Other non-current financial assets		16,138	16,025	16,138	16,025
	Other non-current receivable - net	5	-	-	-	1,004
	Investments in subsidiary - net	9	-	-	-	-
	Investment properties - net	10	276,742	278,951	253,531	255,740
	Property, plant and equipment - net	5, 11	276,855	405,840	276,855	405,840
	Right-of-use assets - net		-	447	-	447
	Intangible assets - net	12	3,128	2,540	3,128	2,540
	Deferred tax assets	13	22,795	24,912	22,795	24,912
	Other non-current assets	5	1,491	1,329	1,489	1,322
	Total non-current assets		597,149	730,044	573,936	707,830
	Total assets		978,058	1,106,206	954,320	1,083,382

SHUN THAI RUBBER GLOVES INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
 STATEMENTS OF FINANCIAL POSITION
 AS AT DECEMBER 31, 2024

	Notes	Unit: Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2024	2023	2024	2023
Liabilities and Shareholders' Equity					
Current liabilities					
Trade and other current payables	5, 14	56,694	48,825	30,802	23,558
Current portion of lease liabilities		-	304	-	304
Short-term borrowings from related person	5	7,475	7,475	-	-
Total current liabilities		64,169	56,604	30,802	23,862
Non-current liabilities					
Deferred tax liabilities	13	6,170	6,170	6,170	6,170
Non-current provisions for employee benefit	15	5,989	5,321	5,989	5,321
Total non-current liabilities		12,159	11,491	12,159	11,491
Total liabilities		76,328	68,095	42,961	35,353
Shareholders' Equity					
Share capital					
Authorized share capital					
1,633,859,004 ordinary shares, at Baht 0.5 each		816,930	816,930	816,930	816,930
Issued and paid-up share capital					
1,633,859,004 ordinary shares, at Baht 0.5 each		816,930	816,930	816,930	816,930
Retained earnings (deficit)					
Appropriated - legal reserve		75,750	75,750	75,750	75,750
Unappropriated		(44,108)	91,903	(6,002)	130,668
Other components of shareholders' equity		24,681	24,681	24,681	24,681
Total Shareholders' Equity attributable to owners of parent		873,253	1,009,264	911,359	1,048,029
Non-controlling interests		28,477	28,847	-	-
Total Shareholders' Equity		901,730	1,038,111	911,359	1,048,029
Total Liabilities and Shareholders' Equity		978,058	1,106,206	954,320	1,083,382

SHUN THAI RUBBER GLOVES INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

		Unit: Thousand Baht				
		Consolidated Financial Statements		Separate Financial Statements		
Notes		2024	2023	2024	2023	
	Revenues from sales	20	335,237	387,800	335,227	387,792
	Costs of sales		(355,025)	(434,184)	(355,025)	(434,184)
	Gross loss		(19,788)	(46,384)	(19,798)	(46,392)
	Other incomes	5	4,408	5,062	4,368	5,832
	Gain (loss) on exchange rate		(2,453)	3,662	(2,453)	3,662
	Gain on repayment of investments in subsidiary	9	-	-	-	73,151
	Reversal of allowance for impairment of investments in subsidiary	9	-	-	-	24,282
	Distribution costs		(7,037)	(7,953)	(7,037)	(7,953)
	Loss on impairment of assets		(63,787)	(29,857)	(63,787)	(817)
	Administrative expenses	5	(44,957)	(62,451)	(45,841)	(56,078)
	Loss from operating activities		(133,614)	(137,921)	(134,548)	(4,313)
	Finance costs	5	(650)	(751)	(5)	(35)
	Loss before tax expenses		(134,264)	(138,672)	(134,553)	(4,348)
	Income tax expenses	16	(2,117)	(844)	(2,117)	(844)
	Loss for the year		(136,381)	(139,516)	(136,670)	(5,192)
	Other comprehensive loss for the year		-	-	-	-
	Total comprehensive loss for the year		(136,381)	(139,516)	(136,670)	(5,192)
	Loss attributable to					
	Equity holders of the parent		(136,011)	(115,738)	(136,670)	(5,192)
	Non-controlling interests		(370)	(23,778)	-	-
			(136,381)	(139,516)	(136,670)	(5,192)
	Total comprehensive loss attributable to					
	Equity holders of the parent		(136,011)	(115,738)	(136,670)	(5,192)
	Non-controlling interests		(370)	(23,778)	-	-
			(136,381)	(139,516)	(136,670)	(5,192)
	Basic loss per share (Baht)					
	Equity holders of the parent	19	(0.083)	(0.071)	(0.084)	(0.003)
	Weighted average number of issued ordinary shares (Thousand shares)	19	1,633,859	1,633,859	1,633,859	1,633,859

SHUN THAI RUBBER GLOVES INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE YEAR ENDED DECEMBER 31, 2024

Unit: Thousand Baht

		Consolidated Financial Statements						
		Equity attributable to shareholders' equity of the Company						
		Retained earnings (deficit)		Other comprehensive of shareholders' equity				
		Appropriated - legal reserve	Unappropriated	Revaluation surplus on land and land improvements	Total other components of shareholders' equity	Total Shareholders' Equity of the Company	Non-controlling interests	Total Shareholders' Equity
Issued and paid-up share capital	Appropriated - legal reserve							
Balance as at January 1, 2024	816,930	75,750	91,903	24,681	24,681	1,009,264	28,847	1,038,111
Changes in shareholders' equity for the year:								
Total comprehensive loss for the year	-	-	(136,011)	-	-	(136,011)	(370)	(136,381)
Balance as at December 31, 2024	816,930	75,750	(44,108)	24,681	24,681	873,253	28,477	901,730
Balance as at January 1, 2023	816,930	75,750	207,641	24,681	24,681	1,125,002	52,625	1,177,627
Changes in shareholders' equity for the year:								
Total comprehensive loss for the year	-	-	(115,738)	-	-	(115,738)	(23,778)	(139,516)
Balance as at December 31, 2023	816,930	75,750	91,903	24,681	24,681	1,009,264	28,847	1,038,111

SHUN THAI RUBBER GLOVES INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024

	Unit: Thousand Baht					
	Separate Financial Statements					
	Issued and paid-up share capital	Retained earnings (deficit)		Other comprehensive of shareholders' equity		Total Shareholders' Equity
		Appropriated - legal reserve	Unappropriated	Revaluation surplus on land and land improvements	Total other components of shareholders' equity	
Balance as at January 1, 2024	816,930	75,750	130,668	24,681	24,681	1,048,029
Changes in shareholders' equity for the year:						
Total comprehensive loss for the year	-	-	(136,670)	-	-	(136,670)
Balance as at December 31, 2024	816,930	75,750	(6,002)	24,681	24,681	911,359
Balance as at January 1, 2023	816,930	75,750	135,860	24,681	24,681	1,053,221
Changes in shareholders' equity for the year:						
Total comprehensive loss for the year	-	-	(5,192)	-	-	(5,192)
Balance as at December 31, 2023	816,930	75,750	130,668	24,681	24,681	1,048,029

SHUN THAI RUBBER GLOVES INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Unit: Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Cash flows from operating activities:				
Loss for the year	(136,381)	(139,516)	(136,670)	(5,192)
Adjustments to reconcile loss for the year to net cash flow from (used in) operating activities:				
Income tax expenses	2,117	844	2,117	844
Depreciation and amortization	69,742	83,433	69,742	77,907
Loss on credit of receivables	-	282	1,030	9,338
Reversal allowance for devaluation inventories	(7,302)	(1,062)	(7,293)	(1,054)
Reversal of allowance for impairment of investments in subsidiary	-	-	-	(24,282)
(Gain) loss on disposal and write-off of fixed assets	(20)	77	20	77
Loss on impairment of property, plant and equipment	63,787	817	63,787	817
Loss on impairment of investment properties	-	29,040	-	-
Employee benefit expenses	1,208	2,602	1,208	2,602
Unrealized (Gain) loss on exchange rates	(169)	127	(169)	127
Gain on repayment of investments in subsidiary	-	-	-	(73,151)
Interest incomes	(1,345)	(1,118)	(1,345)	(1,934)
Finance costs	650	751	5	35
Loss from operating activities before changes in operating assets and liabilities	(7,713)	(23,723)	(7,568)	(13,866)
Operating assets (increased) decreased				
Trade and other current receivables	(8,869)	11,531	(8,869)	2,478
Inventories	13,495	49,634	13,486	49,626
Other non-current receivable	-	-	(27)	-
Other non-current assets	(7)	-	(14)	-
Operating liabilities increased (decreased)				
Trade and other current payables	6,469	(23,766)	6,491	(23,775)
Cash provided by operating activities	3,375	13,676	3,499	14,463
Employee benefit obligations paid	(540)	(2,560)	(540)	(2,560)
Receive income tax refund (paid)	3,740	(11)	3,740	(11)
Net cash provided by operating activities	6,575	11,105	6,699	11,892

SHUN THAI RUBBER GLOVES INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Unit: Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Cash flows from investing activities:				
Other current financial assets	(50,744)	-	(50,744)	-
Decrease in other non-current financial assets	(113)	(89)	(113)	(89)
Cash paid for acquisition of fixed assets	(1,373)	(10,226)	(1,373)	(10,226)
Cash received from disposal of fixed assets	141	-	101	-
Cash paid for acquisition of intangible assets	(588)	(2,521)	(588)	(2,521)
Cash received from interest incomes	1,334	1,105	1,334	1,662
Net cash used in investing activities	(51,343)	(11,731)	(51,383)	(11,174)
Cash flows from financing activities:				
Payment of lease liabilities	(309)	(617)	(309)	(617)
Net cash used in financing activities	(309)	(617)	(309)	(617)
Net increase (decrease) in cash equivalents	(45,077)	(1,243)	(44,993)	101
Cash and cash equivalents at beginning of year	268,211	269,454	268,095	267,994
Cash and cash equivalents at end of year	223,134	268,211	223,102	268,095
Supplemental disclosures of cash flows information				
Non-cash transaction				
Transfer prepaid expense to fixed assets	-	1,170	-	1,170
Payable for purchase of fixed assets increase (decrease)	790	278	790	278

SHUN THAI RUBBER GLOVES INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2024****1. GENERAL INFORMATION**

Shun Thai Rubber Gloves Industry Public Company Limited (“the Company”) was incorporated as a limited company in Thailand on May 24, 1988 and converted to a Public Company on September 4, 2001, which was also the date that the Company’s common shares were approved as listed securities on the Stock Exchange of Thailand. The registered office of the Company is at No.1, Promphan Tower 2, Room No. 608, 6th Floor, Soi Lat Phrao 3, Chom Phon, Chatuchak, Bangkok. Factory is located at No. 9, 14, 52/18, 52/19 Moo 4, Tambon Kached, Amphur Muang, Rayong Province.

The Company mainly engages in the manufacture and distribution of rubber gloves.

2. THE DELISTING OF THE COMPANY'S SECURITIES FROM BEING LISTED SECURITIES

On August 20, 2024, the Stock Exchange of Thailand (SET) issued a letter notifying its resolution to delist the Company’s common shares from being listed securities, because the Company has been unable to repossess the qualifications in order to resume trading as required by and within the deadline by the SET. The Company was granted the right to appeal this resolution.

On September 3, 2024, the Company submitted an appeal against the order to delist its common shares, explaining that it had undertaken various actions to fully possess qualifications in order to resume trading as stipulated criteria and within the specified deadline from the date the Company filed the application to eliminate the grounds for delisting.

Subsequently, on December 18, 2024, the SET has resolved to delist the Company's securities from being listed securities, because the Company has been unable to repossess the qualifications in order to resume trading as required by and within the deadline by the SET.

3. BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and applicable rules and regulations of the Thai Securities and Exchange Commission.

Presentation of the financial statements complies with Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The accompanying financial statements have been prepared in Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided, translated based on the Thai version.

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

Preparation of the financial statements in conformity with Thai Financial Reporting Standards (“TFRS”) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

Basis for preparation of the consolidated financial statements

- a) The consolidated financial statements included the financial statements of Shun Thai Rubber Gloves Industry Public Company Limited and its subsidiary (that together referred to as “the Group”).

The details of the Company’s subsidiary as at December 31, 2024 and 2023 are as follows:

Company’s name	Nature of business	Percentage of shareholding	
		2024	2023
<u>Subsidiary</u>			
Northtern Renewable Energy Co., Ltd.	Manufacture and distribution of biomass energy solution and power generation from biomass and waste (temporary cease operation)	48.25	48.25
<u>Subsidiary shareholding by Northtern Renewable Energy Co., Ltd.</u>			
AGM Recyclone (Thailand) Co., Ltd.	Transform biomass to renewable energy and manufacture power friendly generation (Inactive company)	99.99	99.99

- b) The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.
- c) The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.
- d) The balances between the Company and its subsidiary, and significant intercompany transactions have been eliminated in the consolidated financial statements.

The financial statements of Northern Renewable Energy Co., Ltd. are included in the consolidated financial statements because the Company has power to control over their financial and operating policies, even though the Company's shareholding less than 50 percent, therefore, they are regarded as subsidiary company.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not belong to the Company and are presented separately in the consolidated statement of comprehensive income, and within equity in the consolidated statement of financial position.

The separate financial statements, which present investments in subsidiary under the cost method, have been prepared solely for the benefit of the public.

AMENDMENT TO FINANCIAL REPORTING STANDARDS

a) 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 January 1, 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

b) Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2025. 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, providing accounting guidance for users of the standards and amendments due to TFRS 17 Insurance Contracts.

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

4. MATERIAL ACCOUNTING POLICY INFORMATION

Revenues and expenses recognition

Revenue from sale

The Group recognized revenue from sale of goods when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable of goods supplied after deducting returns, discounts excluding value added tax.

Other revenues and expenses

The Group recognized revenues and expenses on an accrual basis.

Cash and Cash Equivalents

Cash on hand is kept for general use purposes within the Group. Cash equivalents are savings deposits and current accounts, highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of change in value.

Trade receivables

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at present value.

The Group applies simplified approach to measure expected credit losses which calculated based on its historical credit loss experience and consider for forward-looking information specific to the debtors and the economic environment. The simplified approach requires expected lifetime losses to be recognized from initial recognition of the receivables.

Financial instruments

Classification and measurement of financial assets and financial liabilities

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows of financial assets.

At initial recognition, where a financial asset and liability is not at FVPL, the Group measures the financial asset at its fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

There are three measurement categories into which the Group classifies its debt instruments:

- *Amortised cost*: A financial asset will be measured at amortized cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, 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. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on recognition is recognized directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- *FVOCI*: A financial asset will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, 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. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and

recognized on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.

- *FVPL*: A asset that does not meet the criteria for amortized cost or FVOCI is measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments shall be subsequently measured at fair value and the fair value change is to be recognized through profit or loss or other comprehensive income depending on the classification of such equity instrument.

Derivatives are classified and measured at fair value through profit or loss except derivatives for hedge.

Dividends from such investments continue to be recognized in profit or loss when the Group's right to receive payments is established.

Derecognition of financial instruments

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset.

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

Impairment of financial instruments

Expected credit losses associated with financial assets carried at amortized cost and FVOCI are assessed without the increases in credit risk. The Company applies the general approach to the measurement of expected credit losses. In the case of trade receivables, however, the Company applies the simplified approach to measure expected credit losses.

Inventory

Inventories are stated at the lower of cost or net realizable value, by using the following methods:

- | | | |
|------------------------------------|---|-------------------------------|
| Finished goods and work in process | - | at first-in, first-out method |
| Raw materials and factory supplies | - | at average cost method |

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Investments in subsidiary

Investment in subsidiary is applied by using the cost method less allowance for impairment losses (if any) in the separate financial statements.

Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in ordinary course of business, for the production or supply of goods or services or for administrative purposes.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and provision for impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 3 - 20 years.

Depreciation of the investment properties is included in determining operation performance.

No depreciation is provided on land.

On disposal of investment properties, the Group recognized the difference between the net disposal proceeds and the carrying amount of the asset profit or loss in the period when the asset is derecognized.

Property, Plant and Equipment

Land and land improvements are stated at revalued amounts. Revaluations are performed with sufficient regularity by an independent professional valuator with to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the financial reporting date.

Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment losses (if any). When assets are sold or retired, their cost and accumulated depreciations are eliminated from the accounts and any gain or loss resulting from their disposal is included in statement of profit or loss.

The Group records the differences incurred from revaluation as follows:

- When an asset's carrying amount is increased as a result of a revaluation, the increase is recognized in other comprehensive income and accumulated in equity under the heading "Revaluation surplus of fixed assets". However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.
- When an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognized in profit or loss. However, the decrease is recognized in other comprehensive income to the extent of any credit balance existing in the

revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading “Revaluation surplus of fixed assets”.

The revaluation surplus of fixed assets is not available for dividend distribution.

Upon the disposal of the revalued property, plant and equipment, the relevant portion of the revaluation surplus realized in respect of the previous valuation is released from the property, plant and equipment valuation surplus directly to retained earnings or deficit.

Depreciation

Depreciation of plant and equipment is calculated according to the straight-line basis over the following estimated useful lives:

	<u>Useful lives (Years)</u>
Land improvements	20
Buildings and building improvements	5 to 20
Machinery and equipment	2 to 20
Furniture, fixtures and office equipment	3 to 10
Vehicles	5

Intangible assets

Computer Software

Computer software acquired by the Group is stated at cost less accumulated amortization and allowance for impairment losses (if any).

Amortization

Amortization of computer software is calculated by reference to its costs on a straight-line basis for the periods of 3 to 5 years.

Impairment of non-financial assets

The Group reviews the impairment of assets whenever events or changes in circumstances indicate that the recoverable amount (the higher of the asset’s selling price or value in use) of assets is below the carrying amount. The review is made for individual assets or for the cash-generating unit.

If the carrying value of an asset exceeds its recoverable amount, the Group recognizes the impairment losses by reducing the carrying value of the asset to its recoverable amount and recording the devaluation in profit or loss or reducing revaluation increment in assets in case that those assets were previously revalued. The reversal of impairment loss recognized in prior years is recorded as part of other income or as a revaluation increments in assets when there is an indication that the impairment losses recognized for the assets no longer exist or are decreased. Such a reversal should not exceed the carrying amount that would have been determined (net of the associated depreciation or amortization).

Leases

Leases - where the Group is the lessee

At inception of a contract, the Group assesses whether the 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 recognizes right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The lease liability is initially measured at the present value by discounting lease payments that are not paid at the commencement date using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

The Group measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and then makes adjustments for any re measurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the ROU asset reflects that the Group will exercise a purchase option, the Group depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

Depreciation of right of use assets is calculated by reference to their cost on the straight – line basis over the shorter of their estimated useful lives and the lease term. The estimated useful lives are 2 years.

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the remeasurement in profit or loss.

Short-term leases and leases of low-value assets

The Group has elected not to recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Related party transactions

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

They also include associated companies and individuals which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors and officers of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

In a business combination achieved in stages, the Group shall remeasure its previously held equity interest in the acquiree to its acquisition-date fair value and recognize the resulting gain or loss in profit or loss.

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the fair value amount of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognized in profit for the period immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

Foreign Currency Transactions

Foreign currency transactions are accounted for at the exchange rates prevailing on the date of the transactions. Monetary assets and liabilities at the statement of financial position dates denominated in foreign currencies are translated into Baht at the rates prevailing on the transaction dates. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss as incurred.

Provision

A provision is recognized when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. A provision is reviewed at the statement of financial position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Employee Benefits

Short-term benefits

The Group recognizes salaries, wages, bonuses and social security contributions as expenses on an accrual basis.

Post-employment benefits

(A) Defined contribution plans

The Group and their 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 recognized as expenses when incurred.

(B) Defined benefit plans and other long-term employee benefits

The employee benefit obligation for severance payment under labor law is recognized as a charge to results of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Group in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by actuarial technique using the Projected Unit Credit Method.

Actuarial gains and losses arising from post-employment benefits are recognized immediately in the other comprehensive income and actuarial gains and losses arising from other long-term employee benefits are recognized immediately in the profit or loss.

Finance Costs

expenses and similar costs are charged to the statement of profit or loss for the year in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognized in the statement of profit or loss using the effective interest rate method.

Income Tax

Income tax expense for the year comprises current and deferred tax. Current and deferred taxes are recognized in profit or loss except to the extent that they relate to items recognized directly in shareholders' equity or in other comprehensive income (loss).

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of reporting period date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of reporting period date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences and unused tax losses can be utilized. Deferred tax assets are reviewed at the end of the reporting period date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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 apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into 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 observable 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 determine 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.

Basic loss per share

Basic loss per share are computed by dividing net loss for the years by the weighted average number of common shares outstanding during the years.

Significant accounting judgments and estimates

The preparation of the financial statements in conformity with Thai Financial Reporting Standard requires management to make judgments and estimates. Judgments and estimations will affect the amounts in the financial statements and the information presented in the Notes to financial statements. Actual results may differ from these judgments and estimates. Significant judgments 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.

Impairment of investment in subsidiasy

The Company treats investments in subsidiasy as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Property, plant and equipment and depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodic basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgment regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognized in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilized. Significant judgment by management is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future profits.

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.

Provisions

Provisions are recognized 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.

5. TRANSACTIONS WITH RELATED PARTIES

The following presents relationships with enterprises and individuals that control or are controlled by the Group, whether directly or indirectly, or have common directors or shareholders with the Group as follow:

Related Company	Nature of relationship
Northern Renewable Energy Co., Ltd	Subsidiary
Advance Power Conversion Co., Ltd.	Common shareholders
Bright Blue Water Corporation Co., Ltd.	Common shareholders
Akesit Automation Technology Co., Ltd.	Common shareholders
AGM Recyclone (Thailand) Co., Ltd.	Shareholding by Northern Renewable Energy Co., Ltd.

The Group had significant related parties transactions, both directly and indirectly related through common shareholders and/or common directors. The Group had significant transactions in consolidated financial statements and separate financial statements the years ended December 31, 2024 and 2023, as follows:

	Unit: Thousands Baht				The pricing policy
	Consolidated		Separate Financial		
	Financial Statements	Financial Statements	Statements	Statements	
	2024	2023	2024	2023	
Transactions between related parties					
Shareholder					
Finance costs	468	467	-	-	6.25% per annum.
Northern Renewable Energy Co., Ltd					
Interest income	-	-	-	819	6.97% - 7.50% per annum.

The outstanding balances with the relate parties as at December 31, 2024 and 2023 were as following:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Statements of financial position				
Other non-current receivables				
Northern Renewable Energy Co., Ltd.				
Other non-current receivables	-	-	10,491	10,465
<u>Less</u> Credit loss allowance	-	-	(10,491)	(9,461)
Net	-	-	-	1,004
Machinery and equipment				
Northern Renewable Energy Co., Ltd.				
Factory equipment (purchase price)	2,010	2,010	2,010	2,010
Vehicles (purchase price)	820	820	820	820
<u>Less</u> Accumulated depreciation	(2,569)	(2,003)	(2,569)	(2,003)
Net	261	827	261	827
Advance Power Conversion Co., Ltd.				
Machinery - Boiler (purchase price)	49,500	49,500	49,500	49,500
Boiler control system (purchase price)	5,500	5,500	5,500	5,500
<u>Less</u> Allowance for impairment of machinery	(27,477)	(21,517)	(27,477)	(21,517)
<u>Less</u> Accumulated depreciation	(27,523)	(26,287)	(27,523)	(26,287)
Net	-	7,196	-	7,196
Roof structure (purchase price)	18,000	18,000	18,000	18,000
<u>Less</u> Accumulated depreciation	(7,796)	(6,896)	(7,796)	(6,896)
Net	10,204	11,104	10,204	11,104
Bright Blue Water Corporation Co., Ltd.				
Machinery - water supply system				
(purchase price)	45,595	45,595	45,595	45,595
<u>Less</u> Allowance for impairment of machinery	(34,158)	(34,158)	(34,158)	(34,158)
<u>Less</u> Accumulated depreciation	(11,437)	(11,437)	(11,437)	(11,437)
Net	-	-	-	-

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Non-current assets				
Akesit Automation Technology Co., Ltd.				
Non-current assets - deposits for				
feasibility study of power plant	36,000	36,000	36,000	36,000
<u>Less Allowance for impairment of deposits</u>	<u>(36,000)</u>	<u>(36,000)</u>	<u>(36,000)</u>	<u>(36,000)</u>
Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Shareholder

Short-term borrowings from related person	7,475	7,475	-	-
Accrued interest expenses	2,497	2,029	-	-

The Company recognized other receivables of Baht 10.49 million from expenses which the Company paid on behalf of the subsidiary. The management has considered the ability and opportunity to receive repayment found that the subsidiary does not have sufficient cash flow, so it has considered setting aside the entire amount allowance for credit losses.

The subsidiary entered into short-term borrowing agreements with related person are due at call without collateral. The loan bears interest at 6.25% per annum and is due for repayment at call.

Northern Renewable Energy Co., Ltd. (Subsidiary) entered into short-term loan agreements with AGM Recyclone (Thailand) Co., Ltd. in total amount of Baht 9.17 million. This is due at call without collateral. The loan bears interest at the rate of 6.25% per annum. As AGM Recyclone (Thailand) Co., Ltd. inactive company, the subsidiary's management provide full allowance for credit loss - loans to and accrued interest income of Baht 10.39 million.

The Company purchases the assets from related companies according to mutually agreed price.

Compensation - for key management personnel

Compensation - for key management personnel for the year ended December 31, 2024 and 2023, consisted of:

	Unit: Thousands Baht	
	Consolidated Financial Statements / Separate Financial Statements	
	2024	2023
Short-term benefits	7,671	8,935
Post-employment benefits	50	36
Total	<u>7,721</u>	<u>8,971</u>

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2024 and 2023, consisted of:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Cash	58	59	58	59
Cash at banks	223,076	268,152	223,044	268,036
Total	223,134	268,211	223,102	268,095

In 2024, the Company had a fixed deposit for a period of 4 months with a bank in the amount of Baht 50.74 million, which was presented under other current financial assets.

7. TRADE AND OTHER CURRENT RECEIVABLES - NET

Trade and other current receivables - net as at December 31, 2024 and 2023, consisted of:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Trade receivables				
Trade receivables - others	97,708	92,465	78,263	73,020
<u>Less</u> Credit loss allowance	(79,126)	(79,489)	(59,681)	(60,044)
Total trade receivables - net	18,582	12,976	18,582	12,976
Other current receivables				
Prepaid expenses	6,953	3,941	6,902	3,890
Input VAT not yet due	1,868	1,264	1,595	991
Revenue Department receivable	481	852	444	815
Prepaid corporate income tax	24	3,764	24	3,764
Others	914	751	884	720
<u>Less</u> Credit loss allowance - other receivables	(292)	(292)	-	-
Total other current receivables	9,948	10,280	9,849	10,180
Total trade and other current receivables - net	28,530	23,256	28,431	23,156

The Group has trade receivables classified by age analysis as follows:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Undue	15,172	6,318	15,172	6,318
Overdue				
Within 3 months	492	6,658	492	6,658
Over 3 - 6 months	2,918	-	2,918	-
Over 6 - 12 months	-	-	-	-
Over 12 months	79,126	79,489	59,681	60,044
Total trade receivables	97,708	92,465	78,263	73,020

Due to the short-term nature of trade and other current receivables, their carrying amount is considered to be the same as their fair value.

8. INVENTORIES - NET

Inventories - net as at December 31, 2024 and 2023, consisted of:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Finished goods	12,710	14,545	12,647	14,473
Work in process	52,505	54,977	52,505	54,977
Raw materials and supplies	19,730	30,983	19,601	30,854
Goods in transit	2,064	-	2,064	-
Total inventories	87,009	100,505	86,817	100,304
<u>Less</u> Allowance for devaluations	(8,905)	(16,207)	(8,713)	(16,006)
Total inventories - net	78,104	84,298	78,104	84,298

9. INVESTMENTS IN SUBSIDIARY - NET

Investments in subsidiary – net as at December 31, 2024 and 2023 consisted of:

		Unit: Thousands Baht					
Company's name	Nature of business	Percentage of shareholding		Paid up share capital		At cost	
		2024	2023	2024	2023	2024	2023
Northern Renewable Energy Co., Ltd. (NRE)	Manufacturing and distribution of biomass energy solutions (cease operation)	48.25	48.25	1,000,000	1,000,000	482,475	482,475
<u>Less</u> Allowance for impairment on investments in subsidiary						(313,600)	(313,600)
Liabilities from the transfer of assets for repayment of an investment						(168,875)	(168,875)
Investments in subsidiary - net						-	-

Subsidiary shareholding by Northern Renewable Energy Co., Ltd.

		Unit: Thousands Baht					
Company's name	Nature of business	Percentage of shareholding		Paid up share capital		At cost	
		2024	2023	2024	2023	2024	2023
AGM Recyclone (Thailand) Co., Ltd. (AGM)	Transform biomass to renewable energy and manufacture power friendly generation (inactive company)	99.99	99.99	100,000	100,000	100,000	100,000
<u>Less</u> Allowance for impairment on investments						(82,000)	(82,000)
Investments - net						18,000	18,000

The financial statement of AGM Recyclone (Thailand) Co., Ltd. From the year 2022 to the current year ended December 31, 2024 has not been provided.

The movements of investments in subsidiary for the year ended December 31, 2024 and 2023 were as follows:

	Unit: Thousands Baht		
	As at		As at
	January 1, 2024	Change	December 31, 2024
Original cost	482,475	-	482,475
<u>Less</u> Allowance for impairment of investments in subsidiary	(313,600)	-	(313,600)
Liabilities from the transfer of assets for repayment of an investment	(168,875)	-	(168,875)
Investments in subsidiary - net	-	-	-

	Unit: Thousands Baht		
	As at		As at
	January 1, 2023	Change	December 31, 2023
Original cost	482,475	-	482,475
<u>Less</u> Allowance for impairment of investments in subsidiary	(337,882)	24,282	(313,600)
Liabilities from the transfer of assets for repayment of an investment	-	(168,875)	(168,875)
Investments in subsidiary - net	144,593	(144,593)	-

On August 29, 2023, the Company initiated a civil lawsuit against the subsidiary, seeking the following court orders:

- Repayment of the increased share capital amounting to Baht 168.88 million to the Company. Interest on this amount will be calculated at a rate of 7.5% per annum from May 19, 2016 (the date when the subsidiary received the increased share capital payment from the Company) to April 10, 2021. Subsequently, interest will be calculated at a rate of 5% per annum from April 11, 2021, until the full repayment date.
- Payment of indemnity for the loss of opportunity to earn income from the aforementioned increased share capital payment, totaling Baht 80.00 million, with interest at a rate of 5% per annum from August 29, 2023 (the lawsuit filing date) until full repayment.
- Reduction of authorized share capital.
- Revision of the list of shareholders to be consistent with the fact.

On November 24, 2023, the Company and the subsidiary have reached a compromise agreement in the civil court. The subsidiary accepted that debt as indicated on the indictment. The total debt of Baht 331.05 million as of the compromise agreement date. As part of dispute resolution, the subsidiary agrees to process the following:

- Registered and transferred ownership of 5 plots of land and buildings which have a net book value of Baht 245.82 million to the Company within 30 days from the date of making a compromise agreement. All expenses incurred in this process will be the responsibility of the subsidiary.

- Decreased the registered amount by Baht 168.88 million, updated the shareholder register, issued new share certificate and amended the list of shareholders within 4 months from the date of the subsidiary completes the registration of transfer for all the lands and buildings.

When the subsidiary company has fully complied with the term of the compromise agreement, the Company agrees to waive the right to claim under all claims in the civil case with the term of dated August 29, 2023, regarding the increased share capital, claims under the loan contract dated September 23, 2021, debt acknowledgment letter dated March 7, 2023, and claim transfer agreement dated July 18, 2022.

On December 19, 2023, and December 21, 2023, the subsidiary transferred 4 plots of land with buildings to the Company. There is still a plot of land remaining with a fair value of Baht 3.83 million that cannot yet be transferred due to transfer restrictions according to Section 58 bis of the Land Code. Land is due to be able to transfer ownership in September 2024.

Expenses for transferring land and buildings were paid by the Company on behalf of the subsidiary which is recognized as non-current receivables and fully provided an allowance for credit losses.

In the separate financial statements, the Company recognized the transfer of land and buildings in the investment property and reversed the related assets. The repayment of the increased share capital is recognized as a liability from the transfer of assets for repayment of an investment presented by netting off with an investment. The liability from the transfer of assets for repayment of an investment will be reversed when the subsidiary has completely registered to reduce authorized share capital. The difference between these transactions was presented as a gain on the repayment of investments in the subsidiary as follows:

	Unit: Thousands Baht
Liabilities from the transfer of assets for repayment of an investment	168,875
Long-term loan and accrued interest	4,353
Receivable from claim transfer agreement (Other non – current receivable)	9,361
Total	182,589
The value of the consideration received for the land and buildings.	255,740
Gain on repayment investments in subsidiary	73,151

In September 2024, the subsidiary transferred a remaining plot of land with a fair value of Baht 3.83 million to the Company, as stipulated in the compromise agreement. The agreement also requires the subsidiary to undertake a registered capital reduction of Baht 168.88 million, update the shareholder register, issue a new share certificate, and amend the list of shareholders, which the subsidiary will proceed with in due course.

As at December 31, 2024, other shareholders in the subsidiary have yet to fully pay their share subscriptions. Consequently, the subsidiary's financial statements reflected outstanding share subscriptions receivable totaling Bath 179.45 million

Subsidiary have significant non-controlling interests as follows:

Subsidiary	Country of incorporation And main place of business	Owner and voting Rights held by non-controlling Interests (percent)	Unit : Thousands Baht			
			Total comprehensive loss		Accumulated	
			Attributable to		Non-controlling interests	
			2024	2023	2024	2023
Northern Renewable Energy Co., Ltd	Thailand	51.75%	(370)	(23,778)	28,477	28,847

The financial information of the subsidiary before eliminating related transactions is as follows:

	Unit : Thousands Baht	
	Northern Renewable Energy Co., Ltd.	
	2024	2023
Statement of financial position		
Current assets	525	610
Non-current assets	33,131	33,137
Current liabilities	43,426	42,801
Statement of comprehensive income		
Revenue	51	53
Loss for the year	(715)	(109,180)
Statement of cash flows		
Net cash flows from (used in)		
Operating activities	(124)	(787)
Investing activities	40	-
Financing activities	-	(557)
Net increased (decreased) in cash	(84)	(1,344)

10. INVESTMENT PROPERTIES - NET

Investment properties – net as at December 31, 2024, consisted of:

	Unit: Thousand Baht			
	Consolidated Financial Statements			
	As at January 1, 2024	Increase	Decrease	As at December 31, 2024
Cost				
Land and land improvement	420,811	-	-	420,811
Factory and building	57,519	-	-	57,519
Machinery	60,879	-	-	60,879
Factory equipment	24,577	-	(283)	24,294
Furniture, fixtures and office equipment	4,677	-	-	4,677
Vehicles	778	-	-	778
Total	569,241	-	(283)	568,958
Accumulated depreciation				
Land and land improvement	11,952	-	-	11,952
Factory and building	21,861	2,209	-	24,070
Machinery	21,297	-	-	21,297
Factory equipment	10,049	-	(283)	9,766
Furniture, fixtures and office equipment	4,674	-	-	4,674
Vehicles	778	-	-	778
Total	70,611	2,209	(283)	72,537
Allowance for impairment				
Land and land improvement	162,669	-	-	162,669
Factory and building	2,900	-	-	2,900
Machinery	39,582	-	-	39,582
Factory equipment	14,528	-	-	14,528
Total	219,679	-	-	219,679
Net book value	278,951			276,742

	Unit: Thousand Baht			
	Separate Financial Statements			
	As at	Increase	Decrease	As at
	January 1, 2024			December 31, 2024
Cost				
Land and land improvement	213,059	-	-	213,059
Factory and building	42,681	-	-	42,681
Total cost	255,740	-	-	255,740
Accumulated depreciation				
Factory and building	-	2,209	-	2,209
Net book value	255,740			253,531

According to the terms of the compromise agreement, the Company received the transfer of 5 plots of land with buildings from Northern Renewable Energy Co., Ltd (the subsidiary) with a fair value of Baht 213.06 million and of Baht 42.68 million, respectively, as appraised by independent professional appraisers.

On December 19 and 21, 2023, the subsidiary transferred 4 plots of land with building to the company and subsequently, on September 9, 2024, Northern Renewable Energy Co., Ltd, transferred a remaining plot of land with a fair value of Baht 3.83 million to the Company, as stipulated in the compromise agreement (Note 9).

11. PROPERTY, PLANT AND EQUIPMENT – NET

Property, plant and equipment - net as at December 31, 2024 consisted of:

	Unit: Thousand Baht				
	Consolidated Financial Statements/ Separate Financial Statements				
	As at	Increase	Decrease	Transfer in/(out)	As at
	January 1, 2024				December 31, 2024
Cost					
Land and land improvement					
- Historical cost	75,057	-	-	-	75,057
- Revaluation surplus	30,851	-	-	-	30,851
Buildings and Building improvement	267,822	295	-	-	268,117
Machinery and equipment	988,952	825	(10,245)	870	980,402
Furniture, fixtures and office equipment	8,163	120	(1,236)	-	7,047
Vehicles	6,831	-	-	-	6,831
Construction in progress	870	-	-	(870)	-
Assets in transit	-	924	-	-	924
Total	1,378,546	2,164	(11,481)	-	1,369,229

Unit: Thousand Baht

	Consolidated Financial Statements/ Separate Financial Statements				
	As at			Transfer	As at
	January 1, 2024	Increase	Decrease	in/(out)	December 31, 2024
Accumulated depreciation					
Land and land improvement	13,610	688	-	-	14,298
Buildings and Building improvement	166,649	11,970	-	-	178,619
Machinery and equipment	671,342	53,953	(10,016)	-	715,279
Furniture, fixtures and office equipment	6,854	466	(1,232)	-	6,088
Vehicles	6,591	164	-	-	6,755
Total	865,046	67,241	(11,248)	-	921,039
Allowance for impairment					
Machinery and equipment	107,660	63,787	(112)	-	171,335
Total	107,660	63,787	(112)	-	171,335
Net book value	405,840				276,855

As at December 31, 2024 and 2023, all of the Company's land, buildings and improvements that exist or that are to be constructed thereon including a portion of machinery and equipment are mortgaged/pledged as collateral for credit facilities from a local bank. (Note 22.1.)

As at December 31, 2024 and 2023, the Group had revaluation surplus land and land improvements presented in other components of shareholder's equity net tax of Baht 24.68 million and Baht 24.68 million, respectively.

As at December 31, 2024 and 2023, the Company's buildings and equipment at cost amounting to Baht 602.08 million and Baht 536.18 million, respectively, are fully depreciated but still in use.

In 2024, management reviewed the value of the Company's unused machinery and equipment, considering current internal and external factors affecting their recoverable amount. Based on this assessment, management determined that these assets had no recoverable value. As a result, the Company recognized a full impairment loss of Baht 63.79 million, which was recorded as an expense in the statement of comprehensive income for the year ended December 31, 2024.

12. INTANGIBLE ASSETS

Intangible assets as at December 31, 2024 consisted of:

	Unit: Thousand Baht				
	Consolidated Financial Statements/ Separate Financial Statements				
	As at January 1, 2024	Increase	Decrease	Transfer in/(out)	As at December 31, 2024
Cost					
Program computer	1,587	-	(5)	-	1,582
Work in progress	2,521	588	-	-	3,109
Total	4,108	588	(5)	-	4,691
Accumulated amortization					
Program computer	1,568	-	(5)	-	1,563
Total	1,568	-	(5)	-	1,563
Net book value	2,540				3,128

13. DEFERRED TAX ASSETS AND LIABILITIES

Movements in deferred tax assets and liabilities during the year were as follows:

	Unit: Thousands Baht			
	Consolidated Financial Statements / Separate Financial Statements			
	As at January 1, 2024	Profit (loss)	Other comprehensive income (loss)	As at December 31, 2024
Deferred tax assets				
Allowance for stock obsolescence	3,201	(1,458)	-	1,743
Allowance for impairment of fixed assets	20,646	(659)	-	19,987
Non-current provisions for employment benefit	1,065	-	-	1,065
Total	24,912	(2,117)	-	22,795
Deferred tax liabilities				
Gains on revaluation of assets	(6,170)	-	-	(6,170)
Net	18,742	(2,117)	-	16,625

	Unit: Thousands Baht			
	Consolidated Financial Statements / Separate Financial Statements			
	As at January 1, 2023	Profit (loss)	Other	As at December 31, 2023
			comprehensive income (loss)	
Deferred tax assets				
Allowance for stock obsolescence	3,412	(211)	-	3,201
Allowance for impairment of fixed assets	21,288	(642)	-	20,646
Non-current provisions for employment benefit	1,056	9	-	1,065
Total	25,756	(844)	-	24,912
Deferred tax liabilities				
Gains on revaluation of assets	(6,170)	-	-	(6,170)
Net	19,586	(844)	-	18,742

As at December 31, 2024 and 2023, the Group has unused tax losses and deferred tax assets have not been recognized as the Group believe future taxable profits may not be sufficient to allow utilization of the unused tax losses. The defined tax asset is not recognised in the statement of financial position consisted of:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Unused tax losses expire in 2-5 years	222,357	141,810	129,203	49,371
Total	222,357	141,810	129,203	49,371

14. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, 2024 and 2023, consisted of:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Trade payables	24,539	20,667	19,043	15,171
Other current payables				
Other payables	4,508	4,470	1,802	1,764
Payable for purchase of assets	1,163	372	1,163	372
Advance received for goods	5,007	5,001	6	-
Accrued expenses	20,718	17,408	8,595	5,911
Others	759	907	193	340
Total other current payables	32,155	28,158	11,759	8,387
Total trade and other current payables	56,694	48,825	30,802	23,558

Due to the short-term nature of trade and other current payables, there carrying amount is considered to be the same as their fair value.

15. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movement of the present value of non-current provisions for employee benefits for the years ended December 31, 2024 and 2023, as follows:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Non-current provisions for				
employee benefit at beginning of year	5,321	5,279	5,321	5,279
Include in profit or loss:				
Current service cost	524	495	524	495
Interest cost	183	158	183	158
Loss on settlement	501	1,949	501	1,949
Benefit paid during the year	(540)	(2,560)	(540)	(2,560)
Non-current provisions for				
employee benefit at ending of year	5,989	5,321	5,989	5,321

Employee benefit expenses in profit or loss for the the years ended December 31, 2024 and 2023, were as follows:

	Unit: Thousands Baht			
	Consolidated Financial Statements /Separate Financial Statements			
	2024	2023	2024	2023
Cost of sales	1,017	1,803	1,017	1,803
Selling and Administrative expenses	191	799	191	799
Total employee benefit expenses	1,208	2,602	1,208	2,602

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from the mortality table.

Principal actuarial assumptions as at December 31, 2024 and 2023, (represented by the weighted-average) consisted of:

	Percentage/annum	
	Consolidated Financial Statements /Separate Financial Statements	
	2024	2023
Discount rate	3.12	3.08
Salary increase rate	3.00	3.00
Mortality	100% of Thai Monrtality Ordinary Tables of 2017	
Turnover rate		
Under 31 years old	24.00	24.00
31 - 40 years old	14.00	14.00
41 - 50 years old	14.00	14.00
Above 51 years old	0.00	0.00

The result of sensitivity analysis for significant assumptions that affect the present value of the non-current provisions for employee benefit as at December 31, 2024 are summarized below:

	Unit: Thousands Baht	
	Consolidated Financial Statements /	
	Separate Financial Statements	
	Increase 1%	Decrease 1%
Discount rate	(705)	818
Salary increase rate	954	(824)
Turnover rate	(54)	55

As at December 31, 2024, the weighted average duration of the liabilities for long-term employee benefit of the Company is 15 years (2023: 15 years)

As at December 31, 2024, the maturity analysis of undiscounted cash flows of benefit payments was as follows:

	Unit: Thousands Baht
With in 1 year	162
Over 1 and up to 5 years	834
Over 5 years	21,694

16. TAX EXPENSES

Tax expenses for the years ended December 31, 2024 and 2023, as follow:

	Unit: Thousands Baht	
	Consolidated Financial Statements /	
	Separate Financial Statements	
	2024	2023
Current tax expenses		
Current year	-	-
Deferred tax expenses		
Movement in temporary differences	2,117	844
Total	2,117	844

Reconcile between income tax expenses and the product of accounting profit multiplied by the applicable tax rates are as

Follows:

Unit: Thousands Baht			
Consolidated Financial Statements			
2024		2023	
Tax rate	Unit:	Tax rate	Unit:
(%)	Thousands Baht	(%)	Thousands Baht
	(134,264)		(138,672)
Loss before tax expenses			
Income tax using the corporate tax rate	20.00 (26,853)	20.00 (27,734)	
Expenses not deductible for tax purposes	187	310	
Expenses that are deductible at a greater amount	(67)	(36)	
Income not subject to tax	-	(4,856)	
Current year temporary differences which no deferred tax assets was recognized	12,941	7,430	
Net loss in current year are not recognized as deferred tax	15,909	20,701	
Effect on eliminate transactions	-	5,029	
Tax expenses	(1.58) 2,117	(0.61) 844	

Unit: Thousands Baht			
Separate Financial Statements			
2024		2023	
Tax rate	Unit:	Tax rate	Unit:
(%)	Thousands Baht	(%)	Thousands Baht
	(134,553)		(4,348)
Loss before tax expenses			
Income tax using the corporate tax rate	20.00 (26,911)	20.00 (870)	
Expenses not deductible for tax purposes	187	123	
Expenses that are deductible at a greater amount	(67)	(36)	
Income not subject to tax	-	(4,856)	
Current year temporary differences which no deferred tax assets was recognized	12,941	1,868	
Net loss in current year are not recognized as deferred tax	15,967	4,615	
Tax expenses	(1.57) 2,117	(19.41) 844	

17. LEGAL RESERVE

Under the provisions of the Thai Public Company Limited Act B.E. 2535, the Company is required to appropriate at least 5% of its annual net income after deduction of the deficit brought forward (if any) as reserve fund until the reserve equal to 10% of authorized share capital. The reserve is not available for dividend distribution.

18. EXPENSE BY NATURE

Significant expenses by nature for the years ended December 31, 2024 and 2023, were as follows:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Change in inventories of finished goods and				
work in progress decrease	4,297	47,756	4,297	47,756
Raw materials and consumable used	211,941	223,436	211,941	223,436
Employee expenses	66,240	72,028	66,240	71,745
Depreciation and amortization	69,742	83,433	69,742	77,907
Loss on credit of receivables	-	282	1,030	9,338
Reversal of allowance for impairment of				
investments in subsidiary	-	-	-	(24,282)
Reversal loss on devaluation of inventories	(7,302)	(1,062)	(7,293)	(1,054)
Impairment loss of fix assets	63,675	817	63,675	817
Loss on impairment of investment properties	-	29,040	-	-
Electricity expenses	20,193	27,124	20,189	27,103
Maintenance expenses	6,885	4,047	6,882	4,047

19. BASIC LOSS PER SHARE

Basic loss per share for the years ended December 31, 2024 and 2023, as follow:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Loss attributable to equity holders				
of the parent (Thousands Baht)	(136,011)	(115,738)	(136,670)	(5,192)
Weighted average number of issued and paid-up ordinary shares (Thousands Shares)	1,633,859	1,633,859	1,633,859	1,633,859
Basic loss per share (Baht)	(0.083)	(0.071)	(0.084)	(0.003)

20. OPERATING SEGMENTS

The Company is engaged in the production and distribution of rubber gloves and its subsidiary engaged in the production and distribution of biomass fuel. Therefore, revenue, profit (loss) and assets reflected in the financial statements are related to the business segments as discussed.

The Group's operations sales portions by geographical segments for the years ended December 31, 2024 and 2023, were as follows:

	(Percentage of total net sales)			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Net foreign sales	59.85	59.40	59.85	59.40
Net domestic sales	40.15	40.60	40.15	40.60
Total	100.00	100.00	100.00	100.00

The Group's operations sales portions by type of customer for the years ended December 31, 2024 and 2023, were as follows:

	Unit: Thousands Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Net individual sales	150	6,927	140	6,919
Net corporate sales	335,087	380,873	335,087	380,873
Total	335,237	387,800	335,227	387,792

21. PROVIDENT FUND

The Company has established a contributory registered provident fund in accordance with the Provident Fund Act B.E. 2530 and based on the approval from the Ministry of Finance on April 23, 2004. Under the plan, members and the Company contribute to the fund at 3% of the employees' basic salaries. The Company appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Ministerial Regulation No. 2 (B.E. 2532) issued under the Provident Fund Act B.E. 2530.

Provident fund contributions made by the Company for its employees and recorded as expense in profit or loss for the years ended December 31, 2024, and 2023 of Baht 0.30 million and Baht 0.39 million, respectively.

22. COMMITMENTS AND CONTINGENT LIABILITIES

22.1 As at December 31, 2024, the Company obtained credit facilities (short-term borrowings, bank overdraft, forward contracts, bank guarantees, and liabilities under packing credit) from two local banks totaling Baht 162.85 million. The loans bear interest at the MOR and MLR per annum. These credit facilities are collateralized by a pledge of the Company's fixed deposits and mortgage/pledge of the Company's land, buildings and improvements that exist or are to be constructed thereafter, and a portion of machinery and equipment as described in Note 11 to the financial statements. Moreover, the loan agreements contain conditions and restrictions, such as not to create an additional pledge on those assets, etc.

22.2 As at December 31, 2024, the Company obtained letters of guarantee issued by local bank amounting to Baht 3.19 million pledged by deposits with financial institutions to guarantee for bidding and electricity.

22.3 As at December 31, 2024, the Company had capital expenditure contracted as at the statement of financial position date but not recognized in the financial statements as follows:

	Unit: Million Baht
ERP system development agreement	0.58

22.4 The Company has commitments under leases of building and equipment for which the lease term end within one year or for the underlying assets which are low value.

As at December 31, 2024, the above commitments are summarized as follows:

	Unit: Baht
	Consolidated and Separate financial statements
<u>Payable</u>	
Within 1 year	483,600
Over 1 year but not over 5 years	546,000
Total	1,029,600

23. FINANCIAL INSTRUMENTS

Capital maintenance

The Group's objective in the management of capital is to maintain the ability to run the operation and generate the return to equity holder and for the benefit of other shareholders, and to maintain proper equity structure to reduce the cost of capital.

The Group may adjust dividend payment policy to equity holder, return capital to equity holder, or sell assets to reduce debt burden in order to maintain its capital structure.

Foreign exchange risk

The Group's exposure to foreign currency risk relate primarily to the purchase of major raw materials and sales of goods which are denominated in foreign currencies, primarily US Dollars and Euro. The Group's management believes that foreign exchange rate risk will have no material effect to their operational results as they use forward currency contracts to hedge such risk as necessary and appropriate. Including foreign exchange risk management by using foreign currency received from a customer for goods purchase payment to a foreign supplier in the same currency (Natural Hedge).

Credit risk

Credit risk is the risk that a counter-party is unable or unwilling to meet a commitment that it entered into with the Group. The risk is controlled by the application of credit approvals from time to time and monitoring procedures.

The carrying amount of accounts receivable recorded in the statements of financial position net of allowance for expected credit losses of trade receivables accounts represents the maximum exposure to credit risk.

Interest rate risk

Interest rate risk arises from future changes in market interest rates, which can impact the operations and cash flows of the Group.

The Group exposures to interest rate risk relate primarily to their cash at banks, current investments and short-term loans. However, since most of the Company and subsidiaries' financial assets and liabilities have been repaid within one year, the interest rate risk is expected to be minimal.

24. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors on February 24, 2025.

Attachment

Board of Directors



Mr. Chakarn Saengruksawong
Chairman of the Board



Mr. Teerawit Tanakijsoontorn
Audit committee chairman



Ms. Chun Ching Teng
Chief Executive Officer



Mr. Ekkachai Tangsatjatham
Deputy Chief Executive Officer



Mr. Sirasit Pasawat
Director



Mr. Chatchawas Sethaluck
Director

Attachment 1 : Detail about directors, executives, authorized persons and secretary of the company in 2024

Name-Surname Position	Age (years)	Education/ training	Proportion of shareholding (%)(1)	Family relationship with directors and executives (2)	Work experience		Sector/ company's name
					Period	Position	
1. Mr. Chakarn Saengruksawang - Board Chairman - Chairman of Nomintion and Remuneration Committee - Independent Director - Audit Director - Director	74	- Bachelor of Science (Agriculture), Chiangmai University - Master Degree (Agricultural Extension), Kasetsart University - National Defence College (Vor. Por.Aor.Ror. batch 4414) - Politics and Administration in Democratic Regime for top executives, the 8 th batch (PPR.8), King Prajadhipok's Institute - Doctor of Philosophy (Soil Science and Natural Resource Management Program), Chiang Mai University	No	No	2017- present 2019-2022 2011-2016 2010-2011 2009-2011 2009-2011 2008-2009	Board chairman, audit director, independent director Expert committee member Chairman of executive committee Director General of the Cooperative Promotion Department Director General of the Cooperative Promotion Department Committee chairman Director Director	- Shun Thai Rubber Gloves Industry PCL - Narcotics Control Committee, Ministry of Public Health - Central Laboratory (Thailand) Co., Ltd. (under supervision of ther Ministry of Industry and Ministry of Finance) - Ministry of Agriculture and Cooperatives - Provincial Waterworks Authority, Miniastry of Interior - Airports of Thailand Co., Ltd (Thailand) Ministry of Transport - Provincial Waterworks Authority, Miniastry of Interior
2. Mr. Ekkachai Tangsatjatham - Deputy Chief Executive Officer - Nomination and Remuneration Director - Executive Director - Director (Authorized Director)	42	- Bachelor of Business Administration (Business Computer), Bangkok University - Business Chinese Program Shanghai International Studies University, Shanghai, China - Director Accreditation Program (DAP 154/2018) Thai Institute Of Directors (IOD)	0.426%	No	2024-Present 2018-Present 2018-2023 2014-2020 2009-2013 2006-2015	Deputy to Chief executive officer Director Chief Executive Officer Adviser Adviser Manager	- Shun Thai Rubber Gloves Industry PCL - Shun Thai Rubber Gloves Industry PCL - Shun Thai Rubber Gloves Industry PCL - Sinchok Kaset Co., Ltd - Nutraco (Thailand) Co., Ltd - Sinchoke Rubber Co., Ltd
3. Mr. Sirasit Pasawat - Director	72	- Administrate business in Taiwan	0.125%	No	2018 – present 2018-2023	Director Deputy chief executive officer / Director	- Shun Thai Rubber Gloves Industry PCL - Shun Thai Rubber Gloves Industry PCL

					1988 – present 2016 – present	Director Vice president of Industrial Council of Chonburi Province	- M.R.I. Co., Ltd - Industrial Council of Chonburi Province
4. Miss Chun-Ching Teng - Chief Executive Officer - Director - Chairman of the Executive Committee - Member of the Nomination and Remuneration Committee (Authorized Director)	49	- MSC in Social Psychology, Media and Communications, LSE United Kingdom - BA of Advertising, Cheng-Chi University, Taiwan - Director Accreditation Program (DAP) Thai Institute of Directors : IOD	6.29%	No	2021 – Present 2023- Present 2022 – 2023 2011 – 2020	Chief Executive Officer Assistant Professor/Director Chief Operating Officer Marketing manager	- Shun Thai Rubber Gloves Industry PCL - National Chengchi University - Womany Company - Unilever Taiwan & HongKong Company
5. Mr. Teerawit Tanakijsoontorn - Audit committee chairman - Risk management committee chairman - Independent Director - Director	46	- Bachelor of Business Administration (accounting department), Kasetsart University - Bachelor of Law, Thammasat University - Certified public accountant by Federation of Accounting Professions under the royal patronage - Director Accreditation Program (DAP 87/2011) สมาคม Thai Institute Of Directors (IOD) - Anti-Corruption: The Practical Guide (ACPG 29/2016) Thai Institute Of Directors (IOD) - Ethical Leadership Program (ELP 4/2016) Thai Institute Of Directors (IOD) - Risk management program for corporate leaders (RCL13/2018) Thai Institute Of Directors (IOD) - Advanced audit committee program (AAP29/2018) Thai Institute Of Directors (IOD)	No	No	2021 – Present 2023- Present 2023- Present 2018 – Present 2015 – Present	Audit Committee Chairman Risk management committee chairman, independent director, Director Director Director independent director, audit director , Risk management committee chairman Director, Certified public accountant (CPA)	- Shun Thai Rubber Gloves Industry PCL - Legacy Audit Co., Ltd - Sevenplusone Infnit Co., Ltd - Villa Kunalai PCL - Best Audit Co., Ltd
6. Mr. Chatchawas Sethaluck - Audit director - Independent director	48	- Bachelor of Law, Chulalongkorn University - Master of Law, Bangkok University	No	No	2022 – Present 2023 – Present	audit director, independent director, director Director	- Shun Thai Rubber Gloves Industry PLC - Victory Inter Law Co.,Ltd

- Director					2023 – Present	Director	- Settaluck Solution Recruitment Co., LTD
					2015 – Present	Director	- Risk Guard Guarantee Co., Ltd.
					2016 – Present	Director	- Dylan Consul Co., Ltd
					2011 – Present	Director	- Nine Infinity Co., Ltd
					2008 – Present	Director	- Sethaluck Company Limite

Directors and Executives (retired during 2024)

Name-Surname position	Age(year s)	Education / Training Experience	Sharehol ding in the Compan y(1)	Family Relationships Directors and Executives(2)	Work Experience		Name of Organization/Company
					period	position	
1. Mr. Prasit Sokaew			None	None	2021-2024	Assistant Director of Production Group	- Shun Thai Rubber Gloves Industry PCL.

Company Secretary

Name-Surname position	Age(year s)	Education / Training Experience	Sharehol ding in the Compan y(1)	Family Relationships Directors and Executives(2)	Work Experience		Name of Organization/Company
					period	position	
1.Mr. Niran Kongto - Acting Company Secretary	35	Bachelor of Business Administration Rajamangala University of Technology Krungthep	None	None	2023-2024 2023- present	Acting Company Secretary Internal Audit Manager	- Shun Thai Rubber Gloves Industry PCL. - Shun Thai Rubber Gloves Industry PCL.
2. Ms. Kimfan Wattanaphichitphonng - Acting Company Secretary	45	Bachelor of Engineering Ramkhamhaeng University	0.0000	None	2024- present 2023- 2024 2002- present	Company Secretary Acting Company Secretary HR and Administration Manager	- Shun Thai Rubber Gloves Industry PCL. - Shun Thai Rubber Gloves Industry PCL. - Shun Thai Rubber Gloves Industry PCL.

Duty and Responsibility of company's secretary

The company's secretary shall perform duties as specified in Section 89/15, and Section 89/16 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008), effective from 31st August 2008, responsibly, carefully and honestly. The secretary shall comply with laws, objectives, articles of association, resolutions of the board, as well as resolutions of the shareholder's meeting. Nevertheless, the legal duties of the company's secretary are as follows.

1. Provide and maintain following documents
 - Director register
 - Letter of appointment for board meeting, minutes of the board meeting and annual reports of the company.
 - Letter of appointment for shareholder's meeting and minutes of the shareholder's meeting.
2. Maintain a report of interest provided by the board of directors, or executives, and submit a copy of the report of interest according to Section 89/14 to the committee chairman, and the audit chairman within 7 working days from the date the company receives such report.
3. Take other operations as specified by the Capital Market Supervisory Board

Furthermore, the company's secretary also has other obligations as follows

- Give advice, coordinate and follow up the board of directors to comply with objectives, the articles of association, the board's resolution and the shareholders' resolution, legal requirements, and any related principles.
- Perform duty to arrange a board meeting and a shareholders' meeting
- Provide an orientation and give advice to newly appointed directors.
- Give suggestion about necessary training courses suitable for the board.
- Contact and coordinate with the company's internal units to comply with the resolution of the board of directors, and the shareholder's meeting, and report information to supervisory sectors and public correctly and legally.
- Take care of the company to treat all shareholders equally and fairly in accordance with legal provisions and promote good relationship with minor shareholders.
- Be an intermediary in coordination of matters between shareholders, directors, executives, as well as all stakeholders.
- Perform other duties as assigned by the company

Attachment 2 : Report from the audit committee

Attn: shareholders

SHUN THAI RUBBER GLOVES INDUSTRY CO., LTD.

The audit committee of SHUN THAI RUBBER GLOVES INDUSTRY CO., LTD. contain 3 independent directors who are skilled in finance, accounting, laws and management, and fully qualified according to the requirements of the Office of Securities and Exchange Commission, and the Stock Exchange of Thailand. They are independent in performing duties according to the charter of the audit committee, and the directors are as follows.

1. Mr. Teerawit Tanakijsoonthon Chairman of the audit committee and independent director
2. Mr. Chakarn Saengruksawong Audit director and independent director
3. Mr. Chatchawas Sethaluck Audit director and independent director

The internal audit manager acts as the secretary of the audit committee.

The audit committee performs duties and responsibilities according to the charter of the audit committee. In 2024, the audit committee arranged 5 meetings, and the essence of duty performance can be summarized as follows.

- **Financial report audit**

The audit committee audits and considers the financial report on a quarterly basis. In financial year 2022, the company and subsidiary along with the company's auditor and related executives explained and asked about accuracy and validity, the important accounting policy, improvement of accounting particulars, that affect the financial statement, adequate disclosure and independence of the auditor, presented to the board of directors. This is to ensure that the company provides a correct financial statement according to the financial reporting standard. The audit committee realized that the financial statement of the company ending as of 31st December 2023, has been audited by the company's auditor, and presented the financial position and overall operation of the company correctly and completely as it should be. Furthermore, data in the financial statement were sufficiently disclosed, which benefited investors and the financial statement users.

- **Internal control and internal audit**

The audit committee has reviewed the internal control and internal audit system inside the company, and given comments on the sufficiency assessment of the internal control and the internal audit system to be suitable for business operation which prepared and reported by the Company's Internal Audit Department (IA – In-house). This includes supporting the internal audit sector and internal auditors to be independent in directly reporting to the audit committee, reviewing and approving the annual audit plan together with the internal auditors in order that the work operation is in accordance with the approved annual audit plan. Furthermore, the overall operation is followed up for correction according to the internal audit plan in subject matters, and the budget is provided to support plan-based operations. In this regard, the audit result in 2024 of the internal auditor reflects that the management improves the internal control system as per important suggestion from the internal auditor. This will ensure that the company has adequate, suitable and effective internal control system.

- **Risk management audit**

The board of directors realizes importance of the organizational risk management and reviews the risk management guideline to be consistent with current situation of the business to always be effective and efficient. The risk management committee and the management are assigned to provide the organization risk management that may affect the business operation, and to provide a risk management plan. Nevertheless, the audit committee communicates with the risk management committee to follow up the review of risk management effectively through the internal control and internal audit system.

- **Transaction and related matter audit**

The audit committee realizes importance of auditing transactions and related matters as well as items that may cause conflict of interest of the company and subsidiary to be in accordance with the notification of the stock exchange of Thailand commission, and the securities and exchange commission. There is a comment that during 2024, the company followed the general trade conditions fairly, reasonably with highest benefits to the company. The audit committee also emphasizes the non-competition policy of directors and conflict of interest prevention policy at director, executive and employee levels continuously.

- **Good corporate governance**

The audit committee has reviewed the compliance with securities and exchange laws, the requirement of the Stock Exchange of Thailand, and other laws related to business operation of the company. The audit committee agrees that in 2024, the company fully complied with the securities and exchange law, the requirement of the Stock Exchange of Thailand, and laws applicable to the company.

- **Considering appointment of the auditor and remuneration payment**

The audit committee considers selecting the auditor and determining return by considering from qualification of the auditor, knowledge, competency, reliability, independence, and experience of auditing as well as audit cost and performance in 2024. He/she should be qualified as specified by the office of Securities and Exchange Commission. It is resolved to present to the board of directors for considering approval from the general shareholder's meeting.

In summary, the audit committee applies knowledge, ability, carefulness, and independence in performing duties and responsibilities identified in the charter of the audit committee. The audit committee agrees that the company provides the financial report correctly and reliably, and the data disclosure is sufficient with good corporate governance, and strict compliance with applicable laws.

On behalf of the audit committee

SHUN THAI RUBBER GLOVES INDUSTRY CO., LTD.



(Mr. Teerawit Tanakijsoontorn)

Chairman of Audit Committee



Shun Thai Rubber Gloves Industry Public Company Limited

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