

Note: This report is in the form of e-One Report prepared through the Stock Exchange system.



Annual Registration Statement / Annual Report

Form 56-1 One Report

(e-One Report)

EAST COAST FURNITECH PUBLIC COMPANY LIMITED

Fiscal Year End 31 December 2024



Table of Contents

	Page
Part 1 Business Operations and Performance	
1. Group Structure and Operations	
1.1 Policy and business overview	1
1.2 Business Operations	9
1.3 Shareholding structure	29
1.4 Number of registered capital and paid-up capital	37
1.5 Issuance of other securities	38
1.6 Dividend payment policy	41
2. Risk management	
2.1 Risk mgmt policy and plan	42
2.2 Risk factors	45
3. Sustainable Development	
3.1 Sustainability Management Policy and Targets	54
3.2 Management of impacts on stakeholders in the business value chain	56
3.3 Management of environmental sustainability	66
3.4 Social sustainability management	80
4. Management Discussion and Analysis (MD&A)	
4.1 Operation, financial condition and material changes, accompanied by the causes or factors contributing thereto during the past year	105
4.2 Potential factors or incidents that may materially affect the financial condition or the operating results	110
4.3 Disclose information from the financial statements and significant financial ratios	111
5. General information and other material facts	

Table of Contents (continued)

	Page
5.1 General information	126
5.2 Other material facts	128
5.3 Legal disputes	129
5.4 Secondary market	130
5.5 Financial institution with regular contact (only in case of debt securities offeror)	131
 Part 2 Corporate Governance	
6. Corporate governance policy	
6.1 Corporate Governance Policy	132
6.2 Business code of conduct (if any)	142
6.3 Material changes and developments regarding policy, guidelines and corporate governance system in the preceding year	151
7. Corporate governance structure and significant information related to the board of directors, subcommittees, executives, employees, and others	
7.1 Corporate Governance Structure	153
7.2 Information on the Board of Directors	154
7.3 Information on subcommittees	165
7.4 Information on executives	172
7.5 Information on employees	176
7.6 Other significant information	178
8. Report on key operating results on corporate governance	
8.1 Summary of duty performance of the Board of Directors in the past year	180
8.2 Report on the results of duty performance of the Audit Committee in the past year	199
8.3 Summary of the results of duty performance of subcommittees	201

Table of Contents (continued)

	Page
9. Internal control and related party transactions	
9.1 Internal control	207
9.2 Related party transactions	210
Part 3 Financial Statement	
Board of Directors' Responsibility Statement for the Financial Report	220
Auditor's Report	222
Financial Statements	229
Notes to the Financial Statements	241
Back up attachment	
Attachment	289

Part 1 Business Operations and Performance

1. Group Structure and Operations

1.1 Policy and business overview

1.1.1 Overview of the vision, objectives, goals and business strategies

Message from the chairman

Dear Shareholders and Investors,

On behalf of East Coast Furnitech Public Company Limited (the “Company”) or ECF, I am pleased to report the current performance and outlook of our furniture business, including the progress of various projects in which ECF has invested, as follows:

Current situation of the furniture business

In 2024, we have seen continuous growth in the furniture market, especially in the multi-purpose furniture product group. The Company has continuously developed and improved its manufacturing process to meet the diverse needs of customers and focus on quality while controlling costs and increasing management efficiency to ensure that our business is strong. We are currently a full-service furniture manufacturer.

Thai and global economic trends

The recovery after the COVID-19 outbreak for the Thai economy has shown a positive trend. Consumer confidence has begun to return, resulting in a continuous recovery in demand for home appliances and furniture. For the global economy, despite the uncertainties of some regional economies, demand for furniture remains high, especially in the online market, which continues to grow, which is a good opportunity for ECF to expand its business and distribution channels more widely.

Future operational plans and opportunities

We remain committed to expanding overseas markets and developing products that meet the needs of today's consumers. The Company has considered collaborating with strong partners in new markets to ensure that Our business will grow sustainably in the future. We plan to expand our production base and online distribution and create products with outstanding designs and innovations to create differences in the market. We also join hands with partners to invest in various businesses. In 2024, the company invested 25 percent in Digital Identity Co., Ltd., which operates a personal identity verification (KYC) business, a business based on a technology system, to further expand the company's growth.

In terms of corporate governance operations, in 2024, the company continued to receive an assessment of corporate governance for Thai listed companies, "Corporate Governance Report of Thai Listed Companies 2024" from the Thai Institute of Directors Association at the "Excellent" level and "Quality Assessment of the Annual General Meeting of Shareholders 2024" or AGM Checklist at a full score of 100 by the Thai Investors Association. The company has a development plan to further develop the business to be a part of sustainable development in other areas, namely society and the environment. The company will plan its work, and set indicators, and the board of directors will oversee and monitor the results of the operations to ensure that they are in line with the plan.

The company is determined to build confidence among shareholders and investors. With a focus on sustainable and quality long-term growth, we are confident that these efforts will play an important role in adding value and strengthening our business going forward.

We would like to thank our shareholders and investors for their continued trust and support. We sincerely hope to receive your continued cooperation and encouragement to help our business grow sustainably and stably.

On behalf of the Board of Directors of
East Coast Furnitech Public Company Limited

General Thedsak Marom
Chairman of the Board of Directors

Image Message from the chairman



Vision

“Committed to maintaining the stability and firmness in the furniture business, together with creating opportunities for business growth, continuously seeking for opportunities to expand into other businesses for sustainability”

Objectives

“To lead the organization into the development and profits with sustainable growth along with social and environmental responsibility, including good corporate governance.”

Goals

The company has set a goal to maintain the growth rate of sales and profit from operations in the furniture business group to grow continuously at least 10-15 percent per year and aims to become an organization that develops and expands investment to reduce costs in the furniture manufacturing business in a complete cycle to create competitive strength, including conducting business ethically, respecting the rights and being responsible to shareholders and stakeholders, benefiting society and reducing the impact on the environment, by being able to maintain the gross profit rate of the furniture business at least 25 percent per year. In addition, it must be able to create a level of satisfaction with the company's products from customers at least 80 percent, considering the results of the annual customer satisfaction survey.

For the long-term goal, the Company has set the return from the renewable energy business to be no less than 30 percent of the Company's and all subsidiaries' net profit within the next 3 years, including setting the Company's sustainability targets for the next 3 to 5 years by setting the following indicators:

1. Diversifying the business risks to other types of businesses with potential and continuous growth opportunities
2. Being a leader in the business of being a full-service furniture manufacturer and distributor, with a growth rate of sales revenue of no less than 10-15 percent each year and being able to reduce sales costs through efficient production management, which can be reduced by no less than 5 percent compared to the previous year
3. The Company can continuously reduce greenhouse gas emissions in the business value chain when calculated as a proportion compared to the previous year, by at least 5 percent onwards

The Company will operate to achieve its goals following the specified operational strategy.

Business strategies

Sustainability

The organization is developed to grow with sustainability such as the cost and expense reduction of major raw materials for the Company's furniture business, the expansion of business into the renewable energy business as an important tendency and a part of the creation of energy stabilization, which would help to continuously generate revenue and profit for the business in overall, and seek for other businesses related to main business or new business opportunities that could generate income for secured growth, etc., and operate the business with responsibility to all stakeholders along the value chain, society, environment, and good corporate governance.

Diversification

Diversifying business risks, such as having both income from domestic and international sales, having a diverse customer base, ranging from exports, modern retailers, and furniture retailers nationwide, developing an e-commerce sales model via online platforms, and also expanding the business to other types of business, such as energy businesses, agricultural products businesses, and identity verification (KYC) businesses, to diversify risks and not rely solely on the furniture business.

Adaptation

Ready for strategies of changes and continuously adapt itself to creating opportunities in business operations with stability and sustainability, such as starting from a furniture business to become a para rubber furniture business, particle board furniture MDF, and foil paper business, to reduce the production cost of furniture, etc.

1.1.2 Material changes and developments

Details regarding material changes and developments

Year	Material changes and developments
2024	<p>On July 11, 2024, the Company received approval from the Extraordinary General Meeting of Shareholders No. 1/2024 for the issuance and offering of the Company's 5th Warrant to Purchase New Ordinary Shares ("ECF-W5") in the amount of 479,752,824 units to the Company's existing shareholders. Such Warrants have a term of 1 year, expiring on July 29, 2025, with an exercise ratio of 1 Warrant to purchase 1 common share, with an exercise price of THB 0.55 per 1 new common share of the Company.</p> <p>On November 13, 2024, Digital Identity Co., Ltd. was registered with the Department of Business Development to conduct business in providing identity verification services for both Thais and foreigners and other services related to identity verification, such as passport verification, face verification against databases, etc., as well as providing advice, designing and installing software and hardware systems, including other related products, with a registered capital of 1,000,000 baht, divided into 10,000 ordinary shares with a par value of 100 baht per share, in which the Company holds a 25 percent stake.</p>
2023	<p>ECF Design Company Limited completed its registration with the Department of Business Development on July 27, 2023. Its primary operation involves distributing furniture products overseas, with a registered capital of 7,000,000 baht distributed among 70,000 common shares, each with a par value of 100 baht. By a joint venture contract dated June 20, 2023, with Homy Casa Inc., a California-based company in the USA, this company emerged as a result of a joint investment. It operates as a prominent furniture distribution business operator overseas. The signing of the aforementioned joint investment contract was approved during ECF's Board of Directors Meeting No. 2/2023, held on April 7, 2023.</p>
2022	<p>On February 10, 2022, the company VV Rich Co., Ltd. was registered with the Department of Business Development to operate a business of cultivating and distributing agricultural products, in which the company holds a 99.97 percent stake.</p>
2019	<p>On September 27, the Solar Power Project (GEP) located in Minbu, Magway, Myanmar, has successfully recognized commercial revenue for Phase 1 with a capacity of 50 megawatts and will proceed with the construction of the power plant for Phases 2, 3 and 4 to be completed as soon as possible.</p>
2017	<p>On January 12, another subsidiary, ECF Power Co., Ltd., was registered to invest in the renewable energy business, in which the Company holds a 99.99 percent stake.</p> <p>On April 3, the Company invested in a 220-megawatt solar power plant project of Green Earth Power (Thailand) Co., Ltd. ("Project" or "GEP"), located in Minbu, Magway State, Republic of the Union of Myanmar ("Myanmar"), with an installed capacity of 220 megawatts, with ECF Power Co., Ltd. ("ECF-Power"), a subsidiary in which the Company holds a 99.99 percent stake, as the investor to purchase 20 percent of the project's shares. Later, the Extraordinary General Meeting of Shareholders No. 1/2017 on May 31, 2017, resolved to approve the purchase of GEP's ordinary shares.</p>
2013	<p>On March 26, the Company began trading shares on the Market for Alternative Investment (mai) for the first time (First Trading Day).</p>
2010	<p>On October 1, East Coast Group began restructuring its business operations from a total of 5 companies within the group to operate under only one company, ECF. The restructuring process began with the purchase of all land used in the business operations, which at that time was the personal ownership of the company's directors, to be owned in the name of ECF. The transfer of production lines and distribution of finished products, products in process, raw materials, consumables, and some machinery and equipment from the 4 companies were owned by ECF, including negotiations to reduce the credit limits of the companies in</p>

Year	Material changes and developments
2010	the group with financial institutions and transfer them to ECF's credit limit. This was an action to repay debts between the group of companies to eliminate problems of connected transactions and conflicts of interest.
1992	<p>East Coast Industries Company Limited (ECI) which is the first company of East Coast Group was registered to operate a sawmill and wood drying factory, and produce and sell rubber wood furniture, located at Ban Bueng - Klaeng Road, Thang Kwian Sub-district, Klaeng District, Rayong Province, and in subsequent years, 4 additional companies under the East Coast Group were registered, totaling 5 companies, namely, East Coast Design Co., Ltd. (ECD), during this time, ECD was selected by the Department of Export Promotion to use the "Thailand's Brand" emblem to represent its high-quality export product.</p> <p>ECI received the "Prime Minister Award" from the Ministry of Commerce, an award granted to exporters with outstanding performance and excellent product quality.</p> <p>Subsequently, East Coast Furnitech Company Limited (ECF) was registered as the 3rd company to operate business as a manufacturer and distributor of self-assembled furniture made of particle board and MDF.</p> <p>Later, V-Chats Decor Co., Ltd (VCD) was established as the fourth company to operate the business as a manufacturer and distributor of foil paper because ECF manufactures a lot of particleboard furniture, resulting in the need to import foil paper, VCD was therefore established to produce foil paper, so that the quality of production could be controlled, the foil paper will be distributed to ECF and general furniture manufacturers, and the juristic person registered later was V-Chats Industry Co., Ltd (VCI) to restructure the operations within the Company Group.</p>

1.1.3 Spending of the raised fund to serve the objectives declared in the registration statement for securities offering

Is there an issuance of equity securities or debt securities? : Yes

Spending of the money obtained from each offering of equity or debt securities

List of spending of the money obtained from each offering of equity or debt securities			
Item 1			
Types of securities used for fundraising			Amount of funds raised
Warrant to purchase common shares of East Coast Furnitech Public Company Limited No. 5			264.00 Million Baht
Spending objectives	Duration (approximate)	Amount of money as planned	Amount of spent money
1. To be used as working capital in the business and to increase liquidity for the company.	Jul 2025	1.00 - 100.00	1.00 - 100.00
2. To be used as capital for investment in semi-automatic machinery to increase the company's furniture production process.	Jul 2025	1.00 - 64.00	1.00 - 64.00
3. To reduce financial cost burden and repay debts to financial institutions and/or debentures and/or other debts that are currently outstanding.	Jul 2025	1.00 - 100.00	1.00 - 100.00

<p>Implementation according to objectives</p> <p>Unable to achieve objectives or change objectives</p> <p>Progress of fund utilization / reasons and measures taken in case the funds are not spent according to the objectives</p> <p>Since the date of issuance and offering of ECF-W5 until now, no one has expressed their intention to exercise the right to convert the warrants into common shares. Therefore, the company is still unable to use the money obtained for the purposes specified above.</p> <p>Related links</p> <p>-</p>			
Item 2			
Types of securities used for fundraising			Amount of funds raised
Debt Instruments			650.00 Million Baht
Spending objectives	Duration (approximate)	Amount of money as planned	Amount of spent money
<p>1. - To repay the ECF226A bond for 290.55 million baht, due on June 12, 2022.</p> <p>- To exercise the right to redeem ECF231A debentures on July 25, 2022, for 225 million baht.</p> <p>- To repay the loan for 200 million baht.</p> <p>- To be used as the working capital of the company for 134.45 million baht.</p>	Dec 2022	650.00	650.00
<p>Implementation according to objectives</p> <p>Achieve objectives</p> <p>Progress of fund utilization / reasons and measures taken in case the funds are not spent according to the objectives</p> <p>-</p> <p>Related links</p> <p>-</p>			
Item 3			
Types of securities used for fundraising			Amount of funds raised
Debt Instruments			300.00 Million Baht
Spending objectives	Duration (approximate)	Amount of money as planned	Amount of spent money
<p>1. - To repay the ECF236A bond for 200 million baht.</p> <p>- To repay the ECF23DA bond for 60 million baht.</p> <p>- Repay the Company's loan debt and subsidiaries</p> <p>- To use as the working capital of the company</p>	Dec 2023	300.00	300.00
<p>Implementation according to objectives</p> <p>Achieve objectives</p>			

Progress of fund utilization / reasons and measures taken in case the funds are not spent according to the objectives			
-			
Related links			
-			
Item 4			
Types of securities used for fundraising			Amount of funds raised
Debt Instruments			256.50 Million Baht
Spending objectives	Duration (approximate)	Amount of money as planned	Amount of spent money
1. To repay the ECF23DA debentures due on December 8, 2023.	Dec 2023	256.50	256.50
Implementation according to objectives			
Achieve objectives			
Progress of fund utilization / reasons and measures taken in case the funds are not spent according to the objectives			
-			
Related links			
-			

Applicable laws (for companies that have previously disclosed information in the registration statement for offering of debt securities)

The terms and conditions of the issuance and offering of debt instruments and equity instruments shall be governed by and construed by the laws of Thailand, including any applicable laws or notifications relating to the debentures and warrants to purchase ordinary shares of the Company.

1.1.4 The obligations to which the company has committed in the registration statement, including the compliance with such obligations or conditions in the following years

Are there any issued securities with obligations or conditions? : Yes

- The Company's Debentures No. 1/2022, Series 1, 2, and 3 are due for redemption in 2023, 2024, and 2025, respectively, with the issuer retaining the right to redeem the debentures before the maturity date.

The bond issuer will maintain the ratio of "Interest-Bearing Debt" to "Equity Ratio" for not more than 4:1 (four to one) according to consolidated financial statements at the end of the quarterly accounting period or the end of the fiscal year of the bond issuer to calculate this ratio as specified.

- The Company's Debentures No. 1/2023, Series 1, 2, and 3 are due for redemption in 2024, 2025, and 2026, respectively, with the issuer retaining the right to redeem the debentures before the maturity date.

The Company will maintain the ratio of Interest-Bearing Debt to Equity Ratio as defined in entitlement terms for not more than 4:1 according to consolidated financial statements at the end of the quarterly accounting period or the end of the fiscal year throughout the life of bonds.

- The Company's Debentures No. 2/2023, Series 1, 2, and 3 are due for redemption in 2025, with the issuer retaining the right to redeem the debentures before the maturity date.

The Company will maintain the ratio of Interest-Bearing Debt to Equity Ratio as defined in entitlement terms for not more than 4:1 according to consolidated financial statements at the end of the quarterly accounting period or the end of the fiscal year throughout the life of bonds.

1.1.5 Company information

Company name	:	EAST COAST FURNITECH PUBLIC COMPANY LIMITED
Symbol	:	ECF
Address	:	37/9, Moo 10, Banbueng - Klaeng Road, Tambon Tang-Kwiang, Klaeng District
Province	:	Rayong
Postcode	:	21110
Business	:	The company is a full-service furniture manufacturer and distributor, including surface paper, and processed and dried rubber wood, and provides services for cutting wood edge banding (PVC) for use as raw materials in furniture production. The company also has subsidiaries investing in renewable energy and providing identity verification (KYC) services.
Registration number	:	0107555000449
Telephone	:	(66) 038-675-181-4
Facsimile number	:	(66) 038-678-220
Website	:	www.eastcoast.co.th
Email	:	ir@eastcoast.co.th
Total shares sold		
Common stock	:	959,505,648
Preferred stock	:	0

Diagram of organization's logo



1.2 Nature of business

1.2.1 Revenue structure

Revenue structure by product line or business group

	2022	2023	2024
Total revenue from operations (thousand baht)	1,417,531.32	1,390,252.00	1,363,428.00
Sales Revenue (thousand baht)	1,374,503.00	1,374,503.00	1,345,822.00
Furniture (thousand baht)	1,290,677.00	1,290,677.00	1,289,703.00
Other products include: overlay paper, dried processed rubberwood, PVC edge banding (thousand baht)	83,826.00	83,826.00	56,199.00
Others (thousand baht)	43,027.85	15,749.04	17,605.63
Total revenue from operations (%)	100.00%	100.00%	100.00%
Sales Revenue (%)	96.96%	98.87%	98.71%
Furniture (%)	91.05%	92.84%	94.59%
Other products include: overlay paper, dried processed rubberwood, PVC edge banding (%)	5.91%	6.03%	4.12%
Others (%)	3.04%	1.13%	1.29%

By geographical area or market

	2022	2023	2024
Total revenue (thousand baht)	1,417,531.32	1,390,252.00	1,363,428.00
Domestic (thousand baht)	712,466.00	820,532.00	796,274.00
International (thousand baht)	705,065.32	553,971.00	549,548.00
Japan (thousand baht)	452,880.00	294,590.00	264,121.00
India (thousand baht)	135,724.00	186,974.00	213,950.00
Others (thousand baht)	116,461.32	72,407.00	71,477.00
Total revenue (%)	100.00%	100.00%	100.00%
Domestic (%)	50.26%	59.02%	58.40%
International (%)	49.74%	39.85%	40.31%
Japan (%)	64.23%	53.18%	48.06%
India (%)	19.25%	33.75%	38.93%
Others (%)	16.52%	13.07%	13.01%

Other income as specified in the financial statements

	2022	2023	2024
Total other income (thousand baht)	43,027.85	15,749.04	17,605.63
Other income from operations (thousand baht)	13,729.48	27,279.00	23,629.00
Financial Income (thousand baht)	13,729.48	27,279.00	23,629.00
Other income not from operations (thousand baht)	0.00	1,019.15	1,712.92
Exchange gain (thousand baht)	0.00	1,019.15	1,712.92

Share of profit of joint ventures and associates accounted for using equity method

	2022	2023	2024
Share of profit (thousand baht)	28,199.80	16,606.95	19,348.00

1.2.2 Information on products and services

The Company will only disclose information on products by product line or business group that can currently generate commercial revenue.

1.2.2.1 Product/service information and business innovation development

Furniture manufacturer and distributor

Furniture Manufacturing and Distribution Business

Businesses operated by East Coast Furnitech Public Company Limited (ECF), VV Decor Company Limited, and ECF Holdings Company Limited as subsidiaries in which the Company holds 99.95% and 94.44% of shares, respectively.

East Coast Furnitech Public Company Limited (ECF) operates as a fully integrated furniture manufacturer and distributor, covering from knock-down particle board and MDF furniture, rubberwood furniture, surface paper, dried processed rubberwood for use as raw materials in furniture production, and providing edge banding cutting services (PVC) for use as raw materials in the production of particle board furniture. The Company has 2 subsidiaries: VV - Decor Company Limited (VVDekor), a subsidiary in which the Company holds 99.95% of shares with a registered capital of 1,000,000 baht (one million baht), fully paid up. It was established to operate a trading business as a distributor of surface paper, mainly for use in covering particle boards for some of the Company's customers, and ECF Holdings Company Limited (ECFH), in which the Company currently holds 94.44% of shares with a registered capital of 45,000,000 baht (forty-five million baht), fully paid up.

Currently, the Company operates as a distributor of furniture products, which are the main products for the Company, to retail furniture stores nationwide. The products of the Company and its subsidiaries can be divided into 4 main product groups, which are businesses related to furniture:

1. Rubberwood Furniture
2. Knock-down Particle Board and MDF Furniture
3. Surface Paper
4. Processed and Dried Rubberwood

The Company's revenue mainly comes from manufacturing and distributing products by order (Made to order), including knock-down particle board and MDF furniture, and rubberwood furniture, to both domestic and foreign customers. For some domestic customers, the Company manufactures products using its own brand. Domestic customers include large retailers (Hypermarkets) such as HomePro, Winner, Global House, Do Home, Thai Watsadu, Lotus, and Big C, etc.

For foreign customers, the Company manufactures and distributes products by order to furniture distributors and several large retailers (Hypermarkets) in Japan. Considering the revenue structure from total sales of the Company, currently, the Company has a proportion of sales to customers in Japan, which is the customer with the highest proportion of sales compared to total sales revenue.

However, the Company is well aware of the proportion of reliance on customers in Japan. In the past, the Company has focused on expanding its foreign customer base to other countries, which has started to show results since the fourth quarter of 2019. The Company has started to receive more orders from new customer groups from India, the United States, the Philippines, and the Middle East. The second largest proportion of revenue is from the production and distribution of products domestically, mainly by order under the customers' brands. The remaining portion, which is not significant, is produced under the Company's own brand, currently "Hasta." The domestic customers for which the Company manufactures products and produces products under the Company's own brand are large retailers (Hypermarkets), such as HomePro, Winner, Global House, Do Home, Thai Watsadu, Lotus, and Big C, etc. In addition to the aforementioned distribution channels, the Company also generates revenue from selling furniture to small furniture retailers (Dealers) who distribute furniture nationwide, as well as selling through online channels, websites, and various platforms such as Lazada, Shopee, NocNoc, etc.

Details of each product are as follows:

1. Processed and Dried Rubberwood

Rubberwood is a wood with many physical properties similar to teak. It has a beautiful grain, can be dyed, and is easy to work

with. It is also lightweight and more affordable compared to other woods used in furniture production. With these outstanding properties, rubberwood has become known and widely used worldwide in a short period of time under the name "White Teak." Most of the rubberwood used in the wood industry today comes from rubber plantations in the form of newly planted trees, not naturally occurring trees. The wood that will be used is mostly old trees with low latex yield, not economically viable for further tapping. Therefore, it is necessary to cut them down and replant them according to the natural cycle of rubber plantation operations. To comply with the regulations of the Rubber Authority of Thailand, rubber plantation owners must submit a request for felling and obtain permission from the Rubber Fund. Alternatively, other types of perennial trees that require a long planting period can be used before being cut and processed. The process of bringing rubber logs to the sawmill to be sawn into the desired sizes and then impregnated with wood preservatives in the form of water-soluble solutions results in high moisture content in the wood. Therefore, it is necessary to adjust the moisture content in the wood to a level that is balanced with the weather conditions by drying it to maintain its shape and prevent problems of expansion or contraction of the wood, which can lead to cracking on the surface and inside the wood, splitting at the ends of the wood, and warping. These defects can damage the products. In addition, reducing the moisture content in the wood also helps reduce the chances of fungal growth. Therefore, processed rubberwood must have an appropriate moisture content within the standard criteria to be used in furniture production. Processed rubberwood is an important raw material used in the production of rubberwood furniture. The Company has a complete wood processing process before feeding it into the rubberwood furniture production process. It starts with the purchase of rubberwood logs for processing by sawing before drying. The Company plans the purchase of rubberwood at each period to prevent the problem of rubberwood shortages that may occur. Such problems will affect the rubberwood furniture production process. The processed rubberwood production process is complex and requires experience and production skills. The Company has a complete process, from the sawing process for log processing, the impregnation process to prevent moths and termites with a high-pressure impregnation tank, to the drying process. In addition, it also relies on the expertise of labor in the rubberwood processing process, from the sawing process, which is different from sawing general straight logs, as rubberwood logs have an irregular shape, often curved, not straight throughout the log, and have many knots and defects on the logs. Therefore, it is not yet possible to apply automatic wood cutting technology. Most of the processed rubberwood obtained from the production process, accounting for about 95%, is sent to the Company's rubberwood furniture production process, and some is sold to the public, including customers who are small factories that manufacture rubberwood furniture.

2. Rubberwood Furniture

Rubberwood furniture is durable and strong because it is made from real rubberwood. The main raw materials used in its production are rubberwood and other composite woods, accounting for approximately 35% of the cost structure of rubberwood furniture production. This proportion will vary depending on the market price of rubberwood. Due to its durability, strength, beautiful grain, ability to be dyed and easily decorated, and suitability for use in environments that require resistance to environmental conditions or outdoor use, rubberwood furniture is popular among those who prefer durable and strong furniture or those who live in areas with fluctuating weather conditions that may cause high heat or humidity. Compared to furniture made from particle board or MDF, rubberwood furniture is more expensive due to the price of raw materials and the popularity of using real wood furniture. Therefore, the popularity of using rubberwood furniture is limited to a niche group of enthusiasts and is not widespread among the majority of consumers. This group of enthusiasts considers the suitability of rubberwood furniture's properties, its aesthetics, and the lack of other products with comparable properties.

The Company's rubberwood furniture products are divided into 3 categories as follows:

1. Dining Table Set (Dining Table)
2. Living Room Set (Living Room)
3. Bedroom Set (Bedroom)

For rubberwood furniture, the Company manufactures and distributes it to customers by order (Made to order). The main customers are furniture distributors and large retailers (Hypermarkets) in Japan. The Company also manufactures rubberwood furniture for distribution to large retailers (Hypermarkets) and small furniture retailers (Dealers).

3. Knock-down Particle Board and MDF Furniture

Knock-down particle board and MDF furniture is a modern type of furniture whose main raw materials are particle board and MDF, accounting for approximately 50% of the cost structure of knock-down particle board and MDF furniture production. The second largest component is surface paper (foil), accounting for approximately 10%, with the proportion depending on the price at each period. Particle board is a product primarily made from rubberwood. Rubberwood and other types of wood are ground into small pieces and then pressed together using a binder (Urea Formaldehyde Resin) to bond the structure of the particle board. The top and bottom layers are made of fine wood particles, while the middle layer is made of coarser particles. This makes particle board

unsuitable for nailing and edge decoration or tongue and groove joints on the surface. Generally, particle boards have a width and length of 4 x 8 feet and a thickness ranging from 6 to 35 millimeters. Particle board is the lightest type of fiberboard, with less strength than MDF and general hardwood. In addition, the wood expands easily when exposed to moisture. However, particle board is commonly used for interior woodwork instead of exterior woodwork where there is high humidity. Currently, it is popular for furniture production due to its lightweight, ease of assembly and transportation, affordability, and, most importantly, it is used as a substitute for furniture made from natural hardwood, which is logged from forests, which does not promote environmental conservation. Therefore, hardwood is becoming increasingly scarce. Particle board furniture has a simpler production process because most of the production process is done by machines. In addition, particle board is lightweight, so the production process is shorter and requires fewer labor hours compared to producing furniture from hardwood. All of this results in lower production costs for particle board furniture, which is a significant cost advantage. In comparison, the production process for hardwood or solid wood furniture involves sawing, impregnation, drying, cutting, assembly, sanding, painting, and varnishing. Each step requires a significant amount of labor to achieve a refined finish and takes a long time for each production step. Therefore, the Company focuses on increasing the production capacity of particle board furniture by adding modern machinery in the form of semi-automatic machines to reduce labor costs and increase production efficiency and effectiveness.

The Company's particle board and MDF knock-down furniture products are divided into 7 categories. Each category has different product models as follows:

1. Multi-Purpose Shelf
2. Multi-Purpose Cabinet / Display Cabinet
3. Wardrobe
4. Computer Desk / Work Desk
5. TV Stand
6. Shoe Cabinet
7. Dressing Table, Bed

The Company manufactures and distributes knock-down particle board and MDF furniture to customers, which can be categorized as follows:

1. Manufacturing and distribution by order (Made to order) to foreign customers. The main customers are furniture distributors and large retailers (Hypermarkets) in Japan, India, the United States, the Philippines, and the Middle East.
2. Manufacturing and distribution to domestic customers using the customers' brands (House Brand) for sale within modern retail stores such as HomePro, Winner, Global House, Do Home, Thai Watsadu, Lotus, and Big C, etc. In addition, the Company uses its own brand, "Hasta," for the production of furniture for some customers.
3. Manufacturing and distribution to domestic customers, which are retail stores nationwide.

4. Surface Paper

The Company is a manufacturer and distributor of surface paper for use in covering particle boards to enhance its aesthetics and prepare it for further use in furniture production. Paper-type surface materials have the advantage of being aesthetically pleasing and can be designed with various patterns as desired, such as designing them to have realistic wood grain patterns, and cartoon patterns, graphic patterns, according to the specified designs. Wood-like surface paper is suitable for the production of fiberboard, which, despite its disadvantage of being less resistant to moisture, is popular due to certain applications that do not require durability as a primary factor. The production process is simple, uncomplicated, and has a low production cost, resulting in particle board furniture being able to set a more competitive selling price compared to general solid wood furniture. All particle boards ordered by the Company from manufacturers must undergo a surface covering process at the Company's factory. This helps reduce production costs and transportation costs compared to ordering surface paper from outside sources. In addition to using it in the Company's production process, the Company also sells it directly to external parties, and some is sold through its subsidiary, VV - Decor Company Limited (VV Decor), in which the Company holds 99.95% of the registered capital. The nature of VVDecor's business is to be a distributor of surface paper (Trading) to some of the Company's customers. The proportion of surface paper sales to external parties currently accounts for about 40% of the total surface paper volume. All of the aforementioned products are operated by East Coast Furnitech Public Company Limited ("the Company" or "ECF"), ECF Holdings Company Limited, and VV Decor Company Limited as subsidiaries in which the Company holds 94.44% and 99.95% of shares, respectively. All three companies currently operate businesses related to furniture.

5. Additional Products

As a leader in the manufacturing and distribution of furniture, the Company is committed to expanding its product portfolio through cutting-edge innovations to meet the modern lifestyle needs of customers. Most recently, the Company has introduced the Aiper Seagull Pro, a cordless pool cleaning robot that was recognized as a CES 2023 Innovation Award Honoree. This product was showcased at CES 2023 and has been highly regarded for its high-performance wireless pool-cleaning technology. By adding this product to its offerings, the company reinforces its vision of providing state-of-the-art products, enhancing sales opportunities, and effectively meeting customer demands in the digital era.

Diagram of Furniture manufacturer and distributor

Who We Are


Our Products



The collage features several furniture pieces: a grey L-shaped sectional sofa, a wooden dining table with four chairs, a dark wood bookshelf, a wooden dining table with six chairs, a blue armchair and a brown sofa, two modern chairs (one purple, one pink), a grey sofa with a side table, a dining table with four chairs, and a grey sofa with a chaise longue.

Who We Are

Our Products



The collection includes:

- Sofa Bed & BED** (ECF logo): Three sofa bed models in different colors.
- Sofa Bed Martin**: A grey sofa bed with 3 seats.
- Sofa Bed Lana**: A grey sofa bed with 2 seats.
- Sofa Bed Dandy**: A brown sofa bed with 2 seats.
- Sofa Chair Hamony**: A light-colored sofa chair with 2 seats.

On the left, there is a promotional graphic for **SOFA BED LANA** (ECF logo) featuring a brown sofa bed with decorative elements and smaller images of the product in different configurations.

Wireless-Pool Cleaning Robot



Our Products

What is Wireless-Pool Cleaning Robot??



Renewable Energy Business

Business operated by ECF Power Company Limited, a subsidiary in which the Company holds a 99.99% stake.

Solar Power Plant

220 MW Solar Power Plant Project in Myanmar

In 2017, the Company invested in a solar power plant project with a total installed capacity of 220 MW and a contracted capacity of 170 MW of Green Earth Power (Thailand) Company Limited (“Minbu Power Plant Project” or “GEP”), located in Minbu, Magway Region, the Republic of the Union of Myanmar (“Myanmar”). The Company assigned ECF Power Company Limited (“ECF-P”), a subsidiary in which the Company holds 99.99% of the shares, to invest in 20% of the project’s shares. The Company purchased 51,512 existing ordinary shares of GEP, representing 20% of the total issued and outstanding shares of GEP at that time, as approved by the Extraordinary General Meeting of Shareholders No. 1/2017 held on May 31, 2017, for a total consideration of US\$9 million.

Currently, GEP has a registered capital of 2,252.72 million baht, consisting of 22,527,163 ordinary shares with a par value of 100 baht per share. The paid-up registered capital is 1,171.16 million baht, consisting of 10,806,478 fully paid ordinary shares and 11,720,685 ordinary shares with a paid-up value of 56.72 baht per share.

GEP has one subsidiary, GEP (Myanmar) Company Limited (“GEP-Myanmar”), which is a sole investment in GEP-Myanmar and does not hold shares in any other companies. GEP-Myanmar was incorporated as a Myanmar national company with a registered capital of US\$500 million, divided into 500,000,000 ordinary shares with a par value of US\$1 per share. with a paid-up registered capital of US\$55,088,307.

GEP holds 100.00% of the total paid-up registered capital in GEP-Myanmar. The objective of GEP-Myanmar is to develop and operate a solar power plant project in Myanmar with a total installed capacity of 220 MW and a contracted capacity of 170 MW. The project’s expiry date is September 26, 2042, for a total period of 30 years.

The first phase of the project, with a capacity of 50 MW out of a total capacity of 220 MW, has already commenced commercial operation (COD) on September 27, 2019. The construction will be divided into 4 phases. Currently, the company is planning to construct the second phase of the solar power plant with a capacity of 50 MW, while the third and fourth phases will have a capacity of 50 MW and 70 MW, respectively, to be completed within 2024-2025. However, the project has resumed normal construction after the changes due to the COVID-19 situation, including the easing of the political unrest in Myanmar. For the latest progress of the Phase 2 construction, the earthworks and site preparation have been completed. Some of the equipment and installation tools have been tested with the manufacturer and are being prepared for delivery and installation.

The total project value of the Minbu Solar Power Plant Project is approximately US\$250 million, which includes the EPC contract value, consultant fees, insurance premiums, loan arrangement fees, financing costs during construction, and other project development costs. Part of the financing will be obtained through loans from financial institutions and shareholders. Currently, GEP/GEP-Myanmar is in the process of negotiating a loan for 4 phases with a financial institution from China, which has issued an Indicative Term Sheet for a loan of 85% of the EPC contract value. This is still a preliminary figure and not yet finalized. However, the project details are currently being reviewed for presentation to the board of directors of the Chinese financial institution, which is in progress and not yet completed. It is expected that the loan will be drawn down for the construction of Phase 2 soon.

GEP-Myanmar has signed a Power Purchase Agreement (“PPA”) with Electric Power Generation Enterprise (“EPGE”) (formerly Myanmar Electric Power Enterprise), an organization under the Ministry of Electricity and Energy of Myanmar. The essence is to agree to develop, construct, procure financing, manage, operate, maintain, and transfer the project, and EPGE will purchase electricity from the solar power plant project with an installed capacity of approximately 220 MW or a maximum purchase rate of 170 MW, located in Minbu, Magway Region, Myanmar, for a period of 30 years from the Commercial Operation Date (“COD”) of Phase 1 of the total 4 phases at a fixed electricity purchase rate of US\$0.1275 per unit of electricity throughout the term of the PPA, including any renewal of the PPA that may occur. The electricity generation will be divided into 4 phases according to the maximum electricity generation rate that will occur when the construction of each phase is completed, as follows:

Phase 1 Maximum Purchase Rate 40 MW (AC) from Installed Capacity 50 MW

Phase 2 Maximum Purchase Rate 80 MW (AC) from Installed Capacity 100 MW

Phase 3 Maximum Purchase Rate 120 MW (AC) from Installed Capacity 150 MW

Phase 4 Maximum Purchase Rate 170 MW (AC) from Installed Capacity 220 MW

The Minbu Solar Power Plant Project has been granted an investment proposal approval and an investment permit, known as the “MIC Permit”, by the Myanmar Investment Commission (“MIC”) at its 5/2017 meeting on March 13, 2017. The permit was issued on April 12, 2017. Foreign investors wishing to make direct investments in Myanmar must obtain a MIC Permit. The key benefits are summarized below:

1. Receive the benefit of long-term land lease, with a maximum lease term of 50 years, depending on the type and size of the investment, and the lease can be renewed for 10 years for 2 times, for a total lease term of up to 70 years. (Note: Foreign investors are not entitled to own land but can lease land from the government and private Myanmar citizens for a long term.)
2. Receive the benefit of corporate income tax exemption for a period of 5 consecutive years from the year of commencement of operation.
3. Receive the benefit of being able to hire foreign experts or technicians.
4. The Myanmar government guarantees that it will not discontinue businesses permitted by the Myanmar Investment Commission (MIC) before the expiration of the permitted period without sufficient reason.
5. The Myanmar government guarantees that it will not nationalize the assets of private entities throughout the investment period.

The main points of the Power Purchase Agreement can be summarized as follows:

Date of Agreement: March 20, 2016 and the Amendment Agreement dated January 9, 2017 and the Amendment Agreement dated December 19, 2018.

Parties:

Buyer: Electric Power Generation Enterprise (“EPGE”)

Seller: EP (Myanmar) Company Limited (“GEP-Myanmar”), a subsidiary of GEP

Electricity Purchase Rate: US\$0.1275 per kilowatt-hour

Electricity Purchase Volume

1. EPGE shall purchase the net electrical energy actually generated and delivered by GEP-Myanmar, which shall not exceed 105% of the net electrical energy expected to be generated under the Agreement.
2. If at any time the Minbu Power Plant generates net electrical energy in excess of 105% of the net electrical energy expected to be generated under the Agreement, EPGE shall purchase all such excess net electrical energy without any payment for such excess electrical energy.

Purchase Term: 30 years from the commercial operation date of the Minbu Solar Power Plant Project Phase 1

Commercial Operation Date: September 27, 2019 Phase 1 Capacity 50 MW

Termination: If GEP-Myanmar fails to comply with any of the terms of the Agreement within 90 days (except in the case of failure to comply with the Agreement regarding the Commercial Operation Date, such period shall be extended to 240 days), EPGE may issue a written notice to GEP-Myanmar to remedy such failure. If such failure is not remedied, EPGE shall have the right to terminate the Agreement.

The Minbu Solar Power Plant Project is located in the northwest, approximately 150 kilometers from the capital Nay Pyi Taw, or approximately 199 kilometers by car, with a travel time of approximately 4 hours. The project site will be located on a leasehold area of approximately 836 acres (or equivalent to 2,113.38 rai), which is sufficient for the construction of all 4 phases of the Minbu Solar Power Plant Project. The leasehold rights will have a term equal to or greater than the term of the Power Purchase Agreement. The leasehold rights for 700 acres will be under AVA Capital Trading Limited ("AVA Capital") and such area is under the supervision of The Ministry of Agriculture, Livestock and Irrigation (MOALI), whereby GEP-Myanmar will sublease from AVA Capital. The leasehold rights for 136 acres will be under GEP-Myanmar, whereby such area is under the supervision of The Ministry of Natural Resources and Environment and Conservation (MONREC).

Technology used in electricity generation

The Minbu Solar Power Plant Project is a solar power plant project that utilizes photovoltaic technology, which directly converts solar energy into electrical energy using solar cells. The key equipment in the production process are:

1. Solar Panel
2. Inverter
3. Transformer
4. 230kV Substation Equipment

When sunlight hits the solar panels, it creates charge carriers, generating direct current (DC) electricity. The DC electricity is then sent to an inverter, which converts it into alternating current (AC) electricity. The AC electricity is then sent to a transformer to increase the voltage to a level suitable for the power plant to transmit electricity to the national grid line. In the Minbu Solar Power Plant Project, the AC electricity from the inverters is collected by 33 kV transformers, switchgear, and distribution systems. The electricity is then stepped up to 230 kV by four 230-33 kV step-up transformers to be transmitted to the national grid line. The main transmission line, approximately 1.3 miles (or approximately 2.1 kilometers) long, has been completed and connected to the national grid line.

Diagram of Renewable Energy Business

Solar Power Plant Project at Minbu City, Myanmar, Phase 1, size 50 megawatts





Image of the 50 MW Phase 2 Solar Power Plant Project in Minbu, Myanmar

Investing in a business as a furniture distributor abroad

Currently, the subsidiary, ECF Design Co., Ltd., was established to invest in a business as a distributor of furniture products abroad. The Company holds 50.9970 percent of the shares, and Homy Casa INC. holds 49 percent, with an initial registered capital of 7,000,000 Baht, divided into 70,000 ordinary shares with a par value of 100 Baht per share. Currently, there is already commercial revenue.

Personal Credit Check Services

On November 7, 2023, at the company's board of directors meeting No. 7/2023, the resolution was passed to approve the establishment of a joint venture company between East Coast Furnitech Public Company Limited and KYC Now Company Limited, a provider of identity verification services and other related services. This joint venture aims to provide identity verification services for both Thai and foreign nationals, encompassing services such as passport verification and facial recognition against

databases. Additionally, it will offer consulting services, design and installation of software and hardware systems, along with other related products. The company will hold a 25% stake in the joint venture, while KYC Now Company Limited will hold a 75% stake, with an initial registered capital of 1 million baht.

Currently in the initial stages of commercial revenue generation.

Research and development policy in various areas, and details regarding innovation development in processes, products and/or services, or business models.

Research and development (R&D) policy : Yes

R&D expenses in the past 3 years

	2022	2023	2024
Research and development (R&D) expenses over the past 3 years (Million Baht)	0.70	0.18	0.62

Additional explanation about R&D expenses in the past 3 years

For the research and development in the company's furniture manufacturing and distribution in the past year 2567, the company has begun to develop various innovations to adjust its production strategy. Using new machinery and equipment, the company has adjusted its production line to respond to customer needs and order patterns. This aims to reduce lead time, production costs, and labor, aligning with the improved production line. Furthermore, the company has developed collaborations with partners, such as corrugated box manufacturers, to innovate their machinery for modern production, cost reduction, and waste reduction. For example, the production of molding blocks has been simplified to digital design and printing from files, reducing environmental waste. This will ultimately help reduce the company's purchasing costs. The company is also developing ways to reduce packaging costs, such as reducing the use of foam sheets in production.

1.2.2.2 Marketing policies of the major products or services during the preceding year

Marketing

1. Product

For 2024, the company continues its policy of developing products to meet the needs of modern retail stores (Hypermarkets), which are the main customer group in the country, to increase from the original. The company focuses on expanding the product market by acknowledging the needs of customers in the market, the changing needs of product styles, co-designing products with customers, including offering new products that can meet the needs arising in today's world for customers to consider continuously.

In starting furniture production each time, the company's production process will start from 2 formats. The first format is that the customer will send a picture of the product they want to order (Drawing) to the company for consideration of whether the product can be produced, how the selling price will be determined, and whether the gross profit from production and distribution can be set as desired after negotiations with the customer. The second format is that the company will have a product design team, which will be responsible for designing products to present to customers. Most customers who want the company to design for them will be large retail stores (Hypermarkets), such as HomePro, Winner, Thai Watsadu, Global House, Do Home, Lotus, and Big C. The company will present new furniture styles for consideration to decide on production and distribution. The design team will work with the production planning team, which will be the team that conducts the analysis of what materials are required to produce the written workpieces, the ease of production, and the details of the cost, including determining the selling price. Can the selling price be set at the set gross profit rate? Once the selling price is obtained, it will coordinate with the marketing department to present the price to the customer for a conclusion until receiving a purchase order from the customer. Currently, the company has a ratio between receiving product designs to be ordered directly from customers and product designs designed by the company's own product design team, accounting for 80 percent and 20 percent, respectively. However, the company aims to expand the proportion of furniture styles that the company designs itself and lead to actual production to be more than before, including aiming to create added value (Value Added) to the products that the company designs and manufactures. In addition, the company also attaches importance to the development of new product styles to be consistent with the changing trends of popularity at that time.

After obtaining a product design (Model) that is ready for production, the company will send a sample product that is molded according to the specified Model. The sample product will be sent for testing at the Department of Industrial Promotion, Furniture Industry Development Division, to test the durability, quality of use, load-bearing test according to the specified standards both vertically and horizontally, leg strength test, cushion load-bearing test, etc. All Models to be produced for export must pass all of these tests. However, in the case of Japanese customers, currently, if there is production in a new Model format, Japanese customers will test the sample product directly themselves.

In the production of each piece of furniture, the company will attach great importance from the beginning of the production process by selecting to purchase quality raw materials until the final stage of production quality control.

2. Pricing (Price)

The company has a policy to set product prices by adding a profit margin (Cost-plus Margin). The components of the price calculation are "Raw material cost + Production overhead cost + Selling and administrative expenses + Profit margin (Margin)". The pricing of products will consider competitiveness and market prices as important factors.

3. Distribution Channels (Place)

Since the company's revenue from product sales mainly comes from production and distribution according to orders (Made to order) by receiving orders from both domestic and foreign customers, the company currently has a proportion of sales to foreign customers and domestic customers of approximately 40 percent and 60 percent respectively. The company aims to distribute to foreign customers and domestic customers at a ratio of 50 percent, which is close to each other, to reduce the risk of dependence on any one customer group.

As of December 31, 2024, the group of customers who placed orders for products with the company accounted for a group of customers in Japan, all of whom are major furniture distributors and large retail stores (Hypermarkets) in Japan, accounting for approximately 19.63 percent of total revenue. However, no single customer in Japan has a total order value from the company exceeding 30 percent of total revenue. The company focuses on exporting products for sale abroad. The country where the company exports the most products is Japan, where the group of customers who place orders with the company have accepted Thai furniture products and have been trading with the company for decades.

For the production and distribution of products domestically to large retail stores (Hypermarkets), it accounts for approximately 44 percent of total revenue.

The revenue from the sale of self-assembled particle board/MDF wood furniture and rubberwood furniture in the country is divided into

1. Revenue from the production and distribution of products to large retail stores (Hypermarkets), which will include both products manufactured under the customer's house brand and products manufactured under the company's brand.
2. Revenue from sales of products through furniture retailers (Dealers)
3. Revenue from sales through various online platforms such as Lazada, Shopee, NocNoc, etc.

In the production and distribution to each customer, both in the form of made-to-order production and in the form of production and distribution using the company's brand, the company has not entered into any sales contracts with customers.

4. Sales Promotion and Public Relations Policy (Promotion)

- The company conducts public relations through the company's website www.eastcoast.co.th to be a channel to help customers find information, get to know the products, and facilitate product browsing. It is also a channel for foreign customers to access and contact the company more easily.

- The company conducts public relations via email to reach customers and target customer groups regularly at each time and every time there are interesting new products to offer as an alternative to customers, including target customer groups.

- The company participates in various trade shows every year to create awareness and open up opportunities to expand its customer base. The annual trade show schedule is as follows:

- o Participate in trade shows organized by the company's customer groups, such as HOME PRO Expo, BNB Home Expo, etc.
- o Participate in trade shows organized by associations and collaborations between various organizations, such as the Thai Furniture Industries Association, etc.

o Organize a trade show to present products to a group of furniture retail customers and receive product orders, which will be held regularly at least 2 times a year, which will be an opportunity to meet, talk, and exchange views on product needs together.

o From November to December of each year, organize a product discount event to return profits to customers at Branch Office 2, located in Bung Kum Proi District, Lam Luk Ka Khlong 5, Pathum Thani Province, and at the product warehouse inside the factory, which is located at the head office, Klaeng District, Rayong Province.

- The company has sales promotions or discounts for customers, such as annual product discounts, sales promotions on the

company's anniversary (Anniversary), including sales promotions during important festivals throughout the year, such as New Year's Eve, Songkran Festival, etc.

In addition to the sales promotion and public relations activities mentioned above, the company will place great importance on participating in trade shows abroad to keep abreast of the movements in the furniture industry every year, including trade shows in China, Malaysia, the Philippines, etc. In addition, each year, the company will set a travel plan to visit the businesses of customer groups abroad, follow up on business progress, inquire about satisfaction to open up opportunities for marketing channels that may increase from the original, including participating in business promotion events organized by government agencies for international trade negotiations, etc.

5. Customer Credit Control and Consideration Policy Currently, the company considers giving credit terms to customers only in the group of customers who have continuous trading. If it is a new customer, there will be no consideration for credit terms.

Normally, the company will consider giving credit terms to customers using the customer's business trade information and prepare a customer history register. The company has a policy of giving credit terms to domestic customers within 60 to 90 days for the group of modern retail customers (Hypermarkets) only. In the past, the expansion of distribution channels and marketing strategies to a wider range of retail customers across the country has resulted in the company starting to have a longer debt collection period than before. In this regard, the company has accelerated the issuance of policies to reduce the risk of debt collection from this group of customers and put in place prudent and appropriate debt collection measures to prevent the risk of bad debts or debts that may not be collected to the least or at an acceptable level compared to the opportunity to expand the market that will increase. For foreign customers who have continuous trading, currently, all payment methods are Letter of Credit, which will include both at sight credit terms and instant transfer (T/T) before the delivery date (Shipment Date). If it is a new customer, the company has a policy to specify that customers open a Letter of Credit at sight with a reputable bank abroad only to cover the trade risks that may occur.

The domestic/export sales ratio

For the year 2567, the Company had a domestic sales ratio and an export sales ratio of 60 percent and 40 percent, respectively. The export sales ratio comprises five major customers as follows:

Countries	Ratio (%)
Thailand	60.00
Japan	19.63
India	15.90
United States of America	2.90
Philippines	1.67

The industry competition during the preceding year

Sluggish domestic market – Domestic furniture sales continued to decline as the economy has not fully recovered, household debt levels remain high, and the real estate market has slowed, causing consumers to be cautious about spending. In the first 4 months of 2024, sales decreased by 2.6 percent compared to the same period last year (YoY).

Exports begin to recover – Although the value of Thai furniture exports in 2023 decreased by 15.6 percent, exports began to improve by 4.8% in early 2024 compared to the same period of the previous year, especially in the US market, which grew by 11.9%, while the Japanese and Chinese markets remained sluggish.

Competition in terms of cost and raw materials – Wood furniture manufacturers are facing rising raw material costs, especially for parawood, forcing them to adjust product prices, which may affect their competitiveness. This is consistent with the past year, where the company experienced higher wood material costs due to price increases from suppliers.

Consumer and Product Trends

1. Designs that meet the needs of the modern lifestyle – Consumer needs have changed, with an emphasis on furniture that connects with nature, integrates technology, and can be adapted to different needs (Multitasking).

2. Product and environmental standards – Safety and environmental standards are key factors determining competitiveness. Entrepreneurs must develop in line with global market regulations to build credibility and add value to their products.

Overall Conclusion: The Thai furniture industry in 2024 continued to face challenges in the domestic market due to the fragile economic situation. However, exports began to recover, especially in the US market. However, raw material costs and product standards have become important factors determining the competitiveness of Thai entrepreneurs in the global market.

1.2.2.3 Procurement of products or services

For the marketing policy of furniture products, which are the products that the company can generate the highest proportion of revenue from business operations, the company still focuses on generating revenue growth from sales in all distribution channels, both domestically through supermarkets, distribution through furniture dealers nationwide, and online distribution through various platforms such as Lazada, Shopee, NocNoc, etc., by presenting products in new forms that are diverse and meet the needs of various uses.

For exports, the company focuses on finding new customers abroad, which currently has a good growth trend in the group of Indian, Filipino, and Middle Eastern customers, which can be seen from the significant revenue growth in the past year 2024 from Indian and Filipino customers. with growth rates of 14 percent and 213 percent, respectively.

The company's production capacity

	Production capacity	Total utilization (Percent)
Kiln-dried rubberwood (Cubic meters per year)	6,439.00	74.01
Self-assembly particle board/MDF furniture (Cubic meters per year)	97,600.00	61.00
Rubberwood Furniture (Cubic meters per year)	4,732.00	59.90
Coated paper (Meter)	14,163,130.00	59.01

The company's production policy is to manufacture based on purchase orders received from customers. This is taken into consideration along with production to maintain sufficient inventory for timely delivery of potential future orders, referred to as the anticipated customer order section, to create sales opportunities. Furthermore, there are only two production shifts, and there is no policy to allow overtime work to control production costs effectively.

Acquisition of raw materials or provision of service

In terms of furniture production, the company currently has 2 factories used as production bases, which are divided into the head office and Branch 1 as follows:

1. Head Office, located at 37/9 Moo 10, Bangbueng – Klaeng Road, Thangkewian Subdistrict, Klaeng District, Rayong Province. This factory consists of 9 buildings used for production, divided into:

1. Furniture production buildings 6 buildings
2. Warehouse buildings 3 buildings
3. Showroom (temporary) Small building 1 building
4. Raw Material Warehouse (Small) 1 building
5. Surface Treatment and Wood Raw Material Warehouse 1 building (increased from the previous year)
6. Small building for packing fittings 1 building (increased from the previous year)

This head office will only operate production lines related to self-assembly particle board/MDF furniture.

2. Branch 1 is located at 29/1 - 2 Moo 3, Chongko – Chumnumnai Soi, Wang Chan Subdistrict, Wang Chan District, Rayong Province. This factory consists of 7 buildings used for production, divided into:

1. Furniture production buildings 2 buildings
2. Sofa production building 1 building
3. Sawmill, Rubberwood Drying Kiln, and Wood Warehouse + Store, Rubberwood Sofa, 2 buildings (increased from 1 building in the previous year)
4. Warehouse for preparing raw materials (paper store) 1 building
5. Warehouse for storing finished goods for delivery 1 building
6. Surface paper production building 1 building

This factory will only operate production lines related to sawmills, rubberwood drying kilns, rubberwood furniture production and assembly plants, and surface paper production plants.

The company has a format for opening production lines each day, which can be divided as follows:

- Normal working hours (Shift 1) start from 07.00 – 16.00 hrs., which is 1 shift.
- Normal working hours (Shift 2) start from 17.00 – 02.00 hrs., which is 1 shift. There are no overtime working hours (OT). If any, it will only continue for 1-2 hours, considering only the work necessity.

Currently, the company does not operate 24 hours a day.

In the production of each piece of furniture, the company places great importance from the beginning of the production process by selecting and ordering quality raw materials to controlling the quality of production from the first to the last step, with details as follows:

- **Rubberwood Furniture** Starting from purchasing logs from suppliers, who are brokers who collect wood from rubber plantations to deliver to the factory. The wood must be of the specified size and quality. Once the rubberwood logs of the specified quality and size have been obtained, they are brought through the sawmill and kiln drying processes, which the company has had experience in since 1995 and is considered the starting point of the company's business operations. Throughout the past, the company has been able to accumulate knowledge and experience, resulting in quality processed rubberwood ready for use in the rubberwood furniture production process. In the rubberwood furniture production process, the company prioritizes production technology by investing in semi-automatic machinery, including cutting, turning, and drilling machines controlled by high-precision computer programs (CNC) to increase the ability to control the quality of workpiece production and help reduce the problem of relying on labor skills in production. In every step of production, the quality of the products must be inspected before being sent to the next stage of production to ensure that the products meet the specified quality standards.

- **Particle Board/MDF Furniture, Self-Assembly** Starting with the selection of quality particle board suppliers, it must be particle board made primarily from rubberwood, which is the best quality wood compared to particle board made from other types of wood scraps. Combined with the white color of the rubberwood, it can be covered with light-colored surface paper without worrying about the wood grain clashing with the color of the surface paper. As for the glue used for laminating the surface paper, the company has chosen to use environmentally friendly glue. In addition, the company also has a strength in frame cultivation, which is a work that the company produces entirely for export to Japan. There are only a few factories in Thailand that can produce frame cultivation work because it requires experience and expertise. The advantage of frame cultivation is the use of particle board and MDF to form the frame for furniture production. The resulting product has the advantage of being lightweight and easy to assemble. In terms of production technology, the company has invested in semi-automatic machinery, including cutting, turning, and drilling machines controlled by high-precision computer programs (CNC) for use in particle board furniture factories, separate from the machinery used in the production of rubberwood furniture. The company's particle board furniture has an additional advantage in terms of production costs because the company is a manufacturer of particle board surface paper itself, which will help reduce costs in the surface paper section compared to ordering surface paper from outside by about 40%.

However, during some periods when the company has a high volume of orders for particle board/MDF furniture, the company may need to outsource production from external factories to meet orders and deliver products to customers in a timely manner. However, the company has a policy to prioritize and emphasize quality control from external manufacturers to ensure that the standards and quality are equivalent to the production of goods from the company's factory. Products manufactured by external factories are mainly for distribution through retail furniture dealer channels nationwide. The reason for producing from the company's factory focuses on large quantity orders or products of the same type or model with large orders to ensure efficiency in cost management and production expenses within the factory.

- **Surface Paper** Starting with the selection of paper suppliers to be used in the production process, the company plans to purchase all paper in advance. The order will be placed every 6 months from a major paper manufacturer in Japan. If the said major paper manufacturer does not sell paper as a raw material for the company's surface paper production, the company can still order paper for use as a raw material from both domestic and international sources. However, the disadvantage is that the purchase price will be higher than that of the aforementioned major paper manufacturer. There are also limitations in the variety of colors and coating materials used in the production process. In summary, the company places importance on the use of quality raw materials, modern machinery in production, as well as attention to detail in every step of production. The company emphasizes quality control and testing of every piece of its products. The company must also undergo consideration and quality inspection by customer representatives in the final stage to obtain a quality certificate. Only then will the company be able to determine the date and schedule for delivery with the shipping company. It can be seen that every step must go through continuous consideration, inspection, and quality control of production standards to ensure that the furniture and surface paper products that the company produces and distributes, in addition to having a beautiful design, are also durable, strong, and suitable for use. It can be said that the company produces high-quality and standardized products that are well-recognized. In the past, the

company's products have received good interest and response from customers both domestically and internationally.

Proportion of domestic and overseas procurement

Countries	Name of raw material	Value (Baht)
Thailand	Particle board, MDF	281,415,635.38
Thailand	Materials and Equipment (Fittings)	117,158,801.10
Thailand	Cardboard box	87,471,012.16
Thailand	Other equipment includes foam, foam sheets, drawing paper, and consumables.	56,754,029.68
Thailand	Lacquer	74,935,163.20

In 2023, the Company's total raw material purchase ratio is divided into domestic and international purchases, equal to 96.67 percent: 3.33 percent. In order

The Company does not enter into any sales and purchase agreements to purchase raw materials from each manufacturer or distributor. For the purchase of raw materials from each manufacturer or distributor, the purchasing department will compile a comparison of the terms and conditions of manufacturers and distributors twice a year. The information will be compiled and reviewed by comparison in December to be used as a database for orders from January to June, and in June to be used as a database for orders from July to December. The Company has a policy of distributing purchases. It will reduce the proportion of purchases if it is found that there is an excessive amount of raw material orders with any one distributor. Currently, the Company does not rely on any one manufacturer or distributor, and the Company does not purchase raw materials from any person with whom a conflict of interest may arise.

In addition, considering the main raw material suppliers to the Company, it was found that no single supplier had sales to the Company exceeding 30 percent. The top three main raw material suppliers of the Company accounted for approximately 18 percent, 15 percent, and 10 percent of total purchases, respectively, and had a business relationship of 7 to 15 years.

1.2.2.4 Assets used in business undertaking

Core permanent assets

The Company's fixed assets mainly consist of land, buildings, machinery, and equipment used in furniture production, construction works, and machinery under installation.

The appraisal price of core permanent assets

List of assets	Book value / Appraised value	Ownership	Obligations	Additional details
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List of assets	Book value / Appraised value	Ownership	Obligations	Additional details
Land	217.54	To own	Primarily used as a credit line with financial institutions.	Used as the location of offices, workplaces, furniture production areas, warehouses, and other related buildings of the company's headquarters, Branch 1, and Branch 2.
Land Improvements	82.63	To own	None	-
Buildings, Factories, Warehouses	258.36	Ownership	To be used as collateral for loans with financial institutions	-
Building Renovation	235.21	To own	None	-
Machinery and Equipment	377.69	ownership	Some machinery is primarily financed through loans with financial institutions.	-
Electrical system	35.20	To own	None	-
Construction in progress and machinery during installation	123.12	Ownership	None	-
Vehicle	51.05	Owned by the company and leased	Lease or Purchase	-

Core intangible assets

As of December 31, 2024, the company has intangible assets equal to 2.03 million baht. The items are computer software, and the company has the right-of-use assets equal to 37.38 million baht. The items are machinery leased by the company.

Investment policy in the subsidiaries and associated companies

Investment policy in the subsidiaries and associated : Yes
companies

As of December 31, 2017, the Company had 7 subsidiaries, consisting of

1. W-Decor Company Limited
2. ECF Holdings Company Limited
3. ECF Power Company Limited
4. Planetboard Company Limited
5. Someva Plaza Company Limited is under liquidation.
6. W Rich Company Limited
7. ECF Design Company Limited

In addition, there are 2 joint ventures in which the Company and its subsidiaries have invested. For investments in joint ventures and partnerships,

The first company is Green Earth Power (Thailand) Company Limited, in which ECF Power Company Limited, as a subsidiary, holds a 20% stake.

and the second company is Digital Identity Company Limited, in which the Company holds a 25% stake.

In considering investments in subsidiaries or joint ventures, as well as each investment project, the Company prioritizes investments in businesses that support and benefit the Company's business operations. This is done by carefully considering the return on investment, risks, and the Company's financial liquidity. Such investments must be approved by the Board of Directors and the shareholders' meeting within the scope of their authorized powers. The investments must also comply with the regulations and announcements of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as relevant principles, regulations, and laws. The Company will maintain control through the appointment of its directors and/or executives to the boards of these companies to ensure alignment with the Company's business direction and management policies.

1.2.2.5 Under-construction projects

Under-construction projects : No

Details of under-construction projects

Total projects : N/A
Values of total ongoing projects : N/A
Realized value : N/A
Unrealized value of remaining projects : N/A
Additional details : -

1.3 Shareholding structure

1.3.1 Shareholding structure of the group of companies

Policy on operational organization within the group of companies

Currently, the commercial revenue-generating businesses consist of

The Company operates an integrated furniture manufacturing and distribution business. Some of the furniture products are sold to ECF Holdings Company Limited, as a subsidiary, for resale. The Company also manufactures and distributes paper laminates, some of which are resold to VV Decor Company Limited, as a subsidiary, for further distribution.

ECF Design Company Limited, as a subsidiary, operates as a distributor of furniture products for export, primarily to customers in the United States and Europe.

ECF Power Company Limited, as a subsidiary, will operate in the renewable energy sector.

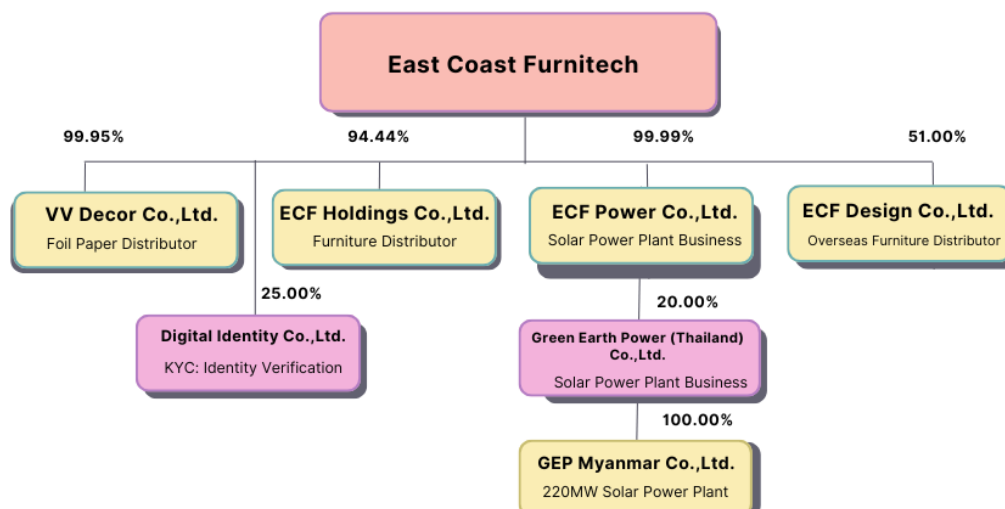
Digital Identity Company Limited, as an associated company, operates in the business of providing identity verification services and other related services.

Shareholding diagram of the group of companies

Shareholding diagram

Shareholding structure of the Company — East Coast Furnitech Public Company Limited

Only the companies that have generated income for the group are presented.



The companies that do not currently have commercial income include:

1. Platnet Board Co., Ltd., the Company holds 57 percent of the shares
2. Somewa Plaza Co., Ltd., the Company holds 75 percent of the shares, currently in liquidation process
3. VV Rich Co., Ltd., the Company holds 99.97 percent of the shares

Subsidiaries

Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
VV Decor Co.,Ltd.	EAST COAST FURNITECH PUBLIC COMPANY LIMITED	99.95%	99.95%
ECF Holdings Co.,Ltd.	EAST COAST FURNITECH PUBLIC COMPANY LIMITED	94.44%	94.44%
ECF Power Co.,Ltd.	EAST COAST FURNITECH PUBLIC COMPANY LIMITED	99.99%	99.99%
Planet Board Co.,Ltd.	EAST COAST FURNITECH PUBLIC COMPANY LIMITED	57.00%	57.00%
Somewa Plaza Co.,Ltd.	EAST COAST FURNITECH PUBLIC COMPANY LIMITED	75.00%	75.00%
VV Rich Co.,Ltd.	EAST COAST FURNITECH PUBLIC COMPANY LIMITED	99.97%	99.97%

Associated companies

Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
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Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
Green Earth Power (Thailand) Co.,Ltd.	EAST COAST FURNITECH PUBLIC COMPANY LIMITED	0.00%	0.00%
	ECF Power Co.,Ltd.	20.00%	20.00%

Joint venture companies

Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
Digital Identity Col,Ltd	EAST COAST FURNITECH PUBLIC COMPANY LIMITED	25.00%	25.00%

Company that holds 10% or more of the total shares sold

Name and the location of the head office	Type of business	Type of shares	The number of shares	The number of shares sold
W Decor Co., Ltd. 25/28 Moo 12, T. Bueng Kham Phroi, A. Lam Luk Ka, J. Pathum Thani 12150 Pathum Thani 12150 Telephone : 038-675-181-4 Facsimile number : -	Surface Paper Distributor	Common shares	10,000	10,000
ECF Holdings Company Limited 37/4 Moo 10, Thang Kwian, Klaeng, Rayong 21110, Thailand Rayong 21110 Telephone : 038-675-181-4 Facsimile number : -	Furniture distributor	Common shares	450,000	450,000
ECF Power Company Limited 37/7 Moo 10, Ban Bung-Klaeng Road, Thangkewian Subdistrict, Klaeng District, Rayong Province 21110 Rayong 21110 Telephone : 038-675-181-4 Facsimile number : -	Renewable Energy Business	Common shares	90,928,250	90,928,250
Planetboard Company Limited 25/28 Moo 12, T. Bueng Kham Phroi, A. Lam Luk Ka, J. Pathum Thani 12150 Pathum Thani 12150 Telephone : 02-152-7301-4 Facsimile number : -	MDF Manufacturer (Not yet operational and no commercial revenue to date)	Common shares	10,000,000	10,000,000
Someva Plaza Company Limited 25/28 Moo 12, Bueng Kham Phroi Subdistrict, Lam Luk Ka District, Pathum Thani Province 12150 Pathum Thani 12150 Telephone : 02-152-7301-4 Facsimile number : -	Online platform (currently undergoing billing closure)	Common shares	200,000	200,000

Name and the location of the head office	Type of business	Type of shares	The number of shares	The number of shares sold
WV Rich Company Limited 37/9 Moo 10, Thungkewian, Klaeng District, Rayong 21110, Thailand Rayong 21110 Telephone : 038-675-181-4 Facsimile number : -	Cultivation and distribution of agricultural crops (no commercial revenue at this time)	Common shares	10,000	10,000
Green Earth Power (Thailand) Co.,Ltd. 33/4 The Nine Tower Grand Rama 9, 36th Floor, Huai Khwang District, Bangkok 10310 Bangkok 10310 Telephone : 02-168-8168 Facsimile number : -	Being an investor in a 220-megawatt solar power plant project in Myanmar through a 100% stake acquisition in GEP Myanmar Company Limited.	Common shares	22,527,163	16,776,076
Digital Identity Company Limited 25/28 Moo 12, T. Bueng Kham Phroi, A. Lam Luk Ka, J. Pathum Thani 12150 Pathum Thani 12150 Telephone : 02-152-7301-4 Facsimile number : -	The company provides identity verification services for both Thai and foreign nationals. It offers various verification methods, including passport verification and facial recognition against databases. Additionally, the company provides consultation, design, and installation services for software and hardware systems, as well as other related products.	Common shares	10,000	10,000

1.3.2 Shareholding by a person with a potential conflict of interest holding exceeding 10 percent of the voting shares in a subsidiary or associated company

Does the company have a person with potential conflicts of interest holding shares in a subsidiary or associated company? : No

1.3.3 Relationship with major shareholders' business

Does the company have a relationship with a business group of a major shareholder? : Yes

Related Companies

1. East Coast Industry Co., Ltd. (ECI)

Established on December 17, 1992, initially to operate a sawmill, wood drying kiln, processed rubberwood business, and manufacture and distribute rubberwood furniture. Later, the business operation was changed to trading in furniture products that the company manufactures itself and imported furniture for sale, with registered capital and paid-up capital of 20,000,000 Baht. The company has the names of directors and major shareholders of the Company as directors and major shareholders of the company. However, the company held a meeting of the Board of Directors, No. 1/2555, on September 17, 2012, with a resolution from the meeting "Considered and approved to establish a business policy that will not compete with East Coast Furnitech Co., Ltd." in order to prevent potential conflicts of interest. Currently, there is no business operation and it is in the process of

liquidation and closing down the business.

2. East Coast Design Co., Ltd. (ECD)

Established on July 12, 1996, to operate the business of manufacturing and distributing furniture both domestically and internationally and to import or export all types of furniture as well as related materials and equipment, with registered capital and paid-up capital of 14,000,000 Baht. The company has the names of directors and major shareholders of the Company as directors and major shareholders of the company. However, the company held a meeting of the Board of Directors, No. 1/2555, on September 13, 2012, with a resolution from the meeting "Considered and approved to establish a business policy that will not compete with East Coast Furnitech Co., Ltd." in order to prevent potential conflicts of interest. Currently, there is no business operation and it is in the process of liquidation and closing down the business.

3. V-Shat Decor Co., Ltd. (VCD)

Established on April 19, 2002, to operate the main business as a manufacturer and distributor of wood veneer paper and provide wood edge banding (PVC) cutting services for sale to general furniture factories, with registered capital and paid-up capital of 27,000,000 Baht. The company has the names of directors and major shareholders of the Company as directors and major shareholders of the company. However, the company held a meeting of the Board of Directors, No. 1/2555, on September 12, 2012, with a resolution from the meeting "Considered and approved to establish a business policy that will not compete with East Coast Furnitech Co., Ltd." in order to prevent potential conflicts of interest. Currently, there is no business operation and it is in the process of liquidation and closing down the business.

4. V-Shat Industry Co., Ltd. (VCI)

Established on June 26, 2002, to operate the main business as a manufacturer and distributor of dried processed rubberwood, with registered capital and paid-up capital of 14,000,000 Baht. The company has the names of directors and major shareholders of the Company as directors and major shareholders of the company. However, the company held a meeting of the Board of Directors, No. 1/2555, on September 14, 2012, with a resolution from the meeting "Considered and approved to establish a business policy that will not compete with East Coast Furnitech Co., Ltd." in order to prevent potential conflicts of interest. Currently, there is no business operation and it is in the process of liquidation and closing down the business.

5. B.V. Parawood Co., Ltd. (BV)

Established on October 25, 2002, to operate the business of selling processed wood, sawmills, and wood drying kilns, with registered capital and paid-up capital of 2,000,000 Baht. The company has the names of directors and major shareholders of the Company as directors and major shareholders of the company. However, the company held a meeting of the Board of Directors, No. 1/2555, on September 11, 2012, with a resolution from the meeting "Considered and approved to establish a business policy that will not compete with East Coast Furnitech Co., Ltd." in order to prevent potential conflicts of interest. Currently, there is no business operation and it is in the process of liquidation and closing down the business.

East Coast Furnitech Public Company Limited, as the "Promisee," entered into a Memorandum of Agreement on December 26, 2012, with East Coast Industry Co., Ltd., East Coast Design Co., Ltd., V-Shat Decor Co., Ltd., V-Shat Industry Co., Ltd., and B.V. Parawood Co., Ltd., each as the "Promisor." The summary of the Memorandum of Agreement is as follows:

1. The Promisor agrees not to engage in any business in the sale, transfer, mortgage, pledge, or exchange of assets of the same type, model, and kind of goods or products as the Promisee that the Promisee has been operating before or after the Promisor.
2. The Promisor agrees not to manufacture processed wood, dried wood, veneer, and other types of wood, as well as furniture, appliances made from particle board, rubberwood, and all other materials and equipment, including the sale of such products domestically or for export.
3. The Promisor agrees not to manufacture surface and edge banding paper and PVC, including the sale of such products domestically or for export.
4. The Promisor agrees not to import or export dried processed rubberwood, veneer, other types of wood, particle board furniture, rubberwood furniture, surface and edge banding paper and PVC of all types, as well as all related materials and equipment.
5. The Promisor agrees not to engage in any business under the objectives of East Coast Furnitech Public Company Limited or conduct any other activities that constitute competition in trade.
6. If the Promisor fails to comply with the Memorandum of Agreement made with the Promisee, according to Clauses 1 to 5, the Promisor agrees to pay a penalty of 5 million Baht to the Company (which the value of 5 million Baht, the Promisee has considered and deemed appropriate and acceptable, since all 4 companies currently have no income from business operations) with an interest of 7.5 percent per year from the date the Promisor breaches the contract and fails to comply with the Memorandum of Agreement made to the Promisee. And if the Promisor fails to comply with the Memorandum of Agreement, and if any damage is caused to the Promisee, the Promisor agrees to compensate the Promisee and allows the Promisee to take legal action in all cases.

6. Index Living Mall Co., Ltd. (Public)

Established on February 15, 1994, to operate the furniture manufacturing and distribution business, with registered capital and paid-up capital of 2,525,000,000 Baht. The company has Ms. Kritsanok Pattamasatayasathi as a director and major shareholder in the company. Ms. Kritsanok is the spouse of Mr. Patcharapong Suksuwat (formerly: Mr. Araks Suksuwat), who holds the position of shareholder, director, authorized director, and executive of the Company.

7. Index Interfurn Co., Ltd.

which is a company in the group of Index Living Mall Co., Ltd. (Public) established on July 1, 1972, to operate the furniture manufacturing and distribution business, with registered capital and paid-up capital of 960,000,000 Baht. The company has Ms. Kritsanok Pattamasatayasathi as a director and major shareholder in the company. Ms. Kritsanok is the spouse of Mr. Patcharapong Suksuwat (formerly: Mr. Araks Suksuwat), who holds the position of shareholder, director, authorized director, and executive of the Company.

In order to prevent potential conflicts of interest that may arise in the event that Mr. Araks Suksuwat and his spouse, Ms. Kritsanok Pattamasatayasathi, each of whom is involved as a director, executive, and major shareholder in a business of the same nature, Mr. Patcharapong Suksuwat (formerly: Mr. Araks Suksuwat), as the Promisor, has entered into an agreement with East Coast Furnitech Public Company Limited, as the Company. The main points of the agreement are as follows:

1. The Promisor agrees that while holding the position of Authorized Director, Executive Director, and Managing Director of the Company and/or still being an employee of the Company, the Promisor shall perform his/her duties in accordance with the law, the objectives, and the regulations of the Company, as well as the resolutions of the shareholders' meeting, with honesty and integrity, and protect the interests of the Company.

2. The Promisor further agrees that while holding the position under Clause 1 and/or still being an employee of the Company, the Promisor shall not engage in any activity that is of the same nature and competes with the business of the Company or become a shareholder of the Company or a partner in a general partnership or an unlimited liability partner in a limited partnership or a director of a private company or other company carrying on business of the same nature and/or competing with the business of the Company, whether for his/her own benefit or for the benefit of others, according to the Company's Articles of Association, the Public Limited Company Act, the Securities and Exchange Act, and other relevant laws, unless the shareholders' meeting has been notified prior to the resolution appointing the Promisor as a director of the Company or with the consent of the Board of Directors or the shareholders' meeting of the Company, as the case may be, according to the Articles of Association and/or relevant laws.

In the event that the Promisor fails to comply with the aforementioned terms and conditions, the Company shall have the right to claim damages that the Company has suffered from the actions of the Promisor. The lawsuit must be filed within 1 year from the date the Company or the shareholders mentioned in the following paragraph become aware of the violation and no later than 2 years from the date of the violation.

In the event that the Company does not exercise the right to claim damages as mentioned above, the Promisor agrees that one or more shareholders holding not less than 5 percent of the total issued shares may notify the Company in writing to proceed with the claim. If the Company does not proceed as notified by the shareholders within 1 month from the date of notification or the statute of limitations according to the second paragraph is less than 1 month, such shareholders may exercise the right to claim on behalf of the Company.

3. If in the future, the Promisor receives information or is offered information regarding the furniture manufacturing and distribution business that has potential and is interesting for investment, the Promisor agrees to present it to the Board of Directors of the Company for sole consideration. Even if the Board of Directors of the Company does not consider investing in such furniture manufacturing and distribution business, the Promisor will not invest with any person, jointly invest, or hold any shares by himself/herself, even if the investment conditions are less favorable.

1.3.4 Shareholders

List of major shareholders

Group/List of major shareholders	Number of shares (shares)	% of shares
1. MISS THUNYARUT (TIPPAWAN) SUKSAWAD	147,560,550	15.38
2. MR. PACHARATANAPONG SUKSAWAD	122,300,350	12.75
3. MR. KITTIPHAT (CHALEE) SUKSAWAD	73,086,200	7.62
4. MR. CHALEE SUKSAWAD	66,996,550	6.98
5. MR. NATPAPAT KESCHAIMONGKOL	43,000,000	4.48
6. MR. ALUT THANASUWANDITE	24,000,000	2.50
7. MR. WANLOP SUKSAWAD	23,538,800	2.45
8. THAI NVDR COMPANY LIMITED	16,996,687	1.77
9. MRS. KUNTHONG UDOMMAHUNTISUK	10,000,000	1.04

Group/List of major shareholders	Number of shares (shares)	% of shares
10. MRS. WASSANA VIRIYATORNPAN	9,384,500	0.98
11. MRS. THITAREE UTTAMAMONGKOLCHAI	8,500,000	0.89
12. MR. THIKUMPORN AROONNGAMWONG	7,799,900	0.81
13. MR. THIKAYU AROONNGAMWONG	7,799,800	0.81
14. MISS TUSSANEE WONGJIRAT	7,204,000	0.75
15. MRS. WARAPORN SUKSAWAT	6,283,100	0.65
16. MR. CHANYA LEERUNGRUANGPORN	6,010,000	0.63
17. MR. WIROTE ONKONG	5,400,000	0.56
18. MR. KHANUENGNIT CHINDA	5,050,000	0.53
19. MR. NUMCHAI WANNAVISUT	4,892,000	0.51

Major shareholders' agreement

Does the company have major shareholders' : No
agreements?

1.4 Amounts of registered capital and paid-up capital

1.4.1 Registered capital and paid-up capital

Registered capital and paid-up capital

Registered capital (Million Baht)	:	359.82
Paid-up capital (Million Baht)	:	239.88
Common shares (number of shares)	:	959,505,648
Value of common shares (per share) (baht)	:	0.25
Preferred shares (number of shares)	:	0
Value of preferred share (per share)	:	0.00

Has the company listed in other stock exchange?

Has the company listed in other stock exchange? : No

1.4.2 Other types of share whose rights or terms differ from those of ordinary share

Other types of share whose rights or terms differ from those of
ordinary share : No

1.4.3 Shareholding by Thai NVDR Company Limited (NVDR)

Are shares held by Thai NVDR Company Limited (NVDR)? : Yes

Number of shares (Share)	:	17,482,587
Calculated as a percentage (%)	:	1.82

The impacts on the voting rights of the shareholders

There is no impact as NVDR's shareholding is not significant.

1.5 Issuance of other securities

1.5.1 Convertible securities

Convertible securities : Yes

Convertible securities

Item 1	
Name of warrant and convertible debenture	The Warrant(s) to purchase ordinary shares of East Coast Furnitech Public Company Limited No. 5 (ECF-W5), issued in name certificate and transferable or Warrant Substitute, which details are specified in Terms and Conditions (ECF-W5)
Issuance date	30 Jul 2024
Maturity date	29 Jul 2025
Exercise ratio (unit:share)	1 : 1
Exercise price (baht:share)	0.55
Exercise date	The Warrant Holders can exercise their rights to convert into the Company's ordinary shares according to the following scheduled date: 1. 30 November 2024 2. 30 March 2025 3. the last exercise date will be on the same date as the expiration date of the Warrant which is 29 July 2025.
Notification period for the intention to exercise the warrants	Between 9:00 a.m. and 3:30 p.m. of every business day, within 5 (five) business days before each exercise date, except in the case of the last exercise date notification of intent, in which case the period shall be 15 (fifteen) days before the last exercise date.
Number of warrants issued (units)	479,742,753
Number of the newly issued ordinary shares to accommodate the exercise of warrants (shares)	479,742,753
Number of unexercised warrants (units)	479,742,753
Number of remaining shares reserved (shares)	479,752,824
Additional details	-

1.5.2 Debt securities

Debt securities : Yes

Debenture

Item 1	
Debenture name	Bond No. 1/2022, Series 2, due for redemption in 2025
Debenture type	Senior Debenture
Maturity (year)	3

Item 1	
Maturity date	9 June 2025
Interest rate (% per annum)	7.4
Outstanding debenture (million baht)	389.02
Additional details	-
Item 2	
Debenture name	Bond No. 1/2022, Series 3, due for redemption in 2025
Debenture type	Senior Debenture
Maturity (year)	3
Maturity date	9 June 2025
Interest rate (% per annum)	7.3
Outstanding debenture (million baht)	240.5
Additional details	-
Item 3	
Debenture name	Bond No. 1/2023, Series 2, due for redemption in 2025
Debenture type	Senior Debenture
Maturity (year)	2
Maturity date	11 May 2025
Interest rate (% per annum)	7.05
Outstanding debenture (million baht)	74.8
Additional details	-
Item 4	
Debenture name	Bond No. 1/2023, Series 3, due for redemption in 2026
Debenture type	Senior Debenture
Maturity (year)	3
Maturity date	11 May 2026
Interest rate (% per annum)	7.15
Outstanding debenture (million baht)	25.2
Additional details	-

Item 5	
Debenture name	Bond No. 2/2023, Series 1, due for redemption in 2025
Debenture type	Secured Debenture
Maturity (year)	1.5
Maturity date	17 May 2025
Interest rate (% per annum)	7.3
Outstanding debenture (million baht)	179
Additional details	-
Item 6	
Debenture name	Bond No. 2/2023, Series 2, due for redemption in 2026
Debenture type	Secured Debenture
Maturity (year)	2.25
Maturity date	17 February 2026
Interest rate (% per annum)	7.6
Outstanding debenture (million baht)	28
Additional details	-
Item 7	
Debenture name	Bond No. 2/2023, Series 3, due for redemption in 2028
Debenture type	Secured Debenture
Maturity (year)	5.01
Maturity date	17 November 2028
Interest rate (% per annum)	9
Outstanding debenture (million baht)	49.5
Additional details	-

1.6 Dividend policy

The dividend policy of the company

The Company has a policy to pay dividends at a rate of not less than 40 percent of net profit after deducting corporate income tax from the Company's financial statements and legal reserves as specified in the Company's regulations. However, such dividend payments may be changed depending on the Company's operating results, financial position, liquidity, and investment plans, including factors related to management, necessity, and other appropriateness in the future. Such dividend payment is under the authority of the Company's Board of Directors to consider. The resolution of the Company's Board of Directors regarding the approval of dividend payment must be presented to the shareholders' meeting for consideration, except in the case of interim dividend payment, in which the Company's Board of Directors has the authority to approve the interim dividend payment. Still, it must notify the shareholders' meeting at the next meeting.

The dividend policy of subsidiaries

The board of directors of a subsidiary may consider paying annual dividends of the subsidiary, subject to approval from the shareholders' meeting of the subsidiary, except for interim dividends, which the board of directors of the subsidiary may resolve to approve the payment of dividends from time to time when it believes that the subsidiary has sufficient profits to pay dividends. The subsidiary's board of directors will report to the shareholders' meeting of the subsidiary at the next meeting. The board of directors of the subsidiary will consider paying dividends after taking into account various factors for the benefit of shareholders, such as profits from the subsidiary's operations and financial position, reserves for future investment, reserves for loan repayments or working capital within the subsidiary, and the payment of dividends will not significantly affect the normal operations of the subsidiary, as the board of directors of the subsidiary deems appropriate and suitable.

Historical dividend payment information

	2020	2021	2022	2023	2024
Net profit per share (baht : share)	0.0400	0.0500	0.0400	-0.1500	0.0000
Dividend per share (baht : share)	0.0100	0.0200	0.0100	0.0100	0.0000
Ratio of stock dividend payment (existing share : stock dividend)	0.0000	0.0000	0.0000	0.0000	0.0000
Value of stock dividend per share (baht : share)	0.0000	0.0000	0.0000	0.0000	0.0000
Total dividend payment (baht : share)	0.0100	0.0200	0.0100	0.0100	0.0000
Dividend payout ratio compared to net profit (%)	1.26	0.66	0.89	1.08	0.00

2. Risk management

2.1 Risk management policy and plan

Risk management policy and plan

Risk Management Policy and Plan

The company's risk management policy and plan have been prepared to enable the company's executives and employees to respond and operate in critical situations or events that may result in the organization's inability to operate continuously or may affect the overall performance and operating results of the company. This is to enable the company to operate continuously and efficiently, reduce the impact of damage or loss that may occur, and to ensure that operations are efficient and systematic. Risk management is a function in which every task must be assessed for risk before implementation. It must consider the risk response in advance for the main tasks according to the normal duties that require proactive risk monitoring together. Risk management is part of the normal responsibilities that must be acknowledged and accepted by those involved in the Pre-Decision manner. If the organization, at all levels, from the Board of Directors, the Risk Management Committee, executives, and employees, are aware of their risk management duties in advance before risk events occur in all aspects, risk management will be an important guideline that can reduce the impact of damage to the organization in terms of operating results, image, safeguarding the interests of all stakeholders, society, and the community. This will help enhance the way of doing business to create sustainability for the organization in the long run.

With the following key objectives:

1. To serve as a guideline for business continuity management in various critical situations that may arise.
2. To ensure that the company is prepared to deal with various critical situations or emergencies that may arise.
3. To reduce the impact of disruptions to the company's operations.
4. To mitigate damage to an acceptable level and reduce the severity of the impact.
5. To provide guidelines for monitoring, tracking, and assessing risks that may affect the achievement of the company's vision, objectives, goals, or operational strategies to enhance the organization's sustainable development continuously.

Risk Management Policy

1. Risk management is the responsibility of the board of directors, executives, and employees at all levels who must be aware of the risks that exist or may arise within their departments and to the organization as a whole. Importance is given to managing various risks to an adequate and appropriate level.
2. Establish an enterprise risk management process that complies with good international practices to effectively manage risks that may affect the organization's operations, resulting in the development and implementation of risk management throughout the organization in the same direction by incorporating the risk management system as part of the decision-making, strategic planning, work plans, and operations of executives and employees of the company, including focusing on achieving the objectives, goals, vision, mission, and strategies set to create excellence in operations and build confidence among the company's stakeholders.
3. Establish guidelines for preventing and mitigating risks from the company's operations to avoid potential damage or loss, including regular monitoring and evaluation of risk management. Implement information technology systems in the company's risk management process and encourage personnel at all levels to have access to risk management information sources. Establish a risk management reporting system for the risk management committee, executives, and the internal control audit unit to be effective

and consistent.

The organization's risk management plan consists of 8 steps:

1. Control Environment
2. Objective Setting
3. Event Identification
4. Risk Assessment
5. Risk Response
6. Control Activities
7. Information and Communication
8. Monitoring

Risk Management Structure

To ensure that risk management can be implemented effectively and efficiently, a risk management unit has been established in the organization to coordinate with the internal control auditor and the company's risk management committee. The duties and responsibilities are as follows:

1. The risk management unit has the overall responsibility for overseeing risk management within the organization.
2. The Secretary of the Risk Management Committee is responsible for monitoring and supporting the Risk Management Committee in performing its risk management duties to ensure that the risk management system is appropriate and effective.
3. The Risk Management Committee has the following scope, authority, and responsibilities:
 - 3.1 Implement the risk management policy set by the Board of Directors, risk assessment, and systematic risk prevention and monitoring guidelines in the furniture industry to reduce the likelihood of damage to the organization to an acceptable level by focusing on creating a risk management culture within the organization.
 - 3.2 Advise and support the Board of Directors in establishing risk management policies, the organization's risk appetite, and risk tolerance.
 - 3.3 Review and examine risk management reports to ensure that risks are adequately and appropriately addressed and are within the organization's acceptable level.
 - 3.4 Perform other duties as assigned by the Board of Directors.

3.5 The Risk Management Committee shall meet at least twice a year and report to the Audit Committee and the Board of Directors.

Policy Review

Executives and teams with risk management responsibilities within the organization must review the risk management policy annually and submit it to the Risk Management Committee for review and approval if there are any changes. Interested parties can learn more about the risk management policy at www.eastcoast.co.th under Sustainability Development and Corporate Governance, respectively.

Link for risk management policy and plan : https://www.eastcoast.co.th/wp-content/uploads/2022/03/%E0%B8%99%E0%B9%82%E0%B8%A2%E0%B8%9A%E0%B8%B2%E0%B8%A2%E0%B9%81%E0%B8%A5%E0%B8%B0%E0%B9%81%E0%B8%9C%E0%B8%99%E0%B8%81%E0%B8%B2%E0%B8%A3%E0%B8%9A%E0%B8%A3%E0%B8%B4%E0%B8%B%E0%B8%B2%E0%B8%A3%E0%B8%84%E0%B8%A7%E0%B8%B2%E0%B8%A1%E0%B9%80%E0%B8%AA%E0%B8%B5%E0%B9%88%E0%B8%A2%E0%B8%87_upload-web.pdf

Link Page Number : 1

2.2 Risk factors

2.2.1 Risk that might affect the company's business, including environmental, social and corporate governance issues

Risk 1 Strategic and Operational Risks

Related risk topics : Strategic Risk

- Policies or international agreements related to business operations
- Competition risk
- Economic risk
- New business risk

Risk characteristics

International policies or agreements related to business operations

In late 2024, India implemented the Bureau of Indian Standards (BIS) to regulate the quality and safety of imported and domestically produced goods. The BIS standard covers a wide range of products and includes both mandatory and voluntary standards. Exporters from foreign countries, including Thai manufacturers, must obtain BIS certification before bringing their products to the Indian market. This has an impact on the Thai furniture industry, which relies heavily on exports, especially to the US, Japan, and China markets. However, the BIS standard may cause Thai entrepreneurs who want to expand their market to India to face obstacles in terms of costs and complex certification processes.

Competition / Increase in competitors / Ease of market entry for new traders

In terms of competition, in the group of furniture manufacturers and distributors, there are no less than 10 major players who are key players in the industry. When comparing the target customer groups of these key players with the Company, it is found that they are not the same customer group as the Company. In other words, some operators operate businesses as furniture manufacturers and deliver products for sale in the form of large furniture retail stores that sell products under their brands by selling products directly to furniture users (End-user), which are not direct competitors of the Company because they have different target customer groups. While some will focus on producing a full range of furniture products covering almost every type of furniture, with sales through showrooms and various real estate project customers, some operators will produce furniture to support orders from a single major retailer. In addition, some large operators in the group are furniture manufacturers, but they also produce other types of furniture that are not made of wood, such as wicker furniture, plastic furniture, etc. Therefore, it can be said that most of the operators in the group of large operators in Thailand are not direct competitors of the Company because they have different target customer groups. Considering furniture manufacturers and distributors that have the same target customer group as the Company, which are large retailers (Hypermarket), there are currently only 4 companies with products sold in Hypermarkets. However, since all 4 manufacturers are medium to small furniture factories with limited order capacity and no operator has sales close to the Company. In addition, the Company's sales revenue over the past period, mostly or more than 50 percent, has been from production for sale to customers abroad. Therefore, the Company considers foreign competitors to be important. Currently, the Company estimates that there should be only one company with a similar business model to the Company and located in the ASEAN region, including having the same target customer group abroad, which is HEVEA PAC Malaysia SDN BHD, Malaysia.

Economic uncertainty

Economic uncertainty can directly impact the furniture business in many ways, both in terms of domestic demand, exports, and production costs.

Risks from investing in new businesses

The Company has invested in Digital Identity Company Limited by holding 25 percent of the shares. The company provides identity verification services for both Thai and foreign nationals and other services related to identity verification, such as passport verification, facial verification against databases, etc. It also provides consulting services, designs and installs software and hardware systems, including other related products.

Risk-related consequences

International policies or agreements related to business operations

The main risks from the BIS standard include:

1. Increased certification costs and time, as manufacturers must undergo factory inspections by Indian officials. There are fees for certification applications and product testing. An agent must be appointed in India to handle the BIS certification application process.
2. Stringent quality regulations. If Thai products do not meet BIS standards, they may be banned from importing, resulting in lost trade opportunities. Production processes must be improved to comply with Indian requirements.
3. Intense competition from domestic manufacturers in India. The BIS standard may be a trade barrier that helps protect the domestic furniture industry. Manufacturers in India may have an advantage in terms of cost and ease of regulatory compliance.

Competition, increasing the number of competitors/ease of entry for new entrants

Regarding the company's competitive situation and potential in 2024, it is still considered not to be at a disadvantage compared to competitors. In addition, the company was able to maintain revenue levels without losing market share. Orders received from foreign customers under various circumstances that occurred in 2024, including the war situation, inflation, cost of living, and rising oil prices, remained acceptable, despite a decrease of approximately 2% from the previous year. There are still ongoing business contacts. Considering the market share of both exports and domestic sales, in 2024, the company did not experience any significant loss of market share. Coupled with building good relationships with buyers, as well as focusing on product quality, along with production that can meet customer needs in the desired quantity, most foreign customers have continued to order products from the company for more than 10 years.

Economic uncertainty

Potential impacts include:

1. Sluggish domestic purchasing power

The Thai economy continues to face a slowdown. Although economic stimulus measures and tourism have helped alleviate some problems, the sluggish real estate sector continues to affect the furniture business. This is due to the continued decline in purchasing demand from the residential sector, which directly impacts domestic sales.

2. Rising production costs for businesses

Furniture faces higher raw material costs, especially rubberwood, which is the main raw material for wood furniture production. This forces manufacturers to face increased production costs and the need to adjust selling prices higher, which may cause consumers to delay their purchasing decisions.

3. Export markets that have not fully recovered

Although the US market is showing signs of recovery, other major markets such as Japan, which is a major overseas customer of the company, are still under pressure from declining purchasing power. Coupled with global economic problems affecting the supply chain and international transportation costs, it may be more difficult for Thai furniture exports to grow.

4. Declining private and public investment

Domestic investment continues to decline. In the first half of 2024, private investment decreased by 0.9%, and public investment decreased by 16.7%. This means that the demand for furniture in the business sector and government projects may decline, posing challenges for manufacturers in this industry.

5. The furniture industry's recovery remains below average

Although furniture production in the first 4 months of 2024 increased by 12.5% from the same period last year, it is still significantly lower than the average for the first 4 months of 2020-2022. This shows that the industry is still in a slow recovery phase and has not yet returned to pre-crisis levels.

Risks from investing in new businesses

If the investment in the new business or Digital Identity Co., Ltd. is unsuccessful or incurs a loss, it will affect the

company's overall net profit line, which will have to recognize such losses incurred in proportion to the 25% investment.

Risk management measures

International policies or agreements related to business operations

Risk management approach is to study the details of the BIS standard carefully, and prepare complete documents, Collaborate with agents in India to ensure a smooth certification process. Improving product quality to comply with BIS standards to reduce trade barrier risks. Considering looking for other export markets with less stringent standards than India, such as Malaysia, Canada, and Taiwan, which are currently showing high growth potential.

Competition, increase in competitors/ease of doing business for new entrants

The Company is well aware of the strengths of its competitors abroad. The main competitors are a group of manufacturers in Malaysia and Vietnam. Malaysia will have the advantage of focusing on made-to-order production, producing and selling in large quantities. Using modern technology to assist in the production process, labor costs and shipping costs are not high. While Vietnam will focus on made-to-order production as well, labor costs are low. But the weakness is that it has to rely on imported raw materials. To create an advantage for the company, the company is well aware of creating a foothold for its products. By keeping up with changing consumer behavior trends, including adapting to product production formats that support such needs. Finding ways to reduce costs and expenses to continuously decrease, including finding ways to add value to products (Value Added) to be able to compete with the advantages in various aspects compared to competitors.

Economic uncertainty

Risk mitigation measures to address economic uncertainty are as follows:

1. Market and distribution channel diversification. Reduce reliance on declining markets such as Japan, by turning to penetrate new markets with growth potential
2. Increase online distribution channels (E-Commerce) to reach customers directly. Develop the company's website to support online ordering and customize products as needed.
3. Cost management and production efficiency improvement. Reduce raw material and logistics costs. Procurement of substitute raw materials or synthetic materials that are cheaper or can be reused. Finding ways to manage inventory more efficiently and reduce storage costs. Use Lean Manufacturing to reduce waste and increase production line efficiency.
4. Improve product quality and standards. Comply with international standards, including other relevant standards to increase credibility. Development of environmentally friendly furniture
5. Cash flow management and financial stability. Find ways to manage cash flow effectively. Find ways to reduce financial costs.
6. Personnel and organizational capacity development to be ready to cope with changes and the development of new technologies that increase the ability to compete sustainably.

Risks from investing in new businesses

The Company has sent representatives from the Company to be executives in the said joint venture company (Digital Identity Company Limited) to be able to jointly manage, supervise, manage various matters, and be informed of various progress related to business operations closely. To be able to receive information that occurs in such a business quickly and on time.

Risk 2 Operational Risk

Related risk topics : Operational Risk

- Reliance on employees in key positions
- Shortage or reliance on skilled workers
- Shortage or fluctuation in pricing of raw materials or productive resources
- Product obsolescence

Risk characteristics

Reliance on personnel in key positions

The Company started its business with the founding of Mr. Wallop Suksawat and has continuously expanded its business through the professional management of the Suksawat family management team. Throughout the more than 20 years of business operations, the company's executives have built credibility for the business and built good relationships with customers both domestically and internationally.

Shortage or reliance on skilled labor

The Company operates a furniture and surface paper manufacturing and distribution business. Production labor is an important part of the company's business as it is a labor-intensive business.

Shortage or price volatility of raw materials or production factors

The main raw materials in the company's furniture production are particle board, MDF, and rubberwood. If there is volatility or shortage of raw materials, it will affect the Company's production cost structure.

Occurrence of obsolete inventory

The Company's operating results may be affected if there is an allowance for obsolete inventory, which arises from inventory counting and finding deteriorated goods.

Risk-related consequences

Reliance on personnel in key positions

The Company may therefore be exposed to the risk of relying on the Company's key executives in terms of management. If there is a change in key executives, it may affect the Company's operations.

Shortage of or reliance on skilled labor

Having a large workforce inevitably affects production costs and the business's competitiveness. During the year, workers may change jobs, and the company is constantly expanding and adjusting its production processes to find ways to continuously improve production efficiency. This may result in an increase/decrease in labor turnover, which may affect production capacity in some periods.

Shortage or price volatility of raw materials or production factors

If the price of main raw materials, such as particle board, MDF, or rubberwood, fluctuates or increases significantly, it may affect the company's production cost structure as well.

Product obsolescence

If an allowance for obsolete inventory is recognized, which arises from the inspection of goods and the discovery of damaged goods, it will affect the overall operating results of the company.

Risk management measures

Dependence on key personnel

The Company acknowledges this risk and has established a succession plan and encourages its employees to express their opinions and perform their duties to their fullest potential. The Company has a Nomination Committee to monitor the progress of this matter and to encourage teamwork to enhance work potential and efficiency. This is done under appropriate and sufficient remuneration considerations, along with an emphasis on training employees at all levels to have equal and consistent work understanding. The Company also promotes and assigns employees to higher positions to support the Company's management. Therefore, the Company is confident that it will be able to reduce its reliance on key executives in the future.

Shortage or reliance on skilled labor

The Company is aware of this risk and has established guidelines to prevent labor shortages. To date, the Company has not

experienced such problems. In addition, the Company plans to improve its production lines by importing machinery with modern technology to make the production process more automated (Automatic System) continuously. It is expected that these guidelines will help mitigate the impact of potential labor shortages to a certain extent, as well as help prevent labor risks in the future.

Shortage or price fluctuation of raw materials or production factors

The Company has a policy of controlling the purchase and use of raw materials in its cost of production structure on a regular basis, as well as continuous waste management within the factory, to help mitigate the impact that may occur during periods of fluctuating or rising raw material prices.

Obsolete Inventory

To prevent the impact of obsolete inventory, which could lead to the establishment of an allowance for obsolete inventory, the Company has planned the following measures:

1. Efficient inventory management, producing goods according to customer orders to reduce potentially obsolete inventory, using the First-In, First-Out (FIFO) system, real-time inventory data analysis, designing a system to track remaining inventory, and setting up alerts for unsold items.

2. Developing and designing adaptable products, reducing the risk of obsolescence by making products versatile, designing products to be functionally adaptable, such as tables that convert into shelves or sofas that convert into beds, choosing recyclable materials, and keeping abreast of design trends and consumer behavior.

3. Using marketing strategies to speed up inventory turnover, organizing promotions for stock items, using discount strategies or special packages, expanding new markets for existing inventory. If some product models are becoming less popular in the original market, distribution in markets with demand, such as organizations, schools, or second-hand furniture stores, may be considered.

4. Including prudent accounting planning, setting aside an allowance for obsolete inventory in advance, inspecting expired inventory, and finding ways to dispose of it before it becomes obsolete, and setting targets for appropriate inventory turnover.

Risk 3 Compliance Risk

- Related risk topics : Compliance Risk
- Change in laws and regulations
 - Corporate Governance

Risk characteristics

Changes in Business Regulations and Laws

The Company must comply with the rules, regulations, and laws related to conducting business that are currently in effect or that may change in the future to ensure smooth business operations and legal compliance.

Corporate Governance

The Company is a listed company on the Stock Exchange of Thailand, which is regulated by agencies such as the Securities and Exchange Commission and the Stock Exchange of Thailand, which oversee and issue rules and regulations related to good corporate governance.

Risk-related consequences

Changes in Business Regulations and Laws

If the Company has any deficiencies or fails to comply with the rules, regulations, and laws related to business operations that have changed, it may affect the Company's business operations or fines that may have to be paid to the relevant authorities.

Corporate Governance

If the Company has any deficiencies or corporate governance that does not comply with the requirements of the regulators or relevant laws, it may affect the Company's business operations.

Risk management measures

Changes in business regulations and laws

The Company has established a unit responsible for overseeing the Company's operations, which is a collaboration between the Company Secretary Unit, the Compliance Unit, and the Accounting and Finance Unit. This unit is responsible for ensuring that the Company complies with laws, Stock Exchange regulations, or regulations of government agencies and relevant regulatory bodies correctly. In the past, the performance in this area has been in accordance with the plan.

Corporate Governance

The Company places importance on disclosing material information to reduce risks and prevent stakeholder expectation issues. This includes ensuring that shareholders or retail investors in the Company's securities have equal and timely access to important information for making investment decisions, without creating an advantage for any particular group. In addition, the Company places importance on compliance with internal control measures through the issuance of corporate governance policies in various areas, such as the Charters of the Board of Directors and all sub-committees, the Corporate Governance Policy, which the Board of Directors will review annually, as well as the Company's Code of Business Conduct, the Code of Business Conduct for Directors, Executives, and Employees, the Policy on the Retention and Use of Inside Information, and the Anti-Corruption Policy. These are part of the corporate governance policies that will help ensure that the Company has considered and prioritized the prevention of potential corporate governance risks and to minimize the impact on the Company's business operations.

Risk 4 Other Financial Risks

Related risk topics : Financial Risk

- Insufficient sources of funding
- Fluctuation in exchange rates, interest rates, or the inflation rate
- Liquidity risk

Risk characteristics

Risk from insufficient capital / from a lack of liquidity in business operations

If the Company is unable to secure sufficient funding for its operations or experiences a shortage of liquidity in its business operations, it may adversely affect the Company's overall operating results, leading to a decline or a net loss.

Volatility in exchange rates / interest rates / inflation rates

Fluctuations in exchange rates, interest rates, or inflation rates that change in an unfavorable direction and do not positively impact the Company's business operations.

Risk-related consequences

Risk from insufficient capital / lack of liquidity in business operations

If the Company is unable to obtain sufficient funding sources for its business operations or experiences a lack of liquidity, such as being unable to secure funds to purchase raw materials for production or to pay off liabilities arising from borrowing in accordance with the conditions of financial institutions or the Company's creditors, it may adversely affect the Company's overall operating results, leading to a decline in performance, operating losses, or negative impacts on the Company's business image.

Fluctuation of exchange rates / interest rates / inflation rates

Fluctuations in exchange rates, interest rates, or inflation rates, if they change in a direction that is not favorable to the Company's business, will affect the Company. It will be impacted by the appreciation of the currency, resulting in a decrease in export revenue, as the Company's export proportion accounts for 40 percent of its total sales revenue at present. Additionally, rising interest rates affect the Company's financial costs, and rising inflation will impact the purchasing power of consumers within the Company's customer base.

Risk management measures

Risk from insufficient capital / liquidity shortage in business operations

Measures to manage the risk of liquidity shortage and insufficient capital. Liquidity shortage is one of the key risk factors that could affect the Company's business operations, especially during economic uncertainty. To prevent this problem, the Company has established both short-term and long-term risk management measures as follows:

1. Effective cash flow management through cash flow forecasting by preparing monthly cash flow projections to assess funding needs and identify potential liquidity issues. Accelerate accounts receivable collection by implementing stricter credit policies, requiring customers to pay upfront or within a shorter period. Offer cash discounts as an incentive for customers to pay faster. Negotiate extended payment terms with suppliers (Accounts Payable Management) to reduce cash flow pressure.
2. Securing reserve funds through seeking support from financial institutions, using assets as collateral, considering seeking co-investors, and exploring Private Equity or Venture Capital options for business expansion investments.
3. Cost reduction and financial efficiency enhancement through eliminating unnecessary expenses, reviewing existing fixed costs, finding ways to reduce raw material costs by sourcing lower-priced suppliers or finding alternative materials, and increasing revenue from existing assets.
4. Business risk diversification: Reduce reliance on major customers by expanding into other customer segments, developing new products that can generate continuous revenue, adding sales channels using E-Commerce and Marketplace, and developing Business-to-Business sales channels to secure bulk and recurring orders.

Fluctuation of exchange rates / interest rates / inflation rates

In an uncertain economic environment, furniture businesses that import-export or rely on loan capital need to have measures in place to mitigate risks from exchange rate volatility, interest rate fluctuations, and inflation to maintain competitiveness and financial stability. These measures include:

1. Measures to mitigate the risk of exchange rate fluctuations through entering into forward exchange contracts to lock in exchange rates in advance, reducing the risk of the baht depreciating or appreciating. Manage export receipts and foreign currency payments for imports to maintain a balance.
2. Measures to mitigate the risk of interest rate fluctuations through seeking support from financial institutions by considering contracts with fixed interest rates instead of floating rates, accelerating debt repayment, or restructuring debt. If interest rates are likely to rise, consider refinancing options to switch to lower interest rate loans or accelerate principal repayments to reduce interest burdens. Manage cash reserves to cover increased interest expenses.
3. Measures to mitigate the risk of rising inflation through appropriate cost structure and selling price adjustments. If raw material costs increase, product selling prices must be adjusted to reflect the higher costs using current cost data. Alternatively, implement limited-time promotional campaigns to mitigate the impact of inflation. Procure raw materials in advance at a fixed price. Secure forward contracts with suppliers offering fixed prices to mitigate the risk of rising costs. Source alternative suppliers from multiple sources. Develop products that use fewer resources by designing products using less expensive or recyclable materials. Implement policies to increase production efficiency and reduce waste (Lean Manufacturing). Diversify revenue streams and target markets to reduce the risk of inflation impacting customer purchasing power by expanding into countries with lower inflation rates.

2.2.2 Risk to securities holders

Are there any risk factors affecting securities holders? : Yes

Risk 1 Shareholder Investment Risk

Related risk topics : [Risk to Securities Holder](#)

- Other : Currently, due to the impact of business operations on shareholders

Risk characteristics

Investors in the Company's securities may risk not receiving returns or may lose all or part of their investment, which will affect the return on investment. This may result from the Company's operating results, the relevant industry conditions, including economic conditions, which are important factors in determining whether the return on investment will be high or low, as well as the trading situation in the Stock Exchange of Thailand. If the economy expands well and the Company has good operating results, investors in the Company's securities are likely to receive higher returns. On the contrary, if the economy slows down or is in a downturn, and the Company's profits decline from such impact, the returns that investors will receive tend to decrease as well.

Risk-related consequences

The Company's securities investors may experience a decline in investment returns due to various factors affecting the Company's business operations.

Risk management measures

Therefore, investment involves risks, and investors in the Company's securities should closely and comprehensively study relevant information before making investment decisions. Sources of information related to the Company include the Company's website, the Stock Exchange of Thailand's website, the Securities and Exchange Commission's website, as well as direct inquiries from the Company's Investor Relations unit within the framework and conditions of relevant laws and the code of ethics of the investor relations unit as determined by the Company.

2.2.3 Risk to securities holders from investing in foreign securities (applicable to only foreign companies)

Are there any risk factors affecting securities holders : No
from investing in foreign securities?

3. Sustainable Development

3.1 Policy and goals of sustainable management

Sustainability Policy

Sustainability Policy : Yes

East Coast Furniture Public Company Limited (“the Company”) has a sustainability management policy that considers the Global Reporting Initiative (GRI) and the Sustainable Development Goals (SDGs) of the United Nations. This aligns with the objective of “leading the organization towards sustainable development and profit growth with responsibility towards people, society, the environment, and good corporate governance.” This reflects the intention and commitment to drive business while considering good corporate governance, people, the environment, and society. This encompasses prioritizing human rights, labor rights, and anti-corruption, among others. This serves as a guideline for operations and to build understanding and responsibility among stakeholders. Currently, the Company has integrated its sustainability report into its Annual Information Form (Form 56-1 e One Report). For further information, please visit www.eastcoast.co.th Published Document Title

Reference link for sustainability policy : https://www.eastcoast.co.th/wp-content/uploads/2022/03/%E0%B8%99%E0%B9%82%E0%B8%A2%E0%B8%9A%E0%B8%B2%E0%B8%A2%E0%B9%81%E0%B8%A5%E0%B8%B0%E0%B8%AB%E0%B8%A5%E0%B8%B1%E0%B8%81%E0%B8%81%E0%B8%B2%E0%B8%A3%E0%B8%94%E0%B8%B3%E0%B9%80%E0%B8%99%E0%B8%B4%E0%B8%99%E0%B8%87%E0%B8%B2%E0%B8%99%E0%B9%80%E0%B8%9E%E0%B8%B7%E0%B9%88%E0%B8%AD%E0%B8%84%E0%B8%A7%E0%B8%B2%E0%B8%A1%E0%B8%A2%E0%B8%B1%E0%B9%88%E0%B8%87%E0%B8%A2%E0%B8%B7%E0%B8%99%E0%B8%82%E0%B8%AD%E0%B8%87-ECF_EN.pdf

Sustainability management goals

Does the company set sustainability management goals : Yes

The Company has set corporate sustainability management goals that are in line with both short-term and long-term business strategies as follows:

Business Goals The Company sets targets or indicators for the Company's performance, both financial and non-financial, by maintaining the growth rate of sales and operating profit in the furniture business to grow continuously by not less than 10 – 15 percent per year and aiming to become an organization that develops investments to reduce costs in the integrated furniture manufacturing business to build competitive strength, including conducting business ethically, respecting rights and being responsible to shareholders and stakeholders, benefiting society, and reducing environmental impacts, by maintaining a gross profit margin of not less than 25 percent per year for the furniture business. In addition, it must create a level of customer satisfaction with the Company's products of not less than 80 percent, considering the results of the annual customer satisfaction survey.

For the long-term goals, the Company aims to achieve a return from the renewable energy business representing not less than 30 percent of the total net profit of the Company and all subsidiaries within 3 years, including diversifying business risks to other businesses with potential and opportunities for continuous growth, including being a leader in the furniture manufacturing and export business, and being a leader in the furniture distribution business for Hypermarkets customers and the ASEAN region.

United Nations SDGs that align with the organization's : Goal 1 No Poverty, Goal 3 Good Health and Well-being, Goal 4

sustainability management goals

Quality Education, Goal 5 Gender Equality, Goal 6 Clean Water and Sanitation, Goal 7 Affordable and Clean Energy, Goal 8 Decent Work and Economic Growth, Goal 11 Sustainable Cities and Communities, Goal 12 Responsible Consumption and Production, Goal 13 Climate Action, Goal 15 Life on Land, Goal 16 Peace, Justice and Strong Institutions

Review of policy and/or goals of sustainable management over the past year

Has the company reviewed the policy and/or goals of sustainable management over the past year : Yes

Has the company changed and developed the policy and/or goals of sustainable management over the past year : No

In the past year, the company has reviewed its sustainability management policy, including sustainability management goals, to align the content with the current business direction and strategies. However, there have been no changes to the essential substance, and the company has published its sustainability management policies on its website: www.eastcoast.co.th Sustainable Development Topics

3.2 Management of impacts on stakeholders in the business value chain

3.2.1 Business value chain

The value chain of the company's furniture manufacturing and distribution business has a value chain that covers from raw material procurement (upstream) to product delivery to customers (downstream), with stakeholders involved in each step as follows:

1. Primary Activities

1.1 Inbound Logistics

Related to the procurement of main raw materials, namely wood

- Particle board and MDF wood from environmentally certified suppliers
- Accessories such as nuts, screws, fasteners, glue, and coating materials
- Transportation of raw materials to the factory

Stakeholders: Wood and material suppliers and logistics providers

1.2 Operations & Manufacturing

- Designing and developing furniture that is easy to assemble
- Wood cutting and furniture parts forming process
- Coating to increase durability and aesthetics
- Quality control to ensure product standards
- Packaging products as kits for self-assembly

Stakeholders: Product design team, Quality control department, and production staff

1.3 Outbound Logistics

- Storing goods in warehouses
- Inventory management and distribution of goods to retail stores or distribution centers
- Transportation of goods directly to customers (for online channels)

Stakeholders: Warehouse service providers, Transportation service providers (Courier & Freight Forwarder)

1.4 Marketing & Sales

- Marketing through online and offline channels
- Building brands and advertising to reach target groups
- Sales through storefronts, retail stores, and e-commerce platforms
- Customer service and product warranty

Stakeholders: Sales and marketing team, Retailers and dealers, E-commerce platforms

1.5 After-Sales Service

- Providing advice on product assembly
- Product warranty and maintenance services
- Complaint and return management

Stakeholders: Customer service department or after-sales service department

2. Support Activities

2.1 Firm Infrastructure

- Corporate governance and business management
- Cost and financial control
- Risk management

Stakeholders: Executives and investors, Shareholders

2.2 Human Resource Management

- Recruitment and employee skills development
- Training on production and customer service
- Promoting an organizational culture that emphasizes values and innovation

Stakeholders: Employees at all levels, Human Resources Department

2.3 Technology Development

- Product design with 3D CAD software
- Implementing automation and AI in production
- Using Big Data and AI to analyze market trends

Stakeholders: Research and Development (R&D) team, IT team and data analysts

2.4 Procurement

- Selecting suppliers who meet quality and environmental standards
- Contract negotiation and material cost control
- Developing a sustainable Supply Chain

Stakeholders: Material suppliers, Purchasing department

3. Creating value for products and services

The company is committed to creating value for products through

- User-friendly design: Furniture is designed to be easily assembled by oneself.
- Sustainability: Using materials from responsibly managed sources
- Affordability: Reduce costs by using cost-effective raw materials and an efficient transportation system.
- Quality and Durability: Using a standardized production process

- Service Excellence: Providing customer support from purchase to after-sales service

4. Stakeholder Relationships

Customers: Expect good quality products, affordable prices, and easy self-assembly

Suppliers: Need stable cooperation and fair procurement

Investors: Interested in the business performance and competitiveness

Employees: Need job security and career development opportunities

Government and Society: Expect businesses to operate in accordance with the law and take sustainability into account.

3.2.2 Analysis of stakeholders in the business value chain

The company conducts business based on the principles of good governance, respecting rights, and considering the benefits of all stakeholder groups, including strengthening collaboration according to the roles and responsibilities of each group. The company considers both positive and negative impacts, both directly and indirectly, to create satisfaction for all stakeholder groups of the company equally.

Details of stakeholder analysis in the business value chain

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
Internal stakeholders			
<ul style="list-style-type: none"> • Employees 	<p>(1) Fair compensation in line with economic conditions</p> <p>(2) Opportunities and career advancement</p> <p>(3) Development of knowledge and abilities both directly related to career and for continuous life improvement</p> <p>(4) Safety and working environment</p> <p>(5) Work-life balance</p>	<p>(1) Value all employees at all levels and treat them equally.</p> <p>(2) Provide compensation commensurate with knowledge and abilities, along with employee development opportunities.</p> <p>(3) Implement safety, occupational health, and workplace environment policies and plans.</p> <p>(4) Provide employee training and development programs.</p> <p>(5) Respect human rights and fundamental rights, including maintaining the confidentiality of employee information.</p> <p>(6) Provide employees with channels for communication, suggestions, and grievance reporting related to work.</p>	<ul style="list-style-type: none"> • Online Communication • Internal Meeting • Complaint Reception • Employee Engagement Survey • Training / Seminar

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<ul style="list-style-type: none"> • Shareholders 	<ul style="list-style-type: none"> (1) Good Corporate Governance (2) Respect for Rights and Equality (3) Good and Consistent Return on Investment (4) Strong Performance and Business Sustainability (5) Prudent Risk Management 	<ul style="list-style-type: none"> (1) Emphasize and prioritize the fundamental rights of shareholders. (2) Facilitate the exercise of shareholder rights. (3) Ensure accurate, complete, and sufficient information disclosure for decision-making. (4) Operate under the principles of good corporate governance. (5) Provide appropriate and consistent dividend payments in line with actual operating results. (6) Manage the business under the principles of sustainability. (7) Implement comprehensive business risk management plans with prudence and diligence. 	<ul style="list-style-type: none"> • Visit • Press Release • Online Communication • Annual General Meeting (AGM) • Others <ul style="list-style-type: none"> • Announcement of Operating Results through the Opportunity Day hosted by the Stock Exchange of Thailand • Discussion and Q&A session through Investor Relations with designated personnel. • Information disclosure via the Stock Exchange of Thailand's system and the company's website. • Disclose the policy on maintaining the confidentiality of shareholders and/or investors to ensure it is widely disseminated and complies with legal requirements.

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<ul style="list-style-type: none"> • Customers 	<p>(1) Offering a diverse range of products that meet customer needs, with a focus on quality, safety, and appropriate lifespans.</p> <p>(2) Products are manufactured with social and environmental responsibility and are recyclable.</p> <p>(3) Easy access to products through various distribution channels established by the company.</p> <p>(4) Prompt and efficient product availability.</p> <p>(5) Competitive and reasonable pricing.</p> <p>(6) Maintaining the confidentiality of customer information.</p> <p>(7) Comprehensive service provision before, during, and after product purchase.</p>	<p>(1) Manufacture products according to standards, taking into account customer safety and after-sales service.</p> <p>(2) Use eco-friendly materials in product manufacturing.</p> <p>(3) Provide communication channels for customers to file complaints with the company and manage customer complaint issues.</p> <p>(4) Conduct business with honesty, integrity, and fairness, and refrain from any actions that infringe on customer rights.</p> <p>(5) Do not solicit or agree to accept any dishonest assets or benefits from customers, both directly and indirectly.</p> <p>(6) Establish a policy to protect customer confidential information.</p>	<ul style="list-style-type: none"> • Complaint Reception • Satisfaction Survey • Others <ul style="list-style-type: none"> • Meeting with clients to present new products and to receive feedback and requirements directly from them. • The company organizes events to reach target customers through designated marketing channels, such as trade shows for wholesalers and retailers nationwide. • Creating channels for customers to provide feedback, suggestions, and complaints • Publicly disclose the customer privacy policy to ensure that customers are well-informed and that it complies with applicable laws. • For further information about the company or our products, please visit our website at www.eastcoast.co.th

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
External stakeholders			
<ul style="list-style-type: none"> • Suppliers 	(1) Fair Trade (2) Good Corporate Governance (3) Sustainable Supply Chain Management (4) Business Support Capabilities (5) Joint Product and Service Development to Enhance Quality and Standards	(1) Treat business partners with fairness. (2) Select business partners who operate legally, have production standards, safety standards, and are environmentally friendly. (3) Maintain the confidentiality of business partners' trade secrets or information. (4) Build good relationships and understanding, exchange knowledge, jointly develop, and add value to products. (5) Do not solicit or agree to accept assets or other benefits that are outside the scope of normal trade agreements.	<ul style="list-style-type: none"> • Visit • External Meeting • Others <ul style="list-style-type: none"> • Creative brainstorming session for product development • Providing information to business partners to acknowledge the company's anti-corruption policy. • Procurement Manual
<ul style="list-style-type: none"> • Competitors 	Conducting business and competing with transparency, integrity, and adherence to fair and honest competition principles.	1. Compliance with regulations and fair trade practices. 2. Refrain from defamation of competitors. 3. Respect for intellectual property and copyrights. 4. No engagement in obtaining competitors' confidential information through dishonest or inappropriate means. 5. Collaboration in advancing the competitiveness of Thai furniture in the global market.	<ul style="list-style-type: none"> • Others <ul style="list-style-type: none"> • Meeting to discuss, exchange ideas, and collaborate on various agendas. • Membership in relevant furniture industry associations

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<ul style="list-style-type: none"> • Creditor 	<ol style="list-style-type: none"> (1) Creditworthiness (2) Profitability 	<ol style="list-style-type: none"> (1) Strict compliance with Financial Covenants agreed upon with creditors. (2) Sound financial management to build creditor confidence. (3) Accurate and timely disclosure of operational and financial information. (4) In the event of inability to make debt repayments as agreed, creditors must be notified in advance to jointly find solutions and prevent further damage. (5) Regular annual meetings and site visits are conducted with financial institution creditors. 	<ul style="list-style-type: none"> • Visit • External Meeting • Others <ul style="list-style-type: none"> • Meeting and discussion with each creditor or their representative • Accurate and timely disclosure of financial information to creditors to keep them informed of the company's current financial status.
<ul style="list-style-type: none"> • Government agencies and Regulators 	<ol style="list-style-type: none"> (1) Compliance with relevant laws and regulations, such as tax payment, labor law compliance, or environmental standards. (2) Transparency and accountability. (3) Support for public policy. (4) Building good relationships. (5) Conducting business ethically. 	<ol style="list-style-type: none"> (1) The company establishes a policy that business operations related to government agencies must have a clear balance between business benefits and social responsibility to create sustainability and long-term success. (2) Study and understand relevant regulations and laws. (3) Participate in projects or collaborations with the government sector. (4) Support CSR activities. (5) Build good relationships with government officials and relevant agencies. (6) Create a corporate culture that emphasizes integrity, with mechanisms to prevent and address corruption. 	<ul style="list-style-type: none"> • External Meeting • Others <ul style="list-style-type: none"> • Communicate financial information or performance clearly. • Please disclose information regarding projects or activities related to government sectors. • Comply with accepted reporting standards • There are clear and friendly communication channels. • Comply with government procurement or bidding procedures.

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<ul style="list-style-type: none"> • Society 	<p>(1) Conduct business without negatively impacting the community or effectively manage any impacts arising from business operations.</p> <p>(2) Efficiently manage waste generated from business operations.</p> <p>(3) Actively participate in community activities and contribute to improving the well-being of the community.</p> <p>(4) Conduct business with an emphasis on policies that help reduce greenhouse gas emissions that impact the environment.</p>	<p>(1) Building understanding, trust, and engagement with the community.</p> <p>(2) Establishing preventive measures and mitigating impacts on the community and society resulting from the company's business operations.</p> <p>(3) Implementing management systems to ensure environmental protection and a well-maintained environment.</p> <p>(4) Evaluating the effectiveness of community relations activities to measure their impact.</p> <p>(5) Cultivating awareness and providing environmental conservation knowledge to employees.</p> <p>(6) Promoting the use of environmentally friendly technologies, machinery, and raw materials in the production process.</p> <p>(7) Implementing policies to reduce greenhouse gas emissions and carbon footprint.</p>	<ul style="list-style-type: none"> • Social Event • Complaint Reception • Others <ul style="list-style-type: none"> • Community Relations (Participation in Community Activities) • Regularly conduct community dialogues and surveys to gather feedback and understand community needs. • Open channels for submitting complaints in case of problems or impacts on communities and the environment through the channels specified on the website: www.eastcoast.co.th • Disseminate various environmental policies to be acknowledged throughout the organization.

3.3 Management of environmental sustainability

3.3.1 Environmental policy and guidelines

Environmental policy and guidelines

The Company has established environmental policies and practices for implementation within the organization. These details emphasize the ecological impacts that may arise from the company's business processes, both directly and indirectly. The environmental policies and practices involve overseeing every step of the production process to ensure environmentally friendly goods and services. This includes reducing energy and water consumption, minimizing waste and pollution, and lowering greenhouse gas emissions. Furthermore, it fosters environmental awareness among employees, promoting the efficient use of natural resources, waste sorting, and maintaining cleanliness within the building, factory, and surrounding areas. The company also cultivates the concept of a Circular Economy to transition its production processes towards this economic system. This is achieved through a "take-back system" that reintroduces usable leftover materials into the production process, minimizing waste.

This also includes supporting the Sustainable Development Goals (SDGs), which consist of Goal 7: Affordable and Clean Energy, Goal 12: Responsible Consumption and Production, and Goal 13: Climate Action. The Company places importance on integrating environmental practices throughout the production process, warehouse management, and product distribution, including stakeholders across the value chain.

Environmental policy and guidelines	:	Yes
Environmental guidelines	:	Electricity Management, Fuel Management, Renewable/Clean Energy Management, Water Management, Waste Management, Greenhouse Gas and Climate Change Management, Air Quality Management

1. Electricity Management Policy

The Company is committed to using electricity efficiently, reducing unnecessary energy consumption, and increasing the efficiency of machinery and electrical equipment, with the following measures:

- Use energy-saving technologies such as LED bulbs and machines with automatic control systems.
- Install an energy monitoring and control system to improve efficiency.
- Encourage employees to be aware of energy conservation.

2. Oil and Fuel Management Policy

The Company places importance on reducing fossil fuel consumption and improving transportation and production processes for maximum efficiency, with the following guidelines:

- Use environmentally friendly alternative fuels.
- Maintain vehicles and machinery in good condition to reduce energy consumption.
- Plan transportation routes efficiently to reduce carbon dioxide emissions.

3. Renewable/Clean Energy Management Policy

The company supports the use of renewable energy to reduce reliance on fossil fuels, with the following measures:

- Study and invest in solar energy systems for factories and offices.
- Promote the use of renewable energy in the production process.
- Adopting an approach to innovation that helps reduce the use of fossil fuels in the company's products.

4. Water Resources and Water Quality Management Policy

The Company has guidelines for efficient water resource utilization and water pollution reduction, with the following guidelines:

- Use a standard wastewater treatment system before discharging it into the environment.
- Reduce water consumption in the production process by implementing a water circulation system.
- Monitor water quality and continuously address wastewater issues.

5. Waste and Waste Management Policy

The Company aims to reduce waste and waste generated from production processes and business operations, with the following measures:

- Apply the 3Rs principle (Reduce, Reuse, Recycle) in waste management.
 - Systematically separate and dispose of waste for reuse or proper disposal.
- Promote the use of environmentally friendly materials and reduce the use of unnecessary packaging.

6. Greenhouse Gas and Climate Change Management Policy

The Company places importance on reducing greenhouse gas emissions to mitigate the impact of climate change, with the following guidelines:

- Calculate and track greenhouse gas emissions from company activities.
- Support the use of raw materials and technologies that reduce greenhouse gas emissions.
- Promote tree planting and carbon sequestration projects in areas related to business operations.

7. Air Quality Management Policy

The company recognizes the importance of air quality and is committed to reducing air pollution from production and transportation processes, with the following guidelines:

- Control the release of dust, smoke, and chemicals from the production process to comply with environmental standards.
- Use air filters and exhaust gas treatment systems in factories.
- Reduce the use of chemicals that affect air quality and promote the use of low-emission materials.

Review of environmental policies, guidelines, and/or goals over the past year

Review of environmental policies, guidelines, and/or goals : Yes
over the past year

Changes in environmental policies, guidelines, and/or goals : Electricity Management

In 2024, the Company's energy management policy has shown positive progress. The overall energy consumption of the organization has improved, both in terms of energy efficiency and cost reduction. The organization has upgraded equipment and adopted new technologies, such as solar power systems and intelligent energy control systems. Clear energy conservation goals and plans have been established, along with the appointment of a dedicated energy task force. The policy has been effectively communicated within the organization, and there is a policy of continuous monitoring of compliance. These efforts indicate a positive trend and direction towards more effective implementation of the energy management plan.

3.3.2 Environmental operating results

Information on energy management

Energy management plan

The Company recognizes the importance of reducing energy consumption and maximizing energy efficiency, as well as raising awareness among stakeholders about energy conservation. The Company has implemented a variety of measures to respond to sustainable energy management, as follows:

The company's energy management plan : Yes

The Company has established an energy management policy and has structured the organization to be a part of the management structure. Roles, responsibilities, and duties are clearly defined, with regular coordination between energy managers and teams at all levels. Comprehensive goals are set, progress is tracked, errors are identified, results are evaluated, and budget utilization is controlled. The company also emphasizes communicating the value of energy conservation and the results of energy management efforts to everyone within the organization. For related investments, the budget is allocated by prioritizing the projects to be implemented.

The Energy Management Working Group has the following roles, responsibilities, and duties:

1. Implement energy management in accordance with the company's energy conservation policy and energy management methods.
2. Coordinate with all relevant departments to seek cooperation in complying with energy conservation policies and energy management methods, including organizing appropriate energy conservation training or activities for staff in each department.
3. Supervise the company's energy management methods to ensure their effective implementation in accordance with the energy

conservation policy and energy management methods.

4. Report the results of energy conservation and energy management, in accordance with the energy conservation policy and energy management methods, to the management for acknowledgment.

5. Make recommendations to the management for consideration regarding the establishment or review of energy conservation policies and energy management methods.

6. Support the management in carrying out energy management in accordance with the law.

In addition, the Company has appointed an internal energy management audit committee to be responsible for inspecting and evaluating the Company's internal energy management methods. The Company has announced its energy conservation policy, the details of which are available on the Company's website.

Setting goals for managing electricity and/or oil and fuel

Does the company set goals for electricity and/or fuel management : Yes

Details of setting goals for electricity and/or fuel management

Target(s)	Base year(s)	Target year(s)
Reduction of electricity purchased and fuel consumption	2023 : energy consumption 10,980,292.82 Kilowatt-hour	2025 : Reduced by 10% or 10,000,000.00 Kilowatt-hour

Performance and outcomes of energy management

Performance and outcomes of energy management : Yes

In the past year 2024, the performance and results of energy management are detailed as follows:

1. Electricity Consumption

The average monthly electricity consumption in 2024 decreased compared to 2023. The SEC (Specific Energy Consumption) per unit of production has improved, indicating more efficient energy use. Projects to reduce electricity consumption have been implemented, such as switching to LED lights and upgrading machinery in the production line.

2. Renewable Energy Utilization

The company has installed a Solar Rooftop on the factory roof located in Klaeng District, Rayong Province, with a production capacity not exceeding 998.40 kWh for use within the factory. This helps reduce production costs in terms of electricity expenses and reduces greenhouse gas emissions from electricity consumption.

The use of solar energy (Solar Cell) for the aforementioned project can generate approximately 916,898.74 kWh of electricity throughout 2024, helping to reduce the use of some fossil fuels, such as diesel and liquefied petroleum gas, in the company's operations.

3. Energy Efficiency Improvement

Machinery has been improved to increase efficiency, such as upgrading drilling machines, which reduces electricity consumption by approximately 51,867 kWh/year and greenhouse gas emissions by 29.38 tCO₂/year. The organization continuously monitors and evaluates energy management to find ways to reduce energy loss.

4. Greenhouse Gas Emission Reduction

There has been a reduction in greenhouse gas (tCO₂) emissions from the previous peak, especially in the production process and electricity consumption. Energy conservation measures have been implemented, such as controlling air conditioner usage and utilizing a more efficient air compressor system.

5. Positive Operational Trends

The overall energy consumption of the organization has shown positive trends, both in terms of energy efficiency and energy cost reduction. The organization has improved equipment and adopted new technologies, such as solar energy systems and intelligent energy control systems. Clear energy conservation goals and plans have been established and implemented effectively.

Energy management: Fuel consumption

	2022	2023	2024
Diesel (Litres)	N/A	240,000.00	251,872.00
Gasoline (Litres)	N/A	120,000.00	137,935.80

Energy management: Electricity consumption

	2022	2023	2024
Total electricity consumption within the organization (Kilowatt-Hours)	909,633.42	10,980,292.82	10,094,147.65
Electricity purchased for consumption from non-renewable energy sources (Kilowatt-Hours)	N/A	9,983,680.56	9,177,248.91
Electricity purchased or generated for consumption from renewable energy sources (Kilowatt-Hours)	909,633.42	996,612.26	916,898.74

Information on water management

Water management plan

The Company's water management plan : Yes

The Company uses tap water from the Provincial Waterworks Authority for office work and factory production at its head office in Rayong Province and from the Provincial Waterworks Authority for its marketing office at its branch office in Lam Lukka District, Pathum Thani Province.

The Company has a water resource management plan in place to reduce water consumption by promoting water conservation within the office area. For the factory, the company has established an additional management plan to the normal guidelines, which includes guidelines for collecting, allocating, and improving the quality of rainwater for use within the factory area in various aspects as appropriate.

The Company has established a practice of collecting statistical data and information from pollution sources based on the amount of water used in all activities of the pollution sources on a daily basis to inspect the operation of the wastewater treatment system, including details of all items that need to be inspected for normality, abnormality, and the reasons for such conditions. In addition, the Company has also developed a 3Rs (Reduce, Reuse, Recycle) operational manual as part of raising awareness about water conservation within the organization. This includes organizing meetings to educate employees about water conservation within the Company to ensure widespread awareness, installing water conservation campaign signs at all drinking water points within the Company, inspecting various water usage points for damaged equipment for immediate replacement and repair, using float devices to measure water levels in case of tank overflows, creating various signs to promote water conservation within the Company, and monitoring and evaluating the results of water conservation campaigns within the company in order to further develop and improve upon them.

Setting goals for water management

Does the company set goals for water management : Yes

Details of setting goals for water management

Target(s)	Base year(s)	Target year(s)
Reduction of water withdrawal	2024 : Water withdrawal 8,717.00 Cubic meters	2025 : Reduced by 8% or 8,000.00 Cubic meters

Performance and outcomes of water management

Performance and outcomes of water management : Yes

From the comparison of water consumption data within the company, it was found that there was an increase compared to 2023. Due to the increased production capacity of furniture, in the past year 2024, the company has operated in 2 shifts to accommodate the increasing purchase orders, especially in the first 9 months of 2024.

However, the Company continues to emphasize the awareness of using water resources efficiently to its employees.

Water management: Water withdrawal by source

	2022	2023	2024
Total water withdrawal (Cubic meters)	0.00	7,539.00	8,717.00

Water management: Water consumption

	2022	2023	2024
Total water consumption (Cubic meters)	0.00	7,539.00	8,717.00

Information on waste management

Waste management plan

The company's waste management plan : Yes

In the furniture production process, the Company places importance on managing waste and residual materials generated from the production process, including the creation of pollution that may occur during the production process. For waste management and residual materials from various processes, the details are as follows:

- Wood scraps and sawdust These are raw materials left over from the production process from cutting workpieces to the desired shape. The company will use some of the wood scraps and sawdust as fuel for boilers to be used as renewable energy in the production process. If there is a large amount of wood scraps and sawdust, the company will sell some of them to external parties.

- Dust This waste material is generated from sanding workpieces with sandpaper or sanding tools. The Company uses a dust collector with a filter bag. The collected dust will be collected and sold to external parties who purchase it to be used as raw material in the production of other products.

- Color spray Generated from spraying paint on workpieces. Currently, the design is to spray paint in an enclosed room, including the use of efficient paint spraying technology to reduce pollution in the production process. There is also a method of disposing of paint overspray to prevent it from affecting the environment by using a spray booth system that traps paint overspray with a circulating water system. The paint sludge from the overspray trap is disposed of properly.

- Color waste Generated from the production process of surface paper from printing machines, where there will be residual ink after printing is finished. Originally, the Company used a landfill method within a designated area within the factory. Currently, if the remaining ink is still of good quality, the Company will mix it to reuse, which reduces the impact of the remaining ink and is part of reducing production costs while maintaining production to obtain good quality products according to the company's standards. From this implementation, the Company can reduce the cost of purchasing new ink by up to 5%.

- Waste materials These include scraps of artificial leather and fabric left over from production. The Company will collect them for sale to buyers.

- Glue It is a raw material used to cover the surface of particle board. The Company uses water-based glue to avoid environmental impacts. The Company has set a plan to manage the amount of wood waste and sawdust, which are raw materials left over from the production process caused by cutting workpieces to reduce the amount continuously, including the amount of paint that is landfilled after the production process.

The Company has set a plan to manage the amount of wood waste and sawdust, which are raw materials left over from the production process caused by cutting workpieces to reduce the amount continuously, including the amount of paint that is landfilled after the production process.

Setting goals for waste management

Does the company set goals for waste management : Yes

Details of setting goals for waste management

Target(s)	Base year(s)	Target year(s)	Waste management methods
Reduction of waste generation Waste type: Non-hazardous waste	2022 : non-hazardous waste 633.84 Kilograms	2025 : Reduced by 20% or 500.00 Kilograms	• Recycle

Performance and outcomes of waste management

Performance and outcomes of waste management : Yes

The Company's target for managing the amount of wood chips and sawdust generated after all production processes within the Company is to have a continuous decrease in volume each year compared to the previous year. In 2022, 2023, and 2024, the Company had a total of 633.84 tons, 367.84 tons, and 891.58 tons respectively.

The main reason for this is cost control in every production process to reduce costs, reuse, or transform to minimize wood chips

and sawdust from production.

Waste management: Waste Generation

	2022	2023	2024
Total waste generated (Kilograms)	633.84	367.84	891.58
Total non-hazardous waste (kilograms) ⁽¹⁾	633.84	367.84	891.58
Total hazardous waste (kilograms)	0.00	0.00	N/A

Remark : ⁽¹⁾The reason why the amount of waste and non-hazardous waste increased significantly in 2024 was due to the Company's internal management of the warehouse, including a large-scale stock clearance to manage deteriorated goods in the warehouse, which was the source of the increased amount of waste, which did not result from the normal production process in any way.

Information on greenhouse gas management

Greenhouse gas management plan

The company's greenhouse gas management plan : Yes

Most of the Company's greenhouse gas emissions come from the furniture production process, including the transportation of goods, which is part of the increase in greenhouse gases, impacting the environment, which is the cause of climate change or global warming today. The company is not indifferent to this problem. The Company's executives have considered ways to manage the reduction of greenhouse gas emissions throughout the value chain of the business to ensure that the company's operations have the least impact on the environment.

To prepare for the disclosure of information for the next cycle, the Company recognizes the consideration and disclosure of greenhouse gas emissions. The following preparations will be made:

1. Preparation of information on business activities that generate greenhouse gases from direct activities and indirect activities, such as the use of electricity, heat, or steam within the organization.
2. Management approaches to reduce greenhouse gas emissions.
3. Figures for calculating the amount of greenhouse gas emissions that occur within the organization to be used as a starting point and for comparison in subsequent years.

For carbon footprint operations in the organization, to offset greenhouse gas emissions throughout the value chain of the furniture business, the Company has implemented 2 renewable energy power plant projects by calculating the reduction of greenhouse gas emissions from the Company's renewable energy power plant projects. There are also guidelines for reducing greenhouse gas (GHG) emissions in the Company's furniture production process with sustainable and environmentally friendly approaches as follows:

1. Reducing energy consumption in the production process by improving the efficiency of machinery and production processes.
 - Upgrade machinery to be more efficient to reduce energy consumption.
 - Use Variable Frequency Drive (VFD) in electric motors to reduce energy loss.
 - Improve the air compressor system to reduce energy loss from air pressure.
2. Using renewable energy and reducing reliance on fossil fuels.
 - Through a project to install solar panels on the roof of the factory to reduce electricity consumption from fossil fuels.
 - Use wood chips and sawdust from the production process as fuel for boilers to replace fossil fuels with biomass energy to reduce carbon dioxide emissions.
3. Reducing waste from production processes and sustainable raw material management.
 - By maximizing the use of raw materials, and increasing the utilization rate, wood chips and sawdust are returned as raw

materials in production instead of being disposed of.

- Use wood from known sources to promote the use of sustainable materials.
- Increase the efficiency of recycling and waste management by installing a system for separating and compressing wood chips for use as biomass energy.
- Develop a Zero Waste project by reducing waste from the production process.

4. Reducing gas emissions from coating processes and the use of chemicals.

- By switching to coatings and adhesives that emit low VOCs (volatile organic compounds).
- Use Low-Formaldehyde Adhesive to reduce environmental impact.
- Use water-based paints and coatings instead of solvent-based chemicals.
- Install an air treatment system in the painting and coating process.
- Install a system to absorb VOCs and filter air from furniture coatings.

5. Improving logistics and transportation systems.

- Improve routes and transportation systems to reduce carbon emissions through efficient route planning, reduce unnecessary driving, use trucks that emit low greenhouse gases, such as electric vehicles or hybrid vehicles.
- Use environmentally friendly packaging, reduce the use of plastic, and switch to packaging from recycled materials.

6. Management and monitoring of greenhouse gas reduction results.

- Set a goal to reduce greenhouse gases by at least 20% within 5 years.
- Use Carbon Footprint Accounting to measure and track the amount of greenhouse gases emitted.
- Promote a corporate culture of sustainability.
- Organize training for employees to be aware of the importance of carbon reduction.
- Promote the Green Office & Green Factory project in the organization.

Compliance with principles and standards for greenhouse gas or climate change management

Principles and standards for greenhouse gas or climate change management : Thailand Greenhouse Gas Management Organization (TGO)

Setting greenhouse gas emission goals

Does the company set greenhouse gas management goals : Yes

Company's existing targets : Setting other greenhouse gas reduction targets

Setting other greenhouse gas reduction targets

Details of setting other greenhouse gas reduction targets

Greenhouse gas emission scope	Base year(s)	Short-term target year	Long-term target year
Scope 1-2	2024 : Greenhouse gas emissions 3,858.25 tCO ₂ e	2025 : Reduced by 5% in comparison to the base year	2027 : Reduced by 20% in comparison to the base year

Performance and outcomes of greenhouse gas management

Performance and outcomes of greenhouse gas management : Yes

The Company has been able to reduce greenhouse gas (tCO₂) emissions from the previous year, especially in the production process and electricity consumption, which is the scope of work for which data was collected in 2023 and 2024, and energy conservation measures have been implemented, such as controlling the use of air conditioners and using more efficient air compressor systems. The details are as follows:

Greenhouse gas emissions from electricity consumption in the factory

Year 2023

The total greenhouse gas emissions from electricity are 3,878.78 tCO₂/year.

Separated by system:

Lighting system: 613.01 tCO₂/year

Air conditioning system: 248.51 tCO₂/year

Production system: 2,097.35 tCO₂/year

Air compressor system: 857.25 tCO₂/year

Other systems: 62.66 tCO₂/year

Year 2024

The total greenhouse gas emissions from electricity are 3,858.25 tCO₂/year.

Separated by system:

Lighting system: 613.01 tCO₂/year

Air conditioning system: 7.10 tCO₂/year, which is a system that can improve efficiency and significantly reduce compared to the previous year.

Production system: 2,213.01 tCO₂/year

Air compressor system: 956.17 tCO₂/year

Other systems: 68.96 tCO₂/year

In terms of electricity consumption, the Company will compile monthly greenhouse gas emission figures from electricity consumption for comparison and monitoring to determine the causes of the increase and decrease in figures each month in order to find ways to improve and correct them further.

Results of greenhouse gas reduction projects

Improving the efficiency of machinery that occurred in 2024, such as CNC drilling machines, can reduce greenhouse gas emissions by 29.38 tCO₂/year.

Rooftop solar energy project

Installed at the head office in Rayong province, with a production capacity of 998 kWh. By 2024, it can reduce electricity consumption by 559,907 kWh/year, representing a reduction in greenhouse gas emissions of 279.90 tCO₂e/year, equivalent to planting 380.91 trees or equivalent to helping reduce pollution emitted by 59 cars.

220 MW solar power plant project of Green Earth Power (Thailand) Company Limited ("Minbu Power Plant Project" or "GEP")

Located in Minbu City, Magway Region, Republic of the Union of Myanmar ("Myanmar"), ECF Power Company Limited ("ECF-P"), a subsidiary in which the Company holds 99.99% of the shares, has invested in 20% of the project. Currently, the project has commenced commercial operation (COD) for Phase 1 with a production capacity of 50 megawatts out of a total production capacity of 220 megawatts on September 27, 2019 (and Phase 2 is under construction). The project for Phase 1 can generate approximately 70,697,000 kWh/year of electricity for the year 2024, representing a reduction in greenhouse gas emissions of 35,341.43 tCO₂e/year, equivalent to planting 48,095.44 trees or equivalent to helping reduce pollution emitted by 7,400 cars.

However, if the project can start selling electricity commercially for Phase 2 with a production capacity of 50 megawatts, Phase 3 with a production capacity of 50 megawatts, and Phase 4 with a production capacity of 70 megawatts, this solar power plant project will help reduce pollution and reduce greenhouse gas emissions by a significant amount.

Joining the Care the Bear project

ECF recognizes that global warming and climate change are major global problems that all sectors must prioritize and work together to solve. This is an important reason why the Company joined the "Care the Bear" project. In addition to aiming for the organization and all employees to participate in solving the problem of global warming, the Company also aims to develop various business activities related to product manufacturing, transportation, marketing, and raw material procurement to be in line with the concept of helping to solve the problem of global warming as a guideline for sustainable operations. From joining the said activity (joined in July 2021) from the date of joining the project until December 31, 2024, the Company has been able to reduce its carbon footprint by 1,349.72 kgCO₂e, equivalent to planting 150 large trees aged 10 years.

Using electric forklifts instead of diesel forklifts

The development of a plan to use electric forklifts that use batteries to drive aims to create a process for employee participation in reducing the carbon footprint within the organization, carry out activities to reduce greenhouse gas emissions from the company's electricity consumption, and save energy, reduce costs, maintenance costs, and fuel costs. The goal is to reduce fuel consumption compared to 2024. The advantages of electric forklifts are that they do not generate smoke or dust during operation, resulting in a clean working environment free from pollution, safe for employee health, low noise during operation, no noise disturbance in the work area, no need to store fuel, which is considered a flammable substance and may cause fires in factories or warehouses. Most importantly, there are no fuel costs, and maintenance costs are reduced because electric forklifts do not have engines that operate at high temperatures, which will help extend the service life and reduce wear and tear.

Campaign plan for efficient electricity consumption

The Company has defined activities to promote efficient electricity consumption as follows:

1. Hot and Cold Activities By setting the air conditioner operating time to be between 09.30 – 11.30 hrs. and 13.30 – 16.00 hrs. and turning it on at a temperature of 25 degrees Celsius only.

2. Project to reduce electricity consumption from turning on/off the air pump / Adjusting the air pump pipeline to separate the points of use With the objective of creating a process for employee participation in reducing the carbon footprint within the organization, to carry out activities to reduce greenhouse gas emissions from electricity consumption, save energy, and reduce costs. The target is set by evaluating the electricity consumption to be reduced by 5% compared to the same period of the previous year.

Preparation of plans to reduce energy consumption in the production plant

The Company is committed to reducing energy consumption while continuously improving energy efficiency. There are plans to develop a system for analyzing energy consumption throughout the entire production process, from start to finish, and to seek opportunities to improve the Company's energy consumption by considering the installation of new, more efficient equipment and studying the feasibility of changing technologies in the production process.

Summary: The Company has made progress in reducing greenhouse gases through machinery improvements and the use of renewable energy. There are clear figures showing how the factory's electricity consumption affects greenhouse gas emissions and there is a downward trend in some months. Energy reduction projects such as the use of solar cells and improvements to the production system are having a positive impact on the greenhouse gas reduction policy, which the Company has a policy to further develop and improve.

Currently, the Company is in the process of considering joining the Thailand Voluntary Emission Reduction Program (T-VER) established by the Thailand Greenhouse Gas Management Organization (TGO) to further standardize its carbon footprint operations.

***Note :** The above-mentioned greenhouse gas reduction figures : have not been verified by a TGO-registered or equivalent verifier.

Diagram of Performance and outcomes of greenhouse gas management

โครงการ TSD Care the Bear

การลดการปล่อยก๊าซเรือนกระจกจากการลดใช้กระดาษของกิจกรรม Corporate Action บริษัทผู้ออกหลักทรัพย์

ตั้งแต่ 1 ม.ค. 2563 ถึง 31 ธ.ค. 2567 บริษัท ฮีสตโคสท์เฟอร์นิเทค จำกัด (มหาชน)
ได้มีการลดการปล่อยก๊าซเรือนกระจกจากการลดใช้กระดาษของกิจกรรม
ทั้งสิ้น 16 Corporate Action ของบริษัทผู้ออกหลักทรัพย์

ผลรวมลดปริมาณก๊าซเรือนกระจก และเทียบเท่าการปลูกต้นไม้



ลดปริมาณก๊าซเรือนกระจกได้
1,349.72 Kg CO₂e



เทียบเท่าการปลูกต้นไม้ใหญ่ อายุ 10 ปี
150 ต้น

Greenhouse gas management : Corporate greenhouse gas emission

Greenhouse gas management: Verification of the company's greenhouse gas emissions over the past year

Verification of the company's greenhouse gas emissions : No

Information on other environmental management

Plans, performance, and outcomes related to other environmental management

Production of assembly manuals using recycled grade paper instead of good-grade paper

The production of product manuals is essential for the company, and this process requires the company to use a significant amount of paper as a key raw material. The company has therefore introduced recycled grade paper for use in this process to replace the use of A4 grade paper, which helps reduce deforestation for paper production. It also reduces production costs for the company, which can be calculated as a cost reduction of approximately 0.40 million baht per year. In addition, the company is currently trying to reduce paper usage to reduce the environmental impact of the paper production process by printing product manuals on product boxes. However, this method still has limitations as it can only be used in cases where the product in question has a relatively simple assembly process.

Using Eco-Friendly materials

The Company has changed the use of Edge Banding or plastic for wood edge banding from the original 100% PVC material to environmentally friendly plastic or Eco-Friendly grade, which is biodegradable plastic to reduce environmental damage.

Reduce the use of chemicals in the production process

The manufacturing process of furniture from artificial wood, such as particle board, involves a pressing process to bond the wood together. Therefore, it is necessary to use resin as an ingredient. The resin contains formaldehyde, which can be harmful to users if it exceeds the standard. The European formaldehyde emission standards are divided into 3 main parts, starting with "E2", which is harmful to users because it emits higher than the specified formaldehyde. "E1" will have formaldehyde not exceeding 0.75 ppm and "E0" is an advanced standard upgraded from E1, where furniture that passes this level will have formaldehyde not exceeding 0.07 ppm. All sectors, especially the manufacturing sector, are working and developing to ensure that these standards cover the global furniture industry in the future.

In order to reduce the impact on both users and the environment, the company currently uses E1 wood, which has been found to have formaldehyde levels lower than E2 by up to 1.0 mg/l, or a reduction of up to 67%. In addition to being beneficial to the environment, product users, and employee health, it also helps reduce production costs, resulting in a cost reduction of up to 3.70 million baht per year.

Switching to LED bulbs in the factory

Within the factory's production department, it was found that more than 2,000 light bulbs needed to be installed in the production process area. Currently, the company has begun to gradually replace these bulbs with LED bulbs. This is because LED bulbs have the characteristics of providing true white light with a color temperature close to natural light, making them comfortable and easy on the eyes. They also have a relatively long lifespan, save more electricity than conventional light bulbs, and most importantly, the use of LED lights is environmentally friendly. The production of fluorescent lamps involves heavy metals such as mercury, which is toxic to the environment, while LED bulbs do not contain harmful heavy metals. Importantly, the materials used in their production can be recycled.

Changing the roof of the factory area to a translucent roof

The Company has changed the roof of the factory from the original solid roof to a translucent roof. The company has designed some areas within the factory to use natural light, which will help reduce the use of electricity for lighting.

Using technology to reduce paper usage in the office

The Company is in the process of developing an application system to support and facilitate sales and customer service, fast inventory checks, and product presentations through the application. In addition, in terms of product manufacturing, the company has implemented a cloud system for collecting and storing furniture designs to be complete and cover all types that the company manufactures and sells. This is to facilitate customers both domestically and internationally, reduce the working time of the design and product development department, and help reduce the use of paper in work (Paperless system).

Waste sorting "We. ECF, help reduce global warming" Waste bins, Sorting bins, Value bins

Currently, the company has established guidelines for employees to control and manage waste generated from operations. Waste is divided into 4 categories as follows:

- 1) Green trash can (green) for wet waste such as food scraps, vegetable scraps, fruit scraps, etc.
- 2) Dry waste bin (yellow) for dry waste such as twigs, leaves, toilet paper, etc.
- 3) Circle trash can (blue) for recyclable waste such as paper, cardboard boxes, scrap metal, beverage cans, bottles, glass, various plastics, etc.
- 4) Hazardous waste bin (red) for hazardous waste such as batteries, mobile phone batteries, ink cartridges, etc.

In addition, to encourage awareness of the optimal use of natural resources, the company has posted warning signs in various areas, such as signs reminding people to use toilet paper in restrooms, and signs promoting water and electricity conservation near water faucets and light switches within the office building. This is to instill a sense of conservation among the organization's employees. This policy has been effective, as evidenced by the reduction in electricity costs.

Implementing the KAIZEN system in operations

For cost and time management, the Company focuses on driving innovation in production to manage production costs effectively. The Innovation Day project was launched in 2019 under the policy of providing opportunities for all employees to propose working methods or approaches that can reduce steps, save time, reduce costs, and most importantly, maintain production quality. The Company incentivizes this by incorporating it into employee compensation considerations for those who can initiate projects that help the Company manage costs.

Currently, the Company continues to apply this concept to other departments, and the company also has plans to further develop it to better manage production costs, manage time, and maintain good product quality. Ultimately, this will have a positive impact on the environment.

Information on incidents related to legal violations or negative environmental impacts

Number of cases and incidents of legal violations or negative environmental impacts

	2022	2023	2024
Number of cases or incidents of legal violations or negative environmental impact (cases)	0	0	0

3.4 Social sustainability management

3.4.1 Social policy and guidelines

The Company is committed to conducting business responsibly towards society, including communities in various areas, both within and outside the areas where the Company operates, both directly and indirectly, by focusing on participating in the development of those communities to be strong. This is because the Company believes that “**Strong Community, Sustainable Company**” The Company’s business operations are conducted under the principles of good governance, transparency, accountability, compliance with relevant rules and regulations, as well as ethics, morality, respect for human rights, and consideration of the impacts on society, surrounding communities, and the interests of all stakeholders. The Company has therefore established a Corporate Social Responsibility Policy as a framework for conducting business as follows:

Social and human rights policy and guidelines	:	Yes
Social and human rights guidelines	:	Employee rights, Migrant/foreign labor, Child labor, Consumer/customer rights, Community and environmental rights, Safety and occupational health at work, Non-discrimination, Supplier rights

1. Conducting business with a focus on responsible management practices towards employees, customers, partners, communities, and society according to the principles of stakeholders in the value chain to reduce the impact that may arise from the company’s business operations in order for the company’s business to grow stably and sustainably under the framework of good corporate governance principles, business ethics, business ethics, human rights policy, and anti-corruption policy, etc.
2. Producing good quality products and services, caring for the environment, reusing, enhancing the quality of life for consumers, including managing satisfaction and complaints that may arise quickly and efficiently
3. Conducting corporate social responsibility activities by focusing on participation and support for communities, government, and private organizations that are stakeholders in the company’s business operations, both directly and indirectly
4. Supporting employee engagement in the company and instilling the value of public consciousness to create an organizational culture
5. Operating and paying attention to the importance of occupational safety and health of employees by establishing policies on safety, occupational health, and working environment, developing employees’ potential to grow in their careers, including planning for job succession
6. Applying the knowledge, experience, and expertise of the company’s personnel, including supporting various tools and equipment to help and develop society and communities
7. Seeking opportunities to create spaces both within the company’s premises or external areas provided by the company to create public benefits or opportunities to enhance the quality of life for surrounding communities

Relevant Social Issues and Practices

Treating employees/workers fairly, without discrimination, and providing equal opportunities

Sustainability Issues

1. Employment/Termination

Practices / Management approaches

Establishing human rights policies and practices and having a process to ensure that employees and workers are treated fairly, complying with labor laws related to employment/termination, and preventing human rights violations throughout the supply chain

2. Compensation and benefits

Practices / Management approaches

Establishing a compensation and benefits policy that is clear and communicated to ensure mutual understanding between employers and employees/workers

3. Employee development

Practices / Management approaches

Establishing a personnel development policy

4. Taking care of employees to have a good quality of life and safety at work

Practices / Management approaches

Establishing policies and practices on safety, occupational health, and working environment

5. Having a group to negotiate employee benefits

Customer Responsibility

The problem of losing business competitiveness that cannot adapt to meet the rapidly changing needs of customers

Practices / Management approaches

Developing customer satisfaction and building long-term relationships

The problem of consumer rights violations and the lack of awareness in producing goods and services responsibly

Practices / Management approaches

- Fair marketing and sales
- Adapting product formats, packaging, or business models to meet customer needs
- Customer privacy policy

Partner Management

The problem of irresponsible business partners

Practices / Management approaches

- Sustainable supply chain management
- Developing the concept of green procurement into reality

Community and Social Development

The problem of conflicts between communities and businesses due to business operations that cause impacts and distress to communities and society

Practices / Management approaches

- Managing the impact of operations to prevent conflicts with the community
- Improving the quality of life of people in the community to be self-reliant sustainably
- Participating in creating a livable society

Social Management Goals

The Company has set social management goals in line with both short-term and long-term business strategies as follows:

1. Not causing human rights violations, not using child labor, and using legal labor, not causing inequality and discrimination
2. No production processes that may impact the community and society
3. Conducting business following relevant laws, regulations, and rules, including having a policy to prevent and combat corruption
4. Having important measures to take care of safety, occupational health, and the working environment in the workplace, including the community surrounding the establishment
5. Promoting workforce skills development through continuous and effective personnel development policies and encouraging the company's personnel to be quality people for the organization, society, and the nation
6. The company's business operations can create customer satisfaction and build long-term relationships.
7. The company has fair marketing and sales practices, preserving the benefits and data security of customers.
8. The company has a concept of improving product formats, packaging, or business models to meet customer needs concretely and effectively.
9. The company's operations do not cause conflicts with the community.
10. The company can develop the quality of life of people in the community to be self-reliant and sustainably.
11. The company participates in creating a livable society.

Compliance with human rights principles and standards

Human rights management principles and standards : Thai Labour Standard: Corporate Social Responsibility of Thai Businesses (TLS 8001-2010) by the Ministry of Labour

Review of social and human rights policies, guidelines, and/or goals over the past year

Review of social and human rights policies, guidelines, and/or goals over the past year : Yes

No significant changes to social and human rights policies, practices, and/or goals.

Human Rights Due Diligence : HRDD

Does the company have an HRDD process : No

3.4.2 Social operating results

Information on employees and labor

Employees and labor management plan

The company's employee and labor management plan : Yes

Employee and labor management plan implemented by the Company in the past year : Fair employee compensation, Employee training and development, Promoting employee relations and participation, Migrant/foreign labor, Child labor, Safety and occupational health at work

Employee and Labor Management Plan

Policy on Respect for Human Rights, Equality, and Diversity

The Company has a policy of non-discrimination based on gender, skin color, ethnicity, religion, or social status. We uphold human rights by embracing equality and diversity. This not only mitigates compliance risks and potential human rights disputes but also enhances employee engagement and attracts talented individuals to join the organization. This leads to reduced risks of labor shortages, lower training costs for new employees replacing departing ones, and improved work efficiency and effectiveness. These factors directly contribute to competitiveness, create career growth opportunities, facilitate succession planning, and support sustainable business growth. Additionally, we have an equal opportunity employment policy that extends to people with disabilities and other disadvantaged groups.

The Company has established a Human Rights Policy document that outlines our commitment to upholding human rights. The document details various aspects related to the practices mentioned above.

This includes establishing a labor and labor management policy that outlines practices to enhance employee well-being and foster a strong bond with the Company. This policy is based on fairness, mutual respect, and covers crucial aspects such as recruitment and employment, compensation, salaries and wages, other benefits, working hours, freedom of association and collective bargaining. In this regard, the Company respects the right of employees to associate or form groups in any form that does not violate the law, including participating in collective bargaining processes in accordance with legal procedures. The policy also details important practices related to employee development, safety, occupational health, environment and facilities, and protection of pregnant women. The Company will review and update this policy and its practices to align with evolving international standards or relevant agencies.

Regarding the employment of foreign workers, the Company has developed a manual outlining procedures for hiring foreign workers. The objective is to ensure that the hiring process complies with legal frameworks and mitigates potential risks associated with employing foreign workers. This manual covers the hiring of foreign workers of all nationalities employed at both the head office and all branch offices. It also addresses human rights practices, fair and equal treatment of labor, non-discrimination and equal

opportunities, the prohibition of child labor, and outlines penalties for non-compliance. Additionally, it includes penalties for external agencies, representatives, or companies involved in the recruitment of foreign workers.

Compensation and Benefits Policy

The Company's compensation policy for employees and workers prioritizes business growth and annual performance to motivate employees to perform their best. We consider annual salary increases to cover inflation and individual performance-based adjustments based on diligence, dedication, and work performance, as reflected in employee evaluations. This is achieved through performance appraisal forms developed by the Human Resources Department, which assign weights to each evaluation criterion to determine the average score for each employee. The evaluation covers aspects such as adherence to company regulations, absenteeism, tardiness, personal conduct, work-related development, creativity, and work achievements.

The aforementioned considerations are based on fairness to maintain and create work motivation for continuous efficiency and effectiveness. In addition to providing compensation, the Company also promotes savings and financial security for employees through the establishment of a provident fund, which was initiated in 2016. The Company has conducted training courses on savings and the benefits of the provident fund, with over 84 employees participating and signing up.

Approaches

1. The Company has a compensation assessment system based on job suitability for each position, including workload, approaches to improve work efficiency, work achievements, personnel development planning, and succession planning.
2. The Company has implemented a clear performance evaluation system to ensure fairness for employees, using organizational KPIs as performance indicators.
3. The Company will administer salaries and wages fairly, considering factors such as qualifications, experience, position level, responsibilities, comparison with market wage rates in the country, and the Company's specific circumstances.
4. The Company will provide special compensation for work performed outside of regular working hours, such as overtime pay, holiday pay, meal allowances for working on holidays, and travel expense reimbursements for both domestic and international business trips in the form of travel allowances and accommodation expenses, according to the Company's terms and conditions.
5. The Company has a policy of ensuring the well-being of its employees so that they can perform their duties effectively. This includes providing various welfare benefits comparable to those offered in similar or related industries and in compliance with legal requirements.

Employee Engagement Survey

Objectives: This platform allows our employees to freely express their opinions, suggestions, and communicate various information, which will be used as a basis for our collective development.

Benefits for Employees: Increased channels for expressing opinions freely.

Benefits for the Company: Ensure that employee feedback is heard comprehensively, not just from specific groups or individuals.

This information will be used to guide the Company's development, foster engagement, and develop employees for the organization's sustainable growth.

Objectives: The Company aims for an overall average score of 70%. We will implement plans to enhance employee satisfaction and engagement through various activities, including weekly meetings. In addition to regular work-related discussions and updates, these meetings will include communication about the Company's business direction, strategies, and plans to enhance employee understanding.

Personnel Development Policy

Developing employee potential for career advancement and enabling them to apply their knowledge and skills in their roles are crucial for driving the Company's sustainable growth. These skills are also personal assets that contribute to individual growth and excellence. Each year, we develop a personnel training and development plan, or Training Needs, based on input from various departments. This allows the Human Resources Development Department to provide training courses that meet the specific needs of each department within the Company. We also establish measurable targets, such as the number of training hours and the number of employees required to complete training in each course identified by each department.

The Company places importance on personnel development to enhance work capabilities and efficiency. We have established a clear and consistent personnel development plan, which serves as an annual plan for training to enhance work skills. This includes both in-house training and sending employees to attend training courses offered by government agencies and private organizations related to their work. In addition, the Company provides welfare benefits to employees to boost morale and motivation. We continuously review and improve these benefits to ensure they remain appropriate. The Company's fundamental personnel development objectives are:

1. The Company encourages directors and executives to participate in relevant and appropriate training and seminars to enhance their knowledge and understanding of their roles, responsibilities, and duties as company directors and executives.
2. Encourage employee participation in defining work processes within their departments and provide input and perspectives to improve existing work practices for greater efficiency and effectiveness.
3. Create a work environment where everyone feels involved in the organization's success. We will consider rewarding personnel based on both overall organizational achievements and individual dedication and effort.
4. Encourage employees to gain knowledge from practical work experience. Develop and update work manuals to align with evolving work practices.
5. Encourage participation in domestic and international trade shows to stay abreast of production trends, product development, marketing, and evolving consumer behavior. This allows us to adapt our operations, stay current, and respond effectively to changes in the furniture industry and other business sectors in which the Company invests.
6. Encourage the development of value-added products and services offered by the Company to foster sustainable growth and create continuous demand and recognition among consumers.
7. Promote development and motivate personnel to adopt a work ethic that emphasizes continuous improvement and progress. For instance, production processes should be continuously improved, marketing should generate increasing revenue from product sales, and departments responsible for controlling company expenses should manage costs and expenses to decrease continuously while maximizing efficiency. This development and motivation effort aligns with our plan to reduce resource consumption, waste, and environmental impact, fostering a culture of awareness and environmental responsibility within the organization.

Practices

1. The Human Resources Department is responsible for assessing the Company's personnel development needs and formulating an annual development plan, including budget allocation. The personnel development plan must align with the actual needs and requirements outlined in the Company's development plan and must be approved by supervisors. Each department must submit their annual development plan to the Human Resources Department in advance.
2. The Human Resources Department will monitor the training plan and notify relevant parties if any changes or adjustments are necessary.
3. The Human Resources Department must control development expenses within the allocated budget.
4. The Human Resources Department will act as the administrator responsible for training. All parties who will organize training must cooperate and coordinate with the Human Resources Department in terms of instructors, dates, times, venues, teaching media, and equipment to be used, etc.
5. The Human Resources Department is responsible for evaluating and monitoring the effectiveness of the training courses provided.

Furthermore, the committee has established a Succession Plan to prepare for the succession of the Managing Director and senior executives. The Nomination Committee has considered and established policies regarding the Succession Plan to ensure business continuity and efficient operations in the event that an executive is unable to perform their duties. The plan outlines succession for various positions by personnel with the necessary knowledge, skills, and experience to seamlessly fill vacancies or advance to higher positions. The details are as follows:

1. Provide opportunities for junior executives to work alongside senior executives in their respective areas of responsibility. This includes attending meetings where senior executives assign policies.
2. Prepare personnel with specific expertise to gain additional management capabilities in other areas, preparing them for higher-level positions.
3. Assign junior executives with high potential as successors.
4. Provide opportunities for junior executives to attend training on organizational leadership, fostering a sense of

responsibility and loyalty to the organization, as well as personnel management approaches within their areas of responsibility.

5. Provide opportunities for junior executives to present their work plans and performance reports to senior executives.

Additionally, there is a Succession Planning Process for the Managing Director, with the following details:

1. Establish criteria or qualifications for the successor to the Managing Director position.
 - a. Consider the challenges that the company will face in 5-10 years.
 - b. Identify the qualities and skills needed to meet those challenges.
 - c. Develop a candidate evaluation process based on established criteria.
2. Identify candidates who may be qualified for succession.
 - a. The Board of Directors and the Managing Director jointly consider those who may be qualified for succession by considering both internal and external candidates.
 - b. The evaluation process can take various forms.
 - i. Internal assessment, such as assigning critical roles or special projects.
 - ii. Evaluate external candidates, such as presenting the vision and future strategies of the organization.
3. Assess the capabilities and potential of individuals who may be qualified for succession.
 - a. The Board of Directors and the Managing Director evaluate the qualifications of each candidate or potential successor.
 - b. Jointly score each candidate or potential successor.
 - c. The committee jointly reviews the evaluation and exchanges feedback.
 - i. Jointly summarize feedback on each candidate or potential successor.
 - ii. Consider different perspectives on each candidate or potential successor.
 - iii. Identify areas where each individual requires further consideration.
4. Develop a plan
 - a. To prepare individuals with the potential for succession.
 - b. To further assess succession readiness.
5. Review progress.
 - a. Further assess and summarize the potential for succession.
 - i. Identify the developed candidates or potential successors.
 - ii. Identify areas for further development.
 - b. Initiate a rigorous evaluation process to select the most suitable candidate.

For employees, the Company has a policy of retaining high-potential individuals within the organization. This is achieved by assigning the company's policy to the selection committee responsible for identifying suitable candidates for succession planning. The selected individuals will be informed and provided with a development plan that includes increased responsibilities, decision-making authority, and participation in training courses aligned with their potential and future job positions. This approach ensures the Company's readiness in preparing personnel for immediate replacement when positions become vacant, mitigating operational risks, and supporting smooth business expansion in the future.

Training and Employee Development Goals

Objectives: The Company considers employees to be valuable resources and crucial to the organization's progress. Therefore, we are committed to developing the capabilities of all employees, enabling them to grow alongside the organization.

Benefits for Employees: Gain knowledge, abilities, and various skills, leading to improved work efficiency and excellent opportunities for career advancement. These are long-term returns received from the company.

Benefits for the Company: The company has better business competitiveness and creates organizational commitment for employees.

Employee Development and Care

The Company supports a Happy Work Place to create a work-life balance for our personnel. Our goal is to foster sustainable happiness and share it with the external community. The Happy Work Place mechanism consists of eight boxes of happiness:

- 1) **Happy Body** The Company promotes a healthy lifestyle among employees by encouraging exercise and a nutritious diet. This contributes to employee well-being, both physically and mentally, leading to a more productive workforce.
- 2) **Happy Brain** The company encourages employees to be knowledgeable and develop themselves continuously from learning resources

and various opportunities to lead to skills development, resulting in career advancement. The company also organizes training courses for employees on a regular basis.

3) **Happy Family** The Company recognizes the importance of family. When employees have a happy and stable family life, it fosters love, family bonds, and a positive relationship between employees' families and the organization.

4) **Happy Heart** The Company promotes kindness and generosity, fostering a workplace culture of compassion and mutual support. This includes encouraging the sharing of belongings and cultivating a society of giving.

5) **Happy Money** The company encourages employees to save, manage their finances, have savings, know how to spend, and not be in debt. This encourages employees to spend sparingly and have savings for use in times of need.

6) **Happy Relax** The Company encourages employees to engage in relaxation activities. This involves creating opportunities for fun, relieving work-related fatigue and stress, boosting morale, and fostering positive relationships among employees. Examples include group meals, casual conversations, and consultations in a relaxed atmosphere.

7) **Happy Society** The Company promotes social responsibility both within the company and in the wider community. This involves fostering unity, kindness, and support for the workplace community, residential communities, and surrounding society. When the surrounding community thrives, the organizations within it also benefit.

8) **Happy Soul** The Company organizes activities related to religious holidays and important traditions to encourage employee participation and foster religious faith. We aim to cultivate ethical conduct in daily life, promoting morality and ethics among employees, fostering peace of mind, and harmonious coexistence.

Occupational Safety, Health and Working Environment

The Company has established a safety, occupational health, and working environment organizational structure, which consists of the factory director, acting as a safety officer or occupational safety officer, including the head of the safety unit and a working group responsible for various areas that can cover the entire factory's safety, including the factory safety inspection supervisor, the maintenance engineering department, the advanced technical department, the professional nursing team, the emergency team, the professional safety officers, and the security team.

The Company has appointed a Safety, Occupational Health, and Work Environment Committee consisting of 12 members to perform the following duties and exercise the following powers:

1. Develop a policy on safety, occupational health, and the work environment for the establishment and submit it to the employer.
2. Develop guidelines for preventing and reducing accidents, injuries, illnesses, or nuisances arising from employee work or unsafe working conditions, and propose them to the employer.
3. Report and propose measures or guidelines to improve working conditions and the work environment to comply with relevant safety laws. This is to ensure the safety of employees, contractors, and external personnel working or using services at the workplace.
4. Promote and support workplace safety activities.
5. Review the establishment's safety, occupational health, and work environment manual and provide recommendations to the employer.
6. Survey workplace safety practices and report the survey results, including statistics on accidents that occur in the workplace, to the Safety Committee meeting every time.
7. Consider workplace safety training programs, including programs on the roles, responsibilities, and safety duties of employees, supervisors, managers, employers, and personnel at all levels, and provide recommendations to the employer.
8. Establish a system where employees at all levels are responsible for reporting unsafe working conditions to the employer.
9. Follow up on the progress of matters submitted to the employer.
10. Report on the annual performance, including problems, obstacles, and suggestions for improvement, to the employer after one year of service.
11. Evaluate the workplace safety performance of the establishment.
12. Perform other safety-related tasks as assigned by the employer. Following the appointment of the Safety, Occupational Health, and Work Environment Committee, a Safety Unit was established to carry out its designated roles and responsibilities. The following section details the operational guidelines.

The Company has established a safety, occupational health, and work environment policy to guide our operations in these areas, as follows:

1. The Company will strictly comply with laws, regulations, announcements, orders, and standards related to safety, occupational

health, and the work environment as stipulated by the government.

2. The Company will continuously support and promote safety, occupational health, and the work environment. We will allocate sufficient and appropriate budgets for these purposes.
3. The Company is committed to promoting safety by providing training, reviews, drills, and various activities to raise safety awareness among employees, ensuring their continuous preparedness.
4. The Company will provide high-quality, standard personal protective equipment (PPE) for employees to use and wear appropriately based on the nature of their work.
5. The company will pay attention to, inspect, and strictly enforce employees to comply with the manual on safety, occupational health, and working environment, as well as pay attention to, control, and take care to protect the safety of employees at work.
6. The Company is committed to maintaining a clean and safe work environment within the company premises and surrounding areas. This ensures a safe, hygienic, and pleasant workplace, contributing to the overall well-being and quality of life for all employees.
7. The Company emphasizes employee cooperation in complying with safety, occupational health, and environmental regulations. Success in accident prevention is considered a factor in performance evaluations.
8. The Company considers workplace safety and safe work practices to be the responsibility of all employees and supervisors at all levels, who are expected to adhere to and be accountable for them.
9. The Company believes that all employees play a role in accident prevention and environmental protection. We welcome suggestions and feedback from employees, which will be considered for improvement and addressing any shortcomings to ensure maximum employee safety.
10. In the event of a work-related accident, the Company will provide care, attention, and consider appropriate assistance to enable the injured employee to maintain their livelihood.

Safety Promotion Activities

The Company is committed to maintaining a safe work environment that protects the lives and property of employees, customers, and visitors. We regularly improve and inspect our safety systems, including fire and flood protection. We also engage a team of certified engineers who are registered building and equipment inspectors to inspect, maintain, and oversee our operations in compliance with legal requirements. The engineering team's primary responsibilities include inspecting the structural integrity of buildings, electrical systems, air conditioning systems, sanitation and environmental systems, fire prevention and suppression systems, building safety management systems, and conducting annual equipment performance checks. The Company regularly provides first aid and basic life support training to employees. Additionally, we offer annual employee health check-ups or comply with legal requirements in this regard. Healthy employees contribute to efficient work performance. The Company publishes details about its safety, occupational health, and work environment policy on its website: www.eastcoast.co.th Topic: Sustainable Development Subtopic: Corporate Governance

The objectives of occupational health and safety management are to control work practices, reduce accidents to the point of work stoppage, ensure that the Company's activities comply with legal and other requirements, prevent and control occupational risks, including occupational diseases, raise awareness of safe work practices, and continuously monitor and evaluate safety performance.

Policy and practice for managing the work environment in the event of an epidemic

Objective: To prevent and reduce the spread of infectious diseases in the workplace and to take care of the health and safety of employees.

1. Workplace hygiene measures.

- Provide handwashing stations and alcohol gel in all areas.
- Clean and disinfect frequently touched surfaces such as desks and doorknobs.
- Install an appropriate ventilation system to reduce the accumulation of pathogens.

2. Employee health screening and monitoring measures.

- Conduct body temperature checks before entering the workplace.
- Provide channels for reporting illnesses and encourage employees to take leave if they have symptoms of an epidemic.
- Allow employees at risk to work from home.

3. Social Distancing Measures.

- Maintain a distance of at least 1-2 meters between workstations.
- Reduce the number of employees required to attend meetings in person and utilize online meetings instead.
- Implement staggered lunch breaks to reduce crowding.

4. Personal Protective Equipment Measures.

- Provide face masks and protective equipment to employees.
- Require wearing face masks in enclosed areas and high-risk areas.
- Prepare PPE kits for employees who have to work in hazardous areas.

5. Communication and Knowledge Sharing

- Provide information about the epidemic and preventive measures through internal communication channels.
- Provide training to employees on self-protection methods and emergency procedures.
- Communicate guidelines clearly through email, announcements, and online meetings.

6. Management of Outbreaks in the Workplace.

- Establish a response plan in case of infection, such as notifying public health authorities and conducting deep cleaning.
- Separate quarantine areas for employees who have symptoms of an epidemic.
- Coordinate with medical facilities to ensure timely treatment for employees.

7. Monitoring and Improving Measures

- Review and update measures based on the situation and recommendations from government agencies.
- Appoint a special working group to monitor and assess employee safety.
- Provide channels for employees to provide feedback on preventive measures.

Note: This policy will be updated based on the pandemic situation and guidelines from public health authorities.

Setting employee and labor management goals

Does the company set employee and labor management : Yes
goals

Details of setting goals for employee and labor management

Target(s)	Indicator(s)	Base year(s)	Target year(s)
• Promoting employee relations and participation	Employee Engagement Survey	2024: 77.06%	2025: 80 percent
• Fair employee compensation • Migrant/foreign labor • Child labor • Non-discrimination	Complaint	2024: No major complaints have been raised.	2025: No major complaints have been reported.
• Employee training and development	Number of training hours	2024: 8	2025: More than 15 hours

Performance and outcomes for employee and labor management

The Company believes that "personnel" are the heart of building a competitive advantage and are an important resource in driving the organization to grow sustainably. Giving importance to strengthening a happy organization where personnel can work efficiently, with an environment that supports and encourages the creation of new things, and creating personnel engagement with the organization is still a significant challenge for organizations today. The company has guidelines to respond to the approach of strengthening a happy work organization for the sustainability of the organization and continuous business growth in the

following ways:

Performance and outcomes for employee and labor : Yes
management

Employee Engagement Survey Results 2024

The Company recognizes the importance of its employees and therefore provides opportunities for employees to participate in expressing their opinions for the benefit of development, improvement, and sustainability for both the employees themselves and the Company. The following is a summary of the various opinions:

The evaluation topics in the questionnaire are detailed as follows:

1. Corporate Image and Internal Communication
2. Supervisors and Working with Colleagues
3. Roles, Responsibilities, Compensation, and Performance Evaluation
4. Opportunities for Growth, Quality of Life, and Stability
5. Knowledge and Understanding of Good Corporate Governance Principles

The results of the 2024 employee engagement survey showed an overall average of 77.06%, which is close to the previous year's average of 76.19% for 2023.

The topic with the highest score was topic 5, Knowledge and Understanding of Good Corporate Governance Principles. This is a result of the Company's emphasis on conducting business in conjunction with good corporate governance with transparency. The Company also consistently instills good consciousness in its employees. The Company has been certified as a member of the Thai Private Sector Collective Against Corruption since 2021. In the past year, new employees of the Company have been trained and informed in writing through knowledge and understanding tests on the anti-corruption policy, as well as all related practices.

And for the topic with the lowest average score, which is topic 4, Opportunities for Growth, Quality of Life, and Stability,

However, although topic 4, Opportunities for Growth, Quality of Life, and Stability, had the lowest average score, the 2024 survey results showed an improvement from 67% in 2023 to 70% in 2024.

As for the reason why this topic has the lowest score compared to other topics, the Company expects that it is due to the pressure on employees to work together to overcome the economic crisis, which has been affected by various situations such as inflation, rising prices of goods affecting the cost of living in the daily lives of employees, and rising oil prices due to the war situation. As a result, in the past year, the Company has continued to restructure its operations, adjust job positions to be in line with the workload within the organization intensively, focus on planning and working efficiently, and measure work performance to meet the set targets with continuous monitoring and evaluation plans since 2021 when this policy was implemented. In addition, the Company is still in a situation where it is controlling various expenses carefully and cautiously in spending. This is to plan to prevent risks that may occur if the impact of various situations turns out to be worse than previously anticipated.

However, regardless of the reason, the Company will analyze the survey results, make improvements, and find solutions for each topic in the survey. This is to enhance employee engagement with the organization.

Target : The Company has set a target overall average score of 70%, and in 2024, the overall average score exceeded the target, reaching 77.06%. However, the Company will consider ways to manage various aspects to create a balance between employees and the Company.

Information on employee relations and engagement initiatives that took place in the past year 2024

Number of employees who resigned voluntarily, classified by gender As of December 31, 2024, the Company found the following statistics:

The number of male employees who resigned voluntarily was 273, an increase from 200 in the previous year.
The number of female employees who resigned voluntarily was 276, an increase from 234 in the previous year.
The number of employees who resigned voluntarily totaled 549, an increase from the previous year's figure of 434.
No significant labor disputes

The Company considers that from the data on voluntary resignations in 2024, almost all of them were daily wage employees. This is because the Company has restructured its employment by adding second and night shifts to reduce production costs and increase operational efficiency in line with the current business conditions. However, some daily wage employees have considered job opportunities elsewhere according to the suitability of their desired employment conditions. The Company continues to comply with Thai labor law and is committed to creating a fair and appropriate working environment for all employees.

Employee information by employment type

Divided into daily wage employees and permanent employees, it was found that in 2024, there were 1,138 daily wage employees and 191 permanent employees, an increase from 2023. This was due to the increased need for manpower support in the production line to accommodate the increased orders for furniture in the first 9 months of 2024, as well as the expansion of the sofa production line. Therefore, it was necessary to hire more workers, especially daily wage employees.

However, if categorized by gender, the Company's employees in 2024 were 696 males, or 52.37%, while 633 were females, or 47.63%, which means that the Company has a male-to-female employee ratio of 1.10 to 1.

Employment of people with disabilities

The Company has hired physically challenged employees to work in the production process and has provided fittings (equipment used in the assembly of furniture products) to ensure that they have equal opportunities and compensation as normal employees, in accordance with the Persons with Disabilities Empowerment Act B.E. 2550, which aims to protect people with disabilities to have work or occupations without unfair discrimination due to physical and health reasons. This Act stipulates that government agencies and employers or owners of establishments must employ people with disabilities under Section 33 contribute to the Fund for the Promotion and Development of Quality of Life for Persons with Disabilities under Section 34, or choose to grant concessions under Section 35.

In addition, the Company takes care of employees who are experiencing health problems by adjusting their responsibilities according to their potential and ability to work to minimize the impact on their health.

For 2024, in the case of employing people with disabilities, the Company employed 17 people with disabilities as employees of the Company, meeting the employment criteria according to the number stipulated by law, out of a total of 13. In addition, the Company has fully paid contributions to the Fund for the Promotion and Development of Quality of Life for Persons with Disabilities on time.

Employee Compensation

In 2024, the Company paid a total of 238.57 million baht in compensation to employees, excluding the Board of Directors and executives whose information is disclosed to the Stock Exchange of Thailand.

The ratio of female to male employee compensation is 0.97 to 1 times the average compensation paid per employee.

In the past year, the Company has not considered any salary increases for employees due to financial liquidity problems and operating losses. However, under normal circumstances, the Company will consider adjusting employee salaries in line with the rising cost of living at a reasonable rate, taking into account the performance evaluation of each employee conducted by the supervisor or manager, along with supporting information from the Human Resources Department.

In addition, the Company provides welfare benefits to permanent employees and contract employees, with details as follows:

1. Salary
2. Overtime pay
3. Holidays
4. Leave (sick leave, personal leave)
5. Medical expenses (health insurance)
6. Annual health check-up
7. Assistance to employees who suffer accidents or illnesses arising from working for the Company
8. Provident Fund
9. Employee uniform (shirt only, 4 pieces per year)
10. Children's education scholarships
11. Funeral expense assistance
12. Get well gifts for patients
13. Employee discount
14. Domestic and international travel expenses incurred from working for the Company

In 2024, 51 permanent employees became members of the Provident Fund out of a total of 191 permanent employees, representing 26.70%. The amount contributed by the Company to the Provident Fund was 632,841 baht.

Work Skills Development

The Company has provided skills development to enhance the work efficiency of its employees by setting guidelines for promoting knowledge and developing skills for employees to align with the Company's strategic direction. The Company has defined the format and training hours as follows:

- On-the-Job Training

Set training standards required for each job position and have the head of each department provide on-the-job training to employees to ensure understanding of the correct working methods.

- In-house Training

Define competency courses, divided into:

- Basic courses for employees
- Courses based on specific job competencies
- Courses based on management competencies
- Other courses

- External Training (Public Training)

Sending employees to training courses organized by external institutions

The Company has set a policy for the total number of training hours per year as follows:

1. Production units within the factory (not less than 50 hours)
2. Marketing Department (not less than 10 hours)
3. Accounting - Finance Department (not less than 30 hours)
4. Human Resources Department (not less than 20 hours)
5. Corporate Secretary and Investor Relations Department (not less than 30 hours)

In 2024, the Company provided an average of 8 training hours per employee per year. In 2024, the number of hours and expenses for training and development of the Company's employees decreased significantly because it was a period when the Company experienced financial liquidity problems and there were solutions in many areas within the organization, such as personnel restructuring, production process adjustment, and planning. The focus was on urgently solving the problem of business liquidity.

Statistics on employee injuries or accidents at work that occurred in 2024

The Company has statistics on accidents/absenteeism/illness rates caused by work. There were 8 work-related injuries resulting in

employee absenteeism in 2024, an increase from 6 in 2023.

The Company has investigated the causes and reinforced the guidelines to prevent such accidents during work strictly, including inspecting the area, correcting defects, and establishing new and more stringent guidelines. The Company has a policy to fully compensate employees who are injured at work, and such accidents do not cause damage to the work. The Company has established guidelines to prevent and mitigate risks from safety, occupational health, and environmental issues in the workplace by emphasizing that employees strictly comply with the Company's safety policies to reduce the number of accidents at work more effectively.

Activities to promote the safety and occupational health of employees

The Company organized fire escape, fire prevention, and first aid training activities in 2024, which are held annually. Including electrical safety training and assistance to those injured by electricity by instructors from the Department of Electrical Engineering. The objective is to ensure that the Company's employees and workers are safe when working with electricity, to establish control requirements for electrical equipment, wires, wiring, overload protection systems, grounding, lightning protection, as well as personal protective equipment used in connection with electricity, electrical safety equipment, and to create an understanding of the types of electrical accidents. In addition, the Company has established safety regulations for electrical work and the use of electrical equipment to be announced within the Company's work areas, as well as monitoring and inspection to ensure that electrical work is carried out in accordance with the established work procedures.

Annual health check-up activities for the Company's employees

The Company is committed to the health and well-being of all its employees. For this reason, the Company organizes annual health check-ups for its employees on a regular basis, with details as follows:

Objective: To assess the general health status of employees, identify risk factors and health problems in the early stages, and provide advice on health care in terms of nutrition, physical health, and mental health.

Activity details:

Basic health check-up: Blood pressure, weight, height, BMI calculation, blood sugar and cholesterol levels

Specialized health check-ups: Cardiovascular health check-ups, eye and hearing tests in case of risk

Consultation: Consultation with specialist doctors and health teams on health check-up results, advice on lifestyle changes for better health, both in terms of diet and exercise

Expected Results: Annual health check-ups help employees become aware of their health status, prevent and treat diseases in the early stages, and promote a healthy lifestyle, which will affect work efficiency and happiness in daily life.

Follow-up: The Company will systematically collect health check-up results and analyze them to plan for future employee health care. It will also prepare activity reports to be presented to management and employees. This activity is part of the Company's commitment to creating a good working environment and promoting the well-being of all employees so that they can work efficiently and happily every day.

Award ceremony for employees who have worked with the Company for more than 15 years

The objective of this activity is to express gratitude to the Company's employees who have worked and dedicated themselves to the Company for a long time.

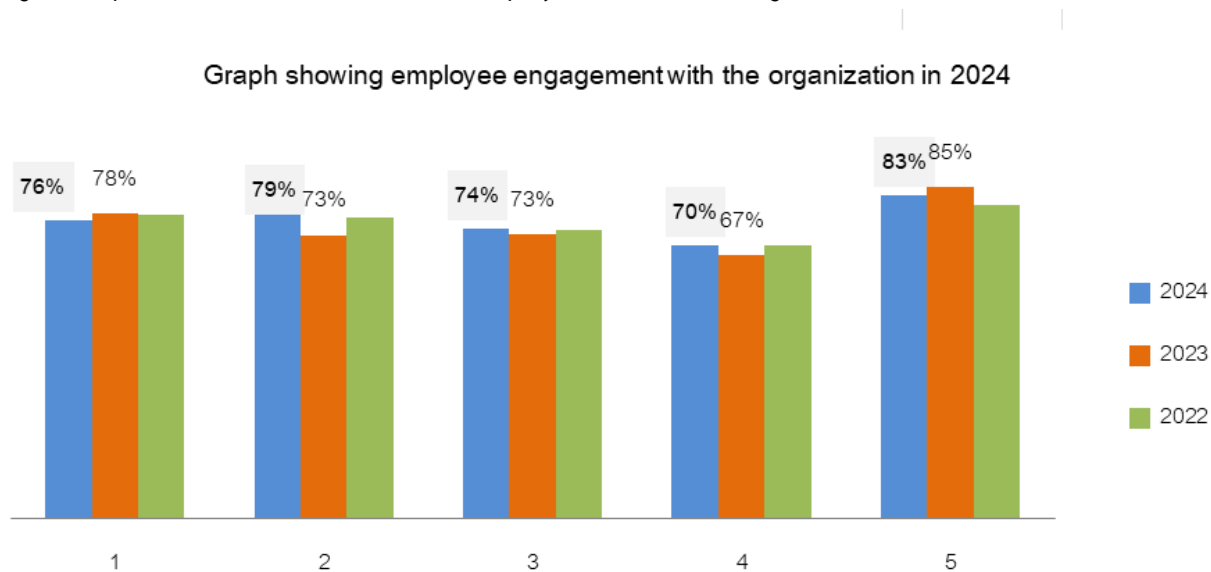
The Company has established a policy to control and prevent the spread of the COVID-19 virus, with details as follows:

COVID-19 Control and Prevention Policy

1. All employees must strictly follow public health measures, including the Company's measures, to prevent the spread of the COVID-19 virus.
2. Protecting oneself from the COVID-19 virus is the responsibility of every employee. Therefore, employees must wear a hygienic mask or cloth mask at all times when leaving home and wash their hands with soap and water or alcohol gel regularly.

3. Maintain a distance of at least 2 meters from others to prevent direct contact with infected individuals.
4. Avoid risky places such as nightclubs, bars, restaurants, all types of gambling establishments, concerts, and events where a large number of people gather.
5. If an employee has a fever, high body temperature exceeding 37.50 degrees Celsius, chills, cough, runny nose, or is at risk, the employee must inform Human Resources and their supervisor. The employee should also be tested for COVID-19 using RT-PCR or Antigen Test Kit and report the test results to Human Resources and their supervisor.
6. If an employee is in close contact with a person infected with the COVID-19 virus, the employee must inform Human Resources and their supervisor to assess the risk of requiring the employee to be quarantined for 14 days or as determined by the public health measures at that time to prevent the spread of the COVID-19 virus.
7. If an employee is infected with the COVID-19 virus, they must cooperate with the treatment prescribed by the public health authorities.

Diagram of performance and outcomes for employee and labor management



Employee and labor management: Employment

Hiring employees

	2022	2023	2024
Total employees (persons)	1,045	1,307	1,329
Male employees (persons)	535	690	696
Female employees (persons)	510	617	633

Employment of workers with disabilities

	2022	2023	2024
Total employment of workers with disabilities (persons)	11	9	17
Total number of employees with disabilities (persons)	11	9	17

	2022	2023	2024
Contributions to empowerment for persons with disabilities fund	Yes	Yes	Yes

Employee and labor management: Remuneration

Employee remuneration

	2022	2023	2024
Total employee remuneration (baht)	153,988,592.00	160,259,489.00	238,570,436.00
Total male employee remuneration (Baht)	73,416,072.00	87,753,717.00	126,875,348.00
Total female employee remuneration (Baht)	80,572,520.00	72,505,772.00	111,695,088.00

Employee and labor management: Employee training and development

Employee training and development

	2022	2023	2024
Average employee training hours (hours / person / year)	96.00	22.00	8.00
Training and development expenses for employees (baht) ⁽²⁾	40,700.00	29,949.00	5,000.00

Remark : ⁽²⁾ In 2017, the number of hours and expenses spent on employee training and development significantly decreased. This was due to the company facing financial liquidity issues and undergoing various internal restructuring processes, such as personnel restructuring, production process adjustments, and planning. The primary focus was on urgently addressing the company's financial liquidity concerns.

Employee and labor management: Safety, occupational health, and environment at work

Safety, occupational health, and environment at work

	2022	2023	2024
Total number of lost time injury incidents by employees (cases)	2	6	8

Employee and labor management: Employee engagement and internal employee groups

Employee engagement

	2022	2023	2024
Total number of employee turnover leaving the company voluntarily (persons)	126	434	549
Total number of male employee turnover leaving the company voluntarily (persons)	58	200	273

	2022	2023	2024
Total number of female employee turnover leaving the company voluntarily (persons)	68	234	276
Proportion of voluntary resignations (%)	12.06	33.21	41.31

	2022	2023	2024
Evaluation result of employee engagement	Yes	Yes	Yes

Employee internal groups

Employee internal groups : Yes
Types of employee internal groups : Welfare committee

Information about customers

Customer management plan

Company's customer management plan : Yes
Customer management plan implemented by the company over the past year : Responsible production and services for customers, Communication of product and service impacts to customers/consumers, Development of customer satisfaction and customer relationship, Consumer data privacy and protection

Sustainable Business Practices Related to Customers

The Company has a policy and plan to develop customer satisfaction as a guideline for sustainable business management to prevent the problem of losing competitiveness in businesses that are unable to adapt to the rapidly changing needs of customers today. This is achieved through continuous customer satisfaction development by understanding and responding to customer needs, as well as building good relationships and experiences between the company and customers before, during, and after-sales. This aims to create long-term business loyalty, which will lead to sales and revenue for the business.

The Company has established a practice guideline, which is to design a survey to evaluate customer satisfaction and experience with the Company's products and services, including the image of the business in the eyes of customers. This is to understand customer needs and use their feedback or suggestions to improve products and services to keep pace with changing customer behavior and expectations, as well as to assess the company's ability to retain customers and build customer loyalty in order to expand market share.

Customer Satisfaction Survey Objectives

Objectives: To be another channel for communication and listening to feedback from customers, in order to use suggestions as part of product and service development to meet customer needs.

Benefits to customers: There are channels for expressing opinions in order to receive better products and services.

Benefits to the company: The Company is directly aware of customer suggestions. This information is used as a guideline for developing the company's products and services to create a unique selling point for the company's products and create a competitive advantage in the market.

Goals: The Company has set a quantitative target for customer satisfaction development, stipulating that the average score for each topic must not be less than 80%.

To understand the effectiveness of the Company's customer care appropriately, the company has designed a product and service satisfaction survey. The questionnaire is divided into 5 sections, which consist of:

1. Overall company satisfaction.
2. Satisfaction with the company's products.
3. Product price appropriateness.
4. Satisfaction with shipping and product delivery.
5. Satisfaction with employee service.

Policies and Practices for Communicating Product/Service Information to Customers/Consumers

The Company has established policies and practices to build trust and understanding in information about the company's products and services, as well as to promote transparency and accountability in communicating with customers/consumers. The goal is to ensure that product/service information communication with customers/consumers is accurate, transparent, and effective, fostering trust and good relationships with customers, and ensuring that the company operates within the framework of relevant laws and industry standards.

1. Basic Principles

Accuracy and Transparency: The information communicated must be accurate, complete, and not misleading. Accuracy is verified before dissemination.

Neutrality and Impartiality: Present information neutrally without distorting it for the benefit of individuals or the company in a way that could harm customers.

Responsibility: The company is responsible for providing accurate and useful information to customers/consumers in accordance with applicable laws and industry standards.

2. Product/Service Information Communication Guidelines

Clarity in Content: Use clear and concise language. Avoid using jargon that may cause confusion. Clearly state important information such as features, price, warranty terms, and instructions for use.

Accuracy and Completeness: Verify information before dissemination to ensure that it is accurate and up-to-date. Indicate the source of information or reference relevant standards in cases where external information is referenced.

Communication through Appropriate Channels: Utilize a variety of communication channels (website, social media, print materials, advertising) to reach the target audience. Adapt communication styles to suit each channel (e.g., short information on social media, detailed information on the website).

Transparency in Terms and Conditions: Clearly state the terms and conditions of products/services. Display information about return policies, warranties, and after-sales service.

Responding to Inquiries and Complaints: Provide contact channels for customer inquiries or complaints. Prioritize problem resolution and effective complaint follow-up.

3. Monitoring and Evaluation

Information Monitoring and Verification: Information disseminated is continuously monitored to ensure that it remains accurate and consistent with changes in products/services. Verification is carried out by a dedicated team or relevant department.

Communication Evaluation: Gather feedback and suggestions from customers/consumers. Use the evaluation results to improve communication processes and enhance the quality of information.

4. Employee Training and Knowledge Building

Provide training and knowledge about communication policies and practices to relevant employees. Create an understanding of the importance of accuracy, transparency, and responsibility in communication.

Preventing Consumer Rights Violations and Lack of Awareness in Responsible Production and Consumption

The Company will adopt a fair marketing and sales business approach by providing consumers with accurate, complete, transparent, and fair information for decision-making. This includes communicating potential impacts from the use of products and services to reflect the ethics and integrity of the business. The company will also manage customer personal information securely and respect consumer rights, leading to building customer trust and long-term loyalty to the company.

The Company has established a practice guideline, which is to adjust the design of products, packaging, or business models to

meet the needs of customers who are responsible for social and environmental impacts. This takes into account the responsibility of the business throughout the life cycle of the product, from the design of the company's furniture products, transportation, and sourcing of raw materials, product manufacturing, transportation or delivery of goods, marketing, and sales, to the end of the product's life cycle. This is to enhance responsible operations and add value to the business by managing limited resources for maximum efficiency. In addition to managing financial costs, it also demonstrates responsibility for the social and environmental costs that arise both directly and indirectly from the Company's operations.

Policy on Prioritizing the Safety and Health of Customers and Consumers

The Company is committed to being a manufacturer and distributor of **Good Products or Goods**. This means that the product is suitable for its intended use, well-designed, durable, stable, in good condition, functional according to its intended purpose, and detailed according to established standards. It has a beautiful and neat appearance, is durable, safe to use, designed with the health of customers and consumers in mind, and is a socially and environmentally responsible product.

The definition of product quality set by the company is:

- Performance: The product must be able to perform its intended functions.
- Reliability: The reliability of the company to consistently produce well-functioning products.
- Durability: The product will have a long service life to a certain extent, not easily damaged, or not damaged to the point of being unusable prematurely.
- Aesthetics: The product must have a shape, texture, pattern, and packaging that is neat and aesthetically pleasing to attract customers.
- Safety: The product must have minimal risk of harm during use.
- Compliance with Standards: The product must meet the quality standards appropriate for that type of product.
- After-sales service: The company places importance on this by allowing customers to contact and inquire about assembly instructions, and usage, or request usage advice from the company through designated channels.

Complaint Handling Policy and Procedures, Impacts from Products or Services that Customers and Consumers Should Be Aware Of

The Company has established a policy and procedures for handling complaints that customers/consumers may experience as a result of products or services. The details are as follows:

Key Requirements and Standards for Complaint Handling

1. Complaint Receipt and Facilitation (Facilitate)

- 1.1 Customers can easily and conveniently access complaint channels.
- 1.2 All customer complaints are recorded in the complaint system.
- 1.3 All complaints are checked for accuracy and completeness of information after receiving them from customers.
- 1.4 All complaints are categorized and prioritized by severity within the day they are received.

2. Complaint Acknowledgement and Response (Respond)

- 2.1 All customer complaints are responded to within 24 hours.
- 2.2 All resolved complaints are reported back to the complainant/customer within 15 days after the complaint is resolved.

3. Complaint Resolution (Manage)

- 3.1 All complaints are resolved/initially handled.
- 3.2 All complaints are resolved within 15 days (non-urgent cases) from the date they are recorded in the system.
- 3.3 All complaints are resolved within the specified timeframe (urgent cases) from the time they are recorded in the complaint system.
- 3.4 All complaints with appeals for dissatisfaction will be resolved to the customer's satisfaction.
- 3.5 All complaints are resolved and closed, and customers are satisfied with the resolution of the complaints.

The Company has established channels for communicating the impact of its products and services. The company's packaging will state the Company name, product model, company address, telephone number, and company website. The website will also specify contact channels. The packaging will also include information documents such as product type, assembly instructions for self-assembly furniture, usage instructions, and contact information for customers or consumers.

Customer Confidentiality Policy

The Company has established a policy on the confidentiality and privacy of customer information, adhering to the important principle of prioritizing the protection of confidential customer information seriously and consistently. This information will be used with care and caution and will not be used for the benefit of the company or related parties, except for information that must be disclosed to external parties in accordance with relevant laws. The key principles are as follows:

1. The Company respects the privacy rights of its customers and will not disclose personally identifiable information of customers to the public.
2. The Company will keep all customer personal information confidential and use it only for the purposes notified to the customer. The company will not disclose customer personal information to third parties unless consent is obtained from the customer and only to the extent permitted by the customer, except when disclosure is required or permitted by law.
3. The Company will keep customers' personal information secure and will continuously review and develop measures to ensure strictness, such as using modern and reliable technologies or data storage systems in its operations. This is to prevent unauthorized access and leakage of customer information.
4. The Company will keep customers' personal information confidential and comply with the law, government guidelines, and relevant regulations.

Setting customer management goals

Does the company set customer management goals : Yes

Details of setting customer management goals

Target(s)	Indicator(s)	Base year(s)	Target year(s)
<ul style="list-style-type: none">• Responsible production and services for customers• Communication of product and service impacts to customers/consumers• Consumer data privacy and protection	Customer Complaint Management and Resolution	2024: There were no complaints, or if there were any, they were all resolved.	2025: There have been no complaints, or if there have been any, they have all been resolved.
<ul style="list-style-type: none">• Development of customer satisfaction and customer relationship	Customer Satisfaction Survey Results	2024: The average score for each topic must not be less than 80 percent.	2025: The average score for each topic must not be less than 80 percent.

Performance and outcomes of customer management

Performance and outcomes of customer management : Yes

Customer Satisfaction Survey 2024

From the customer satisfaction survey results in 2024, the average score was 84.58 percent, an increase from the previous year's score of 79.50 percent.

The scores in other areas, including overall company satisfaction, product satisfaction, product price appropriateness, and employee service satisfaction, have all increased from the previous year, except for satisfaction with shipping and delivery. This is partly due to the company's financial liquidity management. However, the company is in the process of resolving this issue promptly and will focus on risk management and use the results of customer satisfaction surveys to improve and resolve issues to enhance service and increase customer satisfaction in the coming years. The company will continue to focus on operating with an emphasis on all customer groups, while maintaining its existing customer base and seeking opportunities to create new customer groups, as well as developing products, services, and creating more competitive prices.

Operations/projects that demonstrate the importance of customer/consumer safety and health.

In the past year, in conducting operations to demonstrate the importance of customer/consumer safety and health, the following policies and practices have been continuously implemented:

- Manufacturing chemical-free furniture using materials free of formaldehyde and chemicals that may cause allergies or be harmful to health. Reducing the use of coatings containing VOCs (volatile organic compounds) to minimize the impact on indoor air quality.
- Selecting wood certified to the E1 Standard safety standard.
- Designing for safety by designing furniture with rounded corners to reduce the risk of accidents.
- Selecting durable materials to reduce the chance of breakage or accidents.
- Quality control and product safety testing. Checking the strength and safety of furniture before it is released for sale. Testing load capacity and durability according to industry standards.

- Providing information to consumers by labeling products with information about the materials used in furniture production, product properties, correct usage characteristics, care methods, and safety warnings. Creating clear user manuals and producing videos demonstrating the correct installation methods.

In the past year 2024, the Company has not received any complaints regarding the safety and health of customers and consumers arising from the use of the company's products in normal daily life.

Customer management: Customer satisfaction

Customer satisfaction

	2022	2023	2024
Evaluation results of customer satisfaction	Yes	Yes	Yes

Information on community and society

Community and social management plan

- Company's community and social management plan : Yes
- Community and social management plan implemented by the company over the past year : Employment and professional skill development, Education, Religion and culture, Sports and recreation, Occupational health, safety, health, and quality of life

The Company has a sustainable business management approach that promotes participation and development in communities and societies related to its operations. This approach also aims to prevent conflicts between the company and communities that may arise from the impact of business operations, which could potentially cause hardship and become an obstacle to the company's long-term success.

The Company has established policies and guidelines that prioritize improving the quality of life for people in the community, enabling them to be self-reliant and sustainable. The company supports the growth of the local economy in the areas where it operates by creating jobs and using local materials. It also supports community enterprises, which helps develop the skills and potential of community members. This approach simultaneously supports human, economic, and social development. It also enhances satisfaction and fosters good relationships between the company and the community. The company engages in creating a livable society through various social and volunteer activities aimed at community development. These activities are planned and implemented by leveraging existing resources such as employees, expertise, funding, or partner networks to contribute to strengthening the community. The company adheres to the principle of community-centricity, driving and creating positive changes in society. This approach not only generates satisfaction and encourages community participation but also fosters strong relationships and trust between the business and the community, ultimately leading to sustainable value creation for both the business and society.

Setting community and social management goals

Does the company set community and social management : Yes
goals

Details of setting community and social management goals

Target(s)	Indicator(s)	Base year(s)	Target year(s)
<ul style="list-style-type: none"> • Employment and professional skill development • Education • Religion and culture • Sports and recreation 	<p>Organize at least one event for each of the following areas:</p> <p>**Employment and Skills Development:**</p> <p>* **Job Fair:** Connect job seekers with potential employers from various industries.</p> <p>**Education, Religion, and Culture:**</p> <p>* **Cultural Exchange Program:** Facilitate interactions and understanding between people of different cultures through workshops, performances, or exhibitions.</p> <p>**Sports and Recreation:**</p> <p>* **Community Sports Tournament:** Host a tournament for various sports, encouraging teamwork, physical activity, and community engagement.</p>	<p>2024: The number of activities that occur at least 1 activity per topic or a total number of activities not less than 4 activities</p>	<p>2025: The number of activities that occur at least 1 activity per topic or a total number of activities not less than 4 activities</p>

Performance and outcomes of community and social management

Performance and outcomes of community and social : Yes
management

Activities "Sharing Happiness...to Society"

The Company is well aware of creating sharing as a culture in the organization by focusing on encouraging employees to have public consciousness, creating happiness from being a giver in order to be a part of making today's society a more livable place. Therefore, activities and projects have been initiated to deliver happiness to the community, society, and happiness to employees

from being givers through the "Sharing Happiness...to Society" activity. It also attaches importance to participating in and supporting activities related to development to enhance the quality of life of communities in nearby areas to have a better quality of life. The team responsible for this area will be assigned to be responsible by the Human Resources Department together with the Investor Relations team to survey the needs and satisfaction of the community. The community and social development projects in the area consist of 5 areas as follows:

1. Education: The Company regularly organizes scholarships, teaching equipment, and furniture products to students who have a good academic record but lack financial resources every year to schools located around the Company's office. In 2024, the Company organized such activities at Wat Adisorn School, Pathum Thani Province, through the 6th ECF Nong Im Tong, Pee Im Jai Project.

2. Environment: The Company places importance on the production process to reduce environmental impacts. In 2024, the Company focused on energy management. As a result of this policy, it has had a positive effect on the overall use of resources and reduced environmental impacts from greenhouse gas emissions data in the factory area and is a good starting point for future operations.

3. Health: The Company regularly organizes activities to donate medical equipment to hospitals in the vicinity of its head office or branch offices every year, such as Klaeng Hospital, Rayong Province, which is a hospital that, in addition to local residents, employees of the Company from the head office choose to use the services of this hospital because it is located near the Company's head office.

4. Economy and Occupation: The Company established ECF PARK to create a source of income for people in the community. This is because ECF Park is located on Ban Bung-Klaeng Road, which is suitable for use as a place to sell souvenirs and local products. The Company has allowed communities in the vicinity of the Company's head office in Klaeng District, Rayong Province, to rent space to sell their products in the ECF Park area, including promoting the economy and occupations by purchasing rubberwood from the community to use as raw materials in the Company's production. The Company purchases rubberwood from rubberwood farmers in both Rayong Province and nearby provinces. The Company takes care of the condition of the road surface where trucks transport wood to the factory, which is currently a concrete road that can be used for transportation, both for transporting wood by trucks into the factory area and for villagers to travel conveniently.

Including activities to donate money to support and participate in various activities of the community in the head office area, Rayong Province, such as activities to support sports competitions under the project of sports competitions to connect relationships between local government organizations, government agencies, and the private sector, activities to support the budget for the project to promote sports among the people in the area of Wang Chan District Administrative Organization, Rayong Province, activities to support the repair and addition of service points for people in distress.

5. Religion and Culture: The Company organizes the annual "Making Merit to Monks, Farewell to the Old Year, Welcome the New Year 2024" activity every year to encourage employees to jointly inherit Thai culture, promote auspiciousness in starting the new year, strengthen unity in the organization, as well as promote good consciousness in doing good deeds and sharing happiness together in the organization, including organizing activities to share happiness with students on the occasion of Children's Day 2024 for students in the head office area, Klaeng District, Rayong Province.

Information on other social management

Plans, performance, and outcomes related to other social management

Whistle Blowing Policy, Complaint Handling, Complaint Channels, and Whistleblower Protection

The Company has established a Whistle Blowing Policy (“Policy”) as a tool to enable the company to receive complaints from both internal employees and external individuals regarding fraud, corruption, violation of rights, or non-compliance with laws, regulations, company rules, and the company's code of business conduct, which may lead to damage to the company's assets, image, and reputation. This Policy will be beneficial and may be amended to be consistent and appropriate according to the circumstances that may arise. You can study the details of this Policy on the company's website at www.eastcoast.co.th. The key details of the various topics can be summarized as follows:

1. Receiving Whistleblowing or Complaints

The Board of Directors has assigned the Audit Committee / or the committee established to consider complaints or a specifically established committee to consider whistleblowing, complaints, and actions that may raise suspicions of fraud, corruption, violation of rights, or non-compliance with laws, regulations, company rules, and the company's code of business conduct. Complainants must provide details of the matter to be reported or complained about, along with sufficient evidence or information for verification, including their name, address, and telephone number that can be contacted through the following channels:

1. Letter to Asst. Prof. Dr. Montri Sokatyanurak, Chairman of the Audit Committee / Independent Director or Mr. Arrak Suksawat, Chief Executive Officer or Company Secretary Office, East Coast Furniture Public Company Limited, 25/28 Moo 12, Bung Kham Proi Subdistrict, Lam Luk Ka District, Pathum Thani Province 12150
2. Email: Send to the Company Secretary Office: cg@eastcoast.co.th or Human Resources Department: hrrayong@eastcoast.co.th
3. Through the complaint channels on the company's website at <https://www.eastcoast.co.th>

Individuals who can report or file complaints regarding fraud, corruption, violation of rights, or non-compliance with laws, regulations, company rules, and the company's code of business conduct are all stakeholders of the company, including shareholders, customers, competitors, officials, government agencies, communities, society, the Board of Directors, executives, and employees of the company. The company has considered that the aforementioned whistleblowing or complaint channels are appropriate and safe, accessible with confidence, and free from risks to the whistleblower afterward.

2. Procedure

After the company receives information from whistleblowers or complainants, the company has a procedure for handling whistleblowing or complaints as follows:

1. Gather facts, and consider the details of the facts.

Upon receiving whistleblowing or complaints through various channels, the company will gather all relevant facts, filter, and process them. A fact-finding working group will be set up, consisting of relevant individuals such as the supervisor/highest-ranking supervisor in the department that received the complaint or whistleblowing, the Human Resources Manager, and/or other deemed appropriate individuals. The fact-finding working group will begin collecting information, and evidence, and verifying the facts in detail.

The fact-finding working group will assess the time frame for considering the information until a conclusion is reached on the course of action. A representative of the working group will inform the whistleblower or complainant of the timeframe. The working group will complete the process as soon as possible.

2. Conclude on the course of action.

The fact-finding working group will seek conclusions regarding remedial measures for those affected. No disciplinary action will be taken against whistleblowers or complainants who provide information in good faith.

3. Report Results

The Company Secretary Office or the Human Resources Department is responsible for reporting the results of the fact-finding investigation if the complainant/whistleblower discloses their identity. In this regard, if the matter is significant, it must be reported to the Chief Executive Officer and/or the highest-ranking executive of the department that received the complaint/whistleblowing (in the event that the highest-ranking executive of the department did not participate in the fact-finding working group on the matter reported). This will depend on the significance and severity of the matter.

reported/whistleblown.

3. Protection Measures and Confidentiality

In order to protect the rights of whistleblowers or complainants who provide information in good faith, the company will conceal the name, address, or any information that could identify the complainant or informant and keep the information of the complainant and informant confidential, limited only to those responsible for conducting the investigation of the complaint.

Whistleblowers or complainants and those who cooperate in the fact-finding process will be protected under the following criteria:

1. The company will be fair and protect all stakeholders of the company, including shareholders, customers, competitors, officials, government agencies, communities, society, the Board of Directors, executives, and employees of the company, or any other person who reports or provides evidence of fraud, corruption, violation of rights, or non-compliance with laws, regulations, company rules, and the company's code of business conduct.
2. Whistleblowers or complainants and those who cooperate in the fact-finding process may choose to remain anonymous if they believe that disclosure would lead to insecurity or any damage. However, if they disclose their identity, it will enable the company to report progress, clarify facts, or mitigate damages more conveniently and quickly.
3. The company will not disclose the first name, last name, address, picture, or any other information that could identify the whistleblower or complainant and those who cooperate in the fact-finding process. An investigation will be conducted to determine the veracity of the matter.
4. Those who receive information from performing duties related to complaints are obligated to keep the information, complaints, and documentary evidence of the complainant and informant confidential and must not disclose the information to other unrelated persons, except for disclosures as required by law, and will disclose only as necessary, taking into account the safety and damage to the whistleblower or complainant and those who cooperate in the fact-finding process, the source of the information, or the individuals involved.
5. In the event that whistleblowers or complainants and those who cooperate in the fact-finding process believe that they may not be safe or may be harassed or harmed, the whistleblowers or complainants or those who cooperate in the fact-finding process may request the company to establish appropriate protection measures, or the company may establish protection measures without being requested if it deems that there is a tendency for harassment, harm, or insecurity.
6. Those who have been harmed or damaged will receive redress through an appropriate and fair process.
7. If whistleblowers or complainants and those who cooperate in the fact-finding process have reported concerns or raised questions in good faith, the company may not use this as a basis for taking any action that is detrimental to the employment of that employee, including transfers, demotions, suspensions, termination of employment, and prohibiting any person from retaliating against the whistleblower or complainant and those who cooperate in the fact-finding process. Retaliation against whistleblowers or complainants and those who cooperate in the fact-finding process and report concerns or suspicions in good faith is considered unethical conduct and may result in disciplinary action under the company's rules and regulations regarding personnel administration. Consideration will be given to proceeding with the disciplinary process in accordance with the personnel administration regulations.
8. If any person in the company engages in harassment, intimidation, discrimination, or disciplinary action by inappropriate or unjust means related to the whistleblower's complaint or other matters, including other individuals involved in the investigation of fraud from such whistleblowing or complaints, that person shall be deemed to have committed a disciplinary offense and shall be liable for damages to the company or those affected by such actions, or may be liable by law as well.

Information on incidents related to legal or social and human rights violations

Number of cases and incidents of significant legal or social and human rights violations

	2022	2023	2024
Total number of cases or incidents of significant legal or social and human rights violations (cases)	0	0	0
Total number of cases or incidents leading to significant labor disputes (cases)	0	0	0

	2022	2023	2024
Total number of incidents or complaints related to business partner's rights violations (cases)	0	0	0
The total number of cases or complaints related to partner rights violations (Cases)	0	0	0
Total number of cases or incidents leading to disputes with the community/society (cases)	0	0	0
Total number of cases or incidents related to cybersecurity or customer data breaches (cases)	0	0	0
Total number of cases or incidents related to workplace safety and occupational health (cases)	0	0	0

4. Management Discussion and Analysis (MD&A)

4.1 Operation, financial condition and material changes

Operational overview

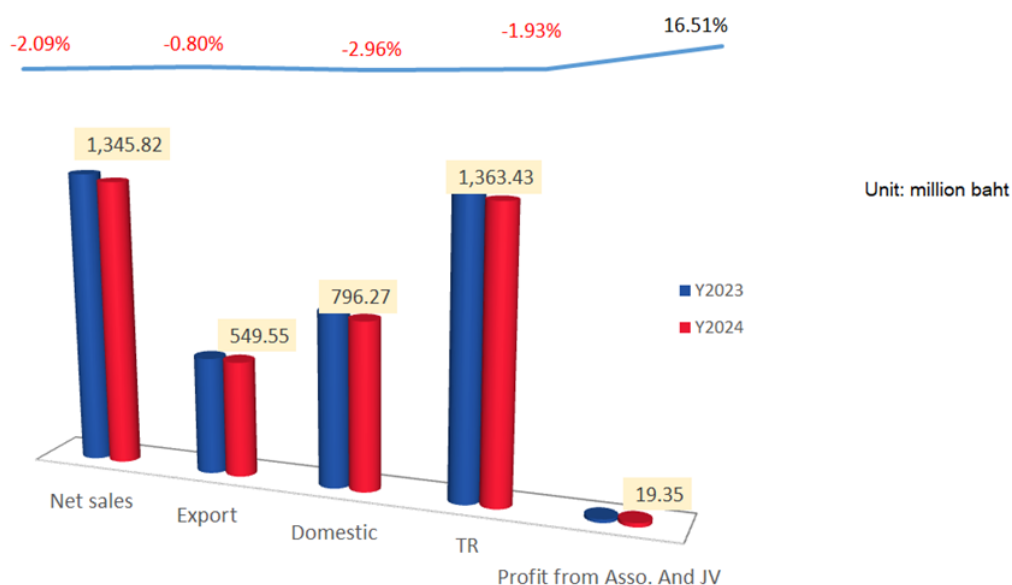
The Company manufactures and distributes furniture products for household use, ranging from bedroom sets, living rooms, dining tables, and sofas, both in self-assembly and ready-to-assemble formats. The Company's main customer groups are currently domestic customers, approximately 60%, and exports, approximately 40%. The main domestic customer groups are large retailers (Thai Hypermarkets), followed by small retailers nationwide, and distribution through various online platforms.

For international customers, the Company has major customers in Japan, India, the United States, and the Philippines.

Revenue from sales and total revenue for the year 2023 decreased slightly compared to the same period last year, with revenue from sales at 1,345.82 million baht and total revenue at 1,363.43 million baht. The proportion of cost of sales to revenue from sales increased significantly. The proportion of distribution costs, administrative expenses, and financial costs to total revenue remained similar to the previous year. In addition, the company had significant expenses to comply with accounting standards, including increased allowance for impairment of financial assets and allowance for obsolete inventory in Q4.

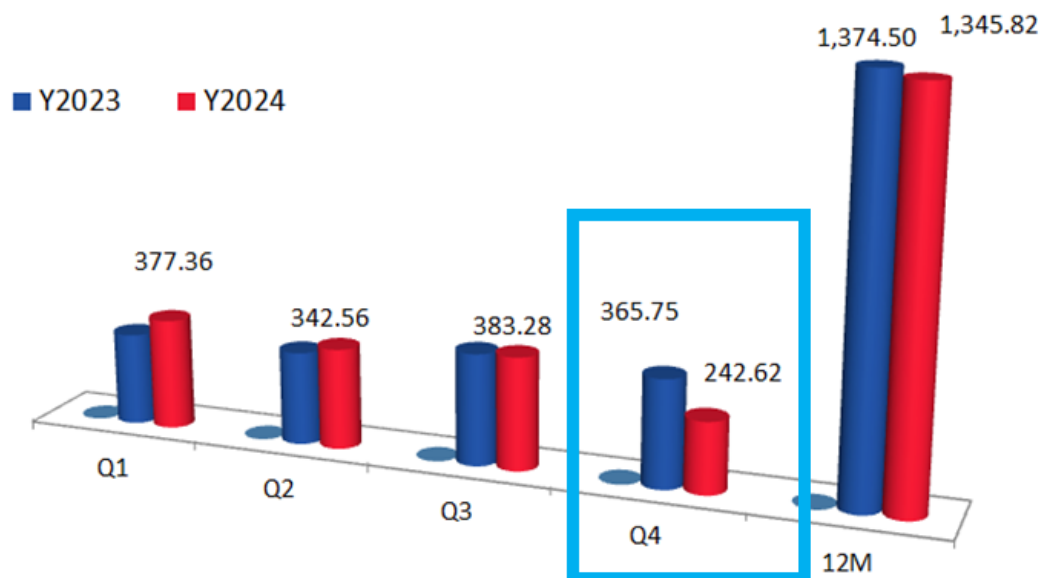
Diagram of operational overview

ภาพรวมรายได้จากการขาย
การส่งออก การขายในประเทศ รายได้รวม และส่วนแบ่งกำไรจากเงินลงทุนในบริษัทร่วมและการร่วมค้า
Sales Revenue Overview
Exports, Domestic Sales, Total Revenue and Share of Profit from Investments in Associates and Joint Ventures



รายได้จากการขาย / Net sales

Unit: million baht



Analysis on the operation and financial condition

Operating results and profitability

2024 Operating Results

For 2024, the Company had revenue from its business operations and revenue from subsidiaries of 1,345.82 million baht and total revenue of 1,363.43 million baht, a slight decrease compared to the previous year of 2.09 percent and 1.93 percent, respectively. This decrease in revenue was due to the impact of exports to India, the continued slowdown in exports to Japan, and the economic slowdown in the country, which also affected Hypermarket group revenue in the fourth quarter.

The Company's sales mix between exports and domestic sales in 2024 was 40 percent and 60 percent, respectively, or 549.55 million baht and 796.27 million baht, respectively. The proportion of exports remained similar to the previous year. Domestic sales decreased slightly by 3 percent due to the economic slowdown in the country towards the end of 2024.

The Company's other income, which consists of income from the sale of production materials and scrap, amounted to 8.04 million baht, and other income was 7.85 million baht, resulting in a total of 15.89 million baht. This is close to the previous year's value of 14.73 million baht. Additionally, the company had financial income of 23.63 million baht, a decrease compared to the previous year's financial income of 27.28 million baht.

The share of profit from investments in associates was derived from Green Earth Power (Thailand) Co., Ltd. (GEP), which is an investor in a 220-megawatt solar power plant project in Minbu, Myanmar. ECF Power Co., Ltd. (ECF-P), a subsidiary of the company, invested in GEP, accounting for 20 percent. Currently, there is commercial revenue for the 50-megawatt Phase 1 project, and GEP is in the process of constructing Phase 2 and will expedite the construction of the remaining phases to complete all four phases as soon as possible.

Currently, electricity payments from the Myanmar Electric Power Enterprise (MEPE) are still following the specified conditions.

Significant Costs and Expenses Incurred in 2024

The cost of sales ratio for 2024 increased to 89.18 percent, which is still higher compared to the same period of the previous year, which had a ratio of 81.07 percent. The main reason is the significant increase in cost of sales in the fourth quarter, which affected the overall picture and resulted in a significant increase in the cost of sales ratio. This was due to pushing sales of old inventory by offering customer discounts of 10-20 percent, as well as product improvements during production to create benefits, resulting in losses from new packaging of approximately 20-25 percent. This was also impacted by the continuous increase in raw material and labor costs.

The proportion of distribution costs and administrative expenses remained similar to the previous year. Significant expenses included an increase in the allowance for obsolete inventory in the fourth quarter of 10 million baht.

Additionally, there is a significant difference in revenue. In the same period of the previous year, the company recognized insurance compensation received from a fire incident that occurred in April 2023, amounting to 92.28 million baht. This was recognized as a deduction from the company's total expenses as a special item that occurred in the third quarter of the previous year.

The proportion of financial costs remained similar to the previous year, and the company recognized an increase in accounting expenses from the increase in impairment losses on financial assets in the fourth quarter. This was due to an increase in allowance for doubtful accounts of 17.20 million baht and the impairment of investments in ECF Holdings Co., Ltd., a subsidiary, which had a net loss exceeding its equity and whose profitability remained poor. Therefore, this year, there was an increase in the loss on impairment of investments of 21.25 million baht.

Throughout 2024, the company implemented new work improvement processes, considered price adjustments for products to align with costs and the current production situation. Distribution costs and administrative expenses remain under continuous cost control policies. Additionally, the company is in the process of addressing high financial costs to expedite their reduction as soon as possible.

Profitability in 2024

Gross profit decreased due to the increased proportion of cost of sales, with a gross profit value of 129.98 million baht. However, the company had a loss before interest and income tax of 115.40 million baht and a net loss attributable to owners of the parent company (ECF) of 231.37 million baht. This was due to the aforementioned increase in costs and expenses during 2024.

Financial Position of the Company: Consolidated Financial Statements as of December 31, 2024

The company had total assets of 3,880.17 million baht as of December 31, 2024, a decrease of 154 million baht from the previous year. This was due to a decrease in trade receivables, as the company was able to collect receivables better, and in line with the decrease in the average collection period from 162 days in the previous year to 140 days in 2024.

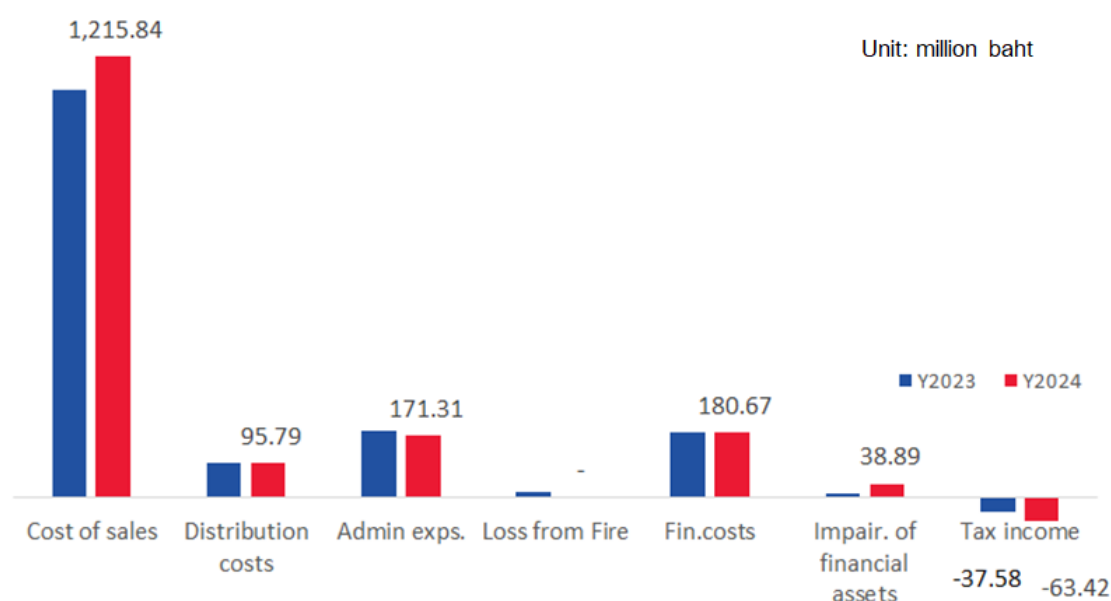
The company had total liabilities of 2,936.41 million baht as of December 31, 2024, an increase of 82 million baht from December 31, 2023. The main reason for this increase was the increase in short-term loans from other persons to enhance liquidity for business operations.

Equity attributable to owners of the parent company as of December 31, 2024, was 943.76 million baht. Equity decreased due to the net loss.

As of December 31, 2024, the company had a debt-to-equity ratio of 3.11 times, an increase compared to December 31, 2023, which had a ratio of 2.42 times. This increase is due to higher debt burdens. However, the company is actively seeking ways to reduce its total debt, including current financial costs, as quickly as possible. The company has scheduled an Extraordinary General Meeting of Shareholders No. 1/2025 on March 5, 2025. The meeting will propose important agendas for approval, including an increase in registered capital of no more than 300 million baht, with a par value of 0.25 baht per share, and the allocation of such newly issued ordinary shares for offering to private placement investors.

Diagram of operating results and profitability

ต้นทุนและค่าใช้จ่ายต่าง ๆ / Costs and expenses



Asset management capability

As of December 31, 2023, the Company had efficiency ratios for return on assets, return on fixed assets, and asset turnover ratio of -5.88%, 21.32%, and 0.34 times, respectively. The key reason for the negative return or asset management efficiency was the Company's net loss attributable to the parent company of 231.37 million baht.

Liquidity and capital adequacy

As of December 31, 2017, the Company had a current ratio of 0.64 times, decreasing from the previous year with a ratio of 0.88 times, and a quick ratio of 0.14 times, decreasing from the previous year with a ratio of 0.28 times. However, the cash flow liquidity ratio slightly increased from the previous year with a ratio of 0.07 times to 0.08 times, due to the Company's increased cash flow from operations. As of December 31, 2017, it was valued at Baht 181.84 million, increasing from the previous year with a value of Baht 148.05 million. The important reason was due to the improved collection of accounts receivable and in line with the collection period, which decreased from 162 days in the previous year to 140 days in 2017.

However, the Company's overall liquidity decreased from the increased value of current liabilities, which resulted from the increase in short-term loans from other persons by Baht 223.29 million compared to the previous year. The value of such items as of December 31, 2017 was Baht 378.18 million. Such borrowings were mainly for enhancing the Company's liquidity and capital adequacy. In addition, the Company had debentures due within 1 year increased from Baht 606.04 million from the previous year to Baht 879.41 million as of December 31, 2017, which was in accordance with the upcoming debenture repayment conditions.

Debt obligations and management of off-balance sheet

As of December 31, 2024, the company has a significant debt obligation: the value of debentures due within 1 year is 879.41 million baht, which is in accordance with the bond repayment conditions that will occur within the second quarter of 2025.

The Company has considered the following liquidity management and debt repayment plan:

1. Adjusting the operational plan by effectively managing costs to reduce unnecessary expenses, downsizing the organization, adjusting product prices to plan for increased profits, which has been implemented since the beginning of 2025.
2. Seeking short-term funding sources both domestically and internationally to enhance liquidity and support the company's purchase orders, and to enable the business to continue operating smoothly. The company has already initiated some of these plans by issuing and offering newly issued ordinary shares to private placement investors, with a schedule for the 2025 Annual General Meeting of Shareholders No. 1/2025 on March 5, 2025. The amount expected to be issued and offered for sale is 75-

100 million baht.

3. Seeking additional sources of funding from abroad, which will be used as a source of funds to solve the problem of bond repayment that will mature within 2025.

4. For the solar power plant project in Minbu, Myanmar, the company has concluded negotiations with a contractor from China and has signed a Settlement Agreement together in early November. This will be the starting point for moving forward with the construction of phases 2 and 3 together. Currently, there are financial institutions from abroad ready to support the construction. If the approval is granted, the company will be able to build confidence among domestic financial institutions to increase the opportunity to receive higher credit lines. The company will also be able to adjust the collateral structure, which currently has a collateral value higher than the debt owed to financial institutions. However, due to the current economic slowdown, the original financial institutions are not ready to provide additional credit lines, even though the collateral value is higher than the current debt.

Material Transaction (MT) and Related Party Transaction (RPT)

At the Board of Directors' Meeting No. 1/2025 held on January 17, 2025, the Board of Directors approved (a) the reduction of the Company's registered capital by 2,517.75 Baht (by canceling 10,071 unissued ordinary shares with a par value of 0.25 Baht per share) from 359,814,618 Baht to 359,812,100.25 Baht, divided into 1,439,248,401 ordinary shares with a par value of 0.25 Baht per share, and (b) the increase of the Company's registered capital by 75,000,000 Baht (from 359,812,100.25 Baht to 434,812,100.25 Baht) by issuing 300,000,000 newly issued ordinary shares with a par value of 0.25 Baht per share. These newly issued ordinary shares will be allocated to support the issuance and offering of shares to persons in a private placement (PP), representing 23.82% of the total number of shares to be issued and offered by the Company after the PP. The Company has scheduled an Extraordinary General Meeting of Shareholders No. 1/2025 to be held on March 5, 2025.

This issuance and offering of newly issued ordinary shares is considered a material offering of newly issued shares to persons in a private placement according to the Notification of the Capital Market Supervisory Board No. Tor Jor. 28/2022. This is because the offering may result in the allottees becoming the shareholders with the highest voting rights in the Company. Therefore, the Company must appoint an Independent Financial Advisor (IFA) to provide opinions to the shareholders on the following matters: (1) the appropriateness of the offering price and conditions; (2) the reasonableness and benefits of the offering to investors, including the plan for utilizing the proceeds from the offering, compared to the impact on existing shareholders; and (3) the opinion on whether the shareholders should approve the offering, along with the reasons. Additionally, the offering must be approved by the shareholders' meeting with no less than 3/4 of the total votes of the shareholders present and entitled to vote.

In the aforementioned report, the Independent Financial Advisor (IFA) is of the opinion that the Company's offering of newly issued ordinary shares to persons in a private placement is reasonable. This is due to the reasonableness and appropriateness of the objectives, conditions, and offering price of the capital increase, as well as the Company's plan for utilizing the proceeds and the benefits it will receive. The advantages and disadvantages of participating in and not participating in the transaction were also considered. Therefore, the IFA is of the opinion that the shareholders' meeting should approve the issuance and offering of the capital increase.

Issuance of debt securities with an obligation to maintain financial ratios

Is there an issuance of debt securities with an obligation : Yes
to maintain financial ratios?

Can the Company maintain the financial ratios as : Yes
reported?

As of December 31, 2017, according to the debentures issued and offered for sale by East Coast Furnitech Public Company Limited, which have the conditions for maintaining Financial Covenants as specified in the terms and conditions of each series of debentures, as follows: the issuer shall maintain the ratio of "Debt" to "Equity" (Interest Bearing Debt to Equity Ratio) at a ratio not exceeding 4:1 (four to one).

As of the end of the issuer's quarterly or annual accounting period, which is based on the consolidated financial information and the company's status as of December 31, 2017, the company was able to maintain the said ratio at 2.43 times, which is still within the specified conditions.

4.2 Potential factors or incidents that may materially affect the financial condition or the operating results

Significant factors or incidents that may materially affect the future financial condition or the operating results

Since 2016, the Company has expanded its business into the renewable energy business until December 31, 2020. The Company has invested in solar power plant projects (after December 24, 2020, the Company sold all of its ordinary shares held through its associated company, Safe Energy Holdings Co., Ltd., which invests in the biomass power plant business, and was able to close the sale on that date and received a total of 233.88 million baht in share sales). ECF Power Co., Ltd., a subsidiary in which the Company holds a 99.99 percent stake, is the investor in the project. It may be a significant factor or event affecting the Company's future financial position or operations, namely,

Risk from project success / Risk from project commencement later than planned, which in the case of the solar power plant project in Minbu City, Myanmar, through a 20 percent stake in Green Earth Power (Thailand) Co., Ltd. As of December 31, 2024, the project is still under construction for phases 2, 3, and 4, totaling 170 megawatts out of a total of 220 megawatts. In the past, the key risks that have been obstacles causing the construction to be delayed from the plan are the unrest in Myanmar. The COVID-19 pandemic in the past has resulted in the need to delay travel to the project construction site.

However, the latest progress of the construction of Phase 2 is that the site preparation for the installation of solar panels has been completed. Including ordering products such as solar panels with installation accessories necessary for construction, it can proceed according to the plan. However, the impact of COVID-19 and the political unrest that occurred in the past have affected the commercial operation date for the next phases, which will have to be delayed from the original plan. The management team and staff are well aware of these issues, and currently, the construction team will accelerate the construction as much as possible to minimize such impacts. In accordance with the terms of the power purchase agreement, the project can claim Force Majeure from the impact of COVID-19 and the political unrest that occurred in Myanmar during the past. At present, the project has not yet been notified to warn of the delay in the construction of the project from the relevant government agencies of Myanmar. In addition, the project continues to receive regular electricity payments from the Myanmar government for the Phase 1 power plant project, which has been commercially operational since September 2019 until now.

In addition, in order to closely monitor the project management and mitigate various risks, the Company has sent its representatives to attend the meeting and serve as directors of Green Earth Power (Thailand) Co., Ltd. The Company's representatives attended the meeting and listened to the progress, including problems and solutions to ensure that the project proceeds according to the plan closely. The representatives will present the details to the Company's Board of Directors meeting for acknowledgment of the progress of the project construction, including the results of the completed Phase 1 project with a capacity of 50 megawatts, continuously at every Board of Directors meeting.

Currently, the Company has no obligation to inject additional capital under any conditions to the power plant project. The Company expects that the construction of the power plant project for Phase 2 will be able to commercially distribute electricity within 2025.

Project or research and development that will affect the operating results and the financial condition in the near future

None

4.3 Information from financial statements and significant financial ratios

Information from financial statements

Summary of financial position statements

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Assets			
Cash And Cash Equivalents (MillionTHB)	14.31	20.09	5.76
Trade And Other Receivables - Current - Net (MillionTHB)	661.22	489.31	448.24
Other Parties (MillionTHB)	618.80	422.56	442.19
Related Parties (MillionTHB)	42.42	66.75	6.05
Short-Term Loan And Interest Receivables (MillionTHB)	138.50	138.50	104.80
Other Parties (MillionTHB)	40.00	40.00	40.00
Related Parties (MillionTHB)	98.50	98.50	64.80
Inventories - Net (MillionTHB)	1,277.15	1,229.75	1,164.61
Total Current Assets (MillionTHB)	2,091.18	1,877.65	1,723.42
Restricted Deposits - Non- Current (MillionTHB)	52.08	52.21	52.30
Trade And Other Receivables - Non-Current - Net (MillionTHB)	N/A	129.12	105.44
Other Non-Current Receivables (MillionTHB)	N/A	129.12	105.44
Investment In Subsidiaries, Associates And Joint Ventures Using The Equity Method - Net (MillionTHB)	865.88	880.76	898.07

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Property, Plant And Equipment - Net (MillionTHB)	703.61	819.33	875.47
Right-Of-Use Assets - Net (MillionTHB)	14.54	37.83	37.38
Intangible Assets - Net (MillionTHB)	0.95	2.72	2.03
Intangible Assets - Others (MillionTHB)	0.95	2.72	2.03
Deferred Tax Assets (MillionTHB)	12.62	57.12	120.23
Other Non-Current Assets (MillionTHB)	247.25	177.20	65.82
Total Non-Current Assets (MillionTHB)	1,896.92	2,156.28	2,156.75
Total Assets (MillionTHB)	3,988.10	4,033.92	3,880.17

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Liabilities			
Bank Overdrafts And Short-Term Borrowings From Financial Institutions (MillionTHB)	872.74	841.33	902.69
Trade And Other Payables - Current (MillionTHB)	239.56	406.10	424.84
Other Parties (MillionTHB)	238.32	403.69	400.69
Related Parties (MillionTHB)	1.24	2.41	24.16
Short-Term Borrowings (MillionTHB)	143.92	220.26	433.31
Related Parties (MillionTHB)	0.00	65.36	55.13
Current Portion Of Long-Term Debts (MillionTHB)	576.44	643.83	918.86
Bonds (MillionTHB)	535.03	606.04	879.41
Current Portion Of Long-Term Debts - Others (MillionTHB)	41.41	37.78	39.45
Current Portion Of Lease Liabilities (MillionTHB)	6.47	14.31	10.07
Income Tax Payable (MillionTHB)	2.93	0.37	0.66
Total Current Liabilities (MillionTHB)	1,842.06	2,126.20	2,690.44
Non-Current Portion Of Long-Term Debts (MillionTHB)	752.32	688.03	205.91
Bonds (MillionTHB)	638.70	590.86	100.64
Non-Current Portion Of Long-Term Debts - Others (MillionTHB)	113.62	97.16	105.27
Non-Current Portion Of Lease Liabilities (MillionTHB)	7.59	14.03	11.18

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Provisions For Employee Benefit Obligations - Non-Current (MillionTHB)	16.27	17.48	22.52
Deferred Tax Liabilities (MillionTHB)	3.25	8.43	6.36
Total Non-Current Liabilities (MillionTHB)	779.43	727.98	245.97
Total Liabilities (MillionTHB)	2,621.49	2,854.17	2,936.41

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Shareholders' equity			
Authorised Share Capital (MillionTHB)	287.85	287.85	359.81
Authorised Ordinary Shares (MillionTHB)	287.85	287.85	359.81
Issued And Paid-Up Share Capital (MillionTHB)	239.87	239.88	239.88
Paid-Up Ordinary Shares (MillionTHB)	239.87	239.88	239.88
Premium (Discount) On Share Capital (MillionTHB)	768.34	768.37	768.37
Premium (Discount) On Ordinary Shares (MillionTHB)	768.34	768.37	768.37
Retained Earnings (Deficits) (MillionTHB)	519.68	365.20	133.16
Retained Earnings - Appropriated (MillionTHB)	28.95	28.95	28.95
Legal And Statutory Reserves (MillionTHB)	28.95	28.95	28.95
Retained Earnings (Deficits) - Unappropriated (MillionTHB)	490.73	336.25	104.21
Other Components Of Equity (MillionTHB)	-184.39	-189.68	-191.97
Other Components Of Equity - Others (MillionTHB)	-184.39	-189.68	-191.97
Equity Attributable To Owners Of The Parent (MillionTHB)	1,343.50	1,183.77	949.44
Non-Controlling Interests (MillionTHB)	23.11	-4.02	-5.68
Total Equity (MillionTHB)	1,366.61	1,179.75	943.76
Total Liabilities And Equity (MillionTHB)	3,988.10	4,033.92	3,880.17

Summary of income statement

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Statement of Comprehensive Income			
Revenue From Operations (MillionTHB)	1,418.93	1,374.50	1,345.82
Revenue From Sales (MillionTHB)	1,418.93	1,374.50	1,345.82
Interest And Dividend Income (MillionTHB)	13.73	27.28	23.63
Interest Income (MillionTHB)	13.73	27.28	23.63
Other Income (MillionTHB)	30.74	14.73	15.89
Total Revenue (MillionTHB)	1,463.40	1,416.51	1,385.34
Costs (MillionTHB)	1,075.42	1,127.04	1,215.84
Cost Of Sales (MillionTHB)	1,075.42	1,127.04	1,215.84
Selling And Administrative Expenses (MillionTHB)	214.13	281.01	267.10
Selling Expenses (MillionTHB)	65.96	96.94	95.79
Administrative Expenses (MillionTHB)	148.17	184.08	171.31
(Reversal Of) Expected Credit Losses (MillionTHB)	4.46	11.65	38.89
Other Expenses (MillionTHB)	0.00	16.27	0.00
Total Cost And Expenses (MillionTHB)	1,294.01	1,435.97	1,521.83
Share Of Profit (Loss) From Investments Accounted For Using The Equity Method (MillionTHB)	28.20	16.61	19.35
Other Gains (Losses) (MillionTHB)	-0.81	1.02	1.71
Gains (Losses) On Foreign Currency Exchange (MillionTHB)	-0.81	1.02	1.71

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Profit (Loss) Before Finance Costs And Income Tax Expense (MillionTHB)	196.78	-1.84	-115.43
Finance Costs (MillionTHB)	158.47	181.72	180.67
Income Tax Expense (MillionTHB)	1.12	-37.58	-63.42
Profit (Loss) For The Period From Continuing Operations (MillionTHB)	37.19	-145.98	-232.68
Net Profit (Loss) For The Period (MillionTHB)	37.19	-145.98	-232.68
Net Profit (Loss) For The Period / Profit (Loss) For The Period From Continuing Operations (MillionTHB)	37.19	-145.98	-232.68
Share Of Other Comprehensive Income (Expense) From Subsidiaries, Associates And Joint Ventures Accounted For Using The Equity Method That Will Be Subsequently Reclassified To Profit Or Loss (MillionTHB)	17.88	-5.29	-0.67
Share Of Other Comprehensive Income (Expense) From Subsidiaries, Associates And Joint Ventures Accounted For Using The Equity Method That Will Not Be Subsequently Reclassified To Profit Or Loss (MillionTHB)	0.00	0.53	-2.29
Other Comprehensive Income (Expense) - Net Of Tax (MillionTHB)	17.88	-4.76	-2.96
Total Comprehensive Income (Expense) For The Period (MillionTHB)	55.07	-150.74	-235.63
Net Profit (Loss) Attributable To : Owners Of The Parent (MillionTHB)	37.46	-144.46	-231.37

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Net Profit (Loss) Attributable To : Non- Controlling Interests (MillionTHB)	-0.27	-1.52	-1.31
Total Comprehensive Income (Expense) Attributable To : Owners Of The Parent (MillionTHB)	55.34	-149.22	-234.33
Total Comprehensive Income (Expense) Attributable To : Non-Controlling Interests (MillionTHB)	-0.27	-1.52	-1.31
Basic Earnings (Loss) Per Share (Baht/Share) (MillionTHB)	0.04	-0.15	-0.24
Diluted Earnings (Loss) Per Share (Baht/Share) (MillionTHB)	0.04	-0.15	-0.24
EBITDA (MillionTHB)	244.78	38.12	-71.45
Operating Profit (MillionTHB)	129.37	-33.55	-137.12
Normalize Profit (MillionTHB)	37.99	-147.00	-234.39

Summary of cash flow statement

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Cash flow statement			
Net Profit (Loss) Attributable To Owners Of The Parent For The Period <small>(MillionTHB)</small>	37.19	-145.98	-232.68
Depreciation And Amortisation <small>(MillionTHB)</small>	48.00	39.96	43.98
(Reversal Of) Expected Credit Losses <small>(MillionTHB)</small>	4.46	11.65	38.89
(Reversal Of) Loss From Diminution In Value Of Inventories <small>(MillionTHB)</small>	6.30	45.73	22.01
Share Of (Profit) Loss From Investments Accounted For Using The Equity Method <small>(MillionTHB)</small>	-28.20	-16.61	-19.35
(Gains) Losses On Foreign Currency Exchange <small>(MillionTHB)</small>	0.79	1.13	-0.29
(Gains) Losses On Fair Value Adjustments Of Other Financial Instruments <small>(MillionTHB)</small>	-0.57	0.00	0.03
(Gains) Losses On Disposal And Write-Off Of Fixed Assets <small>(MillionTHB)</small>	-0.25	19.17	3.34
(Gains) Losses On Disposal Of Fixed Assets <small>(MillionTHB)</small>	-0.33	0.00	2.58
Loss On Write-Off Of Fixed Assets <small>(MillionTHB)</small>	0.08	19.17	3.34
Dividend And Interest Income <small>(MillionTHB)</small>	-13.73	-14.07	-20.99
Interest Income <small>(MillionTHB)</small>	-13.73	-14.07	-20.99
Finance Costs <small>(MillionTHB)</small>	157.91	181.72	180.67

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Income Tax Expense (MillionTHB)	1.12	-37.58	-63.42
Employee Benefit Expenses (MillionTHB)	1.95	1.85	4.20
Cash Flows From (Used In) Operations Before Changes In Operating Assets And Liabilities (MillionTHB)	214.97	86.97	-43.61
(Increase) Decrease In Trade And Other Receivables (MillionTHB)	-107.60	6.36	169.89
(Increase) Decrease In Inventories (MillionTHB)	31.02	-60.91	43.13
(Increase) Decrease In Other Operating Assets (MillionTHB)	-0.04	-0.53	0.00
Increase (Decrease) In Trade And Other Payables (MillionTHB)	-56.68	120.57	13.78
Cash Generated From (Used In) Operations (MillionTHB)	81.49	152.46	183.19
Dividend Received (MillionTHB)	0.00	4.07	0.00
Income Tax (Paid) Received (MillionTHB)	-3.76	-4.41	-1.34
Net Cash From (Used In) Operating Activities (MillionTHB)	77.73	148.05	181.84
Payment For Purchase Of Investment In Subsidiaries, Associates And Joint Ventures (MillionTHB)	0.00	-3.57	-0.25
(Increase) Decrease In Short- Term Loan Receivables (MillionTHB)	-9.50	0.00	33.70
(Increase) Decrease In Short-Term Loan Receivables - Other Parties (MillionTHB)	59.00	0.00	0.00

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
(Increase) Decrease In Short-Term Loan Receivables - Related Parties (MillionTHB)	-68.50	0.00	33.70
Proceeds From Disposal Of Fixed Assets (MillionTHB)	0.00	20.00	4.66
Property, Plant And Equipment (MillionTHB)	0.00	20.00	4.66
Payment For Purchase Of Fixed Assets (MillionTHB)	-188.94	-89.82	-90.43
Property, Plant And Equipment (MillionTHB)	-188.94	-89.82	-90.29
Right-Of-Use Assets (MillionTHB)	0.00	0.00	-0.14
(Increase) Decrease In Restricted Deposits (MillionTHB)	-0.13	-0.13	-0.10
Interest Received (MillionTHB)	16.35	16.32	8.82
Other Items (Investing Activities) (MillionTHB)	17.86	0.00	-0.36
Net Cash From (Used In) Investing Activities (MillionTHB)	-150.85	-10.78	-75.15
Increase (Decrease) In Bank Overdrafts And Short-Term Borrowings - Financial Institutions (MillionTHB)	90.41	-31.00	61.39
Increase (Decrease) In Short-Term Borrowings (MillionTHB)	-116.00	76.10	20.00
Increase (Decrease) In Short-Term Borrowings - Related Parties (MillionTHB)	0.00	65.10	-13.64

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Increase (Decrease) In Short-Term Borrowings - Other Parties (MillionTHB)	-116.00	11.00	223.60
Proceeds From Borrowings (MillionTHB)	0.00	25.00	45.11
Proceeds From Long-Term Borrowings (MillionTHB)	0.00	25.00	45.11
Proceeds From Long-Term Borrowings - Financial Institutions (MillionTHB)	0.00	25.00	15.11
Proceeds From Long-Term Borrowings - Other Parties (MillionTHB)	0.00	0.00	30.00
Repayments On Borrowings (MillionTHB)	-80.48	-45.09	-35.34
Repayments On Long-Term Borrowings (MillionTHB)	-80.48	-45.09	-35.34
Repayments On Lease Liabilities (MillionTHB)	-5.62	-8.14	-14.77
Proceeds From Issuance Of Debt Instruments (MillionTHB)	850.00	556.50	0.00
Repayments On Debt Instruments (MillionTHB)	-515.55	-540.00	-220.48
Proceeds From Issuance Of Equity Instruments (MillionTHB)	0.00	0.04	0.00
Dividend Paid (MillionTHB)	-15.06	-10.55	-0.59
Interest Paid (MillionTHB)	-139.68	-163.24	-160.60
Other Items (Financing Activities) (MillionTHB)	-3.00	8.89	-5.71
Net Cash From (Used In) Financing Activities (MillionTHB)	65.02	-131.49	-121.03

	THB		
	31 Dec 2022	31 Dec 2023	31 Dec 2024
	Consolidate	Consolidate	Consolidate
	AUDITED	AUDITED	AUDITED
Net Increase (Decrease) In Cash And Cash Equivalent <small>(MillionTHB)</small>	-8.10	5.78	-14.33
Cash And Cash Equivalents, Beginning Balance <small>(MillionTHB)</small>	22.41	14.31	20.09
Cash And Cash Equivalents, Ending Balance <small>(MillionTHB)</small>	14.31	20.09	5.76

Key financial ratios

	2022	2023	2024
Liquidity ratio			
Current ratio (times)	1.14	0.88	0.64
Quick ratio (times)	0.33	0.28	0.14
Cash flow liquidity ratio (times)	0.04	0.07	0.08
Average account receivable turnover (times)	2.60	2.26	2.61
Average collection period (days)	140.14	161.84	139.99
Average finish goods turnover (times)	1.96	2.04	2.21
Average finish goods turnover period (days)	186.36	179.19	164.93
Average inventory turnover (times)	0.83	0.90	1.02
Average inventory turnover period (days)	439.80	405.94	359.40
Average account payable turnover (times)	5.80	5.28	4.50
Average payment period (days)	62.95	69.19	81.18
Average cash cycle (days)	517.00	498.58	418.21
Profitability ratio			
Gross profit margin (%)	24.21	18.00	9.66
Operating margin (%)	13.87	-0.13	-8.58
Other income to total income (%)	2.10	1.04	1.15
Cash from operation to operating profit (%)	39.50	0.00	0.00
Net profit margin (%)	2.54	-10.50	-17.07
Return on equity (ROE) (%)	2.83	-11.43	-21.69
Financial policy ratio			
Total debts to total equity (times)	1.92	2.42	3.11

	2022	2023	2024
Interest coverage ratio (times)	1.54	0.21	-0.40
Interest bearing debt to EBITDA ratio (times)	9.23	58.40	-32.12
Debt service coverage ratio (times)	0.16	0.03	-0.03
Dividend payout ratio (%)	28.18	0.00	0.00
Efficiency ratio			
Return on asset (ROA) (%)	0.96	-3.64	-5.88
Return On Fixed Assets (%)	12.67	-13.46	-21.32
Asset turnover (times)	0.38	0.35	0.34

5. General information and other material facts

5.1 General information

General information

Securities registrar

Name of securities registrar : Thailand Securities Depository Co., Ltd.
Address/location : 93 Ratchadaphisek Road
Subdistrict : Din Daeng
District : Din Daeng
Province : Bangkok
Postcode : 10400
Telephone : 02-009-9000
Facsimile number : 02-009-9991

Name of bondholder's representative : PI SECURITIES PUBLIC COMPANY LIMITED
Address/location : 132 Sindhorn Tower 1 and 3, Wireless Road
Subdistrict : Lumpini
District : Pathum Wan
Province : Bangkok
Postcode : 10330
Telephone : 0-2205-7000
Facsimile number : 0-2205-7171

Bond registrar

Name of bond registrar : THE SIAM COMMERCIAL BANK PUBLIC COMPANY LIMITED
Address/location : 9 Rutchadapisek Road
Subdistrict : Chatuchak
District : Chatuchak
Province : Bangkok
Postcode : 10900
Telephone : 0-2544-1000
Facsimile number : 0-2544-4948

Auditing firm

Name of auditing firm* : M.R. & ASSOCIATES COMPANY LIMITED
Address/location : SUITE # 706, CHAOPHYA TOWER 89, SOI WAT SUAN PLU, NEW ROAD
Subdistrict : BANG RAK
District : BANG RAK
Province : Bangkok
Postcode : 10500

Telephone : +66 2630 7500
Facsimile number : +66 2630 7506
List of auditors : Mr METHEE RATANASRIMETHA
License number : 3425
List of auditors : Mr AKADET PLIENSAKUL
License number : 5389

Legal advisor or manager under management agreement

Name of legal advisor / manager under management agreement No. 1

Name of legal advisor / manager under management : Akeniti Interlaw Company Limited
agreement
Address/location : 521/243, Hathairat Road
Subdistrict : Samwatawantok
District : Khlongsamwah1051
Province : Bangkok
Postcode : 10510
Telephone : 0818245999

5.2 Other material facts

5.2.1 Other information that may significantly influence investors' decision making

Other information that may influence investors' decision : No
making

5.2.2 Restrictions of foreign shareholders

Are there restrictions on foreign shareholders? : Yes

The Company has a limitation on the proportion of foreign shareholding under Section 13 of the Company's Articles of Association, which states the proportion of shareholding by non-Thai persons, stating that "The Company's shares may be freely transferred without restriction, except where such share transfer results in foreign shareholders holding more than 49 percent of the total number of issued shares of the Company. Any share transfer that will cause the Company's foreign shareholding ratio to exceed the above ratio, the Company has the right to refuse such share transfer." Such limitation is to comply with the law on foreign business operations.

5.3 Legal disputes

Legal disputes

Is there any legal dispute? : No

5.4 Secondary market

Secondary market

Has the company's security been listed on a stock exchange in : No
another country?

5.5 Financial institution with regular contact (in case of debt securities offeror)

Financial institution with regular contact

Are there any debt securities offered? : Yes

Financial institution 1

Financial institution with regular contact : THE SIAM COMMERCIAL BANK PUBLIC COMPANY LIMITED

Information on the financial institution with regular contact : 9 Rutchadapisek Road, Chatuchak, Chatuchak, Bangkok 10900
Telephone : 0-2544-1000

Part 2 Corporate Governance

6. Corporate governance policy

6.1 Overview of the policy and guidelines

Overview of the policy and guidelines

Corporate governance policy and guidelines : Yes

At the meeting of the Board of Directors of East Coast Furniture Public Company Limited (“the Company”) No. 1/2012 (the first meeting after the transformation) on October 26, 2012, the Board initiated and engaged in the preparation and provided comments on the details of the policy and passed a resolution to approve the first written Corporate Governance Policy, including subsequent amendments after the said meeting date. The policy sets out guidelines for good corporate governance in accordance with the principles or relevant practices proposed by the regulators to enhance the transparency of operations at all levels, from operational staff to executives and the Board of Directors. This serves as a tool to enhance the Company’s potential and competitiveness, fostering sustainable growth that will bring long-term benefits to all stakeholders throughout the business chain. Since the initial approval of the policy and principles of corporate governance, there have been reviews and updates to key details to keep pace with changes and best practices. At the Board of Directors’ Meeting No. 11/2018 on October 31, 2018, the Board approved the new Corporate Governance Policy to replace the previous one, which was revoked, to comply with the Principles of Good Corporate Governance for Listed Companies 2017 of the Securities and Exchange Commission, effective from 2017 onwards until further changes are made. This Corporate Governance Policy sets forth the principles for the Board of Directors, who are the ultimate directors or responsible persons of the organization, to use in governing the Company as a guideline to build credibility for shareholders and all stakeholders for the benefit of creating sustainable value for the business, in line with the aspirations of the business sector, investors, as well as the capital market and society as a whole, which will lead to good operating results, contributing to the development and sustainability of the business in the long run.

In addition, the Board of Directors has ensured that the Corporate Governance Policy, Business Ethics, and Code of Conduct for Directors, Executives, and Employees of the Company are communicated and monitored through communication to all directors, executives, and employees. The policy has been made publicly available to all stakeholders through the Company’s website. www.eastcoast.co.th Under the topic of Corporate Governance

This Corporate Governance Policy will be reviewed and amended as appropriate to comply with the principles or practices that may be amended or supplemented in the future. Further information on the policy and practices of corporate governance can be found in the full version of the policy, which is available in the appendix or on the website. www.eastcoast.co.th

6.1.1 Policy and guidelines related to the board of directors

Are there policy and guidelines related to the board of directors : Yes

Guidelines related to the board of directors : Nomination of directors, Determination of director remuneration, Independence of the board of directors from the management, Director development, Board performance evaluation, Corporate governance of subsidiaries and associated companies

Nomination of directors

For policies and practices relating to the Board of Directors, the Board of Directors is required to ensure that the recruitment and selection of directors is transparent and clear in order to obtain directors with qualifications that are consistent with the specified composition. The practice is that each year, the Nomination Committee, consisting of the Chairman of the Nomination Committee, 1 independent director, and 2 other Nomination Committee members, for a total of 3 members, will be responsible for selecting the Company’s directors. The Nomination Committee will act in accordance with the criteria for selecting new directors. Before submitting the names to the Board of Directors meeting, the Nomination Committee will provide its opinion. The nominees must meet the qualifications stipulated by the Public Limited Company Act B.E. 2535, the notifications of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the relevant notifications of the Stock Exchange of Thailand. The Director Pool of the Thai Institute of Directors Association (IOD) is also used as supporting information for the recruitment of new directors.

The nominees must have the knowledge, abilities, dedication, skills, and experience in managing the core business, as well as other businesses in which the Company has invested. In addition, the recruitment of directors must be in line with the Company's business strategy. For example, in the past, the Company has increased its investment in the energy business. The Nomination Committee has therefore considered selecting new directors who have the qualifications, experience, and expertise in energy to enhance the overall capabilities of the Board of Directors. Subsequently, the Company has considered selecting and recruiting additional directors based on the need to find funding sources to support investments in the energy business, as well as other businesses that may arise in the future each year, or to recruit directors with knowledge, abilities, and experience in accounting, finance, and investment to strengthen the structure of the Board of Directors.

(1) Independent Directors / Audit Committee / Audit Committee of the Company

Must be a director of the Company, appointed by the Board of Directors and approved by the shareholders of the Company, and possess the qualifications as prescribed by the Securities and Exchange Act, including the notifications, regulations, and/or rules of the Stock Exchange of Thailand. The number of Audit Committee members shall not be less than 3, at least 1 of whom must have knowledge and experience in accounting and finance, including the qualifications of an independent director as defined by the Company.

The independent directors with the aforementioned qualifications may be assigned by the Board of Directors to make decisions in the operation of the Company, its parent company, subsidiary, affiliated company, major shareholder, or person controlling the Company, with decisions being made on a collective basis.

Qualifications of the Audit Committee

- Appointed by the Board of Directors or the shareholders' meeting of the Company to be an Audit Committee member.
- Have the qualifications of an independent director as prescribed by the SEC and the criteria deemed appropriate by the Company.
- Not be a director assigned by the Board of Directors to make decisions in the operation of the Company, its parent company, subsidiary, affiliated company, major shareholder, or person controlling the Company.
- Not be a director of a parent company, subsidiary, or affiliated company that is a listed company.
- Consider the term of office of independent directors. If a former independent director is to be reappointed, the consecutive term of office from the date of the first appointment as an independent director shall not exceed 9 years. The reasonableness and necessity shall be considered if such independent director is to be reappointed.
- Have sufficient knowledge and experience to serve as an Audit Committee member. At least one Audit Committee member must have sufficient knowledge and experience to be able to review the reliability of the financial statements.
- Have duties similar to those stipulated in the notification of the Stock Exchange of Thailand regarding the qualifications and scope of work of the Audit Committee.

(2) Board of Directors and Top Management

Director

The selection of directors will be carried out by the Nomination Committee, which will consider the selection based on the following criteria:

1. Consider the selection based on the qualifications criteria under Section 68 of the Public Limited Company Act B.E. 2535 and the relevant notifications of the Securities and Exchange Commission.
2. In the case of a former director who is to be reappointed, the performance during the previous term of office shall be considered, as well as the number of listed companies in which each director will hold a directorship, which should not exceed 5 companies, in order to prevent problems in terms of work efficiency.
3. Once the list of suitable candidates has been compiled, it will be submitted to the Board of Directors meeting for consideration and then to the shareholders' meeting for appointment.
4. At each Annual General Meeting of Shareholders, one-third of the directors shall retire from office. If the number of directors cannot be divided equally into three, the number closest to one-third of the directors who must retire in the first and second years after the registration of the company shall be determined by drawing lots. In subsequent years, the directors who have held office for the longest period shall retire. Retiring directors may be re-elected.
5. The shareholders' meeting shall appoint directors by a majority vote in accordance with the following criteria and procedures:
 - 5.1 Each shareholder shall have one vote for each share held.
 - 5.2 Each shareholder must cast all of their votes in accordance with 5.1 to elect one or more persons as directors, but may not split their votes among any persons.
 - 5.3 The persons who receive the highest number of votes in descending order shall be elected as directors, equal to the number of directors to be elected at such shareholders' meeting. In the event that the persons who receive the next highest number of votes have an equal number of votes that exceeds the number of directors to be elected at such shareholders' meeting, the chairman of the meeting shall cast the deciding vote.
6. In the event that a directorship becomes vacant for any reason other than the expiration of the term of office, the Board of Directors shall, by a resolution passed by a vote of not less than three-fourths of the directors present, elect a person who has the qualifications and is not disqualified under the Public Limited Company Act to fill the vacancy at the next meeting of the Board of Directors, unless the remaining term of office of the vacating director is less than 2 months. The person who fills the vacancy under paragraph one shall hold office only for the unexpired term of the vacating director.

Top Management

The Board of Directors has assigned the Nomination Committee to be responsible for considering the criteria and procedures for recruiting qualified individuals to serve as President. The qualifications of the President to be recruited will be considered based on knowledge, skills, experience related to the Company's core business, management experience, dedication to work, characteristics, image, and management vision necessary to drive the organization towards its goals, good relationships with individuals or organizations, good morals and ethics, and understanding of Sustainability Development. In addition, being qualified in accordance with the criteria of regulatory agencies and relevant laws is an important part of the consideration of the criteria and recruitment methods with a Succession Plan.

The Nomination Committee has considered and established policies regarding the Succession Plan to prepare for situations where executives are unable to perform their duties, in order to ensure the continuity and effectiveness of the Company's operations. The Company has established a succession plan for various positions by personnel with the knowledge, abilities, and experience to be able to continuously perform the duties of vacant positions or to advance to higher positions. The details are as follows:

1. Provide opportunities for middle management to work with senior management in their respective areas of responsibility. This includes attending meetings at a level assigned by senior management.
2. Prepare personnel with specific expertise to have more management capabilities in other areas to prepare for higher job positions.
3. Appoint qualified deputy executives as successors.
4. Provide opportunities for middle management to receive training on leadership concepts, building a sense of responsibility and loyalty to the organization, and personnel management approaches in their respective areas of responsibility.
5. Provide opportunities for middle management to present their work plans and performance results to senior management. The Managing Director will present to the Nomination Committee meeting for acknowledgement of the operational guidelines and reporting of the succession plan implementation results to the Nomination Committee at least once a year.

At the Nomination Committee meeting, a Succession Planning Process was established for consideration at this meeting. The details are as follows:

1. Determine the criteria or qualifications of the successor to the President.
 - a. Consider the challenges that the Company will face in the next 5-10 years.
 - b. Identify the qualities and skills needed to meet those challenges.
 - c. Develop a candidate evaluation process based on established criteria.
2. Identify potential successors.
 - a. The Board of Directors and the Managing Director jointly consider potential successors, considering both internal and external candidates. b. The evaluation process can take many forms.
 - i. Assess internal candidates, such as assigning them to key positions and special projects.
 - ii. Assess external candidates, such as presenting the organization's future vision and strategies.
3. Assess the capabilities and potential of potential successors.
 - a. The Board of Directors and the Managing Director assess the qualifications of each candidate or potential successor.
 - b. Jointly score each candidate or potential successor.

c. The Board of Directors jointly reviews the assessment and exchanges opinions.

i. Summarize the opinions on each candidate or potential successor.

ii. Consider different perspectives on candidates or potential successors.

iii. Identify additional qualifications that need to be considered for each individual.

4. Develop a development plan.

a. To prepare potential successors.

b. To further assess succession readiness.

5. Review progress.

a. Further assess and summarize the feasibility of succession.

i. Identify the developed information of the candidate or potential successor.

ii. Identify areas for further development.

b. Enter a rigorous evaluation process to select the most qualified individual.

Determination of director remuneration

For the remuneration of directors and executives, the Company has established a Remuneration Committee. For the criteria and procedures for proposing remuneration, the Remuneration Committee will propose remuneration based on the Company's performance data in the past year, the performance and responsibilities of the directors, consideration of the number of subsidiaries and associated companies that have increased according to the business structure, and the benefits that the Company has received from the performance of the directors' duties. The preliminary remuneration data will be compared annually, referencing the size of the business or industry with similar revenue and net profit to the Company, including separation by business category - Market for Alternative Investment (MAI) according to the report on remuneration of directors and executives of listed companies, which is prepared by the Research and Policy Department, Thai Institute of Directors Association, which will issue a report every 2 years. This ensures that the structure and rate of remuneration are appropriate to the responsibilities, increased liabilities, and are sufficient for the Board of Directors to lead the organization to achieve its goals both in the short and long term. It also ensures that the remuneration is comparable to the level practiced in the industry. The proposed remuneration must be approved by the Remuneration Committee and the Board of Directors.

The Remuneration Committee will propose the details of the structure and rate of directors' remuneration, both monetary and non-monetary, after it has been approved by the Board of Directors for consideration and approval. The Board of Directors will consider the appropriateness of each type of remuneration before proposing it to the shareholders' meeting for approval of the annual directors' remuneration. The monetary remuneration will be divided into monthly remuneration, meeting attendance fees, and special remuneration or bonuses. Currently, there is no form of non-monetary remuneration for the Board of Directors.

Independence of the board of directors from the management

The Company's Board of Directors has appointed an Audit Committee consisting of at least 3 independent directors with qualifications and duties in accordance with the criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand. As defined by the definition of independent directors, they will perform their duties and responsibilities within the scope of authority of the Company's Board of Directors as prescribed. To ensure that the Audit Committee and independent directors are independent from management.

Director development

The Board recognizes the importance of establishing a support mechanism to ensure that directors understand their roles and responsibilities. For new directors assuming positions within the company for the first time, an orientation program will be organized. This program will provide information about the company, including the current Board structure, shareholder structure, organizational structure, nature of business, past performance data, business objectives and goals outlined in the business plan, company rules and regulations, relevant regulatory bodies, disclosure of interested transactions, corporate governance policy, insider trading prevention policy, etc. This information will be presented to new directors to ensure their understanding of the company's key details. Additionally, the company will send directors to attend the Director Accreditation Program (DAP) organized by the Thai Institute of Directors Association (IOD), as mandated by the Securities and Exchange Commission (SEC) for directors of listed companies.

Regarding director development, it is the role and responsibility of the Nomination and Remuneration Committee to establish a director development plan. This plan aims to ensure that all directors possess the knowledge, abilities, and suitability to effectively perform their duties and responsibilities within the scope of their authority as defined by the company. This aligns with the policy of promoting continuous knowledge development for directors.

Board performance evaluation

The Board of Directors has established guidelines for annual performance evaluations. The Board and subcommittees will conduct performance evaluations at least once a year. This allows the Board to jointly consider performance and issues for improvement. The performance evaluation will be conducted both as a group and individually. The criteria, process, and overall evaluation results will be disclosed in the Annual Information Form (56-1 One Report). The main topics used in the evaluation include: evaluation of the structure and qualifications of the Board of Directors, Board meetings, roles, duties, and responsibilities of the Board of Directors. It also includes other assessments such as the relationship between the Board of Directors and management, director development, and executive development.

The Board of Directors has established guidelines for annual performance evaluations. The Board and subcommittees will evaluate the performance of each committee at least once a year. This allows the Board to jointly consider performance and issues for improvement. The performance evaluation will be conducted both as a group and individually, using evaluation forms prepared by the company secretary. The evaluation will cover the Board of Directors, including all subcommittees. The evaluation criteria for both the Board and individual members are based on the following main topics:

1. Evaluation of the structure and qualifications of the Board of Directors
2. Board Meetings
3. Roles, duties, and responsibilities of the Board of Directors

The evaluation process, both as a group and individually, is detailed below:

- 1) Conduct performance evaluations of the Board of Directors' operations, both as a group and individually, at least once a year.

2) The company secretary summarizes and presents the results of the Board of Directors' performance evaluation to the Nomination Committee for consideration of the evaluation results and guidelines for developing and improving operational efficiency.

3) The Nomination Committee shall propose the results and guidelines for developing and improving the effectiveness of the Board of Directors' performance to the Board of Directors.

In addition, the Board of Directors sets performance targets for the Managing Director and conducts annual performance evaluations. The targets and evaluation criteria are linked to the strategic and annual operating plans to determine appropriate compensation and incentives for the Managing Director.

In addition, the company has established a performance evaluation for the Managing Director. The evaluation is conducted annually by members of the Board of Directors who have no conflict of interest with the Managing Director. Each year, the Board members without a conflict of interest will measure the Managing Director's performance in the past year. This is done in the form of progress in achieving the goals and objectives set by the company.

The Board of Directors has assigned the Remuneration Committee to establish the Managing Director's remuneration policy based on their performance. The committee will receive information from the Managing Director's performance evaluation summary prepared by all independent directors. This information will be used to inform their decision-making. The policy will set the Managing Director's remuneration at the same rate as the industry average. It will also consider the percentage of the company's net profit generated each year. Salary increases will be based primarily on performance. The company is currently considering appropriate approaches for a long-term Managing Director remuneration policy.

Regarding the presentation to the Board of Directors for consideration of executive director remuneration, the company is currently studying the structure and policy for determining appropriate executive director remuneration in line with the type of business. Once finalized, it will be presented to the Remuneration Committee for approval. The policy will then be submitted to the Board of Directors for approval of executive director remuneration.

Corporate governance of subsidiaries and associated companies

As the Company's business structure has expanded to include the establishment of subsidiaries and investments in several joint ventures, the Board of Directors has established a policy for overseeing the operations of subsidiaries and joint ventures, consisting of three main parts: Corporate Governance Policy, Financial Control Policy for Subsidiaries and Joint Ventures, and Shareholders' Agreement Policy or similar agreements. This ensures that the Board of Directors has a framework and mechanism in place to oversee the policies and operations of subsidiaries and other significantly invested businesses at a level appropriate to each entity. It also ensures a common understanding among subsidiaries and other invested businesses. This Subsidiary and Joint Venture Oversight Policy covers the essential aspects of authority in appointing directors, executives, or other key positions within subsidiaries and joint ventures, overseeing their internal control systems, and ensuring timely and accurate disclosure of material information by subsidiaries and joint ventures.

6.1.2 Policy and guidelines related to shareholders and stakeholders

The Company's corporate governance policy sets forth the practices for the Board of Directors, who are the leaders or those with ultimate responsibility for the organization, to use in overseeing the business. This serves as a guideline to ensure that the

business can build trust among shareholders and all stakeholders for the benefit of sustainable value creation. This aligns with the goals of the business sector, investors, the capital market, and society as a whole, ultimately leading to strong long-term performance. One of the key corporate governance objectives is to conduct business ethically, respect human rights, promote equality and fairness, and be accountable to shareholders and all stakeholders. This benefits society, enhances community development, and contributes to reducing environmental impact.

The Company has established an important guideline: to consider conducting business ethically, respecting rights, and being responsible to shareholders and stakeholders. This policy is implemented through the issuance of a code of business conduct and ethics to serve as a good guide for conducting business, along with a written sustainability policy and management objectives. The Company believes that conducting business with integrity, ethics, respect for the rights of others, and treating stakeholders fairly and equitably will be an important foundation for a sustainable business approach.

Are there policy and guidelines and measures related to : Yes
shareholders and stakeholders

Guidelines and measures related to shareholders and : Shareholders, Employee, Customer, Business competitors, Suppliers,
stakeholders Creditors, Government agencies, Community and society

Shareholders

In terms of shareholders, the company has guidelines in place that recognize and prioritize the fundamental rights of shareholders, including the right to buy, sell, or transfer shares; the right to receive dividends; the right to receive and access complete, sufficient, and timely information and news of the company; the right to attend meetings to exercise voting rights at the shareholders' meeting to appoint or remove directors, appoint auditors, and matters that may affect the company, such as increasing or decreasing capital, allocating profits, paying dividends, amending the Articles of Association, objectives, or Memorandum of Association, etc.; as well as promoting and facilitating the participation and exercise of rights by shareholders, analysts, and institutional investors who are interested. The company establishes guidelines for the agenda of the Annual General Meeting of Shareholders to comply with good corporate governance principles and allows shareholders to fully inquire about important issues in detail under each agenda, etc.

Employee

The company has a policy to prioritize employees at all levels and treat them equally. Providing compensation that is commensurate with knowledge and abilities, along with employee development. Establishing safety, occupational health, and work environment policies and plans. Organizing employee development training. Respecting human rights and fundamental rights, including not disclosing employee confidential information to unrelated parties. Providing employees with channels for communication, suggestions, and grievances regarding work.

Through the establishment of key practices, including conducting employee engagement surveys, employee suggestion boxes, email, bulletin boards, organizing knowledge-sharing seminars, social gatherings on various occasions, and disseminating the company's human rights policy to employees.

Customer

The company has a policy to manufacture products according to standards, taking into account customer safety and after-sales service. The use of Eco-Friendly materials in product manufacturing. Providing communication channels for customers to file complaints with the company. And handling customer complaints. Conducting business with honesty, integrity, and fairness. And do not commit any act that violates the rights of customers. Not demanding or consenting to receive property or any other dishonest benefits from customers, both directly and indirectly. Establishing a policy to protect customer confidentiality.

The guidelines are as follows: Visiting customers to present new products, as well as providing an opportunity to listen to suggestions and needs directly from customers. Conducting customer satisfaction surveys. Organizing activities organized by the company to reach target customer groups according to designated marketing channels, such as organizing trade shows for small retail customers nationwide, etc. Creating channels for customers to express their opinions, suggestions, and complaints. Publicizing the customer confidentiality policy to ensure that customers are well-informed and in accordance with regulations. Access to more information about the company or the company's products through the website: www.eastcoast.co.th

Business competitors

The company has a policy to conduct business and compete with transparency, fairness, and compliance with good and fair competition frameworks, compliance with regulations, fair trade competition, not damaging the reputation of competitors by slander, not infringing on intellectual property/copyrights, and not seeking confidential information from competitors through dishonest and inappropriate means.

The guidelines are to cooperate in developing Thai furniture to be competitive at the international level, to hold meetings to exchange ideas and cooperate on various occasions, and to become a member of and support associations related to the furniture industry.

Suppliers

The company establishes fair trade policies, operates under good corporate governance principles, manages a sustainable business chain, empowers partners through business support, and collaborates on product and service development to enhance quality and standards. We treat partners with equality, selecting those who operate legally, maintain production and safety standards, and are environmentally friendly. We maintain the confidentiality of our partners' trade secrets or information, build strong relationships and understanding, exchange knowledge, and collaborate to develop and add value to products.

Our practices include refraining from soliciting or accepting any assets or benefits beyond normal trade agreements. We hold annual partner meetings to exchange ideas and foster creative product development. We visit partner businesses to gather feedback and suggestions. We inform partners about our anti-corruption policies and establish a code of conduct for procurement.

Creditors

The company has a policy to create consistent and timely debt repayment capabilities, the ability to generate profits from the company's operating results, compliance with financial covenants with creditors as agreed upon in the loan agreement strictly, and good financial management to build confidence for creditors.

With a practice of disclosing operational and financial status information accurately and timely to creditors to be informed of the company's current financial status. In the event that the debt cannot be paid on time, creditors must be notified in advance to jointly find solutions and prevent damage. There are meetings to meet with financial institution creditors and arrange visits to the business annually. Meeting and talking with the executives or responsible persons of each creditor.

Government agencies

The company establishes a policy that business operations related to government agencies must have a clear balance between business benefits and social responsibility to create long-term sustainability and success. This includes compliance with relevant laws and regulations, such as tax payment, labor law compliance, or environmental standards, transparency and accountability, support for public policies, building good relationships, and conducting business ethically.

Practical guidelines include: studying and understanding relevant regulations and laws; participating in government projects or collaborations; supporting CSR activities; building good relationships with government officials and relevant agencies; creating an organizational culture that emphasizes integrity; having mechanisms to prevent and manage corruption; communicating financial information or operating results clearly; disclosing information about projects or activities related to the government; adhering to recognized reporting standards; having clear and friendly communication channels; and strictly adhering to government bidding or procurement procedures.

Community and society

The Company has established policies and practices to conduct business that does not impact the community or can manage the impacts arising from business operations. Effective management of waste generated from business operations. Participation in community activities, including helping to improve the well-being of the community. The Company's business operations prioritize policies that help reduce greenhouse gas emissions that impact the environment.

Important practices and measures are:

- (1) Building understanding, trust, and engagement with the community.
- (2) Establish preventive measures and remedies for impacts on the community and society arising from the Company's business operations.
- (3) Management to create a system of care and prevention for a good environment.
- (4) Evaluation of community relations activities to measure the effectiveness of such activities.
- (5) Cultivate awareness and promote environmental conservation knowledge among employees.
- (6) Promote the use of environmentally friendly technologies, machinery, and raw materials in the production process.
- (7) Develop a policy to reduce greenhouse gas emissions and carbon footprint.
- (8) Community relations activities (participation in community activities).
- (9) Conduct surveys and discussions to listen to the opinions and needs of the community annually.
- (10) Open channels to submit complaints if there are problems or impacts on the community and the environment through the channels specified on the website: www.eastcoast.co.th
- (11) Disseminate relevant environmental policies throughout the organization.

6.2 Business code of conduct

Business code of conduct

Business code of conduct : Yes

The company has established a Code of Business Conduct for the Board of Directors, executives, and employees, including business ethics, by specifying the details of policies and practices to demonstrate responsibility to stakeholders, linking practices with the vision, objectives, operational strategies, corporate values, and goals, including fair business practices, conflict of interest prevention policies, respect for human rights, non-support for infringement of intellectual property or copyrights of others, and anti-corruption.

Including monitoring to support the Board of Directors, executives, and employees of the company to comply with the Code of Business Conduct to create an organizational culture, such as specifying the Code of Business Conduct as one of the important documents that the Board of Directors, executives, and all employees must sign acknowledging before starting work as personnel of the company. Defining the duties and responsibilities of the Board of Directors, executives, and all employees to acknowledge, understand, and strictly comply with the Code of Business Conduct. Setting a timeframe for reviewing the Code of Business Conduct every 2 years to ensure its relevance to the changing business environment or circumstances.

In addition, the company has established a whistle-blowing policy and procedures as a tool to enable the company to receive complaints from both internal employees and external individuals regarding corruption, violation of rights, or non-compliance with laws, regulations, company rules, and the Code of Business Conduct or business ethics of the company which may lead to damage to the assets, image, and reputation of the company. The Code of Business Conduct and business ethics will be reviewed and revised as appropriate to align with the principles or practices that will be amended or supplemented in the future. Further information on the Code of Business Conduct and business ethics in full, as prepared by the company, can be found in the attached documents or on the website www.eastcoast.co.th

Policy and guidelines related to business code of conduct

Guidelines related to business code of conduct : Prevention of conflicts of interest, Anti-corruption, Whistleblowing and Protection of Whistleblowers, Preventing the misuse of inside information, Gift giving or receiving, entertainment, or business hospitality, Compliance with laws, regulations, and rules, Information and IT system security, Environmental management, Human rights, Safety and occupational health at work

Prevention of conflicts of interest

The Company has established a policy to prevent conflicts of interest and written guidelines in the Code of Business Ethics document. The policy prohibits directors, executives, and employees from using their position as directors, executives, or employees of the Company for personal gain. This has been established as a policy and guidelines in the aforementioned document. The policy and guidelines are as follows:

1. Conduct business with conflicts of interest or related party transactions with care, honesty, fairness, reasonableness, and a transparent approval process, taking into account the best interests of the Company. Directors who have a conflict of interest are not entitled to vote to approve matters in which they have a direct or indirect conflict of interest and must disclose information accurately, completely, and in accordance with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.
2. In the event that it is necessary to enter into a transaction for the benefit of the Company, such transaction shall be treated as a transaction with an outside party with a commercial agreement in the same manner that a reasonable person would do

with a general counterparty, with bargaining power free from influence in being a director, executive, or related person, and must not participate in the consideration of approval. In addition, the disclosure regulations must be complied with as prescribed by the relevant agencies.

3. Must not engage in any act that conflicts with the Company's business interests, such as causing the Company to suffer losses or receive less benefit than it should, or sharing profits from the Company.
4. It is prohibited to engage in any act that competes with the business of the Company or in a business that operates in the same type of business as the Company.
5. Directors, executives, employees, and employees of the Company, including spouses and children of such persons, including close relatives of such persons (as defined by the SEC Office), are prohibited from seeking personal gain in private businesses with the Company, such as performing any act to sell goods and services to the Company. If such an act occurs, documents must be prepared explaining and disclosing the information to the Company in all cases.
6. The Company's Directors and executives must report their own conflicts of interest and those of persons who may have conflicts of interest in accordance with the criteria and forms specified by the Company on an annual basis. If there are any changes, they must notify the Company of the updated information every time. These criteria shall also cover all levels of employees involved in the nature of work that poses a risk of conflict of interest.
7. The Board of Directors shall ensure that the Company and its subsidiaries comply with the Securities and Exchange Act, rules, announcements, orders, or regulations of the Stock Exchange of Thailand, the SEC Office, and the Capital Market Supervisory Board. In addition, the Company must disclose information on related party transactions in accordance with the regulations set forth by the Stock Exchange of Thailand and relevant agencies.
8. Employees should refrain from any act that is detrimental to the interests of the Company, whether arising from contact with the Company's business associates, such as partners, customers, competitors, or from taking advantage of or using information obtained from being a director or employee for personal gain, and in matters of doing business that competes with the Company or working other than for the Company, which affects the work duties.
9. Employees should refrain from holding shares in competitors of the Company if doing so causes the employee to act or refrain from acting in accordance with their duties or affects their work duties. In the event that the employee obtained such shares prior to becoming an employee or before the Company entered into such business, or obtained them by inheritance, the employee must report to the supervisor in accordance with the chain of command.
10. Directors, executives, and employees of the Company and all subsidiaries have a duty to report any wrongdoing by colleagues, supervisors, executives, or directors. If any person witnesses wrongdoing, neglects, ignores, or fails to report it, that person shall be deemed to have committed a disciplinary offense as stipulated in the Company's rules, regulations, and regulations.

It also includes details of monitoring compliance by specifying that the Code of Business Ethics document is one of the important documents that directors, executives, and all employees must sign to acknowledge before starting work as personnel of the Company.

In addition, the policy stipulates that the Directors and executives must report their own and related persons' conflicts of interest for the Company's Directors and executives according to the criteria and forms, along with the definitions as the regulator has notified the guidelines. The Company Secretary will be responsible for keeping records and collecting conflict of interest reports regularly at least once a year. If there are any significant changes in the information from any Director and executive, they must report to the Board of Directors meeting for acknowledgement.

The Board of Directors has established a policy on entering into transactions that may give rise to conflicts of interest. For

any intercompany transactions that may occur in the future, directors must comply with the various regulations that have been established, and directors must not approve any transactions in which they or persons who may have a conflict of interest in any other manner with the Company. Such transactions must be disclosed, and the Company must comply with the Securities and Exchange Act and the rules, announcements, orders, or regulations of the Stock Exchange of Thailand, including compliance with regulations regarding the disclosure of connected transactions and the acquisition or disposal of assets of the Company or its subsidiaries, and in accordance with the accounting standards strictly.

In addition, the Company will not engage in transactions with related companies that are not in the ordinary course of business of the Company and requires directors to report conflicts of interest at least prior to consideration of the agenda of the Board of Directors meeting and recorded in the minutes of the Board of Directors meeting. In the event that such director is unable to provide an independent opinion, the Company will request cooperation from that director to refrain from participating in the meeting and voting to approve that agenda item.

Anti-corruption

The Company has an anti-corruption and anti-bribery policy, which has been approved by the Board of Directors.

Corruption and bribery means any act or omission in the performance of one's duties, including bribery in any form, by offering, promising, giving, soliciting, or accepting money, property, or any other undue advantage, which results in the improper use of authority. To government officials, government agencies, private entities, or persons in authority, whether directly or indirectly, to induce such person to do or refrain from doing any act in order to obtain or retain business or to recommend business to the Company in particular, or to obtain or retain any other improper business advantage for the Company, oneself, or related parties. The Company has also established written guidelines for the Anti-Corruption and Anti-Bribery Policy, separated into topics for clarity, understanding, and proper implementation. These guidelines cover the following areas:

- 1) Gift and Hospitality
- 2) Sponsorship
- 3) Donation
- 4) Political Contribution
- 5) Conflict of Interest
- 6) Facilitation Payment
- 7) Revolving Door

The Company has participated in the Thai Private Sector Collective Action Against Corruption (CAC) project by joining the declaration of intent as a Collective Action Coalition of the Thai private sector and has submitted documents to enter the certification process. The Company has been announced as one of the companies certified as a Collective Action Coalition of the Thai private sector on December 30, 2022.

The Company has published its Anti-Corruption Policy on its website. www.eastcoast.co.th

In addition, measures have been established to deal with those who fail to comply with such policies and practices. The Company will take disciplinary action against directors, executives, and employees who violate the policy, including direct supervisors who neglect misconduct or are aware of misconduct but fail to take appropriate action. Disciplinary action may include termination of employment and/or removal from office. Unawareness of relevant policies and/or laws cannot be used as an excuse for non-compliance with the policy. In the event that it appears that any agent, business intermediary, distributor/service provider, or contractor of the Company has acted inconsistently with the policy, the Company may terminate its business relationship with such person as it deems appropriate.

Whistleblowing and Protection of Whistleblowers

The Company has established a Whistle Blowing Policy (“Policy”) as a tool to enable the Company to receive complaints from both internal employees and external parties regarding fraud, corruption, violation of rights, or non-compliance with laws, regulations, company regulations, and the Company's Code of Conduct, which may result in damage to the Company's assets, image, and reputation. This Policy will be beneficial and may be amended to be consistent and appropriate to the circumstances that may arise. In addition, the Policy sets out a policy to protect and provide fairness to stakeholders and employees who report or provide information about fraud, rights violations, or non-compliance with the Company's rules, regulations, and code of business conduct.

Details of this policy can be found on the company's website at www.eastcoast.co.th by

Preventing the misuse of inside information

The Board of Directors has overseen the policy of prevention and supervision of the use of inside information, which covers the Board of Directors, executives, employees involved in confidential business, and employees of the Company and subsidiaries in maintaining the confidentiality of the Company's confidential information and/or inside information. This includes the prohibition of buying, selling, or transferring the Company's securities by taking advantage of confidential or inside information that has not yet been disclosed. It also prohibits trading in the Company's securities within a specified period, which is within 30 days before and no less than 24 hours after the disclosure of such information through the Stock Exchange of Thailand's system. The Company has prepared this policy in the form of an internal circular and has the Board of Directors, executives, and employees of the Company sign to acknowledge it.

And the Company has assigned the Board of Directors, executives, including their spouses and minor children, to report their securities holdings and changes in securities holdings of the Company, according to the conditions and regulations, to the SEC Office. It is also the Company's policy to submit such reports to the Company Secretary for reporting to the Board of Directors' Meeting at the next Board of Directors' Meeting to acknowledge the securities trading that has occurred. The report must be submitted to the Board of Directors' Meeting every quarter.

Gift giving or receiving, entertainment, or business hospitality

Gift Giving and Receiving Policy

In giving and receiving gifts, the Board of Directors, executives, employees of the company and subsidiaries must comply with the following:

1. It is prohibited to give or receive gifts from customers, partners, or those who have business relationships with the company, as well as government officials, in the following cases:

1.1 It is a violation of the law.

1.2 It is an unethical business practice.

1.3 It constitutes bribery or creates a channel for corruption.

1.4 It constitutes support for the activities of political parties.

2. It is prohibited to give or receive gifts from customers, partners, or those who have business relationships with the company, as well as government officials, in the form of cash or anything that can be easily exchanged for cash, except for giving or receiving in the case of funerals, weddings, ordinations, or traditional festivals.

3. It is prohibited to demand, request, or offer gifts, assistance, entertainment, compensation, or any services to customers or partners, or those who have business relationships with the company, as well as government officials, beyond what is normally obtained from trade or as stipulated in the contract between the company and customers or partners, or from what is required by law.

Compliance with laws, regulations, and rules

The Company has reviewed its compliance with the Securities and Exchange Act, the Stock Exchange of Thailand's regulations, and other laws relevant to the Company's business. This review is submitted to the Audit Committee for consideration and opinion on whether the Company has complied with the law correctly and completely in each past year.

Information and IT system security

The company has a policy on data and information system security, with the objective of protecting the organization's critical information from unauthorized access, preventing damage that may arise from security breaches, and complying with relevant laws and standards such as PDPA. This policy covers all types of data, including customer data, employee data, business data, information systems such as servers, networks, software, and IT equipment, as well as personnel such as employees, partners, and related individuals.

The key principles are: data must only be accessed by authorized individuals, the use of authentication systems and access control, installation of antivirus and anti-malware software, regular data backups and disaster recovery testing, ensuring data and systems are not modified or altered without authorization, maintaining system and data availability for authorized users, and ensuring that all involved parties are responsible for their usage and compliance with the policy.

Furthermore, continuous consideration or assessment of vulnerabilities, security settings, and cyber threat prevention must be conducted.

Environmental management

The company has established environmental policies and practices for implementation within the organization. These details emphasize the environmental impacts that may arise from the company's business processes, both directly and indirectly. The environmental policy and practices focus on controlling and overseeing the production of environmentally friendly products and services at every step to reduce energy and water consumption, waste generation, and pollution, including reducing greenhouse gas emissions. It also instills in employees the awareness of environmental care, maximizing the use of natural resources, waste sorting, maintaining cleanliness both inside the building, factory, and surrounding areas, and fostering the concept of a Circular Economy. This aims to transition the production process of goods and services to align with the Circular Economy through

the "take-back system" concept. This process brings reusable leftover materials back into the process to minimize waste. It also includes supporting the Sustainable Development Goals (SDGs), including Goal 7: Affordable and Clean Energy, Goal 12: Responsible Consumption and Production, and Goal 13: Climate Action. The company prioritizes integrating environmental practices into production processes, warehouse management, product distribution, and stakeholders throughout the value chain.

Human rights

Human Rights refer to the fundamental rights that all human beings are entitled to or protected from being discriminated against solely on the basis of physical or mental characteristics, race, nationality, religion, gender, language, age, skin color, education, social status, or any other grounds as determined by the laws of each country.

In conducting business, it is inevitable to be involved with "people" both directly and indirectly, from the company's employees, business partners, people in surrounding communities, or distant communities that the company has the opportunity to engage with. Therefore, upholding human rights in business is crucial, encompassing not only "rights" but also ensuring that individuals are treated with dignity and respect for their humanity. As a result, the company has established a framework for conducting business in line with the principles of human rights protection throughout the supply chain, including employees, partners, and customers. The following guidelines have been established:

1. Respect for human rights without discrimination based on origin, race, gender, age, skin color, religion, culture, status, family name, education, or any other status that is not relevant to and does not affect work performance. Treat each other with respect and equality.
2. Consideration of fair wages and salaries. Every year, the company will hold an annual meeting where employees will be informed about the upcoming business policies for that year, including insights, working principles, and life principles from the company's executives. Activities will also be organized to foster love and unity within the organization.
3. Creating opportunities and encouraging employees at all levels to develop their skills, receive training, and enhance their potential to elevate work standards.
4. Employees at all levels will be protected in terms of personal safety in the workplace, having a clean, safe, and hygienic workplace.
5. Granting freedom of political rights. However, employees must not exploit their status, company assets, equipment, or tools for any political activities. The company maintains a neutral political stance and will not support or engage in any actions that favor any particular political party.
6. The company will resolve any conflicts that may arise in accordance with legal principles.
7. The company has a policy against child labor and will not consider employing individuals under the age of 18.
8. Monitoring and upholding human rights, not neglecting or ignoring any acts that may constitute human rights violations related to the company's operations. Any such observations must be reported to supervisors or responsible personnel, and cooperation should be provided in the investigation of facts. If there are any doubts or inquiries, consult with supervisors or responsible personnel through designated channels.
9. Violation of human rights is a violation of the company's code of conduct, which will result in disciplinary action according to the company's regulations. In addition, legal penalties may apply if such actions are deemed unlawful. The company's customers will receive protection and good treatment through the quality of products and services provided by the company.

Safety and occupational health at work

The Company has established a safety, occupational health, and working environment policy to be used as a guideline for occupational health and safety operations as follows:

1. The Company will strictly comply with laws, rules, announcements, orders, and standards regarding safety, occupational health, and working environment as prescribed by the government.
2. The Company will continuously support and promote safety, occupational health, and working environment, and will allocate sufficient and appropriate budgets.
3. The Company will promote safety by organizing training, providing knowledge, reviewing, practicing, and organizing activities in various forms to raise safety awareness among employees continuously and to be prepared at all times.
4. The Company will provide and procure quality and standard personal protective equipment for employees to use and wear for protection as appropriate to the nature and work of employees.
5. The Company will pay attention to, inspect, and strictly enforce employees to comply with the manual on safety, occupational health, and working environment, as well as pay attention to, control, and supervise to protect the safety of employees at work.
6. The Company will continuously improve and develop the environment within the company, the workplace, and the cleanliness around the company to ensure safety, a good environment, and hygiene, leading to a good quality of working life and overall health of employees.
7. The Company places importance on employee cooperation in complying with safety, occupational health, and environmental regulations. The success in accident prevention is considered a factor in performance evaluation.
8. The Company considers workplace safety, as well as safe working procedures, to be the duty of employees and supervisors at all levels to comply with and be responsible for.
9. The Company believes that all employees play a part in preventing accidents and preserving the environment. The Company welcomes suggestions and feedback from employees, which will be considered and used to improve and correct any deficiencies as appropriate to ensure maximum safety for employees.
10. In the event that an employee suffers an accident at work, the Company will provide care, attention, and consider providing assistance to the injured employee to be able to earn a living appropriately.

Promotion of compliance with the business code of conduct

Promotion for the board of directors, executives, and employees to comply with the business code of conduct : Yes

The company specifies details for monitoring compliance with the Code of Ethics in business conduct, including the Code of Business Conduct for the Board of Directors, executives, and employees. The company designates these documents as essential documents that all directors, executives, and employees must sign acknowledging before commencing work as personnel of the company. All employees have signed acknowledging these documents.

**แบบฟอร์มการประเมินตนเองเกี่ยวกับจริยธรรมและข้อพึงปฏิบัติในการทำงาน
บริษัท อีสต์โคสต์เฟอริเทค จำกัด (มหาชน)**

บริษัทฯ ขอความร่วมมือพนักงานทุกท่านตอบแบบประเมินนี้ เพื่อบริษัทฯ ได้ทราบผลสะท้อนในการสื่อสารและการดำเนินงานเกี่ยวกับจริยธรรมทางธุรกิจและข้อพึงปฏิบัติในการทำงาน ซึ่งการตอบแบบประเมินในแต่ละข้อควรตอบบนพื้นฐานของการปฏิบัติจริงเพื่อให้ได้ข้อมูลที่ถูกต้องสำหรับการปรับปรุงและพัฒนาต่อไป และหวังเป็นอย่างยิ่งว่าจะได้รับความร่วมมือด้วยดี

ข้อมูลผู้ตอบแบบประเมินตนเอง

วันที่ทำแบบประเมิน	
ชื่อพนักงานผู้ทำการประเมินตนเอง	
ตำแหน่ง	
ฝ่ายงาน	
ลงชื่อพนักงานผู้ทำการประเมินตนเอง	

Participation in anti-corruption networks

- Participation or declaration of intent to join anti-corruption networks : Yes
- Anti-corruption networks or projects the company has joined or declared intent to join : Thai Private Sector Collective Action Against Corruption (CAC)
CAC membership certification status : Certified

Diagram of participation in anti-corruption networks



6.3 Material changes and developments in policy and corporate governance system over the past year

6.3.1 Material changes and developments related to the review of policy and guidelines in corporate governance system or board of directors' charter

In the past year, did the company review the corporate governance policy and guidelines, or board of directors' charter : Yes

Material changes and developments in policy and guidelines over the past year : Yes

The Board of Directors continuously reviews and improves the Company's policies, practices, and corporate governance systems to enhance the effectiveness of corporate governance and elevate the Company's corporate governance standards to align with the best practices of corporate governance for listed companies 2017 (CG Code) at least annually. This includes reviewing and approving the vision, objectives, operational strategies, corporate values, and annual goals. The corporate governance system considers the vision and goals set each year and monitors the implementation of strategies through regular and continuous performance reports from relevant management.

The Managing Director will report on the performance of the strategies set to align with the vision and goals every quarter. The report will coincide with the consideration and acknowledgment of the Company's operating results and budget approval, which are held quarterly.

For an overview of the significant changes and developments that occurred in 2024, the Company has increasingly considered the role of stakeholders and sustainable business development. This includes improvements from the previous year, such as the establishment of an environmental and energy conservation policy within the organization, with clear and concrete implementation, the establishment of a working group responsible for energy and environmental work within the factory, and the development of relevant work plans.

6.3.2 Implementation of the CG Code for listed companies

Implementation of the CG Code as prescribed by the SEC : Mostly used in practice

The Company is in the process of improving its corporate governance practices to comply with the regulations set by the SEC. Most of the areas for improvement are related to the Board of Directors' responsibilities, including:

1. Establishing policies and plans regarding diversity in the Board structure. Currently, the Company does not have any female directors.
2. The Board of Directors should consist of more than 66 percent non-executive directors. Currently, the Company's Board structure has 62.5 percent non-executive directors.
3. The Board of Directors should consist of more than 50% independent directors. Currently, the Company's Board structure has 50% independent directors.
4. The Audit Committee should have at least one member who has graduated or has expertise in accounting, including disclosure of their qualifications or roles.
5. The Board should consider appointing a Nomination Committee and a Compensation Committee with independent members. The proportion of independent directors in the structure of both committees is not more than 50 percent.

6. The Nomination Committee has prepared a report of the Nomination Committee and disclosed it in the annual report, including the performance of its duties. However, there are still some missing disclosures.

7. More than 3 out of 4 directors should participate in training courses organized for directors. In the past year, all directors attended training courses or seminars to enhance their knowledge and skills. This was due to the constraints on the duties of each director. The company secretary will continue to consider and offer interesting training courses to the Board of Directors.

6.3.3 Other corporate governance performance and outcomes

The company has guidelines for other practices in accordance with good corporate governance principles to support various assessments as follows:

- Participating in the annual Corporate Governance Report (CGR) survey organized by the Thai Institute of Directors Association (IOD) every year. The company has been rated "Excellent" in corporate governance from the Corporate Governance Report (CGR) survey, organized by the Thai Institute of Directors Association (IOD) in collaboration with the Stock Exchange of Thailand. The assessment results for the past 6 years, from 2019 to 2024, have been at an excellent level.
- Participating in the annual Annual General Meeting (AGM) Quality Assessment project organized by the Thai Investors Association every year. The company has received a full score of 100 from the Annual General Meeting (AGM) Quality Assessment project by the Thai Investors Association from 2015 to 2024, except in 2019 when one director did not attend the meeting.
- Joining the Thai Private Sector Collective Action Against Corruption (CAC) project, the company was announced as one of the companies certified as a Collective Action Coalition of the Thai private sector on December 30, 2022.

The assessment results and various actions mentioned above reflect the company's commitment to conducting business under good corporate governance principles. However, these would not be possible without the cooperation and commitment of everyone in the organization to uphold these principles.

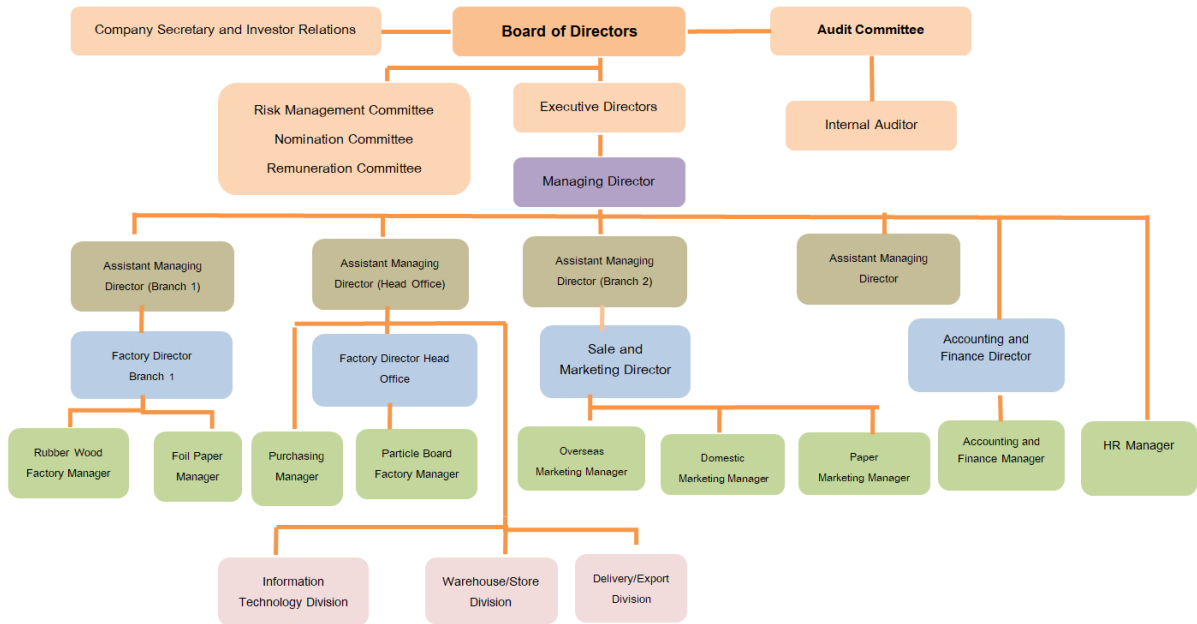
7. Corporate governance structure and significant information related to the board of directors, subcommittees, executives, employees, and others

7.1 Corporate governance structure

Corporate governance structure diagram

Corporate governance structure as of date : 31 December 2024

Corporate governance structure diagram



7.2 Information on the board of directors

The Company has defined the qualifications, capabilities, independence, and diversity of expertise, along with the details, roles, responsibilities, and suitability of the Board of Directors in alignment with the needs and business strategies of the Company. This takes into account transparency, audit and balance mechanisms, and the effectiveness of corporate governance. The details are as follows:

7.2.1 Composition of the board of directors

Currently, the Company has a total of 8 directors, consisting of 4 independent directors, 1 non-executive director, and 3 executive directors and/or shareholders. The independent directors of the Company comprise at least one-third of the total number of directors and not less than three persons. The qualifications of the independent directors are in accordance with the criteria of the SEC and the Stock Exchange of Thailand. In addition, the independent directors can work effectively with the entire Board and can express their opinions independently. The Company believes that the Board structure has been established to ensure clear, balanced, and auditable management, and that the directors and management of the Company will be able to perform their duties for the benefit of the Company and its shareholders. The Board of Directors understands its roles and responsibilities and will be able to perform its duties as defined in the scope of authority and responsibilities of the Board of Directors.

The Company has a policy of appointing the Board of Directors by considering their industry knowledge, experience relevant to the Company's business, skills, experience, and knowledge in various fields such as accounting, finance, law, etc., as well as behavioral competencies such as teamwork, coordination, risk-taking, etc., to ensure comprehensive coverage in all areas, which will lead to benefits and efficiency in operations.

In addition, the Company has an Audit Committee consisting of 3 independent directors, whose duties are the same as those stipulated in the regulations of the Stock Exchange of Thailand. At least one member has the knowledge and experience to be able to review the reliability of the financial statements, as well as perform other duties as an audit committee member.

The Company has established written terms of authority to delegate and define clear authority between the Board of Directors and management.

	Number (persons)	Percent (%)
Total directors	8	100.00
Male directors	8	100.00
Female directors	0	0.00
Executive directors	2	25.00
Non-executive directors	6	75.00
Independent directors	4	50.00
Non-executive directors who have no position in independent directors	2	25.00

7.2.2 The information on each director and controlling person

List of the board of directors

List of directors	Position	First appointment date of director	Skills and expertise
<p>1. General TERDSAK MARROME Gender: Male Age : 88 years Highest level of education : Honorary degree Study field of the highest level of education : Science Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Chairman of the board of directors (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	25 Sep 2012	Governance/ Compliance, Strategic Management, Corporate Social Responsibility, Audit, Corporate Management
<p>2. Mr. KITTIPHAT SUKSAWAD Gender: Male Age : 57 years Highest level of education : Bachelor's degree Study field of the highest level of education : Economics Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 140,082,750 Shares (14.599471 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 1,200 Shares (0.000125 %) 	<p>Vice-chairman of the board of directors (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	12 Oct 1999	Business Administration, Commerce, Leadership, Negotiation, Corporate Management

List of directors	Position	First appointment date of director	Skills and expertise
<p>3. Mr. Wanlop Suksawad Gender: Male Age : 83 years Highest level of education : Below a bachelor's degree Study field of the highest level of education : Management Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 23,538,800 Shares (2.453222 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 6,283,100 Shares (0.654827 %) 	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	12 Oct 1999	Strategic Management, Home & Office Products, Agribusiness, Corporate Management, Business Administration
<p>4. Mr. PACHARATANAPONG SUKSAWAD Gender: Male Age : 54 years Highest level of education : Master's degree Study field of the highest level of education : Management Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 122,200,350 Shares (12.735761 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 1,330,000 Shares (0.138613 %) 	<p>Director (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	12 Oct 1999	Business Administration, Commerce, Marketing, Change Management, Strategic Management

List of directors	Position	First appointment date of director	Skills and expertise
<p>5. Assoc. Prof. Dr. MONTREE SOCATIYANURAK Gender: Male Age : 66 years Highest level of education : Doctoral degree Study field of the highest level of education : Economics Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	25 Sep 2012	Accounting, Finance, Risk Management, Strategic Management, Governance/ Compliance
<p>6. Assoc. Prof. SONGKLOD JARUSOMBUTI Gender: Male Age : 60 years Highest level of education : Master's degree Study field of the highest level of education : Science Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	25 Sep 2012	Risk Management, Strategic Management, Marketing, Governance/ Compliance, Home & Office Products

List of directors	Position	First appointment date of director	Skills and expertise
<p>7. Mr. EKARIN VASANASONG Gender: Male Age : 52 years Highest level of education : Doctoral degree Study field of the highest level of education : Engineering Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Continuing director (Full term of directorship and being re-appointed as a director)</p>	28 Apr 2017	Finance, Strategic Management, Information & Communication Technology, Governance/ Compliance, Engineering
<p>8. Mr. PAIBOON AROONPRASOBSUK Gender: Male Age : 50 years Highest level of education : Master's degree Study field of the highest level of education : Finance Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	14 Jul 2020	Finance, Risk Management, Strategic Management, Marketing, Governance/ Compliance

Additional explanation :

(*) Any offense under the Securities and Exchange Act B.E. 2535 (1992) or the Derivatives Act B.E. 2546 (2003), only in the following cases:

(1) Dishonest act or gross negligence

(2) Disclosure or dissemination of false information or statements that may be misleading or conceal material facts that should be notified, which may affect decision making of shareholders, investors or other parties involved

(3) Unfair acts or exploitation of investors in trading securities or derivatives, or participation in, or support to, such acts.

(**) Shareholdings by persons related to directors or executives as prescribed in Section 59 of the Securities and Exchange Act B.E. 2535 (1992), such as spouses or cohabiting couple (unmarried couples living together openly), minor children, etc.

List of board of directors who resigned / vacated their position during the year

List of directors	Position	Date of resignation / termination	Replacement director
<p>1. Assoc. Prof. Dr. MONTREE SOCATIYANURAK Gender: Male Age : 66 years Highest level of education : Doctoral degree Study field of the highest level of education : Economics Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p>	25 Apr 2024	<p>Assoc. Prof. Dr. MONTREE SOCATIYANURAK</p> <p>Appointment date of replacement director : 25 Apr 2024</p>
<p>2. Mr. EKARIN VASANASONG Gender: Male Age : 52 years Highest level of education : Doctoral degree Study field of the highest level of education : Engineering Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 0 Shares (0.000000 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 0 Shares (0.000000 %) 	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p>	25 Apr 2024	<p>Mr. EKARIN VASANASONG</p> <p>Appointment date of replacement director : 25 Apr 2024</p>

List of directors	Position	Date of resignation / termination	Replacement director
<p>3. Mr. PACHARATANAPONG SUKSAWAD Gender: Male Age : 54 years Highest level of education : Master's degree Study field of the highest level of education : Management Thai nationality : Yes Residence in Thailand : Yes Family relationship between directors and executives : Have Legal offenses in the past 5 years ^(*) : Doesn't Have DAP course : Yes DCP course : No</p> <p>Shareholding in a company</p> <ul style="list-style-type: none"> • Direct shareholding : 122,200,350 Shares (12.735761 %) • Shareholding by persons related to directors, executives according to Section 59 ^(**) : 1,330,000 Shares (0.138613 %) 	<p>Director (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p>	25 Apr 2024	<p>Mr. PACHARATANAPONG SUKSAWAD</p> <p>Appointment date of replacement director : 25 Apr 2024</p>

Additional explanation :

(*) Any offense under the Securities and Exchange Act B.E. 2535 (1992) or the Derivatives Act B.E. 2546 (2003), only in the following cases:

(1) Dishonest act or gross negligence

(2) Disclosure or dissemination of false information or statements that may be misleading or conceal material facts that should be notified, which may affect decision making of shareholders, investors or other parties involved

(3) Unfair acts or exploitation of investors in trading securities or derivatives, or participation in, or support to, such acts.

(**) Shareholdings by persons related to directors or executives as prescribed in Section 59 of the Securities and Exchange Act B.E. 2535 (1992), such as spouses or cohabiting couple (unmarried couples living together openly), minor children, etc.

List of the board of directors by position

List of the board of directors	Position	Executive directors	Non-executive directors	Independent directors	Non-executive directors who have no position in independent directors	Authorized directors as per the company's certificate of registration
1. General TERDSAK MARROME	Chairman of the board of directors		✓	✓		
2. Mr. KITTIPHAT SUKSAWAD	Vice-chairman of the board of directors	✓				✓
3. Mr. Wanlop Suksawad	Director		✓		✓	✓
4. Mr. PACHARATANAPONG SUKSAWAD	Director	✓				✓
5. Assoc. Prof. Dr. MONTREE SOCATIYANURAK	Director		✓	✓		

List of the board of directors	Position	Executive directors	Non-executive directors	Independent directors	Non-executive directors who have no position in independent directors	Authorized directors as per the company's certificate of registration
6. Assoc. Prof. SONGKLOD JARUSOMBUTI	Director		✓	✓		
7. Mr. EKARIN VASANASONG	Director		✓		✓	
8. Mr. PAIBOON AROONPRASOBSUK	Director		✓	✓		
Total (persons)		2	6	4	2	3

Overview of director skills and expertise

Skills and expertise	Number (persons)	Percent (%)
1. Agribusiness	1	12.50
2. Home & Office Products	2	25.00
3. Commerce	2	25.00
4. Information & Communication Technology	1	12.50
5. Marketing	3	37.50
6. Accounting	1	12.50
7. Finance	3	37.50
8. Corporate Social Responsibility	1	12.50
9. Negotiation	1	12.50
10. Corporate Management	3	37.50
11. Engineering	1	12.50
12. Change Management	1	12.50
13. Leadership	1	12.50
14. Strategic Management	7	87.50
15. Risk Management	3	37.50
16. Audit	1	12.50
17. Governance/ Compliance	5	62.50
18. Business Administration	3	37.50

Information about the other directors

The chairman of the board and the highest-ranking executive : No
are from the same person

The chairman of the board is an independent director ⁽³⁾ : Yes

Remark : ⁽³⁾ *The Board of Directors includes General Theodone Mararom, who serves as the Chairman of the Board and holds the highest executive position within the organization. As an independent director, he is deemed suitable for the position of Chairman and is not the same individual as the Managing Director responsible for policy implementation. The company firmly believes that the composition and operations of the Board of Directors foster independent decision-making.*

The chairman of the board and the highest-ranking executive : No
are from the same family

Chairman is a member of the executive board or taskforce : No

The company appoints at least one independent director to : No
determine the agenda of the board of directors' meeting

The measures for balancing the power between the board of directors and the Management

For the principle that should be practiced, that the majority of the Board of Directors should be non-executive directors who can provide independent opinions on the work of the management, due to the current structure of the Board of Directors, which has a total of 8 members, consisting of 4 independent non-executive directors, 1 non-executive director, and 3 executive directors and shareholders of the Company. From the structure of the Board of Directors, it is equivalent to the Company having a greater number of directors than executive directors according to good corporate governance principles. The structure of the Board of Directors consists of 5 non-executive directors, representing 62.50 percent of the total number of directors.

The Board of Directors has a total of 4 independent directors. One independent director (who is not an executive) is Assoc. Prof. Songklod Jarusombuti, who has knowledge and expertise in the fields of Forest Resources, Forest Products, and Community Forestry, which are related to the Company's wood furniture manufacturing business. Another independent director (who is not an executive) is Mr. Paiboon Arunprasopsuk, an independent director with knowledge, ability, skills, and experience in the financial and investment business sector, to strengthen the structure of the Board of Directors.

For directors appointed as independent directors, they shall be independent from the management and major shareholders of the Company.

The measures for balancing the power between the board of : Yes
directors and the Management

Methods of balancing power between the board of directors : Others : A structure with a greater number of independent directors
and Management and non-executive directors than executive directors.

In most boards, the majority should be independent directors who can provide independent opinions on the work of the management. This is because the current structure of the Company's Board of Directors, which has a total of 8 members, consists of 4 independent directors, 1 non-executive director, and 3 executive directors and shareholders of the Company. This means that the Company has more directors than executive directors.

7.2.3 Information on the roles and duties of the board of directors

The Company has established the Board of Directors' Charter to specify the details of the composition, qualifications, duties and responsibilities, term of office and election of directors, board meetings, and performance evaluation of the Board of Directors. In addition, the scope of authority, duties, and responsibilities of the Chairman of the Board and the Managing Director are also specified as follows:

Board charter : Yes

C harter of the Board of Directors of East Coast Furniture Public Company Limited

1. Objectives and Principles of Corporate Governance: The Board of Directors plays a crucial role in setting the direction and overseeing the Company's operations in compliance with laws, objectives, and regulations to create long-term value. The Board prioritizes good governance, integrity, and transparency in performing its duties to safeguard the interests of shareholders and all stakeholders.

2. Composition and Qualifications: The Board of Directors comprises 5-15 members, with at least one-third and no less than 3 independent directors to mitigate conflicts of interest. Additionally, directors must meet legal qualifications and be free from prohibited characteristics, such as having interests in businesses that compete with the Company.

3. Duties and Responsibilities: The Board is responsible for overseeing operations to ensure compliance with laws and company regulations, including shareholder meetings, business planning, financial oversight, and risk management. The Board also delegates authority to sub-committees for specific matters, with an annual performance evaluation process to enhance operational effectiveness.

7.3 Information on subcommittees

7.3.1 Information on roles of subcommittees

Roles of subcommittees

Board of Directors

Role

- Audit of financial statements and internal controls
- Corporate governance

Scope of authorities, role, and duties

1. Responsible for shareholders.
2. Establish policies and directions for the Company's operations.
3. Consider and approve the Company's authorization and operational framework.
4. Supervise, control, and oversee the management to ensure compliance with established policies.
5. Consider and approve investments in business expansion.
6. Responsible for preparing financial reports.
7. Appoint the management board.

Reference link for the charter

-

Audit Committee

Role

- Risk management

Scope of authorities, role, and duties

1. Review for accurate financial reporting.
2. Select, appoint, and propose the dismissal of the auditor.
3. Review for the existence of and examine the internal control system.
4. Review for the Company's compliance with relevant laws.
5. Consider related party transactions and transactions that may involve conflicts of interest.
6. Prepare the Audit Committee's report.
7. Have the authority to seek independent opinions from other professional advisors when deemed necessary.

Reference link for the charter

-

Executive Committee

Role

- Sustainability development

Scope of authorities, role, and duties

1. Authorized to formulate plans, policies, and business strategies for the company's operations to be proposed to the Board of Directors for approval.
2. Control and supervise the company's business operations to comply with the approved or established policies or business plans.
3. Propose investment plans.
4. Establish policies, business plans, and business strategies.
5. Approve investment expenditures as authorized or approved in principle.
6. Authorized to proceed in accordance with the authorization manual as specified.

Reference link for the charter

-

Risk Management Committee

Role

- Other
 - Business Risk Management

Scope of authorities, role, and duties

1.
Operate in accordance with the risk management policy set by the Board of Directors. Assess risk, risk mitigation guidelines, and systematically monitor risk in core businesses, including other businesses in which the Company has invested through subsidiaries and associated companies.
2.
Supervise and support the success of risk management.
3.
Consider the Company's significant risks in line with the Company's business, provide recommendations, prevention methods, and risk mitigation methods, monitor and evaluate, and improve operational plans.
4.
Report on the supervision of risk assessment results.

Reference link for the charter

-

Nomination committee

Role

- Director and executive nomination

Scope of authorities, role, and duties

1. Select qualified individuals to be nominated as new directors or replace existing directors by establishing transparent criteria and procedures for the nomination and selection process. These nominations will be submitted to the Board of Directors and/or shareholders' meeting for approval.
2. Develop ongoing training programs for directors and senior management on their duties and responsibilities, as well as knowledge related to the company's business.
3. Establish a succession plan for directors and senior management.

Reference link for the charter

-

Remuneration committee

Role

- Remuneration

Scope of authorities, role, and duties

1. The Remuneration Committee shall be responsible for proposing the remuneration policy, structure, and criteria for the remuneration of directors and the managing director to ensure that the structure and criteria for remuneration are
2. Evaluate the Managing Director and submit for approval by the Board of Directors.
3. Consider and determine the annual remuneration of directors and the managing director.
4. Perform other duties as assigned by the Board of Directors.

Reference link for the charter

-

Corporate governance committee

Role

- Other
 - Supervision

Scope of authorities, role, and duties

1. Establish and implement policies governing operations, anti-corruption policies, sustainability policies, and related practices, including business ethics and good corporate governance guidelines.
2. Review relevant policies at least annually.
3. Supervise the performance of executives and employees to ensure compliance with relevant policies.
4. Oversee the provision of training to executives and employees.
5. Monitor and evaluate policy compliance.

Reference link for the charter

-

7.3.2 Information on each subcommittee

List of audit committee

List of directors	Position	Appointment date of audit committee member	Skills and expertise
<p>1. Assoc. Prof. Dr. MONTREE SOCATIYANURAK^(*)</p> <p>Gender: Male Age : 66 years Highest level of education : Doctoral degree Study field of the highest level of education : Economics Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : Yes</p>	<p>Chairman of the audit committee (Non-executive directors, Independent director)</p> <p>Director type : Existing director</p>	25 Sep 2012	Accounting, Finance, Risk Management, Strategic Management, Governance/ Compliance
<p>2. General TERDSAK MARROME</p> <p>Gender: Male Age : 88 years Highest level of education : Honorary degree Study field of the highest level of education : Science Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : No</p>	<p>Member of the audit committee (Non-executive directors, Independent director)</p> <p>Director type : Continuing director (Full term of directorship and being re-appointed as a director)</p>	25 Sep 2012	Governance/ Compliance, Strategic Management, Corporate Social Responsibility, Audit, Corporate Management
<p>3. Assoc. Prof. SONGKLOD JARUSOMBUTI</p> <p>Gender: Male Age : 60 years Highest level of education : Master's degree Study field of the highest level of education : Science Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : No</p>	<p>Member of the audit committee (Non-executive directors, Independent director)</p> <p>Director type : Existing director</p>	25 Sep 2012	Risk Management, Strategic Management, Marketing, Governance/ Compliance, Home & Office Products

Additional explanation :

(*) Directors with expertise in accounting information review

List of audit committee members who resigned / vacated their position during the year

List of directors	Position	Date of resignation / termination	Replacement committee member
1. Assoc. Prof. Dr. MONTREE SOCATIYANURAK ^(*) Gender: Male Age : 66 years Highest level of education : Doctoral degree Study field of the highest level of education : Economics Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : Yes	Chairman of the audit committee (Non-executive directors, Independent director)	25 Apr 2024	Assoc. Prof. Dr. MONTREE SOCATIYANURAK Appointment date of replacement committee member : 25 Apr 2024

Additional explanation :

() Directors with expertise in accounting information review*

List of executive committee members

List of directors	Position	Appointment date of executive committee member
<p>1. Mr. Wanlop Suksawad Gender: Male Age : 83 years Highest level of education : Below a bachelor's degree Study field of the highest level of education : Management Thai nationality : Yes Residence in Thailand : Yes</p>	Chairman of the executive committee	25 Sep 2012
<p>2. Mr. KITTIPHAT SUKSAWAD Gender: Male Age : 57 years Highest level of education : Bachelor's degree Study field of the highest level of education : Economics Thai nationality : Yes Residence in Thailand : Yes</p>	Member of the executive committee	25 Sep 2012
<p>3. Mr. PACHARATANAPONG SUKSAWAD Gender: Male Age : 54 years Highest level of education : Master's degree Study field of the highest level of education : Management Thai nationality : Yes Residence in Thailand : Yes</p>	Member of the executive committee	25 Sep 2012
<p>4. Mr. Somporn Chitpenthom Gender: Male Age : 63 years Highest level of education : Master's degree Study field of the highest level of education : Management Thai nationality : Yes Residence in Thailand : Yes</p>	Chairman of the executive committee	5 Jun 2024

List of executive committee members who resigned / vacated their position during the year

List of committee members	Position	Date of resignation / termination	Replacement committee member
1. Mr. Wanlop Suksawad Gender: Male Age : 83 years Highest level of education : Below a bachelor's degree Study field of the highest level of education : Management Thai nationality : Yes Residence in Thailand : Yes	Chairman of the executive committee	5 Jun 2024	Mr. Somporn Chitpenthom Appointment date of replacement committee member : 5 Jun 2024

Other Subcommittees

Subcommittee name	Name list	Position
Risk Management Committee	Assoc. Prof. Dr. MONTREE SOCATIYANURAK	The chairman of the subcommittee (Independent director)
	Assoc. Prof. SONGKLOD JARUSOMBUTI	Member of the subcommittee (Independent director)
	Mr. KITTIPHAT SUKSAWAD	Member of the subcommittee
	Mr. PACHARATANAPONG SUKSAWAD	Member of the subcommittee
Nomination committee	Assoc. Prof. SONGKLOD JARUSOMBUTI	The chairman of the subcommittee (Independent director)
	Mr. KITTIPHAT SUKSAWAD	Member of the subcommittee
	Mr. PACHARATANAPONG SUKSAWAD	Member of the subcommittee
Remuneration committee	Assoc. Prof. Dr. MONTREE SOCATIYANURAK	The chairman of the subcommittee (Independent director)
	Mr. KITTIPHAT SUKSAWAD	Member of the subcommittee
	Mr. PACHARATANAPONG SUKSAWAD	Member of the subcommittee
Corporate governance committee	Assoc. Prof. Dr. MONTREE SOCATIYANURAK	The chairman of the subcommittee (Independent director)
	General TERDSAK MARROME	Member of the subcommittee (Independent director)
	Assoc. Prof. SONGKLOD JARUSOMBUTI	Member of the subcommittee (Independent director)

7.4 Information on the executives

7.4.1 List and positions of the executive

List of the highest-ranking executive and the next four executives

List of executives	Position	First appointment date	Skills and expertise
<p>1. Mr. PACHARATANAPONG SUKSAWAD Gender: Male Age : 54 years Highest level of education : Master's degree Study field of the highest level of education : Management Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No</p>	<p>MANAGING DIRECTOR (The highest-ranking executive)</p>	12 Oct 1999	Business Administration, Commerce, Marketing, Change Management, Strategic Management
<p>2. Ms. Suphak Toapongnan Gender: Female Age : 52 years Highest level of education : Bachelor's degree Study field of the highest level of education : Economics Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No</p>	<p>Assistant Managing Director (Branch 1)</p>	25 Sep 2012	Business Administration, Economics, Leadership
<p>3. Mr. Poramedcharapol Chinnuvat Gender: Male Age : 52 years Highest level of education : Bachelor's degree Study field of the highest level of education : Law Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No</p>	<p>Assistant Managing Director (Branch 2)</p>	25 Sep 2012	Business Administration, Leadership
<p>4. Ms. Pachanan Singphu^(*) Gender: Female Age : 48 years Highest level of education : Bachelor's degree Study field of the highest level of education : Accounting Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : Yes Accounting supervisor : No</p>	<p>Assistant Managing Director and Act of Director of Finance and Accounting (The Ultimate responsible person of finance and accounting, and ac</p>	25 Sep 2012	Accounting, Negotiation, Budgeting, Internal Control, Audit

List of executives	Position	First appointment date	Skills and expertise
5. Mr. Attaphol Tanapol Gender: Male Age : 54 years Highest level of education : Below a bachelor's degree Study field of the highest level of education : Management Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	Assistant Managing Director (Head Office)	13 Mar 2023	Home & Office Products, Marketing, Negotiation, Corporate Management, Risk Management
6. Mr. Wattanawit Suksawad ^(***) Gender: Male Age : 23 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	Assistant Managing Director	27 Feb 2025	Home & Office Products, Industrial Materials & Machinery, Transportation & Logistics, Data Analysis, Corporate Management
7. Ms. Chanokpornphun Kraisakree ^{(*)(***)} Gender: Female Age : 49 years Highest level of education : Bachelor's degree Study field of the highest level of education : Accounting Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : Yes Accounting supervisor : No	Acting Chief Accountant and Finance Officer	24 Jan 2025	Accounting

Additional Explanation :

(*) Highest responsibility in corporate accounting and finance

(**) Accounting supervisor

(***) Appointed after the fiscal year end of the reporting year

7.4.2 Remuneration policy for executive directors and executives

For the determination of the compensation structure to be used as an incentive for the Managing Director to perform their duties following the organization's main objectives and goals and by the Company's long-term interests, the Board of Directors has established the criteria, scope of powers, duties, and responsibilities of the Remuneration Committee for considering the appropriateness of the proportion of compensation in the form of salary, short-term performance such as bonuses, as well as considering the provision of long-term compensation methods such as granting shares or warrants of the Company, etc., considering and comparing the compensation determined by the Company with the compensation level received in the same size, the same type of business group or with similar performance, etc., including considering the actual performance of the Managing Director in that

year.

Does the board of directors or the remuneration committee : Yes
have an opinion on the remuneration policy for executive
directors and executives

For the policy and form of compensation for senior executives, the Remuneration Committee will consider and provide opinions on the reasonableness and appropriateness of compensation payments to executives. The policy is to determine compensation based on the Company's performance in both the short and long term, individual performance, by considering performance indicators in terms of financial indicators, business growth rate, revenue, net profit from operations, indicators of work process development, risk management, personnel development, and the scope of responsibility of the position as well as the Company's competitiveness.

7.4.3 Remuneration of executive directors and executives

Monetary remuneration of executive directors and executives

	2022	2023	2024
Total remuneration of executive directors and executives (baht)	17,156,417.00	13,872,877.00	16,972,193.00

The monetary compensation of the Board of Executives Committee and Executives consists of salary and bonus.

Other remunerations of executive directors and executives

	2022	2023	2024
Company's contribution to provident fund for executive directors and executives (Baht)	442,542.00	555,787.00	1,604,193.00
Employee Stock Ownership Plan (ESOP)	No	No	No
Employee Joint Investment Program (EJIP)	No	No	No

If there is a consideration of approval on providing additional special welfare to the Company's directors and/or executives in addition to salary, meeting allowance, welfare, compensation, bonus, etc. from the original compensation for the Company's directors and/or executives, if later there will be any additional special welfare worth more than 1,000,000 baht per person per year, it must be included in the meeting agenda, specifying the details and rationale of such additional special welfare payment. For example, if it is a case of providing additional special welfare in the form of a company car, the Company's expenses, such as car installments and driver's fees, if the total value is more than 1,000,000 baht per person per year, must be presented to the Audit Committee meeting for consideration and approval, etc. This is so that the Audit Committee can consider the appropriateness, and rationale, and provide opinions and suggestions on such transactions.

Outstanding remuneration or benefits of executive directors and executives

Outstanding remuneration or benefits of executive directors : 0.00
and executives in the past year

Estimated remuneration of executive directors and executives : 0.00
in the current year

7.5 Information on employees

Information on the company's employees

Employees

	2022	2023	2024
Total employees (persons)	1,045	1,307	1,329
Male employees (persons)	535	690	696
Female employees (persons)	510	617	633

Number of employees by position and department

Number of male employees by position

	2022	2023	2024
Total number of male employees in operational level (Persons)	503	664	662
Total number of male employees in management level (Persons)	27	21	30
Total number of male employees in executive level (Persons)	5	5	4

Number of female employees by position

	2022	2023	2024
Total number of female employees in operational level (Persons)	493	605	622
Total number of female employees in management level (Persons)	14	10	10
Total number of female employees in executive level (Persons)	3	2	1

Significant changes in the number of employees

Significant changes in number of employees over the past 3 : No
Years

Information on employee remuneration

Employee remuneration

	2022	2023	2024
Total employee remuneration (baht)	153,988,592.00	160,259,489.00	238,570,436.00
Total male employee remuneration (Baht)	73,416,072.00	87,753,717.00	126,875,348.00

	2022	2023	2024
Total female employee remuneration (Baht)	80,572,520.00	72,505,772.00	111,695,088.00

Provident fund management policy

Provident fund management policy : Have

Board of Directors' Meeting No. 4/2012, held on 25 September 2012, resolved to establish a provident fund, which the Company completed on 20 November 2012.

In addition, the Company has a policy to consider selecting a provident fund manager to reflect the importance of investment management, adhering to the Investment Governance Code for Institutional Investors (I Code). Since a provident fund is considered a retirement savings fund for employees, the Company places importance on selecting a fund manager who complies with the I Code and manages investments responsibly, taking into account environmental, social, and governance factors, as this is an investment approach that will lead to the best benefits for the fund members, which are the Company's employees, in the long term.

Provident fund for employees (PVD)

	2022	2023	2024
Number of employees joining in PVD (persons)	81	87	51
Proportion of employees who are PVD members (%)	7.75	6.66	3.84
Total amount of provident fund contributed by the company (baht)	833,157.00	775,311.00	632,841.00

7.6 Other significant information

7.6.1 Assigned person

List of persons assigned for accounting oversight

General information	Email	Telephone number
1. Ms. Roongchat Namvijit	rungchat@eastcoast.co.th	038-675-181-4

List of the company secretary

General information	Email	Telephone number
1. Ms. Sarisa Thongkittikul	sarisa@eastcoast.co.th	02-152-7301-4 ต่อ 212

List of the head of internal audit or outsourced internal auditor

General information	Email	Telephone number
1. Ms. Pimrumpai Boonchana	pimrumpai@eastcaost.co.th	038-675-181-4
2. Ms. Wanna Maluengnon	accplusconsultant@yahoo.com	02-693-3581

List of the head of the compliance unit

General information	Email	Telephone number
1. Ms. Pimrumpai Boonchana	pimrumpai@eastcaost.co.th	038-675-181-4

7.6.2 Head of investor relations

Does the Company have an appointed head of investor relations : Yes

List of the head of investor relations

General information	Email	Telephone number
1. Ms. Sarisa Thongkittikul	sarisa@eastcoast.co.th	02-152-7301-4 ต่อ 212

7.6.3 Company's auditor

Details of the company's auditor

Audit firms	Audit fee (Baht)	Other service fees	Names and general information of auditors
M.R. & ASSOCIATES COMPANY LIMITED SUITE # 706, CHAOPHYA TOWER 89, SOI WAT SUAN PLU,NEW ROAD BANG RAK BANG RAK Bangkok 10500 Telephone +66 2630 7500	3,170,000.00	-	1. Mr. METHEE RATANASRIMETHA Email: methee@mrassociates.co.th License number: 3425 2. Mr. AKADET PLIENSAKUL Email: akadet@mrassociates.co.th License number: 5389

7.6.4 Assigned personnel in case of a foreign company

Does the company have any individual assigned to be : No
representatives in Thailand

8. Report on key operating results on corporate governance

8.1 Summary of duty performance of the board of directors over the past year

Summary of duty performance of the board of directors over the past year

In 2024, the Board of Directors Meeting No. 1/2024, held on February 28, 2024, resolved to review the Company's vision, objectives, operational strategies, corporate values, and goals as detailed in the Corporate Governance Policy 2024, which remains the same as the one used in 2022. The Board of Directors' intention regarding the sustainable development goals for 2024 of East Coast Furnitech Public Company Limited is that the Board of Directors has a policy to initiate, participate in the preparation, and provide comments on the details of the policy. The Board of Directors has issued a resolution approving the aforementioned written Corporate Governance Policy. The policy sets guidelines for compliance with good corporate governance principles in accordance with the relevant criteria or practices proposed by the regulator (CG Code) to enhance transparency in operations at all levels, from employees to executives and the Board of Directors. This serves as a tool to enhance capabilities and competitiveness, promote sustainable growth, and prioritize the community, society, and the environment, which will lead to long-term benefits for all stakeholders throughout the business chain. The Board of Directors will review the Company's Corporate Governance Policy on an ongoing basis to ensure that it meets the standards and guidelines for good corporate governance.

The Board of Directors' intention regarding sustainable development goals is to initiate operations that are in line with the Company's context to demonstrate the Company's commitment to sustainable development. This includes the establishment of a concrete working group to implement the sustainable development plan in various areas, including:

- Setting greenhouse gas emission reduction targets.
- Preparing to start collecting data and the year in which data is expected.
- Energy management methods and water and electricity management methods within the organization.

The preliminary operational guidelines have been discussed with the persons responsible for overseeing the factory that they will need to start implementing concrete and clear actions soon.

In addition, over the past year, the Board of Directors has played a role in considering investments in the Know Your Customer (KYC) business, which is in line with the business vision of wanting to reduce the risk of relying on core businesses, including the various impacts that may occur. This will create opportunities, growth, and sustainability for the organization in the future. In addition, over the past year, the Board of Directors has played a role in considering investments in the Know Your Customer (KYC) business, which is in line with the business vision of wanting to reduce the risk of relying on core businesses, including the various impacts that may occur. This will create opportunities, growth, and sustainability for the organization in the future.

In 2024, the Company reviewed its risk management policy and plan. This was done to enable the Company's executives and employees to respond and operate in crisis situations or events that may prevent the organization from operating continuously or may affect the overall financial performance and operating results of the Company. This ensures that the Company can operate continuously, efficiently, and systematically, reducing the impact of damage or loss that may occur. The Risk Management Committee will report to the Board of Directors on the consideration of risk factors that may arise in the Company's business operations and will

continuously propose risk prevention measures. The Committee also considered and reviewed the sustainability management policy and goals, taking into account the alignment with the Company's business direction and strategies, under the objectives. “To lead the organization to have sustainable development and profit growth with social and environmental responsibility and good corporate governance.” To reflect the intention and commitment to drive the business by taking into account good corporate governance issues, including environmental and social aspects, covering the importance of human rights. This will serve as a guideline for operations and to create understanding for all stakeholders.

The Company places importance on establishing an internal control system at both the management and operational levels to ensure efficiency and effectiveness in operations at all levels. The Board of Directors Meeting No. 1/2024, held on February 28, 2024, was attended by all members of the Audit Committee. The meeting assessed the adequacy of the Company's internal control system using an internal control adequacy assessment form covering five areas: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities.

The purpose of the internal control system audit is to promote good governance, internal control, reporting, and corporate governance, increase transparency, and build confidence among shareholders, including all stakeholders of the company. The scope covers testing and evaluation to obtain reasonable assurance about the adequacy and effectiveness of the internal control system in place within the company, as well as assessing the quality of work in each system, taking into account business risks that may arise from current business environment factors.

The Audit Committee is of the opinion that the Company has appropriate and sufficient internal control systems, including transactions with major shareholders, directors, executives, or persons related to such persons, as approved on a regular and continuous basis throughout the accounting period. The Audit Committee meetings, where the management presented the information, were appropriate and sufficient for the Company's business operations.

8.1.1 Selection, development and evaluation of duty performance of the board of directors

Information about the selection of the board of directors

Each year, the Nomination Committee, consisting of one (1) independent director as the Chairman and two (2) other directors, totaling three (3) directors, is responsible for selecting the Company's directors. The selection process adheres to the criteria for selecting new directors. Before submitting the names to the Board of Directors' Meeting, the Nomination Committee will provide its opinion. The nominees must possess qualifications in accordance with the Public Limited Company Act B.E. 2535, the notifications of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand, as well as utilizing the Director Pool database from the Thai Institute of Directors Association (IOD) as supporting information for the recruitment of new directors. The nominees must also possess knowledge, abilities, dedication, skills, and experience in managing the core business, including other businesses in which the Company has invested. Furthermore, the director selection process must align with the Company's business strategies. In the past, the Company has increased its investments in the energy sector. Therefore, the Nomination Committee has considered and selected new directors with qualifications, experience, and expertise in energy to enhance the overall capabilities of the Board of Directors. This also includes the recruitment of directors with knowledge, abilities, and experience in accounting, finance, and investment to strengthen the structure of the Board of Directors.

List of directors whose terms have ended and have been reappointed

List of directors	Position	First appointment date of director	Skills and expertise
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List of directors	Position	First appointment date of director	Skills and expertise
Mr. PACHARATANAPONG SUKSAWAD	Director (Executive Directors)	12 Oct 1999	Business Administration, Commerce, Marketing, Change Management, Strategic Management
Assoc. Prof. Dr. MONTREE SOCATIYANURAK	Director (Non-executive directors, Independent director)	25 Sep 2012	Accounting, Finance, Risk Management, Strategic Management, Governance/ Compliance
Mr. EKARIN VASANASONG	Director (Non-executive directors)	28 Apr 2017	Finance, Strategic Management, Information & Communication Technology, Governance/ Compliance, Engineering

Selection of independent directors

Criteria for selecting independent directors

The independent directors/audit committee of the Company must be directors of the Company who are appointed by the Board of Directors and approved by the shareholders of the Company. They must possess qualifications as stipulated by the Securities and Exchange Act, including notifications, regulations, and/or rules of the Stock Exchange of Thailand. There must be no less than 3 members. At least one audit committee member must have knowledge and experience in accounting and finance, including qualifications of an independent director as defined by the Company. The independent directors, as qualified above, may be authorized by the Board of Directors to make decisions in the business operations of the Company, its parent company, subsidiaries, affiliates, subsidiaries of the same level, major shareholders, or those with control, through a collective decision-making process.

Qualifications of the Audit Committee

- Appointed by the Board of Directors or the shareholders' meeting of the Company to be an Audit Committee member.
- Meet the qualifications of an independent director according to the criteria set by the SEC and the criteria deemed appropriate by the Company.
- Not be a director authorized by the Board of Directors to make decisions in the business operations of the Company, its parent company, subsidiaries, affiliates, subsidiaries of the same level, major shareholders, or those with control of the Company.
- Not a director of a parent company, subsidiary, or subsidiary of the same level, specifically those that are listed companies.
- Consider the term of office of independent directors. If a former independent director is to be reappointed, their consecutive term, starting from the date of their first appointment as an independent director, shall not exceed 9 years. The appropriateness and necessity shall be considered if such an independent director is to be reappointed.
- Possess adequate knowledge and experience to perform the duties of the Audit Committee. At least one Audit Committee

member must have sufficient knowledge and experience to review the reliability of financial statements.

· Have duties similar to those stipulated in the Stock Exchange of Thailand's notification regarding the qualifications and scope of work of the Audit Committee.

Business or professional relationships of independent directors over the past year

Business or professional relationships of independent directors over the past year : No

Selection of directors and the highest-ranking executive

Method for selecting directors and the highest-ranking executive

Method for selecting persons to be appointed as directors through the nomination committee : Yes
Method for selecting persons to be appointed as the highest-ranking executive through the nomination committee : Yes

Number of directors from major shareholders

Number of directors from each group of major shareholders over the past year (persons) : 3

Rights of minority shareholders on director appointment

The Company announced an invitation to shareholders who wish to nominate a person deemed appropriate to be considered for election as a director of the Company. The announcement was posted on the Company's website from 30 October to 31 December 2022. However, no shareholder has nominated a suitable person for consideration at this Annual General Meeting of Shareholders.

Method of director appointment : Method whereby each director requires approval votes more than half of the votes of attending shareholders and casting votes

Setting qualifications for the selection of directors

Details of qualifications for the selection of directors

Qualifications, knowledge, or experience	Skill and expertise
The individual possesses all the qualifications stipulated by law, including regulations and various practices as prescribed by regulatory bodies. They also demonstrate knowledge, capability, dedication, experience, and general management skills, including expertise in accounting, finance, the wood industry, furniture, and energy. These attributes will benefit the company's business. Furthermore, the individual does not hold any director or executive positions in other companies that may pose a conflict of interest or constitute business competition with the company.	Home & Office Products, Strategic Management, Risk Management, Governance/ Compliance, Business Administration

Information on the development of directors

Development of directors over the past year

Details of the development of directors over the past year

List of directors	Participation in training in the past financial year	History of training participation
1. General TERDSA K MARROME Chairman of the board of directors	Non-participating	-
2. Mr. KITTIPHAT SUKSAWAD Vice-chairman of the board of directors	Non-participating	-
3. Mr. Wanlop Suksawad Director	Non-participating	-
4. Mr. PACHARATANAPONG SUKSAWAD Director	Non-participating	-
5. Assoc. Prof. Dr. MONTREE SOCATIYANURAK Director	Participating	Other <ul style="list-style-type: none"> • 2024: TOP Program
6. Assoc. Prof. SONGKLOD JARUSOMBUTI Director	Participating	Other <ul style="list-style-type: none"> • 2024: Timber and Timber Products Trade Network • 2024: Development of Innovation to Promote Thai Rubber Products to the Commercial Market • 2024: Colored pencil techniques • 2024: Innovative Wood Utilization • 2024: Wood technology exploration
7. Mr. EKARIN VASANASONG Director	Participating	Other <ul style="list-style-type: none"> • 2024: Leading with urgency: Climate action for the board • 2024: Committees in the Age of Great Transformation
8. Mr. PAIBOON AROONPRASOBSUK Director	Non-participating	-

Information on the evaluation of duty performance of directors

Criteria for evaluating the duty performance of the board of directors

The Board of Directors has established guidelines for the annual performance evaluation. The Board and sub-committees will evaluate the performance of each committee at least once a year. This allows the Board to jointly consider the performance and problems for improvement.

The performance evaluation will be conducted both as a group and individually, using the evaluation forms for both group and individual prepared by the company secretary. The evaluation will cover from the Board of Directors to all sub-committees. The evaluation criteria, both for the Board and individual members, are based on the following main topics:

1. Evaluation of the Board Structure and Qualifications
2. Board Meetings
3. Roles, Responsibilities, and Accountability of the Board

The evaluation process, both group and individual, is detailed as follows:

- 1) Conduct both group and individual performance evaluations of the Board of Directors at least once a year.
- 2) The company secretary summarizes and presents the results of the Board's performance evaluation to the Nomination and Remuneration Committee for consideration of the evaluation results and guidelines for performance improvement.
- 3) The Nomination and Remuneration Committee proposes the results and guidelines for improving the effectiveness of the Board's performance to the Board of Directors.

Evaluation of the duty performance of the board of directors over the past year

The self-assessment results of the Board of Directors and sub-committees indicated that the overall average scores were very high, close to or equal to 100% for all types of committees. This demonstrates their effective performance in accordance with established standards.

In particular, the Board of Directors, Audit Committee, and Compensation Committee achieved a perfect score of 100% in all aspects. However, the Nomination Committee received a slightly lower average score (98.53%) compared to other groups, which could be an area for further development to ensure maximum effectiveness for all committees.

For the individual board member evaluation, it was found that the Audit Committee, Risk Management Committee, Nomination Committee, and Compensation Committee all received individual scores of 100%. The Board of Directors had an average individual evaluation score of 99.69%.

Details of the evaluation of the duty performance of the board of directors

List of directors	Assessment form	Grade / Average score received	Grade / Full score
Board of Directors	Group assessment	100	100
	Self-assessment	99.69	100
	Cross-assessment (assessment of another director)	None	None

List of directors	Assessment form	Grade / Average score received	Grade / Full score
Audit Committee	Group assessment	100	100
	Self-assessment	100	100
	Cross-assessment (assessment of another director)	None	None
Risk Management Committee	Group assessment	100	100
	Self-assessment	100	100
	Cross-assessment (assessment of another director)	None	None
Nomination committee	Group assessment	98.53	100
	Self-assessment	100	100
	Cross-assessment (assessment of another director)	None	None
Remuneration committee	Group assessment	100	100
	Self-assessment	100	100
	Cross-assessment (assessment of another director)	None	None

8.1.2 Meeting attendance and remuneration payment to each board member

Meeting attendance of the board of directors

Meeting attendance of the board of directors

Number of the board of directors meeting over the past : 8
year (times)
Date of AGM meeting : 25 Apr 2024
EGM meeting : Yes
Date of the EGM over the past year (1st time) : 11 Jul 2024

Details of the board of directors' meeting attendance

List of directors	Meeting attendance of the board of directors		AGM meeting attendance		EGM meeting attendance	
	Attendance (times)	Meeting rights (times)	Attendance (times)	Meeting rights (times)	Attendance (times)	Meeting rights (times)

List of directors	Meeting attendance of the board of directors			AGM meeting attendance			EGM meeting attendance		
	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)
1. General TERDSAK MARROME (Chairman of the board of directors, Independent director)	8	/	8	1	/	1	1	/	1
2. Mr. KITTIPHAT SUKSAWAD (Vice-chairman of the board of directors)	8	/	8	1	/	1	1	/	1
3. Mr. Wanlop Suksawad (Director)	0	/	8	1	/	1	0	/	1
4. Mr. PACHARATANAPONG SUKSAWAD (Director)	8	/	8	1	/	1	1	/	1
5. Assoc. Prof. Dr. MONTREE SOCATIYANURAK (Director, Independent director)	8	/	8	1	/	1	1	/	1
6. Assoc. Prof. SONGKLOD JARUSOMBUTI (Director, Independent director)	8	/	8	1	/	1	1	/	1
7. Mr. EKARIN VASANASONG (Director)	8	/	8	1	/	1	1	/	1
8. Mr. PAIBOON AROONPRASOBSUK (Director, Independent director)	8	/	8	1	/	1	1	/	1

Detailed justification for the Company director's non-attendance at the Board of Directors' meeting

Some of the company's directors are unable to attend the meeting due to health issues.

Remuneration of the board of directors

Types of remuneration of the board of directors

The amount of remuneration of the Company's Board of Directors and each subcommittee incurred in 2024 received from the Company, excluding remuneration received by directors from subsidiaries. Independent directors of the Company do not receive any remuneration from the parent company, subsidiaries, or affiliates paid to independent directors.

with the following details:

At the 2024 Annual General Meeting of Shareholders on April 25, 2024, approved the annual directors' remuneration for 2024 as follows:

- 1) Monthly remuneration:
 - Chairman of the Board 44,000 Baht per month
 - Director 34,000 Baht per month
 - Chairman of the Audit Committee 39,000 Baht per month
 - Audit Committee Member 34,000 Baht per month

The monthly remuneration rate has not increased compared to 2023.

- 2) Meeting allowance for the Board of Directors and all subcommittees: 12,000 Baht per person per time (the same as in 2022-2023), consisting of the following committees:

1. Board of Directors
2. Audit Committee
3. Risk Management Committee
4. Nomination Committee
5. Remuneration Committee

- 3) Special remuneration or bonus: Considered based on operating results

- 4) Other benefits include travel expense allowance, annual health check-up welfare, health insurance, golf course membership, sports club membership, or recreational club membership, and the right to purchase shares or convertible securities for directors or Employee Stock Options (ESOP): -No other benefits-

The meeting set the total remuneration for directors at no more than 9,000,000 Baht, which is the same amount as in 2018 to 2024.

Note: To ensure good checks and balances, as well as to comply with good corporate governance principles, the Company has established a policy to control the remuneration of directors and executives in addition to the monthly remuneration, meeting allowance, and bonuses specified above. Any additional remuneration exceeding 1,000,000 Baht per person per year must be presented to the Audit Committee meeting for approval, specifying the details and justification for such additional welfare payments.

Remuneration of the board of directors

Details of the remuneration of each director over the past year

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
1. General TERDSAK MARROME (Chairman of the board of directors)			1,104,000.00		0.00
Board of Directors	120,000.00	528,000.00	648,000.00	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Audit Committee	48,000.00	408,000.00	456,000.00	No	
Corporate governance committee	0.00	0.00	0.00	No	
2. Mr. KITTIPHAT SUKSAWAD (Vice-chairman of the board of directors)			612,000.00		0.00
Board of Directors	120,000.00	408,000.00	528,000.00	No	
Executive Committee	0.00	0.00	0.00	No	
Nomination committee	36,000.00	0.00	36,000.00	No	
Remuneration committee	24,000.00	0.00	24,000.00	No	
Risk Management Committee	24,000.00	0.00	24,000.00	No	
3. Mr. Wanlop Suksawad (Director)			0.00		0.00
Board of Directors	0.00	0.00	0.00	No	
Executive Committee	0.00	0.00	0.00	No	
4. Mr. PACHARATANAPONG SUKSAWAD (Director)			612,000.00		0.00
Board of Directors	120,000.00	408,000.00	528,000.00	No	
Executive Committee	0.00	0.00	0.00	No	
Nomination committee	36,000.00	0.00	36,000.00	No	
Remuneration committee	24,000.00	0.00	24,000.00	No	
Risk Management Committee	24,000.00	0.00	24,000.00	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
5. Assoc. Prof. Dr. MONTREE SOCATIYANURAK (Director)			1,092,000.00		0.00
Board of Directors	120,000.00	408,000.00	528,000.00	No	
Audit Committee	48,000.00	468,000.00	516,000.00	No	
Risk Management Committee	24,000.00	0.00	24,000.00	No	
Remuneration committee	24,000.00	0.00	24,000.00	No	
Corporate governance committee	0.00	0.00	0.00	No	
6. Assoc. Prof. SONGKLOD JARUSOMBUTI (Director)			1,044,000.00		0.00
Board of Directors	120,000.00	408,000.00	528,000.00	No	
Audit Committee	48,000.00	408,000.00	456,000.00	No	
Nomination committee	36,000.00	0.00	36,000.00	No	
Risk Management Committee	24,000.00	0.00	24,000.00	No	
Corporate governance committee	0.00	0.00	0.00	No	
7. Mr. EKARIN VASANASONG (Director)			528,000.00		0.00
Board of Directors	120,000.00	408,000.00	528,000.00	No	
8. Mr. PAIBOON AROONPRASOBSUK (Director)			528,000.00		N/A
Board of Directors	120,000.00	408,000.00	528,000.00	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
9. Mr. Somporn Chitpenthom (Chairman of the executive committee)			0.00		N/A
Executive Committee	0.00	0.00	0.00	No	

Summary of the remuneration of each committee over the past year

Names of board members	Meeting allowance	Other monetary remuneration	Total (Baht)
1. Board of Directors	840,000.00	2,976,000.00	3,816,000.00
2. Audit Committee	144,000.00	1,284,000.00	1,428,000.00
3. Executive Committee	0.00	0.00	0.00
4. Risk Management Committee	96,000.00	0.00	96,000.00
5. Nomination committee	108,000.00	0.00	108,000.00
6. Remuneration committee	72,000.00	0.00	72,000.00
7. Corporate governance committee	0.00	0.00	0.00

Remunerations or benefits pending payment to the board of directors

Remunerations or benefits pending payment to the : 0.00
board of directors over the past year
(Baht)

8.1.3 Supervision of subsidiaries and associated companies

Mechanism for overseeing subsidiaries and associated companies

- Does the Company have subsidiaries and associated : Yes
companies
- Mechanism for overseeing subsidiaries and associated : Yes
companies
- Mechanism for overseeing management and taking : The appointment of representatives as directors, executives, or controlling
responsibility for operations in subsidiaries and persons in proportion to shareholding, The determination of the scope of
associated companies approved by the board of duties and responsibilities of directors and executives as company
directors representatives in establishing important policies, Disclosure of financial
condition and operating results, Transactions between the company and
related parties, Other significant transactions, Acquisition or disposal of

assets, internal control system of the subsidiary operating the core business is appropriate and sufficient in the subsidiary operating the core business

The Board of Directors has a supervisory mechanism in place to oversee the management and responsibility for the operations of subsidiaries and affiliates, which currently total 7 companies:

Subsidiaries

1. WV Decor Co., Ltd., in which the Company holds a 99.95% stake.
2. ECF Holdings Co., Ltd., in which the Company holds a 94.44% stake.
3. ECF Power Co., Ltd., in which the Company holds a 99.99% stake.
4. Planetboard Co., Ltd., in which the Company holds a 57.00% stake.
5. Someva Plaza Co., Ltd., in which the Company holds a 75.00% stake.
6. W Rich Company Limited, in which the Company holds a 99.97% stake.
7. ECF Design Co., Ltd., in which the Company holds a 50.99% stake.

Affiliates

Green Earth Power (Thailand) Co., Ltd. (GEP), in which the Company's subsidiary or ECF Power Co., Ltd. holds a 20% stake. In order to safeguard the Company's investment, the Company has appointed persons to represent the Company to serve as directors and executives in the position of managing director in subsidiaries and as directors in affiliates.

The scope of authority and duties as directors and managing directors of subsidiaries will be the same as those of the directors and managing directors of the Company. The Company's representatives who serve on the boards of directors of subsidiaries, including affiliates, will participate in setting policies that are important to the business, such as management and investment.

For subsidiaries, from No. 1 to 7, the Company has appointed 3 directors to be directors of 6 subsidiaries and 2 directors to be directors of 1 subsidiary. In addition, for the affiliate, the Company has appointed 1 director to be a director.

During the past year, there were no transactions at a size that required approval from the Audit Committee and the Board of Directors.

The Board of Directors has established a policy to oversee the operations of subsidiaries and affiliates into 3 main parts: Management Supervision Policy, Financial Control Policy for Subsidiaries and Affiliates and the Shareholders' Agreement Policy, as detailed in 1. Corporate Governance Policy, Practice 3.6 and Guideline 3.6, the details of which are as follows:

The Board of Directors has established a policy to oversee the operations of subsidiaries and affiliates into 3 main parts, as follows:

1. Management Supervision Policy

- For the nomination of persons to be directors of subsidiaries and affiliates, the Company shall send persons approved by the resolution of the Board of Directors to be directors and executives of subsidiaries and affiliates at least in proportion to the Company's shareholding in such subsidiaries and affiliates. It is stipulated that the nominated directors and executives must have qualifications, roles, duties, and responsibilities in accordance with the law and relevant regulations.
- The directors and executives appointed by the resolution of the Board of Directors to hold positions in subsidiaries and affiliates have the scope of duties and primary responsibilities as determined by the Board of Directors and/or the shareholders' meeting of such subsidiaries or affiliates. However, the appointed directors and executives must have a duty to care for and preserve the interests of the Company and ensure that they are in line with the policies of the parent company. · The Company's Board of Directors must ensure that subsidiaries and affiliates have appropriate and adequate internal control systems in place to prevent fraud that may occur with subsidiaries and affiliates, including ensuring that subsidiaries and affiliates have clear work systems to demonstrate that they have adequate systems in place to disclose material transactions in accordance with the specified criteria on an ongoing and reliable basis, including channels for the Company's directors and executives to obtain information for use in monitoring, overseeing the performance and financial position, transactions between subsidiaries,

affiliates with directors and executives of subsidiaries, affiliates, and material transactions effectively. In addition, there must be an internal control system audit, which may be appointed by the Company's internal audit team or by hiring an external internal auditor, and ensure that the results of the internal control system audit are reported to the Board of Directors meetings of subsidiaries and affiliates on a regular basis.

- Directors and executives of subsidiaries must disclose and submit their interests and those of related persons to the Board of Directors of the Company for their information regarding relationships and transactions with the Company that may give rise to conflicts of interest, and must avoid entering into transactions that may give rise to conflicts of interest with the Company or subsidiaries. The board of directors of the subsidiary has a duty to notify the board of directors of the Company of such matters within the timeframe set by the Company for use as information in considering decisions or approving any actions, which consideration will take into account the overall benefit of the Company and the subsidiary, as well as compliance with laws, regulations, and rules and regulations as prescribed by the relevant regulatory authorities. In this regard, the directors of the subsidiary must not participate in approving matters in which they have an interest or may have a conflict of interest, both directly and indirectly.
- Transactions between a subsidiary and a director, executive, or person who may have a conflict of interest must be considered in accordance with the connected transaction rules as prescribed by the regulators.
- Directors, executives, or persons who may have a conflict of interest may only transact with a subsidiary if such transaction has been approved by the Board of Directors of the Company, which must not include interested directors or the shareholders' meeting of the Company, as the case may be, by applying the transaction size calculation criteria as specified in the Notification of the Capital Market Supervisory Board and the Notification of the Stock Exchange of Thailand on the Connected Transactions Rules and/or the amending notifications in force at that time. Unless it is a commercial transaction in the same manner as a reasonable person would conduct with a general counterparty in the same circumstances, with bargaining power free from the influence of their status as a director, executive, or person who may be involved, as the case may be, and is a commercial transaction approved by the Board of Directors of the Company or in accordance with the principles previously approved by the Board of Directors of the Company.
- No director, executive, employee, employee, or assignee of a subsidiary and affiliate, including the spouse or person living together as husband and wife, and unemancipated children of such persons, shall use the inside information of the Company and of the subsidiary or affiliate, whether obtained in the course of their duties or otherwise, that has or may have a material impact on the Company, subsidiary, or affiliate, or the price of the Company's securities, for the benefit of themselves and others, whether directly or indirectly, and whether or not they receive any remuneration.
- The Board of Directors of subsidiaries and affiliates must ensure that other material transactions are disclosed, such as capital increases, capital reductions, and the dissolution of subsidiaries, to the Board of Directors meetings of the Company.

2. Financial Control Policy for Subsidiaries and Affiliates

- Subsidiaries and affiliates are required to submit monthly operating results, reviewed and audited financial statements by the auditors on a quarterly and annual basis, respectively, as well as information used to prepare such financial statements of subsidiaries and affiliates to the Company. and consent to the Company's use of such information for the preparation of consolidated financial statements or recognition under the equity method, as the case may be.
- Subsidiaries and affiliates are required to prepare budgets, investments, and operating results, and to summarize the comparison between the projected figures of the budgets, investments, and operating results with the actual figures to the Board of Directors meetings of the Company, subsidiaries, and affiliates for their information, as well as to monitor the performance to be in accordance with the plans set forth, for reporting to the Company.
- Subsidiaries and affiliates are required to report material financial issues to the Company when detected or upon request from the Company to investigate the cause and report.

3. Policy on Entering into Shareholders' Agreements or Other Forms of Agreements with Similar Significance

The Board of Directors will ensure that such agreements are entered into in the event of a significant investment in other businesses with a voting shareholding of 20% but not more than 50% in order to specify the agreement to clarify the management authority and participation in making important decisions, monitoring performance, so that it can be used as information in the preparation of the Company's financial statements in accordance with standards and on time.

Disclosure of agreements between the company and shareholders in managing subsidiaries and

associated companies (Shareholders' agreement)

The investment in the associate company, Green Earth Power (Thailand) Co., Ltd., in which ECF Power Co., Ltd., as a subsidiary, holds a 20 percent stake, is subject to a Shareholders' Agreement. The key terms and conditions are as follows:

1. GEP and GEP-Myanmar have a dividend payment policy of 90 percent of net profit after Mandatory Prepayment (MPP) at a ratio of 50 percent and annual improvement expenses incurred in that year.
2. After GEP is in the process of preparing to become a listed company on the Stock Exchange of Thailand and has appointed independent directors to the GEP Board of Directors, ECF-Power will have the right to nominate one director, who will hold office until the end of one year after the date of commencement of commercial operation of Phases 1-4, or when ECF-Power has sold all of its shares to another person (whichever comes first).
3. In the event that the seller wishes to sell shares in GEP to other investors, ECF-Power has the right to compel the seller to sell ECF-Power's shares to such investors in the same agreement simultaneously (Tag Along Right).
4. If any shareholder in GEP wishes to sell shares to an outside party, they must grant the right of first refusal to all other shareholders. Each shareholder may transfer shares to an affiliated company without seeking consent from other shareholders.
5. Until the end of one year after the date of commencement of commercial operation of Phases 1-4, the Company must maintain control of the Company by
 1. The combined shareholding of Mr. Charlie Sooksawas, Mr. Arark Sooksawas, and Ms. Thipawan Sooksawas shall not be less than 25 percent and shall remain the single largest shareholder.
 2. The Company must have direct or indirect control of ECF-Power.
6. ECF-Power has veto rights for reserved matters, as detailed in the Shareholders' Agreement.
7. The Non-Competition in Myanmar clause stipulates that ECF-Power guarantees that no group company, whether through full or partial investment, jointly with other individuals, or in a personal capacity, or by appointing a representative, will manage or invest in any solar power plant business in Myanmar unless written consent is obtained from other shareholders under the conditions specified in the Shareholders' Agreement.

8.1.4 The monitoring of compliance with corporate governance policy and guidelines

Prevention of conflicts of interest

Operations for conflict of interest prevention over the past year

Has the company operated in preventing conflicts of interest over the past year : Yes

The Board of Directors has established a policy prohibiting directors, executives, and employees from using their positions within the Company for personal gain. This policy and its guidelines are outlined in the Company's Code of Business Conduct, including details on monitoring compliance with the Code.

For related party transactions that may occur in the future, the Board of Directors must comply with all established regulations and will not approve any transactions in which they or any related parties have a conflict of interest with the Company. Such transactions must be disclosed, and the Company must comply with the Securities and Exchange Act, the regulations, announcements, orders, or requirements of the Stock Exchange of Thailand, including the requirements for disclosure of connected transactions and the acquisition or disposal of assets of the Company or its subsidiaries, and with the accounting standards. In addition, the Company will not engage in related party transactions with related companies that are not in the ordinary course of business and requires directors to report their interests at least prior to the consideration of the agenda at Board meetings, which will be recorded in the minutes of the Board meetings. In the event that such directors are unable to provide an independent opinion, they will be asked to refrain from participating in the meeting and voting on the approval of such agenda items.

In the past year, the Company has reviewed the conflict of interest disclosure forms for directors, executives, and persons with significant influence. The Company considers that the content of the disclosure forms is currently comprehensive and covers all relevant information. The Board of Directors and executives are required to report their own interests and those of related parties to the Company annually.

For information on related party transactions between the Company and persons with potential conflicts of interest that occurred in 2024, the Audit Committee reported its opinion to the Board of Directors that the related party transactions were reasonable, fair, and at arm's length, and were in the best interests of the Company. Further information can be found in Section 9: Internal Control and Related Party Transactions.

Number of cases or issues related to conflict of interest

	2022	2023	2024
Total number of cases or issues related to conflict of interest (cases)	0	0	0

Prevention of the use of inside information to seek benefits

Operations for prevention of the use of inside information to seek benefits over the past year

Has the company operated in preventing the use of : Yes
inside information to seek benefits over the past year

The Company manages the use of inside information in accordance with the law and the Company's corporate governance policy. The Company has established a policy to prevent confidential information and price-sensitive information by issuing an Insider Trading policy. This policy covers directors, executives, employees involved in confidential transactions, and employees of the Company and subsidiaries in maintaining the confidentiality of the Company's information and/or inside information. It prohibits the buying, selling, or transferring of the Company's securities by taking advantage of confidential or inside information that has not yet been disclosed. It also prohibits trading in the Company's securities within a specified period of time, i.e., within 30 days prior to and no less than 24 hours after the disclosure of such information through the Stock Exchange of Thailand's system. This policy has been communicated throughout the organization to ensure understanding and compliance. The policy has been announced and acknowledged in writing by all employees.

As part of its good corporate governance practices, the Company has assigned the support unit, namely the Company Secretary, to

send email reminders of such practices prior to the date of the Board of Directors' meeting to approve the Company's financial statements. This reminder is sent no less than 30 days prior to the meeting date to directors, executives, or persons in control, employees of the Company and subsidiaries who are presumed to be insiders or in possession of confidential information of the Company and subsidiaries.

In the past year, there were no instances of directors or executives of the Company buying, selling, or transferring the Company's securities during the period prohibited by the Company. In addition, if there are any purchases, sales, or transfers of securities by directors, executives, spouses, and unemancipated children, the Company Secretary will compile and report them to the Board of Directors' meeting every quarter if such transactions occur.

Number of cases or issues related to the use of inside information to seek benefits

	2022	2023	2024
Total number of cases or issues related to the use of inside information to seek benefits (cases)	0	0	0

Anti-corruption action

Operations in anti-corruption in the past year

Has the company operated in anti-corruption over the : Yes
past year

Form of operations in anti-corruption : Review of appropriateness in anti-corruption, The participation in anti-corruption projects, Assessment and identification of corruption risk, Communication and training for employees on anti-corruption policy and guidelines, The monitoring of the evaluation of compliance with the anti-corruption policy, Review of the completeness and adequacy of the process by the Audit Committee or auditor

The company is committed to improving its internal management processes to ensure transparency and accountability. We believe that conducting business with honesty, integrity, and transparency benefits the company by earning the trust of our customers, shareholders, and stakeholders. The company has revised its anti-corruption policy to align with current operations. The policy has been published on the company website (www.eastcoast.co.th) and communicated to all employees. The company has also joined and been certified by the Thai Private Sector Collective Action Against Corruption (CAC) since December 30, 2022. The company has communicated its anti-corruption stance to stakeholders by sending letters to business partners and customers, prohibiting the giving/receiving of gifts in the form of cash, items, or gratuities, and prohibiting the acceptance/giving of bribes for business gains. The company has also communicated its process for partners and customers who have been treated unfairly to file complaints and seek resolution. The company has conducted meetings, training sessions, and communications to ensure that all employees are aware of the anti-corruption policy and practices. Training sessions to review the policy and practices have been conducted for all employees at the headquarters in Klaeng District, Rayong Province. All executives and permanent employees have been informed of and have signed their acknowledgment of the anti-corruption policy and practices.

To establish clear guidelines, the company has developed an anti-fraud and corruption policy and an anti-fraud and corruption risk management manual. These documents have been approved by the Risk Management Committee and the Board of Directors. The policy outlines roles and responsibilities, measures to establish a control environment, corruption risk assessment, reporting mechanisms, penalties and remedies, and manual review and updates.

The company has established guidelines for receiving complaints, whistleblowing, reporting misconduct, or acts of fraud and corruption by company personnel to relevant parties and the company that could cause damage to the company.

The Board of Directors, executives, and employees at all levels of the company must not ignore or overlook any acts of corruption related to the company. They must notify their supervisor or the person in charge and cooperate in the investigation and fact-finding process. In addition, the company has established channels for receiving complaints from external parties.

The company will provide fairness and protection to employees who refuse to engage in corruption or report corruption. The company will not demote, punish, or negatively impact employees who refuse to engage in corruption. The company will also maintain the confidentiality of those involved in the investigation of corruption.

In 2024, the company conducted a corruption risk assessment. The assessment found no significant corruption risks to the business. The company has established practices within its internal control systems, including information systems, documented procedures with check and balance mechanisms, and operational processes to ensure oversight, control, and prevention. The company has also monitored past corruption risks, analyzed potential corruption risks, and conducted assessments, which indicate that internal controls remain adequate. In the past year, there have been no reports of corruption by the Board of Directors, executives, or employees that have significantly impacted the organization.

Number of cases or issues related to corruption

	2022	2023	2024
Total number of cases or issues related to corruption (cases)	0	0	0

Whistleblowing

Operations related to whistleblowing over the past year

Has the company implemented whistleblowing : Yes
procedures over the past year

The Company has established a whistle-blowing policy and procedure (“Policy”) as a tool to enable the Company to receive complaints from both internal employees and external individuals regarding fraud, corruption, violation of rights, or non-compliance with laws, regulations, company rules, and the Company’s business ethics, which may cause damage to the Company’s assets, image, and reputation. This Policy will be beneficial and may be modified to be consistent and appropriate to the circumstances that may arise. In addition, this Policy sets forth the policy of protection and fairness for stakeholders and employees who report information or provide clues about fraud, violation of rights, or non-compliance with laws, regulations, company rules, and business ethics.

In the past year 2567, the Company has not received any complaints regarding fraud, violation of rights, or non-compliance with

laws, regulations, company rules, and business ethics, nor have there been any cases regarding the Company's reputation negatively due to the management of the Board of Directors, executives, including no cases where directors, both executive and non-executive, or senior management resigned due to the lack of a good corporate governance policy or adequate and appropriate internal control systems. Furthermore, there have been no legal disputes concerning labor and business operations with stakeholders in any way.

Number of cases or issues related to whistleblowing

	2022	2023	2024
Total number of cases or issues received through whistleblowing channels (cases)	0	0	0

The monitoring of compliance with other corporate governance policy and guidelines

The company places importance on good corporate governance. It has established policies and relevant practices in the company's corporate governance policy and code of business conduct, and promotes their actual implementation to build confidence among all stakeholders.

The company has monitored to ensure compliance with good corporate governance covering anti-corruption. In the past, the Board of Directors has overseen the development of an anti-corruption policy and an anti-corruption risk management manual, along with a self-assessment to create an anti-corruption system. The company has been announced as one of the companies certified as a Collective Action Coalition of the Thai private sector on December 30, 2022.

In addition, risk management policies and plans have been developed to enable executives and employees of the company to respond and operate in crisis situations or events that may cause the organization to be unable to operate continuously or may affect the overall performance and operations of the company. This ensures that the company can operate continuously and efficiently, reduce the impact of damage or loss that may occur, and ensure that operations are efficient and systematic. The Risk Management Committee has added an information technology risk management topic to oversee and ensure that management develops and is aware of concrete risk prevention measures.

The company has conducted a human rights questionnaire for customers and employees to assess practices that do not violate the human rights of the company's customers and employees. If any shortcomings are found, the company will find ways to prevent and improve them to be complete in all aspects.

In addition, the company has reviewed and improved its sustainability management policy by taking into account the alignment with the direction and business strategy under the objective of "Leading the organization to have sustainable development and profit growth with responsibility for society, the environment, and good corporate governance." Further details can be found in Part 1, Item 3, Driving Business for Sustainability.

8.2 Report on the results of duty performance of the audit committee in the past year

8.2.1 Meeting attendance of audit committee

Meeting attendance of audit committee (times) : 4

List of directors	Meeting attendance of audit committee		
	Meeting attendance (times)	/	Meeting attendance rights (times)
1 Assoc. Prof. Dr. MONTREE SOCATIYANURAK (Chairman of the audit committee)	4	/	4
2 General TERDSAK MARROME (Member of the audit committee)	4	/	4
3 Assoc. Prof. SONGKLOD JARUSOMBUTI (Member of the audit committee)	4	/	4

8.2.2 The results of duty performance of the audit committee

The Company's Audit Committee comprises 3 independent directors who have knowledge, ability, specific experience, and qualifications that meet the requirements of the Stock Exchange of Thailand, and independence in performing their duties following the Audit Committee Charter.

Consisting of

- | | | | |
|----|-------------------------|--------------|---------------------------------|
| 1. | Assoc. Prof. Dr. Montri | Soktiyanurak | Chairman of the Audit Committee |
| 2. | General Tedsak | Marom | Audit Committee Member |
| 3. | Assoc. Prof. Songkran | Charusombut | Audit Committee Member |

For the past year 2024, the Audit Committee held 4 meetings. In all 4 meetings, the Audit Committee members attended the meetings with a quorum. The attendees at each meeting with the Audit Committee included the certified public accountant and the internal control system auditor, who explained the facts and audit results, along with supporting evidence and information presented each quarter. On some important issues, the Audit Committee invited the Company's management to attend the meetings to clarify the related problems. The Audit Committee meetings were conducted strictly with the Audit Committee Charter approved by the Board of Directors. The minutes of each meeting, along with recommendations deemed beneficial to the management, were reported to the Board of Directors for acknowledgment. The key points are summarized below:

- Review quarterly and annual financial statements for 2024 before presenting them to the Board of Directors to ensure that the financial reports and accounts of the Company and its subsidiaries are prepared appropriately following accounting standards and legal requirements. Information is fully and adequately disclosed in the notes to the financial statements. The Committee also considers the analysis of financial statements on significant issues on a quarterly and annual basis to ensure that the financial statement preparation process and the disclosure of important information are accurate, reliable, and following generally accepted accounting principles. The Audit Committee believes that the Company's financial statements have been prepared under generally accepted accounting principles and are fairly presented. The selection and application of accounting policies are reasonable.
- Review of the adequacy of the internal control system and internal audit. The Audit Committee believes that the internal control system and internal audit are effective and adequate, with no material weaknesses, and that the internal audit unit is independent. The Committee also considered and approved the 2024 Internal Audit Plan, which will include audits and follow-up on previously recommended corrective actions. For additional improvements on certain immaterial issues, the Audit Committee has set a timeframe for the Company to complete the corrections as soon as possible. The key issues that the Audit Committee will focus on in 2024 are: trade receivables that are in the group of debtors who have requested a 3-year installment payment, with outstanding balances that require special attention and monitoring; maintaining financial ratios to comply with the conditions of each financial institution, as the current debt-to-equity ratio has been continuously increasing; the Group has incurred

operating losses from both BOI and Non-BOI activities, partly due to a decrease in gross profit margin from sales (of the Group) due to higher product costs but the inability to fully pass on these costs to customers through selling prices, as well as significant financial costs; and other issues noted by the internal auditors. The Committee requests that the Company expedite the process of finding solutions and methods to address these issues as soon as possible.

- In 2024, the Board of Directors reviewed the Audit Committee Charter. There were no amendments to the Charter this year.
- Review of compliance with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand, and other laws relevant to the Company's business. The Audit Committee thinks that the Company has complied with all applicable laws and regulations.
- Review of related party transactions or transactions that may have conflicts of interest. The Audit Committee is of the opinion that the related party transactions that occurred are reasonable, fair, and at arm's length, as well as in the best interests of the Company, in accordance with the criteria and regulations of the SEC and the Stock Exchange of Thailand, and have been fully disclosed in the notes to the financial statements.
- Review of risk management, audit reports, and risk control system assessments, including the exchange of views with senior management. The Company will hold meetings to consider risks that may arise in business operations no less than 2 times a year. In 2024, there were 2 joint meetings held at the Risk Management Committee level. In the past year, the Audit Committee considered that the Company's risk management system may have a significant impact on the Company's operating results at this time, namely, the issue of liquidity problems, debt burden, and high financial costs. The Committee requests that the Company formulate a plan to manage liquidity problems, reduce debt burden, and reduce financial costs as soon as possible.
- Consideration and selection of auditors. The Committee considered the performance of the auditors in the past year, taking into account independence, reputation, credibility, and ability to audit, review, and provide assurance on financial statements. In the past, the auditors have been able to perform their duties in a timely manner. The Audit Committee resolved to propose to the Board of Directors for approval at the 2024 Annual General Meeting of Shareholders the appointment of Mr. Matee Rattanasirimeta, Certified Public Accountant Registration No. 3425 of MR & Associates Co., Ltd., as the independent auditor approved by the SEC and the Stock Exchange for the 2024 accounting period, with total remuneration not exceeding the amount proposed for approval.

For 2024, the Audit Committee is of the overall opinion that the Audit Committee has performed its duties under the Audit Committee Charter adequately and completely.

For the scope, authority, and responsibilities of corporate governance.

In the past year 2024, the Audit Committee has performed its duties in corporate governance, with the attendance and frequency of meetings consistent with the Audit Committee meetings.

In performing its duties, the Committee will comply with the Charter's defined scope, authority, and responsibilities in corporate governance. The Committee oversees the preparation and review of corporate governance policies, anti-corruption policies, sustainability policies, and related practices, as well as the code of conduct for business operations and good corporate governance guidelines, which are submitted to the Board of Directors. The Committee plans to review relevant policies at least once a year to ensure continuity and relevance as prescribed by relevant regulators. The Committee oversees the communication and implementation of policies within the organization, including overseeing the appointment of appropriate units or personnel to oversee and monitor the implementation of policies and measures.

In 2024, the Audit Committee will continue to emphasize the review and communication to the Company's directors, executives, and employees for acknowledgment through written signatures on policy documents and various manuals provided by the Company. The Committee also requests that various policies be presented to update the information at the Board of Directors meetings regularly every year.

8.3 Summary of the results of duty performance of subcommittees

8.3.1 - 8.3.2 Meeting attendance and the results of duty performance of subcommittees

Meeting attendance Executive Committee

Meeting Executive Committee (times) : 6

List of Directors	Meeting attendance Executive Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. Wanlop Suksawad (Chairman of the executive committee)	0	/	6
2 Mr. KITTIPHAT SUKSAWAD (Member of the executive committee)	6	/	6
3 Mr. PACHARATANAPONG SUKSAWAD (Member of the executive committee)	6	/	6
4 Mr. Somporn Chitpenthom (Chairman of the executive committee)	6	/	6

The results of duty performance of Executive Committee

In the past year 2024, the Executive Committee Meeting has scheduled matters for consideration, providing opinions, and monitoring the progress of various operations regularly at every meeting. These matters consist of the following important agendas:

1. Progress on operations and coordination in sourcing funds with various financial institutions, both domestic and international. In summary, there have been continuous discussions with various financial institutions to address and manage the company's liquidity.
2. Preparation of the company's cash flow management plan, including reviewing the annual plans of all relevant departments within the company.
3. Consideration and review of various policies related to accounting and finance, such as customer billing policies and forward exchange rate planning policies.
4. Monitoring the company's inventory control.

5. Monitoring the production department's work plans and operations, including production management and labor cost control in the production line.

6. Other agendas important for internal management, such as sustainability and environmental management, and reviewing various organizational risks.

Meeting attendance Risk Management Committee

Meeting Risk Management Committee (times) : 2

List of Directors	Meeting attendance Risk Management Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Assoc. Prof. Dr. MONTREE SOCATIYANURAK (The chairman of the subcommittee)	2	/	2
2 Assoc. Prof. SONGKLOD JARUSOMBUTI (Member of the subcommittee)	2	/	2
3 Mr. KITTIPHAT SUKSAWAD (Member of the subcommittee)	2	/	2
4 Mr. PACHARATANAPONG SUKSAWAD (Member of the subcommittee)	2	/	2

The results of duty performance of Risk Management Committee

The company's Risk Management Committee comprises 4 directors who perform their duties in accordance with the Risk Management Committee Charter.

The members are:

1. Assoc. Prof. Dr. Montri Saktiyanurak Chairman of the Risk Management Committee and Independent Director
2. Mr. Songklod Charusombat Risk Management Committee and Independent Director
3. Mr. Kittipatch Suksawad Risk Management Committee
4. Mr. Pacharatanapong Suksawad Risk Management Committee

For the past year 2024, the Risk Management Committee held 2 meetings in total. In these 2 meetings, the Risk Management Committee had a full quorum. The attendees at every meeting, along with the Risk Management Committee, included the Assistant Managing Director and the Director of Accounting and Finance, who are at the executive level. They clarified facts, risk management results, and presented evidence and information on the progress of operations in each meeting.

The Risk Management Committee meetings have strictly adhered to the Risk Management Committee Charter approved by the Board of Directors. Each meeting's minutes, summarizing the work performed and recommendations deemed beneficial to management, are reported to the Board of Directors. The key points can be summarized as follows:

· Risk Management Assessment, Risk Management Reporting, and Risk Control System Evaluation: In 2024, the company placed great importance on risk management. This can be summarized as follows:

- 1) Operational Risk: Currently, the company is able to adequately and appropriately manage potential operational risks. Measures to mitigate various risks identified in the previous year have been implemented and improved.
- 2) Financial and Exchange Rate Risk: This year, please focus on management and expedite the resolution of liquidity issues. This is due to the company's operating losses. The management team is aware of these issues and is working diligently to address

the company's liquidity concerns as quickly as possible. Regarding exchange rates, the company has considered entering into a hedging contract to mitigate potential currency fluctuations. Additionally, the company is exploring ways to reduce financial costs and continuously decrease inventory levels.

- 3) Production Risk: Currently, there are no significant risks in this area. The production department has a better understanding of cost control and expense management.
- 4) New Customer and Customer Concentration Risk: Currently, the company's marketing department has received a policy to expand its customer base to other countries to reduce reliance on customers in Japan, which currently accounts for the largest proportion of foreign customers. The company also aims to expand its domestic customer base.
- 5) Fire Risk within the Factory and Insurance Arrangements are in accordance with the plan. The company strictly reviews its insurance coverage and insured amounts. It also prioritizes regular fire drills and basic first aid training.
- 6) Regulatory Compliance Risk is in accordance with the plan.
- 7) Investment and Business Operation Risk of Subsidiaries and Associated Companies remains in accordance with the plan. The Board of Directors, executives, and assigned teams from the company have participated in meetings at the board and working group levels of subsidiaries and associated companies to stay informed about business developments and progress. However, regarding the investment in the solar power plant project, there is a possibility that construction and power generation may be delayed. This is because the Electric Power Generation Enterprise (EPGE) of Myanmar requires the project to incorporate a Tracking System for the solar panels. This necessitates updating the construction schedule with the Chinese contractor (the same contractor for the previous Phase 1 construction). Additionally, Sinosure (similar to Thailand's Small and Medium Enterprise Development Bank (SME Bank) and the Export-Import Bank of China), which had previously conducted a preliminary credit assessment, has requested updated information for further consideration before final credit approval. This will require additional time.
- 8) The company has considered the importance of establishing measures to prevent potential information technology risks within the organization, in accordance with the plan.
- 9) Regarding Social and Environmental Risks and Practices, no significant risks have been identified that could impact business operations. However, the company's business operations will emphasize practices that align with the sustainability management policies and goals set by the Board of Directors.
- 10) Emerging Risks: Currently, no significant risks have been identified that could impact business operations. However, the company has been closely monitoring potential emerging risks that could affect its business. The Risk Management Committee has emphasized the need to closely monitor the potential impact of tariff barriers, a key policy following the inauguration of the new US President, Donald Trump, to be able to respond to such risks in a timely manner or mitigate potential impacts.

For the year 2024, the Risk Management Committee is of the overall opinion that the Risk Management Committee has adequately and completely fulfilled its duties under the Risk Management Committee Charter.

Meeting attendance Nomination committee

Meeting Nomination committee (times) : 3

List of Directors	Meeting attendance Nomination committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Assoc. Prof. SONGKLOD JARUSOMBUTI (The chairman of the subcommittee)	3	/	3
2 Mr. KITTIPHAT SUKSAWAD (Member of the subcommittee)	3	/	3
3 Mr. PACHARATANAPONG SUKSAWAD (Member of the subcommittee)	3	/	3

The results of duty performance of Nomination committee

The Company's Nomination Committee comprises 3 members:

- 1) Assoc. Prof. Songklod Jaruphumjai Chairman of the Nomination Committee and Independent Director
- 2) Mr. Kittipatch Suksawat Nomination Committee Member
- 3) Mr. Patcharapong Suksawat Nomination Committee Member

With Assoc. Prof. Songklod Jaruphumjai serving as the Chairman of the Nomination Committee and qualifying as an Independent Director, the Nomination Committee has performed its duties under the Nomination Committee Charter and as assigned by the Board of Directors with prudence, transparency, and fairness. The Committee has also improved its working guidelines to be comprehensive and in line with the Company's business policies and strategies, taking into account the best interests of shareholders and stakeholders. In 2024, the Nomination Committee held a total of 2 meetings to consider the following important matters:

- Consider the appointment of directors to replace those who have completed their terms, using information to consider and select qualified and suitable individuals in accordance with the law, the Company's Articles of Association, the Public Limited Company Act B.E. 2535, the notifications of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand. Utilize the Director Pool as a database of directors of listed companies to guide the selection and recruitment of directors suitable for the Company's needs, considering the principles of good corporate governance, as well as appropriate knowledge, abilities, and experience to respond to the Company's business strategies.
- Review the Board Skill Matrix to understand the composition of the current Board of Directors and to use it as a criterion for recruiting new directors. The review will consider the diversity, adequacy, and suitability of the Board's skills, knowledge, expertise, and experience to the Company's business, recognizing the importance of driving the organization towards its goals.
- The Nomination Committee, excluding interested directors, has considered the performance of the director nomination policies and criteria in 2024 and is of the opinion that all 3 directors, namely Assoc. Prof. Dr. Montri Sokatyanurak, Dr. Akarin Vasanasong, and Mr. Patcharapong Suksawat, are qualified in accordance with the requirements of the law, rules, regulations, and practices prescribed by the regulators. They are knowledgeable, capable, dedicated, and possess experience and skills in general management, including experience in accounting and finance, the wood and furniture industry, and energy, which will benefit the Company's business. They do not hold positions as directors or executives in other businesses that may cause a conflict of interest or competition with the Company.
- For the current Board of Directors' projects, the Board comprises directors with adequate and appropriate knowledge, expertise, and experience in the Company's current business operations, covering all areas, including the furniture business, energy, and accounting and finance.
- Acknowledge the summary of the performance evaluation results of the Board of Directors of all committees, which are satisfactory and show no significant changes in the scores from the previous year. Based on the satisfactory evaluation results, the Nomination Committee did not propose any additional guidelines for improving the efficiency of the Board of Directors'

operations beyond the previously acknowledged policies.

- Acknowledge the guidelines from the Managing Director for reporting on the succession plan. The Nomination Committee has considered and acknowledged the guidelines from the Managing Director for reporting on the succession plan, which is intended to mitigate the risk of the Company's top management position and ensure the smooth and orderly operation of the organization in accordance with good corporate governance principles.

In addition, in 2024, the Board of Directors provided an opportunity for minority shareholders to nominate individuals deemed suitable for selection as directors. However, no shareholders nominated any individuals for the nomination process at the 2024 Annual General Meeting of Shareholders.

Meeting attendance Remuneration committee

Meeting Remuneration committee (times) : 2

List of Directors	Meeting attendance Remuneration committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Assoc. Prof. Dr. MONTREE SOCATIYANURAK (The chairman of the subcommittee)	2	/	2
2 Mr. KITTIPHAT SUKSAWAD (Member of the subcommittee)	2	/	2
3 Mr. PACHARATANAPONG SUKSAWAD (Member of the subcommittee)	2	/	2

The results of duty performance of Remuneration committee

The Company's Remuneration Committee comprises three remuneration committee members who perform their duties in accordance with the Remuneration Committee Charter.

The committee consists of

1. Dr. Montri Soksatiyanurak Chairman of the Remuneration Committee and Independent Director
2. Mr. Kittiphath Souksawat Remuneration Committee Member
3. Mr. Patcharapong Souksawat Remuneration Committee Member

For the past year 2024, the Remuneration Committee held two meetings in total. The Remuneration Committee attended all two meetings with a quorum. The Remuneration Committee meetings were conducted in strict compliance with the Remuneration Committee Charter approved by the Board of Directors. The key points are summarized below:

1. Review the remuneration payment for the year 2024 for the Board of Directors and all sub-committees to consider and propose remuneration based on the company's performance in the past year, the performance and responsibilities of the directors, the consideration of the number of subsidiaries and associated companies according to the business structure, and the benefits the company receives from the directors' performance. The preliminary remuneration data will be compared and referenced with the summary of the survey data on directors' and executives' remuneration of listed companies by industry group, revenue, and market capitalization, which is prepared by the Research and Policy Department of the Thai Institute of Directors. The report was published in December 2022, and the relevant department will prepare it every two years (at the end of December of each cycle).

As a result, in 2024, the committee proposes to maintain the same rate for both monthly remuneration and meeting attendance fees as in 2023, within the total remuneration budget for the Board of Directors and various sub-committees for the year 2024, not exceeding 9,000,000 baht per year (which is the same as in 2021 to 2023).

2. Consider and establish policies regarding the criteria for performance evaluation, acknowledge the evaluation results, and determine the remuneration for the Managing Director for the year 2024. The performance evaluation will consider various factors, such as organizational success, management capabilities, and leadership qualities. In addition, the evaluation of the Managing Director conducted by all independent directors will be used as supporting information for the Remuneration Committee's consideration. As a result of the consideration, the Remuneration Committee approved the performance evaluation form for the Managing Director, which is in accordance with the proposed evaluation form. The evaluators will consist of only five independent directors of the company, excluding directors who are considered related persons to the Managing Director in the evaluation process. The committee also acknowledged the evaluation results and details of the Managing Director's remuneration for the year 2024. There will be no salary adjustment, and other benefits or welfare will remain the same as those paid in the year 2023. There will be no bonus consideration due to the company's net loss.

Meeting attendance Corporate governance committee

Meeting Corporate governance committee : 4
(times)

List of Directors	Meeting attendance Corporate governance committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Assoc. Prof. Dr. MONTREE SOCATIYANURAK (The chairman of the subcommittee)	4	/	4
2 General TERDSAK MARROME (Member of the subcommittee)	4	/	4
3 Assoc. Prof. SONGKLOD JARUSOMBUTI (Member of the subcommittee)	4	/	4

The results of duty performance of Corporate governance committee

Throughout 2024, the Audit Committee has performed its duties in corporate governance oversight. The attendance statistics and the number of meetings held align with the Audit Committee's meeting schedule. These duties are carried out in accordance with the stipulated regulations, scope of authority, and responsibilities related to corporate governance. The committee has overseen the development and review of the corporate governance policy, anti-corruption policy, sustainability policy, and relevant practices, including the code of business conduct and good corporate governance guidelines, which are then proposed to the Board of Directors. There is a plan to review relevant policies at least annually to ensure continuity, relevance, and compliance with the requirements of relevant regulatory agencies. The committee also oversees the communication and implementation of these policies within the organization, including the appointment of appropriate departments or personnel to oversee and monitor the effective implementation of policies and measures. In 2024, the Audit Committee continued to emphasize the review and communication of these policies to the company's directors, executives, and employees. This is acknowledged through written signatures on policy documents and various handbooks provided by the company. Furthermore, the committee requests regular updates and presentations on these policies at the Board of Directors meetings every year.

9. Internal control and related party transactions

9.1 Internal control

The Company prioritizes the implementation of an effective internal control system at both the management and operational levels to ensure efficiency and effectiveness in operations at all levels. At the Board of Directors' Meeting No. 1/2007 held on February 28, 2007, all attending audit committee members assessed the adequacy of the Company's internal control system using an internal control adequacy assessment form covering five areas: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities.

Summary of the opinion of the board of directors regarding the internal control of the company

The Audit Committee is of the opinion that the Company has an adequate and appropriate internal control system in place for transactions with major shareholders, directors, executives, or persons related to such persons. The approval of such transactions is fair, reasonable, and in the best interests of the Company, and is treated as a transaction with an unrelated party. The approval of such transactions shall be made only by persons who have no interest in such transactions.

With regard to internal control, the Company has an Audit Committee which is responsible for reviewing the Company's internal control and internal audit systems to ensure they are appropriate, sufficient, and effective. The Audit Committee reviews the adequacy of the Company's and its subsidiaries' internal control and operating systems in five areas: corporate governance, risk assessment, control activities, information systems and communication, and monitoring systems. This review is conducted in conjunction with the Company's auditors, internal auditors, and management to ensure that the Company's operations comply with the Securities and Exchange Act, the Stock Exchange of Thailand's regulations, and other applicable laws. The Audit Committee reports its findings to the Board of Directors. The Board of Directors is of the opinion that the Company's and its subsidiaries' internal control systems are adequate and appropriate.

9.1.1 Adequacy and appropriateness of the company's internal control system

Company's internal control system : COSO - Enterprise Risk Management Framework (ERM)

COSO - Enterprise Risk Management Framework (ERM)

The Company has established an internal audit unit to function within the Company and attend Audit Committee meetings to report on internal audit findings. The unit comprises Ms. Phimramphai Boonchana, along with an external auditor hired by the Company, Act Plus Consultant Co., Ltd., with Ms. Wanna Maluengnon (Managing Director of Act Plus Consultant Co., Ltd.) as the head of the internal audit unit. The unit is responsible for auditing and establishing an internal control system for the Company to enhance checks and balances in the operations of all departments. The Company has engaged Act Plus Consultant Co., Ltd. since the third quarter of 2011.

The Company has ensured sufficient personnel to effectively implement the system. The Company also has an internal control system to monitor and supervise the operations of subsidiaries and associated companies to safeguard the assets of the Company, subsidiaries, and associated companies from unauthorized or improper use by the directors or management.

9.1.2 Deficiencies related to the internal control system

	2022	2023	2024
Total number of deficiencies related to the internal control system (cases) ⁽⁴⁾	4	11	10

Remark : ⁽⁴⁾ All deficiencies identified in 2022 have been fully resolved.
Most of the deficiencies in 2023 and 2024, which are primarily related to general documentation, have also been addressed.

Details of deficiencies related to the internal control system

Year of incident	Details	Progress status
Jan 2024 - Mar 2024	<p>Deficiencies</p> <p>There is no formal appointment of a Data Protection Officer (DPO) and a Data Protection Committee (DPO).</p> <p>Method of rectification</p> <p>Appoint a Data Protection Officer (DPO) and a Data Protection Working Group (DPO) in writing, with clearly defined roles, responsibilities, and contact information.</p>	Incident no longer subject to action
Jan 2024 - Mar 2024	<p>Deficiencies</p> <p>There are no policy reviews related to personal data protection.</p> <p>Method of rectification</p> <p>The company shall review its policies related to personal data protection annually or when there are changes in relevant laws.</p>	Incident no longer subject to action
Jan 2023 - Mar 2023	<p>Deficiencies</p> <p>Regarding the review, the customer credit limit review adheres to the established plan and is conducted with fairness.</p> <p>Method of rectification</p> <p>The company requires a review of customer credit at least annually or whenever there are changes. In addition, there is a notification system when any debtor exceeds the credit limit.</p>	Incident no longer subject to action
Jan 2023 - Mar 2023	<p>Deficiencies</p> <p>Suggestions for improvement include increasing the lighting in the warehouse area and adding more fire extinguishers to align with the quantity of goods stored.</p> <p>Method of rectification</p> <ol style="list-style-type: none"> The company has installed spotlights to increase the illumination within the warehouse area adequately. Installed additional fire extinguishers inside the warehouse according to the map that the safety officer proposed to the risk management team. 	Incident no longer subject to action

9.1.3 Opinions of the audit committee and auditor's observations on internal control

Does the audit committee have opinions on internal control : No
different from the board of directors' opinions?

Does the auditor have any observations on the company's : No
internal control?

9.1.4 Opinions of the audit committee on the position of the head of the internal audit unit

Head of the internal audit unit : Internal personnel

The Audit Committee is of the opinion that it has supervised the Head of Internal Audit to have the appropriate educational qualifications, experience, and training sufficient for such duties. At the Audit Committee meeting on August 14, 2021, Meeting No. 3/2021, Ms. Phimrampai Boonchana was appointed as the Acting Head of Internal Audit, an internal personnel of the Company, effective from August 15, 2021. This appointment is due to her experience in internal audit work and her thorough knowledge of the Company's internal control system. She also has a good understanding of the Company's activities and operations. Therefore, the Committee believes that she is suitable and capable of performing such duties effectively, including the duties of the Head of Compliance Department to oversee the Company's operations to comply with the rules, regulations, or requirements set by the regulatory authorities related to the Company's business.

In addition, the Company has also hired an external auditor, Act-Plus Consultant Co., Ltd., with Ms. Wanna Maluengnon (Managing Director of Act-Plus Consultant Co., Ltd.) as the Head of Internal Audit. The Audit Committee has considered the qualifications of Act-Plus Consultant Co., Ltd. and Ms. Wanna Maluengnon and believes that they are qualified for such duties. This is because they are independent and have experience in internal audit work for various businesses and industries for more than 20 years. They have also been trained in courses related to internal audit work, such as the Risk Management Program for Corporate Leader (RCL5/2016) by the Thai Institute of Directors Association (IOD) and the Internal Audit Training Course on Fraud Audit organized by the Federation of Accounting Professions, etc.

The Company has also appointed a Head of Internal Audit who is an employee of the Company to coordinate with the outsourced auditor.

9.1.5 Appointment, discharge, and transfer of the head of the internal audit unit

Does the appointment, discharge, and transfer of the head of : Yes
the internal audit unit require the audit committee approval?

The appointment, removal, and transfer of the Head of Internal Audit shall be approved by the Audit Committee.

9.2 Related party transactions

Related party transactions

Does the company have any related party transactions? : Yes

9.2.1 - 9.2.2 Names of the group of persons who may have a conflict of interest, nature of relationship, and information on related party transactions

Persons/entities with potential conflicts

Name of person or entity/type of business	Nature of relationship	Information as of date
Index Living Mall Public Company Limited Thailand's leading integrated retailer of furniture and home furnishing products	There is a director who is the spouse of Mr. Pacharatanapong Suksawad, who holds the position of shareholder, director, and authorized director. and executives of the company	31 Dec 2024
Index Interfern Company Limited Designer, Producer, and Distributor of furniture products	There is a director who is the spouse of Mr. Pacharatanapong Suksawad, who holds the position of shareholder, director, and authorized director. and executives of the company	31 Dec 2024
Botlink Company Limited Robot service providers in the form of delivery robots, cleaning robots, and more with AI technology.	The directors and shareholders are Mr. Pacharatanapong Suksawad, who holds the position of shareholder, director, authorized signatory director, and executive of the Company.	31 Dec 2024
Mr. Wanlop Suksawad -	who holds the position of authorized signatory of the Company	31 Dec 2024
Mrs.Waraporn Suksawad -	Wife of Mr. Wanlop Suksawad who is an authorized signatory of the Company.	31 Dec 2024
Mr.Pacharatanapong Suksawad -	Who Holds the position of shareholder, authorized signatory director, and executive of the Company.	31 Dec 2024
Miss Tippawan Suksawad -	The daughter of Mr. Wanlop Suksawad and Mr. Pacharatanapong Suksawad, both of them are directors of the Company.	31 Dec 2024
Miss Kridchanok Pattamasuttayasonthi -	Those who live together as husband and wife of Mr. Pacharatanapong Suksawad.	31 Dec 2024

Details of related party transactions

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
Index Living Mall Public Company Limited			
<p>Transaction 1</p> <p>42.27</p> <p>202.66</p> <p>274.53</p> <p><u>Nature of transaction</u></p> <p>The Company sells particle board furniture.</p> <p><u>Details</u></p> <p>None</p> <p><u>Necessity/reasonableness</u></p> <p>The Company sells particle board furniture to Index Living Mall, starting in September 2012, with the selling price determined based on the Company's pricing criteria, which is fair and an arm's length basis.</p> <p><u>Audit committee's opinion</u></p> <p>The selling price is determined following the Company's pricing criteria, which are fair and an arm's length basis.</p>			
<p>Transaction 2</p> <p>0.01</p> <p>60.61</p> <p>0.00</p> <p><u>Nature of transaction</u></p> <p>Accounts Receivable</p> <p><u>Details</u></p> <p>None</p> <p><u>Necessity/reasonableness</u></p> <p>It is caused by the outstanding payment for goods with the Company, where the said debt has not yet reached the due date for payment.</p> <p><u>Audit committee's opinion</u></p> <p>Following the normal practice of business operations</p>			
<p>Transaction 3</p> <p>0.00</p> <p>0.01</p> <p>0.00</p> <p><u>Nature of transaction</u></p> <p>Repair product service</p> <p><u>Details</u></p> <p>None</p> <p><u>Necessity/reasonableness</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>Since some items need to be sent for repair, Index Living Mall has considered repairing itself and will charge the company for the cost.</p> <p><u>Audit committee's opinion</u></p> <p>Considered that the price was reasonable and in line with normal business practices.</p>			
<p>Transaction 4</p> <p>0.26</p> <p>0.00</p> <p>1.44</p> <p><u>Nature of transaction</u></p> <p>Advertising expense</p> <p><u>Details</u></p> <p>None</p> <p><u>Necessity/reasonableness</u></p> <p>To participate in the product promotion organized by Index Living Mall.</p> <p><u>Audit committee's opinion</u></p> <p>Considered that the price was reasonable and in line with normal business practices.</p>			
<p>Transaction 5</p> <p>0.00</p> <p>0.01</p> <p>0.00</p> <p><u>Nature of transaction</u></p> <p>Other accounts payable</p> <p><u>Details</u></p> <p>None</p> <p><u>Necessity/reasonableness</u></p> <p>It was caused by the advertising cost that had not reached the payment cycle.</p> <p><u>Audit committee's opinion</u></p> <p>Following the normal practice of business operations</p>			
<p>Transaction 6</p> <p>0.00</p> <p>0.00</p> <p>3.14</p> <p><u>Nature of transaction</u></p> <p>Raw materials purchasing</p> <p><u>Details</u></p> <p>None</p> <p><u>Necessity/reasonableness</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>The Company orders fabric and PVC edges for use in producing some products for sale to Index Living Mall.</p> <p><u>Audit committee's opinion</u></p> <p>Considered that the price was reasonable and in line with normal business practices.</p>			
<p>Transaction 7</p> <p><u>Nature of transaction</u></p> <p>Accounts payable</p> <p><u>Details</u></p> <p>None</p> <p><u>Necessity/reasonableness</u></p> <p>This is an item that occurred from the Company ordering fabric and PVC edges to be used in the production of some products for sale to Index Living Mall before the payment cycle has arrived.</p> <p><u>Audit committee's opinion</u></p> <p>Following the normal practice of business operations</p>	0.00	0.00	0.39
<p>Transaction 8</p> <p><u>Nature of transaction</u></p> <p>Advance payment for goods</p> <p><u>Details</u></p> <p>Since Index Living Mall has ordered products from the Company, there are conditions for receiving advance payment for the products as mutually agreed upon.</p> <p><u>Necessity/reasonableness</u></p> <p>Conditions are as mutually agreed upon between the Company and the purchaser.</p> <p><u>Audit committee's opinion</u></p> <p>Consider that it is in accordance with the mutually agreed terms and conditions and is an item that is beneficial to the Company.</p>	0.00	0.00	20.41
Index Interfern Company Limited			
<p>Transaction 1</p> <p><u>Nature of transaction</u></p> <p>Selling decorative paper</p>	13.25	14.86	16.85

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p><u>Details</u></p> <p>Since the company manufactures furniture for Index Living Mall in some categories, it is necessary to purchase decorative paper and PVC edges to use as raw materials for furniture production for the Index Living Mall group. At the same time, the Company also sells decorative paper to Index Interfern for use in furniture production as well.</p> <p><u>Necessity/reasonableness</u></p> <p>The Company distributes surface paper products to Index Interfern Co., Ltd., starting in 2010.</p> <p><u>Audit committee's opinion</u></p> <p>The selling price is determined following the Company's pricing criteria, which are fair and on an arm's length basis.</p>			
<p>Transaction 2</p> <p>4.38</p> <p>5.31</p> <p>4.48</p> <p><u>Nature of transaction</u></p> <p>Accounts Receivable</p> <p><u>Details</u></p> <p>None</p> <p><u>Necessity/reasonableness</u></p> <p>It is caused by the outstanding payment for goods with the Company, where the said debt has not yet reached the due date for payment.</p> <p><u>Audit committee's opinion</u></p> <p>Following the normal practice of business operations</p>			
<p>Transaction 3</p> <p>0.00</p> <p>4.52</p> <p>0.00</p> <p><u>Nature of transaction</u></p> <p>Purchasing the raw materials</p> <p><u>Details</u></p> <p>None</p> <p><u>Necessity/reasonableness</u></p> <p>The Company orders PVC edge and decorative paper from Index Interfern to produce some products for sale to Index Living Mall.</p> <p><u>Audit committee's opinion</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
The selling price is determined following the Company's pricing criteria, which are fair and on an arm's length basis.			
Transaction 4 <u>Nature of transaction</u> Accounts payable <u>Details</u> None <u>Necessity/reasonableness</u> It arose from the company ordering decorative paper and PVC edges from Index Interfern to produce some products for sale to Index Living Mall. <u>Audit committee's opinion</u> Following the normal practice of business operations	0.00	1.14	0.00
Botlink Company Limited			
Transaction 1 <u>Nature of transaction</u> Purchasing a product <u>Details</u> It is a product procurement to increase opportunities and generate income for the Company. <u>Necessity/reasonableness</u> The Company purchases wireless automatic swimming pool cleaning robots to sell through the Company's online sales channels. <u>Audit committee's opinion</u> The pricing of the purchase and sale between each other is based on the normal pricing criteria of the business operation, which is fair and at arm's length basis.	0.00	0.21	1.89
Transaction 2 <u>Nature of transaction</u> Accounts Payable <u>Details</u> None	0.00	0.17	1.25

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p><u>Necessity/reasonableness</u></p> <p>The Company has outstanding payments for the purchase of swimming pool cleaning robots.</p> <p><u>Audit committee's opinion</u></p> <p>Following the normal practice of business operations</p>			
Mr. Wanlop Suksawad			
<p>Transaction 1</p> <p>0.00</p> <p>0.13</p> <p>0.13</p> <p><u>Nature of transaction</u></p> <p>Land lease under a lease agreement for construction and use as the Company's warehouse.</p> <p><u>Details</u></p> <p>The rental rate is as assessed by the SEC-approved appraisal company and as approved by the Company's Board of Directors Meeting No. 6/2022 on August 11, 2022.</p> <p><u>Necessity/reasonableness</u></p> <p>To develop the land into a warehouse to store the Company's stock.</p> <p><u>Audit committee's opinion</u></p> <p>Considered that the rental price is appropriate and consistent with the appraisal price conducted by an independent appraiser and that the transaction is for the benefit of the Company's business operations.</p>			
<p>Transaction 2</p> <p>0.00</p> <p>0.01</p> <p>0.02</p> <p><u>Nature of transaction</u></p> <p>Other accounts payable</p> <p><u>Details</u></p> <p>None</p> <p><u>Necessity/reasonableness</u></p> <p>It was caused by the outstanding amount of land rental payments that were not yet due.</p> <p><u>Audit committee's opinion</u></p> <p>Following the normal practice of business operations.</p>			
<p>Transaction 3</p> <p>0.00</p> <p>29.00</p> <p>14.50</p> <p><u>Nature of transaction</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>Lending to the Company</p> <p><u>Details</u></p> <p>The Company has borrowed money at an interest rate of 5.25 percent per annum and is due for repayment upon request.</p> <p><u>Necessity/reasonableness</u></p> <p>To enhance the liquidity of the Company's business operations.</p> <p><u>Audit committee's opinion</u></p> <p>Considered that it is under the mutually agreed terms and conditions and for the benefit of the Company, as the interest rate is lower than when compared to requesting a loan from a financial institution, which is fair, reasonable, and for the benefit of the Company. In addition, the Company is not required to provide any collateral to guarantee the said loan.</p>			
Mrs.Waraporn Suksawad			
<p>Transaction 1</p> <p><u>Nature of transaction</u></p> <p>Lending to the Company</p> <p><u>Details</u></p> <p>The Company has borrowed money at an interest rate of 5.25 percent per annum and is due for repayment upon request.</p> <p><u>Necessity/reasonableness</u></p> <p>To enhance the liquidity of the Company's business operations.</p> <p><u>Audit committee's opinion</u></p> <p>Considered that it is under the mutually agreed terms and conditions and for the benefit of the Company, as the interest rate is lower than when compared to requesting a loan from a financial institution, which is fair, reasonable, and for the benefit of the Company. In addition, the Company is not required to provide any collateral to guarantee the said loan.</p>	0.00	36.00	4.82
Miss Tippawan Suksawad			
<p>Transaction 1</p> <p><u>Nature of transaction</u></p>	0.00	0.01	4.73

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>Lending to the Company</p> <p><u>Details</u></p> <p>The Company has borrowed money at an interest rate of 5.25 percent per annum and is due for repayment upon request.</p> <p><u>Necessity/reasonableness</u></p> <p>To enhance the liquidity of the Company's business operations.</p> <p><u>Audit committee's opinion</u></p> <p>Considered that it is under the mutually agreed terms and conditions and for the benefit of the Company, as the interest rate is lower than when compared to requesting a loan from a financial institution, which is fair, reasonable, and for the benefit of the Company. In addition, the Company is not required to provide any collateral to guarantee the said loan.</p>			
Miss Kridchanok Pattamasuttayasonthi			
<p>Transaction 1</p> <p><u>Nature of transaction</u></p> <p>Lending to the Company</p> <p><u>Details</u></p> <p>The Company has borrowed money at an interest rate of 7 percent per annum and is due for repayment upon request.</p> <p><u>Necessity/reasonableness</u></p> <p>To enhance the liquidity of the Company's business operations.</p> <p><u>Audit committee's opinion</u></p> <p>Considered that it is under the mutually agreed terms and conditions and for the benefit of the Company, as the interest rate is lower than when compared to requesting a loan from a financial institution, which is fair, reasonable, and for the benefit of the Company. In addition, the Company is not required to provide any collateral to guarantee the said loan.</p>	0.00	0.00	20.00

9.2.3 Policy and future trends of related party transactions and the compliance with the obligations specified in the prospectus of the company

Measures and procedures for approving related party transactions or connected transactions

In the event of any related party transaction between the Company or its subsidiaries and related persons, persons who may have conflicts of interest, have vested interests or may have conflicts of interest in the future, which is a commercial agreement in the same manner as what a reasonable person would do with a general contracting party in the same situation, with the bargaining power of trade without the influence of being a director, executive, or related person, and with normal trading conditions or market prices, under reasonable conditions, which can be verified, and do not result in the transfer of benefits, the Company's management can proceed as usual under the principles that the Company's board of directors has considered and approved, and to prepare a summary report to report to the Audit Committee every quarter.

In the event of any related party transaction that is not a normal trading transaction, the Company will arrange for the Audit Committee to have an opinion on the necessity and appropriateness of such transaction. In the event that the Audit Committee does not have expertise in considering the related party transaction that may occur, the Company will consider having an independent appraiser, an independent specialist, or an auditor provides an opinion on such related party transaction to the Audit Committee, so that the Audit Committee can use it in making a decision and provide an opinion to the Company's board of directors or shareholders, as the case may be, to approve such transaction before entering into the transaction. The Company will disclose the related party transaction in the notes to the financial statements that have been audited by the Company's auditor. and such related party transactions shall be disclosed in the annual information disclosure form (Form 56-1 One Report) in accordance with the criteria and laws governing securities and exchange. However, consideration and approval of such related party transactions must be in accordance with the Securities and Exchange Act and the regulations, announcements, orders, or requirements of the Stock Exchange of Thailand, in which persons who may have conflicts of interest or have an interest in such related party transactions shall not have the right to vote on such related party transactions.

Future trends in related party transactions

In the future, if the Company needs to enter into any related party transactions with persons who may have conflicts of interest with the Company, the Company will set the conditions to be in accordance with the nature of normal business operations and be market prices that can be referenced and compared with the conditions or prices that occur in the same type of business that the Company does with external parties. The Company will have the Audit Committee provide opinions on the price, and compensation rates, as well as the necessity and appropriateness of such related party transactions. In the event that the Audit Committee does not have expertise in considering the related party transactions that may occur, the Company will consider having an independent appraiser, an independent specialist, or the Company's auditor provide opinions on such related party transactions so that the Audit Committee can use them to make decisions and provide opinions to the Company's Board of Directors or shareholders, as appropriate.

The Company will disclose such related party transactions in the notes to the financial statements that have been audited by the Company's auditors and will disclose such related party transactions in the annual information disclosure form (Form 56-1 One Report) in accordance with the criteria and laws governing securities and exchange, and the regulations, announcements, orders, or requirements of the Stock Exchange of Thailand.

For any related party transactions that may occur in the future, the directors must comply with the regulations that have been established and the directors must not approve any transactions in which they or persons may have conflicts of interest in any other manner with the Company and must disclose such transactions that the Company Must comply with the Securities and Exchange Act and the regulations, announcements, orders or requirements of the Stock Exchange of Thailand, including compliance with the requirements regarding disclosure of information on related party transactions and the acquisition or disposal of the Company's or its subsidiaries' assets and in strict accordance with the prescribed accounting standards. In addition, the Company will not enter into any transactions with related companies that are not in the normal course of business of the Company.

9.2.4 Information on appraised assets and appraisal price in conjunction with the execution of related party transactions

Can be referred in attachment 4: assets for business undertaking and details of asset appraisal

Part 3 Financial Statement

Board of Directors' Responsibility Statement for the
Financial Report

Report on the Responsibilities of the Board of Directors on Financial Reports

Dear All Shareholders,

The Board of Directors of East Coast Furnitech Public Company Limited (“the Company”) has prioritized the duties and responsibilities in supervising the Company's businesses in accordance with the policy of good corporate governance. Both financial statements and financial information appearing in the Annual Data Form / Annual Report (Form 56-1 e One Report) are prepared in accordance with the generally accepted accounting principles, which is accurate, complete, and adequately disclosed in the notes to the financial statements, the accounting policies are appropriately used, consistently practiced, with careful discretion to be beneficial and transparent to shareholders and general investors.

The Board of Directors has established the risk management system, provided and maintained an appropriate and efficient internal control system to create reasonable assurance on the credibility of the financial statements. The property custody has a good protection system without any fraudulent transactions or unusual operations while the related parties' transactions did not cause any conflicts, the trade conditions are normal business practices, reasonable, with utmost interest of the Company, and relevant rules and laws are also complied. The Board of Directors appointed the Audit Committee to review accounting policies, the quality of financial reports and internal control system, internal audit, risk management system, and report the performance to the Board of Directors, the opinions on this issue are also recorded in the reports of the Audit Committee and the Risk Management Committee which appear in this Form 56-1 e One Report.

The Board of Directors expressed an opinion that in overall, the Company's internal control system is at a satisfactory level, sufficient and appropriate, provides reasonable confidence in the reliability of the consolidated and separate financial statements of the Company as of 31 December 2024, in which the Company's Auditor audited in accordance with the generally accepted accounting standards and expressed an opinion that the financial statements show the accurate financial position and performance as deemed material Based on the financial reporting standard.



(General Terdsak Marome)
Chairman of the Board



(Mr. Pacharatanapong Suksawad)
Managing Director

Auditor's Report

**EAST COAST FURNITECH PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

**Financial Statements
For the Year Ended December 31, 2024
and Report of Certified Public Accountant**

M.R. & ASSOCIATES CO., LTD.
Certified Public Accountants

REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders and the Board of Directors of East Coast Furnitech Public Company Limited

Opinion

I have audited the consolidated financial statements of East Coast Furnitech Public Company Limited and its subsidiaries (“the Group”), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders’ equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies. In addition, I have also audited the separate financial statements of East Coast Furnitech Public Company Limited (“the Company”), which comprise the separate statement of financial position as at December 31, 2024, and the separate statement of comprehensive income, the separate statement of changes in shareholders’ equity and the separate statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of East Coast Furnitech Public Company Limited and its subsidiaries as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended, and the accompanying separate financial statements present fairly, in all material respects, the financial position of East Coast Furnitech Public Company Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and the 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 (“the Code of Ethics for Professional Accountants”) that are relevant to my audit of the consolidated financial statements and the 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 opinion.

Material Uncertainty Related to Going Concern

I draw attention to Note 2 in the Financial Statements, which disclosed about the 2024 operating result that incurred net loss of approximately Baht 232.7 million in the consolidated financial statements and approximately Baht 269.0 million in the separate financial statements and a situation that current liabilities exceeded current assets of approximately Baht 967.0 million in the consolidated financial statements and approximately Baht 1,136.4 million in the separate financial statements as of December 31, 2024, that indicate a material uncertainty exists that may cast significant doubt on the ability to continue as a going concern of the Group and the Company. My opinion is not modified in respect of this matter.

Key Audit Matters

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

Accuracy, Completeness and Proper Cutoff of the Company's Revenue from Sales of Goods

Risk description

Revenue from sales of goods is the increase in economic benefits in form of inflows or enhancements of assets triggered by the Company's performance obligation on transfers of goods to the customers that is attributable to the Company's core business activities. Revenue from sales is directly significant to financial performance of the Company and its amount is material to the financial statements. In addition, the Company's sales of goods in each year comprise voluminous number of entries through various sales channels. Accordingly, the assurance is required to ensure that the Company's sales were accounted for with accuracy, completeness and proper cutoff.

Material accounting policies and other information relating to revenue from sales of goods were disclosed in Notes 3, 14 and 26 in the financial statements.

Responses to the risk

I have performed the following key audit procedures as responses to the identified and assessed significant risk in order that such risk shall be managed to the appropriate and acceptable level and enable financial statements to be free from material misstatement:

- Read, inquire and gather understanding in the Company's revenue streams and revenue recognition policies on the Company's sales of goods.
- Test and assess efficiency, effectiveness and reliability of the design and operations of internal controls relating to revenue streams.
- Perform analytical reviews of information relating to sales of goods.
- Perform substantive test on sales of goods e.g. vouching of supporting documents for sales of goods, circularization, reconciliation of entries and amounts of sales between accounting and tax reporting, and cutoff test both before and after yearend on sales of goods whether they were recorded in the proper period.

Other Matter

The comparative consolidated statement of financial position of East Coast Furnitech Public Company Limited and its subsidiaries as at December 31, 2023, and the comparative consolidated statement of comprehensive income, the comparative consolidated statement of changes in shareholders' equity and the comparative consolidated statement of cash flows for the year then ended, and the comparative separate statement of financial position of East Coast Furnitech Public Company Limited as at December 31, 2023, and the comparative separate statement of comprehensive income, the comparative separate statement of changes in shareholders' equity and the comparative separate statement of cash flows for the year then

ended, were audited by another auditor in my office, whose report dated February 28, 2024, expressed an unmodified opinion on those statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in Form 56-1 One Report but does not include the consolidated financial statements and the separate financial statements as well as my auditor's report thereon. The aforesaid other information is expected to be made available to me after the date of this auditor's report.

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

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

When I read the aforesaid other information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order that they shall acknowledge and arrange the correction on such misstatement as appropriate.

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

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

In preparing the consolidated financial statements and the separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, the 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 Financial Statements and the Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements and the 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 Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the 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 effectiveness of the Group's internal control.
- Evaluate appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on 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 financial statements and the 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 financial statements and the separate financial statements, including the disclosures, and whether the consolidated financial statements and the 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, related safeguards.

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

(Mr. Methee Ratanasrimetha)
Certified Public Accountant
Registration No. 3425

M.R. & ASSOCIATES CO., LTD.
Bangkok
February 27, 2025

Financial Statements

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024 AND 2023

ASSETS

		In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		December 31,	December 31,	December 31,	December 31,
Note		2024	2023	2024	2023
CURRENT ASSETS					
	Cash and cash equivalents	5,759,314	20,086,227	5,038,540	15,143,748
	Trade receivables				
	- Related parties	4, 5	4,486,296	65,917,231	17,812,474
	- Other parties - net	5	329,024,714	372,586,370	280,814,068
	Other receivables				
	- Related parties	4	1,564,183	836,575	1,015,330
	- Other parties - net	5	113,169,412	49,970,194	102,333,545
	Short-term loans to and interest receivable from related parties	4	64,800,000	98,500,000	22,761,211
	Short-term loans to other person	30	40,000,000	40,000,000	-
	Inventories - net	6	1,164,612,598	1,229,749,669	1,163,687,816
	Total Current Assets		<u>1,723,416,517</u>	<u>1,877,646,266</u>	<u>1,593,462,984</u>
NON-CURRENT ASSETS					
	Restricted deposits at banks	7, 16	52,303,666	52,206,217	47,336,666
	Non-current portion of trade receivables - net	5	25,442,925	129,115,740	25,442,925
	Non-current portion of other receivable	5	80,000,000	-	80,000,000
	Investment in subsidiaries - net	8	-	-	932,531,650
	Investment in associates and joint venture	4, 9	898,072,832	880,764,209	3,819,800
	Property, plant and equipment - net	10, 13, 15, 16	875,468,662	819,329,208	874,478,049
	Right-of-use assets - net	11	37,375,921	37,827,266	37,375,921
	Intangible assets - net	12	2,033,905	2,715,139	1,980,621
	Deferred tax assets	23	120,232,805	57,122,483	118,620,379
	Other non-current assets				
	- Deposit for investment project	5	-	100,000,000	-
	- Deposits and guarantees	4, 9	65,819,468	77,196,525	45,819,468
	Total Non-Current Assets		<u>2,156,750,184</u>	<u>2,156,276,787</u>	<u>2,167,405,479</u>
	TOTAL ASSETS		<u><u>3,880,166,701</u></u>	<u><u>4,033,923,053</u></u>	<u><u>3,760,868,463</u></u>

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

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024 AND 2023

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Baht				
		Consolidated Financial Statements		Separate Financial Statements		
		December 31,	December 31,	December 31,	December 31,	
Note		2024	2023	2024	2023	
CURRENT LIABILITIES						
Bank overdrafts and short-term borrowings						
	from financial institutions	7, 10, 13	745,722,805	645,619,422	725,854,770	645,619,422
	Factoring payables	5	156,970,996	195,713,971	156,970,996	195,713,971
Trade payables						
	- Related parties	4	1,642,595	1,319,110	2,484,047	1,169,496
	- Other parties		266,083,086	271,794,185	257,636,394	252,192,146
Other payables						
	- Related parties	4	22,516,703	1,091,923	21,430,888	11,008
	- Other parties	8, 14	134,602,605	131,897,399	93,172,196	94,620,905
	Short-term loans from and interest payable to related parties	4	55,126,417	65,362,979	185,972,830	170,701,787
	Short-term loans from other parties	15	378,184,685	154,898,288	358,498,566	114,898,288
	Current portion of long-term borrowings	10, 16	39,449,184	37,782,595	38,386,155	37,782,595
	Current portion of debentures	17	879,409,509	606,042,538	879,409,509	606,042,538
	Current portion of lease liabilities	4, 18	10,068,989	14,308,974	10,068,989	14,308,974
	Income tax payable		660,075	366,834	-	-
Total Current Liabilities			<u>2,690,437,649</u>	<u>2,126,198,218</u>	<u>2,729,885,340</u>	<u>2,133,061,130</u>
NON-CURRENT LIABILITIES						
	Long-term loans from other party	15	30,000,000	-	30,000,000	-
	Long-term borrowings - net	10, 16	75,273,567	97,162,792	62,099,023	97,162,792
	Debentures - net	17	100,640,925	590,862,633	100,640,925	590,862,633
	Lease liabilities - net	4, 18	11,184,052	14,033,591	11,184,052	14,033,591
	Deferred tax liabilities	23	6,356,712	8,434,957	6,356,712	8,434,957
	Liability for employee benefits	19	22,515,830	17,482,762	20,466,653	16,035,805
Total Non-Current Liabilities			<u>245,971,086</u>	<u>727,976,735</u>	<u>230,747,365</u>	<u>726,529,778</u>
Total Liabilities			<u>2,936,408,735</u>	<u>2,854,174,953</u>	<u>2,960,632,705</u>	<u>2,859,590,908</u>

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

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024 AND 2023

LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)

		In Baht				
		Consolidated Financial Statements		Separate Financial Statements		
		December 31,	December 31,	December 31,	December 31,	
Note		2024	2023	2024	2023	
SHAREHOLDERS' EQUITY						
	Authorized share capital - 1,439,258,472 common shares in 2024 and 1,151,385,108 common shares in 2023, Baht 0.25 par value	20, 32	359,814,618	287,846,277	359,814,618	287,846,277
	Issued and paid-up share capital - 959,505,648 common shares in 2024 and 959,505,590 common shares in 2023, Baht 0.25 par value	20	239,876,412	239,876,398	239,876,412	239,876,398
	Premium on shares	21	768,373,961	768,373,859	768,373,961	768,373,859
	Retained earnings (deficit)					
	- Appropriated for legal reserve	21	28,950,000	28,950,000	28,950,000	28,950,000
	- Unappropriated retained earnings (deficit)		104,210,308	336,250,605	(19,572,819)	250,184,397
	Total		1,141,410,681	1,373,450,862	1,017,627,554	1,287,384,654
	Other components of equity		(191,970,117)	(189,680,711)	(217,391,796)	(217,391,796)
	Equity attributable to Owners of the Parent		949,440,564	1,183,770,151	800,235,758	1,069,992,858
	Non-controlling interests	8	(5,682,598)	(4,022,051)	-	-
	Total Shareholders' Equity		943,757,966	1,179,748,100	800,235,758	1,069,992,858
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,880,166,701	4,033,923,053	3,760,868,463	3,929,583,766

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

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	Note	In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2024	2023	2024	2023
REVENUES					
Net sales	4, 14, 26	1,345,821,957	1,374,503,469	1,285,082,800	1,303,624,910
Other income					
- Sales of production scraps and supplies		8,041,540	2,887,145	8,041,540	2,887,145
- Others	4, 18	7,851,165	11,842,749	7,817,321	11,788,872
Gain on exchange rate		1,712,920	1,019,149	1,704,628	1,022,647
Total Revenues		1,363,427,582	1,390,252,512	1,302,646,289	1,319,323,574
EXPENSES					
Cost of sales	4, 6, 26	1,215,842,240	1,127,041,329	1,197,381,374	1,084,501,347
Distribution costs		95,785,200	96,937,997	66,387,177	66,591,048
Administrative expenses	4, 6, 8, 10, 12, 26	171,311,902	184,076,205	150,521,501	168,192,039
Other expenses - losses from fire accident	6	-	16,267,610	-	16,267,610
Total Expenses		1,482,939,342	1,424,323,141	1,414,290,052	1,335,552,044
Loss from Operating Activities		(119,511,760)	(34,070,629)	(111,643,763)	(16,228,470)
Finance Income	4	23,628,963	27,278,811	13,844,053	14,433,089
Finance Costs	4, 18	(180,670,597)	(181,721,129)	(182,961,916)	(183,424,558)
Loss on Impairment of Financial Assets	5, 8	(38,890,949)	(11,650,478)	(52,706,613)	(18,589,468)
Share of Profit from Investment in Associates and Joint Venture - Net	9	19,348,030	16,606,951	-	-
LOSS BEFORE TAX INCOME		(296,096,313)	(183,556,474)	(333,468,239)	(203,809,407)
Tax Income	23, 25	63,421,289	37,578,393	64,433,638	40,003,201
LOSS FOR THE YEAR	25	(232,675,024)	(145,978,081)	(269,034,601)	(163,806,206)

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

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	Note	In Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2024	2023	2024	2023
Other Comprehensive Income (Loss) for the Year					
<i>Item that will be reclassified subsequently to profit or loss</i>					
- Share of other comprehensive loss from associate	9	(2,289,406)	(5,293,593)	-	-
<i>Item that will not be reclassified subsequently to profit or loss</i>					
- Actuarial gain (loss) on remeasurement of liability for post-employment benefits (net of income tax effect in 2024 and 2023 in consolidated financial statements by Baht 167,596 and Baht 100,148, respectively, and in separate financial statements by Baht 180,654 and Baht 92,961, respectively)	19, 23	(670,384)	536,024	(722,615)	370,766
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		<u>(2,959,790)</u>	<u>(4,757,569)</u>	<u>(722,615)</u>	<u>370,766</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(235,634,814)</u>	<u>(150,735,650)</u>	<u>(269,757,216)</u>	<u>(163,435,440)</u>
Loss Attributable to:					
Owners of the parent		(231,369,913)	(144,459,089)	(269,034,601)	(163,806,206)
Non-controlling interests		(1,305,111)	(1,518,992)	-	-
Loss for the Year		<u>(232,675,024)</u>	<u>(145,978,081)</u>	<u>(269,034,601)</u>	<u>(163,806,206)</u>
Total Comprehensive Loss Attributable to:					
Owners of the parent		(234,329,703)	(149,216,658)	(269,757,216)	(163,435,440)
Non-controlling interests		(1,305,111)	(1,518,992)	-	-
Total Comprehensive Loss for the Year		<u>(235,634,814)</u>	<u>(150,735,650)</u>	<u>(269,757,216)</u>	<u>(163,435,440)</u>
Basic Loss per Share	24	<u>(0.2411)</u>	<u>(0.1506)</u>	<u>(0.2804)</u>	<u>(0.1707)</u>
Diluted Loss per Share	24	<u>(0.2411)</u>	<u>(0.1506)</u>	<u>(0.2804)</u>	<u>(0.1707)</u>

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

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Consolidated Financial Statements (In Baht)												
	Note	Issued and Paid-up Share Capital		Retained Earnings		Other Components of Equity			Equity		Total Shareholders' Equity	
				Appropriated for Legal Reserve	Unappropriated	Surplus on Business Combination under Common Control	Share of Other Comprehensive Income (Loss) from Associate	Loss on Change in Proportion of Investment in Subsidiary	Total Other Components of Equity	Attributable to Owners of the Parent		Non-Controlling Interests
Beginning balance as at January 1, 2023		239,871,897	768,342,356	28,950,000	490,727,738	(217,391,796)	45,433,724	(12,429,046)	(184,387,118)	1,343,504,873	23,109,359	1,366,614,232
Transfer of non-controlling interests to other payables	8	-	-	-	-	-	-	-	-	-	(25,612,418)	(25,612,418)
Proceeds from the exercised warrants	20	4,501	31,503	-	-	-	-	-	-	36,004	-	36,004
Payment of dividends	21	-	-	-	(10,554,068)	-	-	-	-	(10,554,068)	-	(10,554,068)
Total comprehensive loss for the year		-	-	-	(143,923,065)	-	(5,293,593)	-	(5,293,593)	(149,216,658)	(1,518,992)	(150,735,650)
Ending balance as at December 31, 2023		239,876,398	768,373,859	28,950,000	336,250,605	(217,391,796)	40,140,131	(12,429,046)	(189,680,711)	1,183,770,151	(4,022,051)	1,179,748,100
Decrease in non-controlling interests from losing control in subsidiary	8	-	-	-	-	-	-	-	-	-	(355,436)	(355,436)
Proceeds from the exercised warrants	20	14	102	-	-	-	-	-	-	116	-	116
Total comprehensive loss for the year		-	-	-	(232,040,297)	-	(2,289,406)	-	(2,289,406)	(234,329,703)	(1,305,111)	(235,634,814)
Ending balance as at December 31, 2024		239,876,412	768,373,961	28,950,000	104,210,308	(217,391,796)	37,850,725	(12,429,046)	(191,970,117)	949,440,564	(5,682,598)	943,757,966

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

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

Separate Financial Statements (In Baht)

	Note	Issued and		Retained Earnings (Deficit)			Other Components	
		Paid-up	Premium	Appropriated		Surplus on Business	Total	
		Share	on Shares	for Legal	Unappropriated	Total	Combination under	Shareholders'
		Capital		Reserve	(Deficit)		Common Control	Equity
Beginning balance as at January 1, 2023		239,871,897	768,342,356	28,950,000	424,173,905	1,461,338,158	(217,391,796)	1,243,946,362
Proceeds from the exercised warrants	20	4,501	31,503	-	-	36,004	-	36,004
Payment of dividends	21	-	-	-	(10,554,068)	(10,554,068)	-	(10,554,068)
Total comprehensive loss for the year		-	-	-	(163,435,440)	(163,435,440)	-	(163,435,440)
Ending balance as at December 31, 2023		239,876,398	768,373,859	28,950,000	250,184,397	1,287,384,654	(217,391,796)	1,069,992,858
Proceeds from the exercised warrants	20	14	102	-	-	116	-	116
Total comprehensive loss for the year		-	-	-	(269,757,216)	(269,757,216)	-	(269,757,216)
Ending balance as at December 31, 2024		239,876,412	768,373,961	28,950,000	(19,572,819)	1,017,627,554	(217,391,796)	800,235,758

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

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

In Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the year	(232,675,024)	(145,978,081)	(269,034,601)	(163,806,206)
<i>Adjustments</i>				
Tax income	(63,421,289)	(37,578,393)	(64,433,638)	(40,003,201)
Depreciation and amortization	43,975,119	39,955,733	43,932,677	39,913,181
Loss on impairment of financial assets	38,890,949	11,650,478	52,706,613	18,589,468
Expenses on employment benefits	4,770,617	1,853,258	4,103,108	1,436,022
Loss on diminution in value of inventories	22,005,910	45,728,264	21,945,639	45,432,608
Loss (reversal of loss) on impairment of fixed assets	(2,200,000)	2,200,000	-	-
Gain on termination of leases	(82,438)	-	(82,438)	-
Share of profit from investment in associates and joint venture - net	(19,348,030)	(16,606,951)	-	-
Unrealized loss on valuation of fair value of derivatives	33,029	-	33,029	-
Unrealized loss (gain) on exchange rate	(292,546)	1,126,311	(284,254)	1,129,810
Loss (gain) on sales of fixed assets	2,583,495	-	(2,685,514)	-
Loss on written-off assets	3,041,020	707,169	64,300	295,569
Loss on written-off assets pertaining to fire accident (see Note 6)	-	16,267,610	-	16,267,610
Interest income	(23,628,963)	(27,278,811)	(13,844,053)	(14,433,089)
Interest expense	180,670,597	181,721,129	182,961,916	183,424,558
<i>Decrease (increase) in operating assets</i>				
Trade receivables	169,681,447	17,144,203	216,065,529	41,993,543
Other receivables	208,212	(10,787,518)	2,068,364	(10,593,769)
Inventories	43,131,161	(60,907,870)	39,700,735	(57,280,233)
Other non-current assets	-	(530,000)	-	(520,000)
<i>Increase (decrease) in operating liabilities</i>				
Trade payables	(5,112,879)	117,370,560	7,033,536	102,742,328
Other payables	18,890,802	3,202,535	14,570,290	(3,754,701)
Net Cash Flows Provided by Operations	181,121,189	139,259,626	234,821,238	160,833,498
Interest received	2,641,393	13,204,516	2,641,393	13,204,516
Employee benefits paid	(575,528)	-	(575,528)	-
Income tax paid	(1,342,163)	(4,411,402)	(35,707)	(1,601,659)
Net Cash Flows Provided by Operating Activities	181,844,891	148,052,740	236,851,396	172,436,355

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

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease (increase) in restricted deposits at banks	(97,450)	(128,042)	4,869,550	(128,042)
Decrease (increase) in short-term loans to related parties	33,700,000	-	(22,312,230)	4,100,000
Decrease in non-controlling interests from losing control in subsidiary	(355,436)	-	-	-
Increase in investment in associate and joint venture	(250,000)	(3,569,800)	(250,000)	(3,569,800)
Additions to plant and equipment	(90,287,346)	(89,821,335)	(90,204,984)	(89,748,306)
Additions to right-of-use assets	(139,000)	-	(139,000)	-
Additions to intangible assets	-	(2,153,148)	-	-
Proceeds from sales of fixed assets	4,664,860	20,000,000	2,795,701	(2,092,400)
Decrease in advance for purchase of investment	-	44,500,000	-	44,500,000
Increase in advance for purchase of plant and equipment	(31,200,000)	-	(31,200,000)	-
Dividends received	-	4,065,984	-	-
Interest received	8,818,197	16,322,016	1,296,583	7,290,760
Net Cash Flows Used in Investing Activities	(75,146,175)	(10,784,325)	(135,144,380)	(39,647,788)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in bank overdrafts and short-term borrowings from financial institutions	100,124,304	(127,449,860)	80,256,268	(127,449,860)
Increase (decrease) in factoring payables	(38,730,927)	96,452,909	(38,730,927)	96,452,909
Increase (decrease) in short-term loans from related parties	(13,638,664)	65,100,000	6,536,446	63,700,000
Increase in short-term loans from other parties	223,600,000	11,000,000	243,600,000	15,000,000
Increase in long-term loans from other party	30,000,000	-	30,000,000	-
Proceeds from sales and leaseback of equipment	4,350,000	15,984,000	4,350,000	15,984,000
Decrease in lease liabilities	(14,766,831)	(8,135,740)	(14,766,831)	(8,135,740)
Increase in long-term borrowings	15,112,000	25,000,000	-	25,000,000
Repayments of long-term borrowings	(35,340,834)	(45,086,587)	(34,460,209)	(45,086,587)
Issuance of debentures	-	556,500,000	-	556,500,000
Redemption of debentures	(220,475,000)	(540,000,000)	(220,475,000)	(540,000,000)
Debenture issuance and extension costs	(8,546,725)	(8,649,765)	(8,546,725)	(8,649,765)
Proceeds from exercised warrants	116	36,004	116	36,004
Refunded (paid) guarantees on borrowings	(1,522,000)	1,549,000	(1,522,000)	1,549,000
Dividends paid	(593,930)	(10,548,968)	(593,930)	(10,548,968)
Interest paid	(160,597,138)	(163,243,627)	(157,459,432)	(160,466,312)
Net Cash Flows Used in Financing Activities	(121,025,629)	(131,492,634)	(111,812,224)	(126,115,319)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(14,326,913)	5,775,781	(10,105,208)	6,673,248
Cash and Cash Equivalents at Beginning of Year	20,086,227	14,310,446	15,143,748	8,470,500
CASH AND CASH EQUIVALENTS AT END OF YEAR	5,759,314	20,086,227	5,038,540	15,143,748

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

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Continued)
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	In Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Supplemental disclosures of cash flow statements:				
a. Cash and cash equivalents at end of year				
Cash in hand	346,658	367,418	286,658	302,418
Current accounts at banks	3,575,164	10,984,966	3,078,125	7,820,196
Savings deposits at banks	1,412,624	4,000,497	1,248,889	2,287,788
Short-term fixed deposits at banks	424,868	4,733,346	424,868	4,733,346
Total	5,759,314	20,086,227	5,038,540	15,143,748
b. Non-cash transactions				
Purchases of equipment by means of payables	16,532,490	14,387,467	16,532,490	14,357,737
Transfer of fixed assets to right-of-use assets	5,646,284	22,244,917	5,646,284	22,244,917
Transfer of right-of-use assets to fixed assets	316,900	-	316,900	-
Transfer of non-current assets to other receivables	33,000,000	-	33,000,000	-
Transfer of deposit for investment project to other receivables	20,000,000	-	20,000,000	-
Transfer of deposit for investment project to non-current portion of other receivables	80,000,000	-	80,000,000	-
Transfer of deposits or guarantees to fixed assets	8,058,057	143,292,356	8,058,057	143,292,356
Transfer of non-controlling interests to other payables	-	25,612,418	-	25,612,418
Increase in right-of-use assets and lease liabilities from new lease and hire-purchase agreements	5,382,994	6,430,371	5,382,994	6,430,371
Dividends payable	-	5,100	-	5,100
c. Total cash outflow for leases	22,538,447	16,966,550	22,410,447	16,966,550

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

Notes to the Financial Statements

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements
December 31, 2024 and 2023

1. GENERAL

East Coast Furnitech Public Company Limited (“the Company”), formerly East Coast Furnitech Co., Ltd., was registered as a limited company in Thailand on October 12, 1999. The Company was transformed from being juristic person as a limited company (juristic entity registration number 0107555000449) under the Civil and Commercial Code to a limited public company under the Public Limited Companies Act B.E. 2535 on October 18, 2012 and was registered in the Market for Alternative Investment on March 26, 2013. The Company is engaged mainly in manufacturing and sales of self-assembled furniture made from particle board and MDF board, rubber wood furniture, dried processed rubber wood, covering papers, and furniture-decorating supplies for domestic and international markets.

The Company's head office and branch offices are registered at the following locations:

Head office is located at 37/9 Moo 10 Banbung-Klaeng Rd., Tambon Tangkwian, Amphur Klaeng, Rayong.

Branch Office (1) is located at 29/1 Moo 3 Soi Chongkho-Chumnum Nai, Tambon Wangchan, Amphur Wangchan, Rayong.

Branch Office (2) is located at 25/28 Moo 12 Tambon Buengkhamphroi, Amphur Lam Luk Ka, Pathum Thani.

As at December 31, 2024 and 2023 the Company’s major shareholders are five individuals in Suksawad family whose total percentage of shareholding is 45.83% and 45.76%, respectively, whereby three of five are the Company’s directors.

VV-Décor Co., Ltd. (“VVD”), the subsidiary of which shares are held at 99.95% by the Company, was registered as limited company in Thailand on May 11, 2011 and is engaged in sales of laminating papers and furniture-decorating supplies in domestic market. The registered office of the subsidiary is located at 25/28 Moo 12 Tambon Bungkamproy, Amphur Lam Lukka, Pathumthani.

ECF Holdings Co., Ltd. (“ECF-H”), the subsidiary of which shares are held at 94.44% by the Company, was registered as limited company in Thailand on February 23, 2015 and is engaged in sales of furniture through the local sale agents. The registered office of the subsidiary is located at 37/4 Moo 10 Banbung-Klaeng Rd., Tambon Tangkwian, Amphur Klaeng, Rayong.

ECF Power Co., Ltd. (“ECF-P”), the subsidiary of which shares are held at 99.99% by the Company, was registered as limited company in Thailand on January 16, 2017 and is engaged as holding company in the renewable energy business e.g. biomass or solar energy. The registered office of the subsidiary is located at 37/7 Moo 10 Banbung-Klaeng Rd., Tambon Tangkwian, Amphur Klaeng, Rayong.

Planet Board Co., Ltd. (“PNB”), the subsidiary of which shares are held at 57% by the Company, was registered as limited company in Thailand on December 19, 2017 whereby PNB is during the determination of direction by management whereby the registered business is manufacturing and sales of wood-base panel, MDF board and particle board. The registered office of the subsidiary is located at 25/28 Moo 12 Tambon Bungkamproy, Amphur Lam Lukka, Pathumthani.

Somewa Plaza Co., Ltd. (“SOMEWA”), the subsidiary of which shares are held at 75% by the Company, was registered as limited company in Thailand on June 14, 2021. SOMEWA is located at 25/28 Moo 12 Tambon Bungkamproy, Amphur Lam Lukka, Pathumthani. SOMEWA was registered for liquidation with the Department of Business Development, Ministry of Commerce on August 30, 2024, and the liquidation was completed on November 14, 2024.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

VV Rich Co., Ltd. (“VVR”), the subsidiary of which shares are held at 99.97% by the Company, was registered as limited company in Thailand on February 10, 2022 and is engaged in cultivation and sales of agricultural products. The registered office of the subsidiary is located at 37/9 Moo 10 Banbung-Klaeng Rd., Tambon Tangkwian, Amphur Klaeng, Rayong.

ECF Design Co., Ltd. (“ECFD”), a venture company in the form of joint venture between the Company (at investment proportion of 51%) and the business alliance which is a private company from United States of America (at investment proportion of 49%), was registered as limited company in Thailand on July 27, 2023 in order to conduct its business relating to purchase of furniture goods from the Company and export for sales in the international market. The joint venture agreement between both parties for ECFD as well as the ECFD’s company regulations feature substance that both parties jointly control and manage ECFD under consensus from both parties. Such joint venture was approved by the Board of Directors’ meeting on April 7, 2023. The registered office of ECFD is located at 25/28 Moo 12 Tambon Bungkamproy, Amphur Lamlukka, Pathumthani.

Digital Identity Co., Ltd. (“DI”), the associate under co-investment with a local company whereby its shares are held at 24.99% by the Company, was registered as limited company in Thailand on November 13, 2024 and is engaged in rendering the identity verification services for both Thais and foreigners. The registered office is located at 25/28 Moo 12 Tambon Bungkamproy, Amphur Lamlukka, Pathumthani.

2. BASIS FOR THE FINANCIAL STATEMENT PREPARATION

The accompanying financial statements are prepared in Thai Baht, which is core functional currency of the Company, and are in the Thai language in accordance with the financial reporting standards in Thailand including interpretations and guidelines promulgated by the Federation of Accounting Professions (“TFAC”), applicable rules and regulations of the Securities and Exchange Commission as well as the announcements of Department of Business Development. Accordingly, the accompanying financial statements are intended solely to present the financial position, financial performance, and cash flows in accordance with the financial reporting standards in Thailand.

Except as otherwise disclosed in material accounting policies, the accompanying financial statements have been prepared under the historical cost convention.

The consolidated financial statements for the years ended December 31, 2024 and 2023 included the accounts of the Company and its subsidiaries (“the Group”) in which the Company has the controlling power or direct / indirect shareholding as discussed in Note 1.

Significant intercompany transactions between the Company and subsidiaries included in consolidated financial statements have been eliminated.

Starting from January 1, 2024, the Group adopted Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), and accounting guidance that were revised by TFAC and became effective for the accounting period starting on or after January 1, 2024. In overall, this revision was made for TAS / TFRS to be more explicit and appropriate. The adoption of such revised TAS / TFRS and accounting guidance did not have any material effect to the Group’s financial statements. However, certain revised TAS and TFRS feature significant changes as follows:

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

TAS 1 (Presentation of Financial Statements), TFRS 7 (Financial Instruments: Disclosures), and TAS 34 (Interim Financial Reporting) from change relating to disclosures on accounting policies

In this part there are changes in provisions from previously disclosing significant accounting policies to disclosing material accounting policies instead. In addition, the new provisions also give guidelines for practical use on the definition of being material to influence decisions for the disclosed information. Thus, the effect on the financial statements is disclosures on accounting policies and other related matters in the notes to financial statements (both annual and interim), from 2024 and onwards, will be fewer and more concise.

In addition, TFAC revised certain TAS / TFRS and also issued the new TFRS 17 “Insurance Contracts” to supersede TFRS 4 that have become effective for the accounting period starting on or after January 1, 2025. About the revision, it was made for more clarity and appropriateness of the standards which is briefly summarized as shown below:

- TAS 1 => relating to situation, information, and substance of rights used in determining the classification of liabilities as current or non-current, including non-current liabilities with covenants.
- TAS 7, TFRS 7 => relating to additional disclosures about Supplier Finance Agreements that will enhance understanding of cash flows and liquidity risk.
- TFRS 16 => relating to lease liability in a sale and leaseback with certain revision by adding subsequent measurement requirements for sale and leaseback transactions.

Aforesaid revised or new TAS and TFRS have no material effect on the financial statements of the Group.

Adoption of going concern basis of accounting

The Group and the Company had operating results for the year 2024 with net loss of approximately Baht 232.7 million and Baht 269.0 million, respectively. In addition, as of December 31, 2024, the consolidated and separate financial statements reported current liabilities exceeding current assets of approximately Baht 967.0 million and Baht 1,136.4 million, respectively. These situations indicate the existence of a material uncertainty which may cast significant doubt about the ability to continue as a going concern of the Group and the Company.

Management closely monitors and manages such situations to ensure sufficient cash flow to enhance the Group’s liquidity. Management of the Group is confident that the Group will be able to secure necessary and appropriate financing in the near future through various measures, such as (1) obtaining short-term domestic funding to enhance liquidity and smoothly accommodate the increasing orders with expanded market opportunities by broadening distribution channels with favorable customer feedback, and anticipates revenue and profit growth in the future, and together with strategies to control and reduce production costs, (2) securing foreign financing in the form of long-term loans to address the scheduled redemption of debentures maturing in 2025 while the Minbu Solar Power Project in Myanmar has been concluded negotiations with the Chinese contractor, by signing a Settlement Agreement in early November 2024 that is a starting point for advancing the construction of Phases 2 and 3 whereby foreign financial institutions are preparing to support the construction and the Company believes that, if the power project can progress as planned, it will bolster confidence among domestic financial institutions that currently provide services to the Company and allow them to continue supporting the Company’s financing needs, (3) in terms of selling the power plant project, there has been interest from prospective buyers, but appropriate sale price has not yet been agreed, so no progress has been made on that front, and (4) finding potential investors to invest in the Company through Private Placement (PP). Therefore, the management is confident that the Group has ability to continue its operations as a going concern and the going concern basis is still appropriate in preparing these financial statements. These consolidated and separate financial statements do not include any adjustments relating to the recoverability and valuation of assets as well as the reclassifications of assets and liabilities that may be necessary if the Group and the Company is unable to continue as a going concern.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

The Group disclosed information for the year ended December 31, 2023 for being the comparative information in the financial statements for the year ended December 31, 2024 in form of corresponding figures.

For convenience of the readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements that are issued for domestic financial reporting purposes.

3. MATERIAL ACCOUNTING POLICIES

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and subsidiaries. Significant intercompany transactions between the Company and subsidiaries included in consolidated financial statements have been eliminated. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity. When an entity loses control of a subsidiary, investment retained in the former subsidiary is measured at its fair value while any gain or loss is recognized in the statement of comprehensive income.

Investment in subsidiaries in separate financial statements is accounted for using the cost method and is stated at cost net of allowance for impairment.

Investment in Associates and Joint Venture

Investment in associates and joint venture in the consolidated financial statements is accounted for using the equity method while in the separate financial statements using the cost method and is stated at cost net of allowance for impairment (if any).

Associate is the entity in which the Company or the Group has significant influence, but not control, over the financial and operating policies. Joint venture is joint arrangement in the entity in which the Company or the Group has joint control among other venturers in that entity. The consolidated financial statements of the Group include share of profit or loss of associate and joint venture, on an equity method, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the share of loss exceeds its interest in any associate and joint venture, the investment in such associate and joint venture shall be reduced to nil and recognition of further loss shall be ceased except to the extent that the Company or the Group has legal or constructive obligations or consents to settle the obligations on behalf of the associate and joint venture.

Foreign Currencies

Transactions in foreign currencies are translated to Thai Baht at the exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of comprehensive income.

Non-monetary assets and liabilities denominated in foreign currencies which are carried under historical cost convention are translated to Thai Baht at the exchange rates ruling at the dates of the transactions.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Use of Estimates

In order to prepare financial statements in conformity with the Thai accounting standards and Thai financial reporting standards, management needs to use estimates and set assumptions that affect revenues, expenditures, assets and liabilities in order to disclose information on the valuation of assets, liabilities and contingent liabilities. Actual outcomes may, therefore, differ from the estimates used.

The estimates and underlying assumptions used in preparation of these financial statements 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 or in the period of the revision and future periods if the revision affects both current and future periods.

Significant estimates and underlying assumptions used in preparation of these financial statements which may be affected by significant uncertainty are as follows:

- Allowance for impairment of trade and other receivables, deposits and loan receivables
- Net realizable value and allowance for losses on diminution in value of inventories
- Allowance for impairment of plant and equipment and investments
- Useful lives and residual values of building and equipment, right-of-use assets and intangible assets
- Consideration for cancellation or renewal options of leases and discount rates of lease liabilities
- Expected periods and amounts that deferred tax assets will be utilized
- Assumptions and parameters used in calculation of liability for post-employment benefits
- Assessment and estimates of the fair values of financial assets and financial liabilities.

Cash and Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at cost that include cash on hand and cash at financial institutions. Restricted deposits at banks or being collateral are carried in the statement of financial position at cost and were separately presented as “Restricted deposits at banks” under non-current assets.

Trade Receivables, Other Receivables, and Allowance for impairment

Trade and other receivables are carried at original invoice amount or at accrued amount net of allowance for impairment.

The Group provides allowance for impairment in accordance with the policy discussed in the section of “Financial instruments”.

Inventories

Inventories are valued at the lower of cost and net realizable value and net of allowance for diminution in value (impairment) for obsolete and slow-moving inventories. Cost is calculated and determined using the First-In, First-Out method.

The Group determines the allowance for diminution in value for obsolete and slow-moving inventories based on consideration from physical condition and aging balances of inventory that are taken to consider together with estimates derived from past information and experiences.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Property, Plant and Equipment

Land, building and equipment are stated at cost net of accumulated depreciation and allowance for impairment.

Depreciation calculated by straight-line method over the useful lives as follows:

	<u>No. of Years</u>
Land improvement	5 and 20
Building and building improvement	5 and 20
Building and building improvement on leased land	20 (not exceeding the lease term)
Machinery and equipment	3 - 15
Electric system	5 and 10
Furniture, fixtures and office equipment	5
Showroom equipment	5
Vehicles	5
Utilities	5

No depreciation has been charged for land and assets under construction or installation.

Right-of-use Asset

The Group measures right-of-use asset at cost less accumulated depreciation and the allowance for impairment (if any) with the adjustment pertaining to re-measurement of lease liabilities.

Depreciation is charged as expense and calculated by the straight-line method attributable to the related lease terms as follows:

	<u>Period</u>
Land	20 years
Building	3 years
Vehicles and equipment	3 - 15 years

Intangible Assets

Intangible assets are computer programs that are stated at cost net of accumulated amortization and allowance for impairment (if any). Amortization is made on a straight-line method over the useful lives of the assets of 5 years. Amortization is charged as part of distribution costs and administrative expenses in the statement of comprehensive income.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Impairment of Non-financial Assets

The carrying amounts of the assets of the Group are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts (the higher of asset's fair value less cost to sell or value in use) shall be estimated and reviewed. The review is made for individual assets or for the cash-generating unit.

In case that the carrying value of an asset exceeds its recoverable amount, the Group recognizes the impairment loss by reducing the carrying amount of the asset to its recoverable amount and by recording the devaluation in the statement of comprehensive income. The reversal of impairment losses recognized in prior years is recorded as part of other income when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased. The reversal of the impairment losses shall not exceed the carrying amount of the asset, net of depreciation or amortization, that would have been determined had no impairment losses been recognized for the asset in prior years.

Trade and Other Payables

Trade and other payables are stated at cost.

Lease Liability

At commencement date, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group's incremental borrowing rates (average interest rates on borrowings with similar term and characteristics to the underlying asset) shall be used.

After commencement date, the Group measures the lease liability by (1) increasing the carrying amount to reflect interest on the lease liability, (2) reducing the carrying amount to reflect the lease payments made and (3) re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Interest on lease liability and variable lease payments not included in the measurement of the lease liability is charged as expense in profit or loss.

Lease fees attributable to short-term lease (not exceeding 12 months from commencement date) and lease of low-value asset (considered based on the physical characteristics of the asset as if the new one) are charged as expense in profit or loss by straight-line basis over the related lease terms.

Sales and leaseback of the asset which the Group (as seller and lessee) has assessed that it is not a sale for financial reporting, the Group continues to recognize the transferred asset as previously done and accounts for the lease liability equal to the amount of proceeds from the transfer of that asset.

Employee Benefits

Short-term benefits

Salaries, wages, bonuses, other welfares and contributions to social security fund are recognized as an expense upon their occurrences and on an accrual basis.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Other long-term benefits

The Group's obligation is other benefit (in cash) of employees in the future based on their services that reached a specified number of years. The benefit is calculated and determined by discounting cash flow to present value by the qualified actuary. Gain or loss on re-measurement is recognized as profit or loss.

Post-employment benefits

Obligations on defined contribution plan which is the provident fund are recognized as an expense in the statement of comprehensive income when contribution to the fund on an accrual basis.

Obligations on post-employment benefits which are defined benefit plan that will be settled to the employees upon retirement or termination are calculated by estimating the amount of future benefits that employees have earned in return for their service in the prior and current periods. The benefits are discounted using the project unit credit method to determine present value of obligations. The calculation is annually performed or at least every three years by the qualified actuary. Expenses from the liability for post-employment benefits comprise past service cost, current service cost and interest cost which are recognized as profit or loss whereas actuarial gain/loss on measurement is recognized as other comprehensive income or loss.

Surplus on Business Combination under Common Control

Business combination under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same persons, group of persons, entity, or group of entities both before and after the business combination, and that control is not transitory.

Unrealized gain or loss on internal restructuring of the entities under common control is the difference between the carrying amounts of the obtained assets and the purchase costs of the assets incurred on internal restructuring of the entity of group of entities under common control whereby such purchase of assets is the combination of the entities under the same shareholders and management. Such unrealized gain or loss is presented as "Surplus on business combination under common control" which is separately presented under other components of equity in the statement of financial position. When the assets relating to surplus on business combination under common control are retired or disposed of, the corresponding surplus on business combination under common control is directly transferred to the unappropriated retained earnings.

Revenue Recognition

Sales are recognized, at a point in time, net of discounts and considerations paid to customer or buyer when delivery has taken place and transfer of risks and rewards of ownership as well as control of goods to the buyer has been completed.

Short-term service income (within 1-2 days) is recognized, at a point in time, when the Group has rendered the services to customer and on an accrual basis.

Interest income (financial income that is not core business) is recognized over time on a time proportion basis that reflects the effective yield on the asset, if significant.

Rental income on operating lease is recognized over time on a straight-line basis over the lease term.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Dividend income is recognized at a point in time on the date the Group's right to receive payments is established which in case of investment in quoted securities is usually the ex-dividend date. Dividends from investment in associate and joint venture are treated as capital return and, therefore, being a deduction to the value of investment accounted for using the equity method.

Other income is recognized on an accrual basis.

Borrowing Costs

Finance costs on liabilities acquired for construction of building and installation of machinery and equipment is capitalized as part of the cost of the asset. The capitalization of such finance costs is ceased when the construction or installation are completed and ready for their intended use.

Expense Recognition

Other expenses are recognized on an accrual basis.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities ("Level 1 inputs"), secondary priority to other observable inputs ("Level 2 inputs"), and the lowest priority to unobservable inputs ("Level 3 inputs").

Financial instruments

Recognition and measurement

Financial assets are initially measured at fair value, plus transaction costs in case of financial assets that are not measured at fair value through profit or loss. Financial assets shall be classified and measured with respect to the business model on asset management and characteristics of the asset's contractual cash flows which is divided into three categories i.e. amortized cost, fair value through other comprehensive income, and fair value through profit or loss. Upon changes in business model on financial asset management are known, the affected financial assets shall be considered for proper reclassification.

Financial liabilities are initially measured at fair value net of transaction costs. Financial liabilities shall be classified and measured at amortized cost except for financial liabilities measured at fair value through profit or loss (such liabilities include derivative liabilities). Reclassification of financial liabilities is prohibited.

Classification and measurement

Assets classified and measured at amortized cost

- Cash and cash equivalents, and restricted deposits at banks
- Trade and other receivables (including refundable advances and deposits or guarantees)
- Loan receivables

Assets classified and measured at fair value through other comprehensive income - none

Assets classified and measured at fair value through profit or loss

- Derivative assets (other receivables)

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Liabilities classified and measured at amortized cost

- Bank overdrafts and short-term borrowings
- Trade payables
- Other payables (including accruals and deposits or guarantees with payment condition)
- Long-term borrowings and debentures
- Lease liabilities

Liabilities classified and measured at fair value through profit or loss

- Derivative liabilities (other payables)

Impairment

Impairment loss from the expected credit loss of financial assets that are not trade receivables and contract assets is recognized under General approach in the following stages:

- Stage 1 (performing): the 12-month expected credit loss is recognized in profit or loss. Interest income (if any) is calculated base on gross carrying amount without netting the allowance for expected credit loss.
- Stage 2 (under-performing): upon significant rise in credit risk and not being at low level, the Group recognizes the full lifetime expected credit loss in profit or loss. Interest income (if any) is calculated based on the same principle to Stage 1.
- Stage 3 (non-performing or credit-impaired): upon significant rise in credit risk of financial asset that is considered as credit impaired, the Group recognizes the full lifetime expected credit loss in profit or loss. Interest income (if any) is calculated base on gross carrying amount net of the allowance for impairment.

For trade receivables and contract assets (e.g. accrued service income), the Group adopts the Simplified approach by recognizing the full lifetime expected credit loss for financial assets considered as aforesaid. In consideration and measurement of expected credit loss for both General approach and Simplified approach, the historical credit loss is combined with the forward looking information pertaining to the assets and significant factors relating to economic environment as deem necessary. For receivables and loan receivables, the Group categorizes the population by focusing on aging balance information whereby the past records were captured for historical credit loss of approximately three years.

Hedge accounting

Hedge accounting is divided into three categories i.e. fair value hedge, cash flows hedge, and hedge of net investment in foreign entity.

Derivative financial instruments are used to manage fair value risk exposed by change in foreign exchange rates arising from operating activities. Derivatives are not intended to use for trading purpose. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments. Derivatives are recognized initially at fair value and then are re-measured at fair value. Gain or loss on re-measurement to fair value is recognized as profit or loss.

The fair value of derivatives is the quoted market price at the statement of financial position date, which is the Level 2 inputs of the fair value hierarchy whereby such price is the present value of the quoted derivative price where market approach was used as valuation technique and core information used in evaluation was the adjusted exchange rates in market to fit for the issued instrument which was computed by bank who was the counterparty.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Provisions

A provision is recognized in the statement of financial position when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Income Tax

Income tax on the profit or loss for the year, which is recognized in the statement of comprehensive income, is current tax and deferred tax.

Current tax

Current tax is the amount of tax payable or recoverable which is calculated from taxable profit or loss for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax

The group is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, at the tax rates that are expected to apply to the period when the deferred tax asset is realized or the tax liability is settled based on tax rates that have been enacted as at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available against which the asset can be utilized. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Loss per Share

Basic loss per share is determined by dividing loss for the year, attributable to owners of the Company, by the weighted average number of common shares outstanding during the year whereas diluted loss per share is determined by dividing the loss for the year, attributable to owners of the Company, by the weighted average number of common shares outstanding during the year after adjusting the effect from dilutive potential common shares.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

4. TRANSACTIONS WITH RELATED PARTIES

Related parties are those parties controlled by the Company or have power control over the Company, directly or indirectly or significant influence, to govern financial and operating policies of the Company.

Types of relationship of related parties are as follows:

<u>Name of Companies / Persons</u>	<u>Type of Business</u>	<u>Type of Relationship</u>
VVD	See detail as discussed in Note 1	Subsidiary
ECF-H	See detail as discussed in Note 1	Subsidiary
ECF-P	See detail as discussed in Note 1	Subsidiary
PNB	See detail as discussed in Note 1	Subsidiary
SOMEWA	See detail as discussed in Note 1	Subsidiary
VVR	See detail as discussed in Note 1	Subsidiary
ECFD	See detail as discussed in Note 1	Joint venture
DI	See detail as discussed in Note 1	Associate
Green Earth Power (Thailand) Co., Ltd.	Holding company in energy business	Associate
GEP (Myanmar) Company Limited (incorporated and operated in Myanmar)	Manufacturing and sales of electricity generated from solar power	Subsidiary of associate and co-directors
Bot Link Co., Ltd.	Purchase and sell all types of robot	Co-director and co-shareholder
Index Living Mall Public Co., Ltd.	Sales of furniture	Directors are spouse
Index Interfurn Co., Ltd.	Manufacturing and sales of furniture	Directors are spouse
Khun Wallop Suksawad	-	Shareholder and director (key management)
Khun Kittiphat Suksawad	-	Shareholder and director (key management)
Khun Pacharatanapong Suksawad	-	Shareholder and director (key management)
Khun Paphatsa Suksawad	-	Shareholder and relative of directors
Khun Waraporn Suksawad	-	Shareholder and relative of directors
General Terdsak Marrome	-	Director (key management)
Khun Montree Socratianurak	-	Director (key management)
Khun Songklod Jarusombuti	-	Director (key management)
Khun Ekarin Vasanasong	-	Director (key management)
Khun Paiboon Aroonprasobsuk	-	Director (key management)
Khun Somporn Chitphantom	-	Director (key management)

Key management is person having authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly, including the Company's director (whether being as executive or otherwise).

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Pricing policies for transactions with related parties are as follows:

Type of Transaction	Pricing Policies
Sales - purchases of inventories	Prices approximated market prices
Interest income / interest expense	Referenced to MOR
Dividend income	Rate announced at the meeting of the investee
Other income	Mutually agreed price
Purchases of raw materials / supplies (if any)	Prices approximated market prices
Purchases - sales of equipment (if any)	Mutually agreed price
Land lease fee (decrease in lease liabilities)	Price approximated market price
Promotion expenses	Price approximated market price
Other service and lease fees	Mutually agreed price
Key management's remunerations	Mutually agreed amount
Guarantee of credit facilities by directors and/or related persons	No guarantee charge between parties

Transactions with related parties for the years ended December 31, 2024 and 2023 are as follows:

	In Thousand Baht			
	Consolidated Financial		Separate Financial Statements	
	2024	2023	2024	2023
Sales of inventories				
Subsidiaries	-	-	146,522	132,234
Joint venture	5,042	-	5,042	-
Related companies	291,388	217,514	274,538	202,351
Total	296,430	217,514	426,102	334,585
Finance income (Interest income)				
Subsidiaries	-	-	449	12
Associate	7,214	9,850	-	-
Related person	-	121	-	121
Total	7,214	9,971	449	133
Other income				
Related company	40	10	40	10
Purchases of inventories				
Subsidiaries	-	-	3,592	1,339
Related companies	5,034	4,732	1,892	210
Total	5,034	4,732	5,484	1,549
Promotion expenses				
Related company	1,445	-	1,445	-
Land lease fee under lease liabilities				
Related person	129	129	129	129
Finance costs (Interest expense)				
Subsidiaries	-	-	5,438	4,783
Joint venture	5	-	5	-
Related persons	4,647	1	4,503	-
Total	4,652	1	9,946	4,783
Key management's remunerations				
Short-term benefits	19,273	18,676	15,913	15,316
Post-employment benefits	1,044	875	730	571
Total	20,317	19,551	16,643	15,887

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Outstanding balances with related parties as at December 31, 2024 and 2023 are as follows:

	In Thousand Baht			
	Consolidated Financial		Separate Financial Statements	
	2024	2023	2024	2023
Trade receivables				
Subsidiaries	-	-	17,812	59,714
Related companies	4,486	65,917	-	60,608
Total	<u>4,486</u>	<u>65,917</u>	<u>17,812</u>	<u>120,322</u>
Other receivables				
Associate	549	837	-	-
Related companies	1,015	-	1,015	-
Total	<u>1,564</u>	<u>837</u>	<u>1,015</u>	<u>-</u>
Short-term loans and interest receivables				
Interest receivables				
Subsidiaries	-	-	449	-
Short-term loans				
Subsidiaries (interest rate at 5.8% p.a. and due at call)	-	-	22,312	-
Associate (interest rate at 10% p.a. and due under mutual agreement attributable to the percentage of shareholding in this associate)	64,800	98,500	-	-
Total	<u>64,800</u>	<u>98,500</u>	<u>22,761</u>	<u>-</u>
Guarantees on construction of power plant project				
Associate	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>-</u>
Trade payables				
Subsidiaries	-	-	1,234	994
Related companies	1,643	1,319	1,250	175
Total	<u>1,643</u>	<u>1,319</u>	<u>2,484</u>	<u>1,169</u>
Other payables				
Subsidiary	-	-	-	5
Associate	780	780	-	-
Related company	21,409	1	21,409	1
Related persons	327	311	21	5
Total	<u>22,516</u>	<u>1,092</u>	<u>21,430</u>	<u>11</u>
Short-term loan and interest payables				
Interest payables				
Subsidiaries	-	-	24,327	18,889
Joint venture	5	-	5	-
Related persons	3,660	263	3,554	262
Short-term loans				
Subsidiaries (interest rate at 5.5% p.a. and 5.8% p.a. and due at call)	-	-	109,526	86,551
Joint venture (interest rate at 5.8% p.a. and due at call)	4,500	-	4,500	-
Related persons (interest rate at 5.8% p.a. and 7.0% p.a. and due at call)	46,961	65,100	44,061	65,000
Total	<u>55,126</u>	<u>65,363</u>	<u>185,973</u>	<u>170,702</u>
Lease liabilities - net (land lease term of 20 years)				
Related person	<u>1,769</u>	<u>1,782</u>	<u>1,769</u>	<u>1,782</u>

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Movements of short-term loans to and from related parties during the year are as follows:

	Consolidated Financial Statements (In Thousand Baht)			December 31, 2024
	January 31, 2024	Movements during the year		
		Increase	Decrease	
Short-term loans to				
Green Earth Power (Thailand) Co., Ltd.	98,500	-	(33,700)	64,800
Short-term loans from				
Joint venture	-	4,500	-	4,500
Director	29,000	40,144	(54,644)	14,500
Relatives of directors	36,100	115,311	(118,950)	32,461
Total	65,100	159,955	(173,594)	51,461
	Separate Financial Statements (In Thousand Baht)			December 31, 2024
	January 31, 2024	Movements during the year		
		Increase	Decrease	
Short-term loans to				
Subsidiaries				
VVD	-	1,000	(1,000)	-
ECF-H	-	22,312	-	22,312
Total	-	23,312	(1,000)	22,312
Short-term loans from				
Subsidiaries				
VVD	-	10,175	-	10,175
ECF-P	74,351	36,300	(25,200)	85,451
PNB	12,200	2,300	(600)	13,900
Total	86,551	48,775	(25,800)	109,526
Joint venture				
ECFD	-	4,500	-	4,500
Related persons				
Director	29,000	20,144	(34,644)	14,500
Relatives of directors	36,000	111,344	(117,783)	29,561
Total	65,000	131,488	(152,427)	44,061

5. TRADE AND OTHER RECEIVABLES

As at December 31, 2024 and 2023, trade receivables classified by outstanding period are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Trade receivables				
<i>Related companies</i>				
Current	4,486	45,984	10,816	87,508
Overdue :				
Not exceeding 3 months	-	19,933	-	19,196
Between 3 months - 6 months	-	-	-	-
Between 6 months - 12 months	-	-	-	80
Over 12 months	-	-	6,996	13,538
Total	4,486	65,917	17,812	120,322

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
<i>Other companies - net</i>				
Current	202,120	314,064	190,626	279,366
Overdue :				
Not exceeding 3 months	84,853	50,587	57,233	36,277
Between 3 months - 6 months	36,719	1,721	26,552	414
Between 6 months - 12 months	38,458	9,469	32,591	7,143
Over 12 months	36,386	28,882	28,744	24,039
Total	398,536	404,723	335,746	347,239
Less Allowance for impairment for expected credit loss	(69,511)	(32,137)	(54,932)	(24,992)
Net	329,025	372,586	280,814	322,247
Non-current portion of trade receivables - net				
Current	28,273	130,429	28,273	130,429
Less Allowance for impairment for expected credit loss	(2,830)	(1,313)	(2,830)	(1,313)
Net	25,443	129,116	25,443	129,116

In 2023, the Company entered into the installment payment agreements with a portion of its trade debtors whereby such debtors were generally overdue between 1 month and 13 months as at the end of 2022. Such debtors have economically suffered from the COVID-19 situation for a while. In order to maintain the payment ability of the debtors as well as preventing the Company from the impact of bad debts, the Company and these debtors, therefore, entered into such agreements with different deals for each debtor. In overall, the monthly installment periods are between 12 months and 36 months with interest charge at 6.6% p.a. As at December 31, 2024 and 2023, the balance with such debtors were summarized below:

	Consolidated and Separate Financial Statements (In Thousand Baht)	
	2024	2023
Current portion - net	161,328	104,950
Non-current portion - net	25,443	129,116
Total	186,771	234,066

As at December 31, 2024 and 2023, the Company discounted, under factoring, its trade receivables amounting to approximately Baht 193.9 million and Baht 227.9 million, respectively (including balance with related parties of approximately Baht 52.4 million and Baht 55.5 million, respectively), with four local financial institutions (under credit facilities totalling Baht 210 million), whereby such financial institutions can take recourse action on the Company amounting to approximately Baht 157.0 million and Baht 195.7 million, respectively. The Company presented such amounts of the obligation under recourse action as “Factoring payables” in statements of financial position.

The credit terms given to customers as per the Group’s policy are 30-90 days.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

As at December 31, 2024 and 2023, other receivables - other parties - net are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
<u>Current portion - net</u>				
Deposits for purchases of raw materials and inventories	43,830	14,982	43,830	14,927
Other receivables *	24,722	7,687	24,622	7,687
Interest receivables	17,796	5,339	9,725	268
Value-added tax receivable	16,200	8,270	14,177	6,003
Prepaid expenses	8,441	9,974	7,914	9,936
Others	6,177	7,715	6,063	7,839
Total	<u>117,166</u>	<u>53,967</u>	<u>106,331</u>	<u>46,660</u>
Less Allowance for impairment for expected credit loss *	<u>(3,997)</u>	<u>(3,997)</u>	<u>(3,997)</u>	<u>(3,997)</u>
Net	<u>113,169</u>	<u>49,970</u>	<u>102,334</u>	<u>42,663</u>
<u>Non-current portion - net</u>				
Other receivables	<u>80,000</u>	<u>-</u>	<u>80,000</u>	<u>-</u>

Other receivables - Deposit for the feasibility study on investment project relating to biomass power plant

This account was originally a deposit for the feasibility study on investment project relating to biomass power plant located in Saga prefecture of Japan totalling Baht 100 million whereby as at December 31, 2023 was presented as “Deposit for investment project” in the statements of financial position. According to the relevant agreement, there is a condition to refund the deposit from the project owner. In 2018 and 2019, the Company paid such deposit amounting to Baht 75 million and Baht 25 million, respectively. Later in November 2024, the Company decided not to invest in such project and entered into agreement to refund the deposit (5 installments) in December 2025 to 2029, with interest bearing at 7.15% p.a. As at December 31, 2024, the balance of current portion and non-current portion (other receivables) amounted to Baht 20 million and Baht 80 million, respectively.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

6. INVENTORIES - NET

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Finished goods	556,939	541,820	555,641	537,092
Work-in-process	508,169	568,735	508,169	568,735
Raw materials	101,195	104,846	101,195	104,846
Factory supplies	78,667	71,136	78,667	71,136
Inventories in transit	-	1,564	-	1,564
Total	<u>1,244,970</u>	<u>1,288,101</u>	<u>1,243,672</u>	<u>1,283,373</u>
Less Allowance for diminution in value for obsolete and slow moving inventories	<u>(80,357)</u>	<u>(58,351)</u>	<u>(79,984)</u>	<u>(58,039)</u>
Net	<u><u>1,164,613</u></u>	<u><u>1,229,750</u></u>	<u><u>1,163,688</u></u>	<u><u>1,225,334</u></u>

As at December 31, 2024 and 2023, written-down amount of inventory cost to net realizable value which was recognized as part of cost of sales in the statements of comprehensive income for the years 2024 and 2023 amounting to approximately Baht 17.4 million and Baht 12.2 million, respectively.

During 2023, the management changed accounting estimates relating to allowance for diminution in value of slow-moving and obsolete inventories. Such change was the increase in loss rate of each inventory age in order that such rate be more aligned with actual and current information that changed from the past. Such change resulted in the increase in loss on diminution in value of inventories in 2023 of approximately Baht 27.9 million, which was presented as part of “Administrative expenses” in the 2023 statements of comprehensive income.

Losses from fire accident

In April 2023, there was a fire accident in a portion of manufacturing area (color-spraying area) of the rubber-wood furniture factory that is the 1st branch, located in Amphur Wangchan, Rayong province. Losses resulted from such fire accident primarily comprised of those mainly pertaining to (1) inventories and (2) plant and equipment with the carrying amounts of approximately Baht 77.92 million and Baht 31.63 million, respectively (totalling approximately Baht 109.55 million). The Company has fire accident insurance policy with a local insurance company of Baht 546.0 million. Later in September 2023, the Company had a conclusion and agreement, in written, with the insurance company that the Company is entitled to receive insurance claim on such fire accident of approximately Baht 93.28 million. The Company, therefore, recognized loss on written-off assets, as mentioned above, net of related insurance claim received in the consolidated and separate statements of comprehensive income for the year 2023 as follows:

	In Thousand Baht
Loss on written-off assets from fire accident	<u>108,549</u>
Cost of dismantlement and relocation of damaged assets	1,000
Insurance claims on fire accident	<u>(93,282)</u>
Net - Other expenses	<u><u>16,267</u></u>

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

7. RESTRICTED DEPOSITS AT BANKS

As at December 31, 2024 and 2023, the Group and the Company collateralized its fixed deposits with five and four local banks, respectively, amounting to approximately Baht 52.3 million and Baht 52.2 million, respectively, in the consolidated financial statements and approximately Baht 47.3 million and Baht 52.2 million, respectively, in the separate financial statements as guarantees for its credit facilities with such banks.

8. INVESTMENT IN SUBSIDIARIES - NET

	Separate Financial Statements					
	Authorized Share Capital (In Thousand Baht)		Percentage of Shareholding, directly and indirectly holdings		Investment Value (In Thousand Baht)	
	2024	2023	2024	2023	2024	2023
<i>Cost method</i>						
VV-Decor Co., Ltd.	1,000	1,000	99.95	99.95	1,000	1,000
ECF Holdings Co., Ltd.	45,000	45,000	94.44	94.44	42,500	42,500
ECF Power Co., Ltd.	909,283	909,283	99.99	99.99	909,282	909,282
Planet Board Co., Ltd.	50,000	50,000	57.00	57.00	7,125	7,125
Somewa Plaza Co., Ltd.	-	2,000	-	75.00	-	1,500
VV Rich Co., Ltd.	1,000	1,000	99.97	99.97	1,000	1,000
Total					960,907	962,407
Less Allowance for impairment					(28,375)	(7,555)
Net					932,532	954,852

During 2024 and 2023, the subsidiaries did not declare any dividends to the shareholders.

During 2024, the management considered business plan of ECFH whereby a portion is about expected future cash flows and found that the carrying amount was less than present value of expected future cash flows. The management, therefore, recorded loss for impairment of investment in ECFH of Baht 21.25 million in the 2024 separate statement of comprehensive income.

During 2024 and 2023, the management considered and determined direction of PNB, and decided not to take any action plan of business for this company. The Company, therefore, recorded loss for impairment of investment in such company of approximately Baht 7.125 million in the 2023 separate statement of comprehensive income. In addition, in 2023, advance received for share subscription from other shareholders of PNB of approximately Baht 25.6 million was reclassified in the consolidated financial statements as previously presented as non-controlling interests to other current financial liabilities (other payables) in respect of the occurrence of obligation for settlement.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Significant financial information of PNB in the financial statements for the years 2024 and 2023 which included non-controlling interests at the proportion of 43% is as follows:

	In Million Baht	
	2024	2023
Current assets	17.2	15.0
Non-current assets	-	4.9
Current liabilities	25.8	25.8
Capital deficiency	8.6	5.9
Other income	0.7	0.7
Loss for the year	2.7	1.9
Total comprehensive loss for the year	2.7	1.9

At the extraordinary shareholders' meeting of SMW No. 1/2024 on August 19, 2024, there was a unanimous special resolution to liquidate the company due to the current economic situation where the subsidiary's business is not successful. SMW was registered for its liquidation with the Department of Business Development, Ministry of Commerce on August 30, 2024. SMW has not yet started its ordinary activities since incorporation date. As at the registration date of liquidation, control of the Company as the parent ceased. Thus, the consolidated statement of financial position as at December 31, 2024 was no longer included assets and liabilities of the subsidiary whereby the operating result of the subsidiary which mainly was general operating expenses was included in the consolidated statement of comprehensive income for the period January 1, 2024 to August 30, 2024 (the registration date of liquidation). The liquidation was completed on November 14, 2024 and in progress to return investment to shareholders. Such investment of approximately Baht 1,006 thousand (net of allowance for impairment by Baht 430 thousand), was reclassified to present as "Other receivables" in the consolidated and separate statements of financial position as at December 31, 2024. During 2024, loss on measurement of fair value amounting to approximately Baht 64 thousand was recognized and presented as part of "Administrative expenses" in the consolidated and separate statements of comprehensive income.

Significant financial information of SMW in the financial statements as at August 30, 2024

	In Thousand Baht
Total assets	1,387
Total liabilities	46
Shareholders' equity - net	1,341
Net loss	81

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

9. INVESTMENT IN ASSOCIATE AND JOINT VENTURE

	In Thousand Baht							
	Percentage of Shareholding		Authorized Share Capital		Investment Value At Equity Method in Consolidated Financial Statements		Investment Value At Cost Method in Separate Financial Statements	
	2024	2023	2024	2023	2024	2023	2024	2023
<i>Investment in associate - shareholding by ECF-P</i>								
Green Earth Power (Thailand) Co., Ltd. (“GEP”)	20.00	20.00	2,252,716	2,252,716	894,896	877,549	-	-
<i>Investment in associate - shareholding by ECF</i>								
Digital Identity Co., Ltd. (“DI”)	24.99	24.99	1,000	-	327	-	250	-
<i>Investment in joint venture - shareholding by ECF</i>								
ECF Design Co., Ltd. (“ECFD”)	51.00	51.00	7,000	7,000	2,850	3,215	3,570	3,570
Total					898,073	880,764	3,820	3,570

Share of profit and other comprehensive loss from GEP for the year 2024 amounted to approximately Baht 19.6 million and Baht 2.3 million, respectively. Share of profit and other comprehensive loss from GEP for the year 2023 amounted to approximately Baht 17.0 million and Baht 5.3 million, respectively.

GEP holds the entire shares of its subsidiary, i.e. GEP (Myanmar) Company Limited (“GEPM”), whereby GEP is engaged as a holding and management company in the 220-megawatt solar power plant project (divided into 4 phases) of GEPM which is located in Minbu province, Myanmar. As at December 31, 2024, the major shareholders of GEP were (1) Scan Inter Public Company Limited 40%, (2) ECF-P 20%, (3) Meta Corporation Public Company Limited 12%, (4) Meta Carbon Company Limited 11.5%, and (5) the subsidiaries of AKS Corporation Public Company Limited 11.5%.

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

ECF-P has placed the guarantee for construction of the solar power plant of its associate amounting to Baht 20.0 million which is refundable upon completion of construction of the solar power plant (all four phases). Such guarantee was presented as part of "Deposits and guarantees" in the consolidated statements of financial position as at December 31, 2024 and 2023.

ECF-P has used its 4,505,433 share certificates (the entire shares invested) of investment in GEP as guarantee for payments of construction costs of the solar power plant project in Myanmar of GEPM to two subsidiaries of Meta Corporation Public Company Limited who are the construction contractors. This guarantee shall be continued until the payments for construction works of such project are completed.

Significant financial information of GEP for the years 2024 and 2023 is as follows:

	In Million Baht	
	2024	2023
Current assets (including other subscription receivables)	269.3	265.6
Non-current assets	3,956.8	4,570.3
Current liabilities	578.0	2,103.4
Non-current liabilities	985.3	156.5
Core revenues	313.6	334.0
Profit for the year	98.2	90.8
Total comprehensive income for the year	86.7	64.3
Shareholders' equity (not deducting other subscription receivables)	2,662.8	2,576.0
The Group's interest at the investment proportion	532.5	515.2
Purchase price of investment in excess of the Group's interest	362.4	362.4
Carrying amount of investment in which equity method is applied	894.9	877.6

In November 2024, ECF invested in another associate, Digital Identity Co., Ltd. ("DI"), which was approved by the Board of Directors' Meeting No. 7/2024 on November 7, 2024. DI was incorporated on November 13, 2024 with issued and paid-up capital of Baht 1 million in order to conduct business in rendering identity verification services for both Thais and foreigners. ECF co-invested in DI with a local non-related company whereby ECF has shareholding of 24.99% in DI.

Share of profit from DI for the year 2024 amounted to approximately Baht 77 thousand.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Significant financial information of DI for the year 2024 as follows:

	2024 (In Thousand Baht)
Current assets	1,521
Current liabilities	214
Revenues	500
Profit for the year / Total comprehensive income for the year	307
Shareholders' equity	<u>1,307</u>
The Group's interest at the investment proportion	<u>327</u>
Carrying amount of investment in which equity method is applied	<u><u>327</u></u>

On July 27, 2023, ECFD was established as venture company in the form of joint venture between the Company (at investment proportion of 51%) and the business alliance which is a private company from United States of America (at investment proportion of 49%), with the registered and paid-up share capital of Baht 7 million in order to conduct its business relating to purchase of furniture goods from the Company and export for sales in the international market. The joint venture agreement between both parties for ECFD as well as the ECFD's company regulations feature substance that both parties jointly control and manage ECFD under consensus from both parties. Such joint venture was approved by the Board of Directors' meeting on April 7, 2023.

Share of loss from ECFD for the years 2024 and 2023 amounted to approximately Baht 365 thousand and Baht 355 thousand, respectively.

Significant financial information of ECFD for the year 2024 and 2023 are as follows:

	In Thousand Baht	
	<u>2024</u>	<u>2023</u>
Current assets	5,646	6,364
Current liabilities	57	59
Core revenues	5,723	-
Loss for the year / Total comprehensive loss for the year	716	695
Shareholders' equity	<u>5,589</u>	<u>6,305</u>
The Company's interest at the investment proportion	<u>2,850</u>	<u>3,215</u>
Carrying amount of investment in which equity method is applied	<u><u>2,850</u></u>	<u><u>3,215</u></u>

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

10. PROPERTY, PLANT AND EQUIPMENT - NET

	Consolidated Financial Statements (In Thousand Baht)				Ending Balance as at December 31, 2024
	Beginning Balance as at January 1, 2024	Movements During the Year			
		Addition	Deduction	Transfer	
Cost					
Land	217,538	-	-	-	217,538
Land improvement	51,696	3,788	-	27,150	82,634
Building	258,356	-	-	-	258,356
Building improvement	137,138	17,067	-	81,001	235,206
Machinery and equipment	373,922	7,215	46,929	43,477	377,685
Electric system	18,678	-	-	16,524	35,202
Furniture, fixtures and office equipment	22,956	508	176	-	23,288
Vehicle	54,017	-	4,586	1,615	51,046
Utilities	3,897	-	-	-	3,897
Construction in progress and machinery under installation	232,305	71,904	7,138	(173,953)	123,118
Total Cost	<u>1,370,503</u>	<u>100,482</u>	<u>58,829</u>	<u>(4,186)</u>	<u>1,407,970</u>
Accumulated Depreciation					
Land improvement	13,504	2,138	-	-	15,642
Building	87,071	12,218	-	-	99,289
Building improvement	36,437	7,253	-	-	43,690
Machinery and equipment	324,005	9,580	46,819	(153)	286,613
Electric system	6,139	1,551	-	-	7,690
Furniture, fixtures and office equipment	18,552	875	176	-	19,251
Vehicle	53,910	350	4,586	1,297	50,971
Utilities	3,897	-	-	-	3,897
Total Accumulated Depreciation	<u>543,515</u>	<u>33,965</u>	<u>51,581</u>	<u>1,144</u>	<u>527,043</u>
Allowance for Impairment					
Buildings and building improvement	2,527	-	-	-	2,527
Machinery and equipment	5,132	-	2,200	-	2,932
Total Allowance for Impairment	<u>7,659</u>	<u>-</u>	<u>2,200</u>	<u>-</u>	<u>5,459</u>
Net	<u>819,329</u>				<u>875,468</u>

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

	Separate Financial Statements (In Thousand Baht)				Ending Balance as at December 31, 2024
	Beginning Balance as at January 1, 2024	Movements During the Year			
		Addition	Deduction	Transfer	
Cost					
Land	217,538	-	-	-	217,538
Land improvement	51,696	3,788	-	27,150	82,634
Building	258,356	-	-	-	258,356
Building improvement	137,138	17,067	-	81,001	235,206
Machinery and equipment	373,922	7,215	46,929	43,477	377,685
Electric system	18,678	-	-	16,524	35,202
Furniture, fixtures and office equipment	22,279	464	176	-	22,567
Vehicle	54,017	-	4,586	1,615	51,046
Utilities	3,897	-	-	-	3,897
Construction in progress and machinery under installation	224,232	71,904	-	(173,953)	122,183
Total Cost	<u>1,361,753</u>	<u>100,438</u>	<u>51,691</u>	<u>(4,186)</u>	<u>1,406,314</u>
Accumulated Depreciation					
Land improvement	13,504	2,138	-	-	15,642
Building	87,071	12,218	-	-	99,289
Building improvement	36,437	7,253	-	-	43,690
Machinery and equipment	324,005	9,580	46,819	(153)	286,613
Electric system	6,139	1,551	-	-	7,690
Furniture, fixtures and office equipment	17,910	851	176	-	18,585
Vehicle	53,910	350	4,586	1,297	50,971
Utilities	3,897	-	-	-	3,897
Total Accumulated Depreciation	<u>542,873</u>	<u>33,941</u>	<u>51,581</u>	<u>1,144</u>	<u>526,377</u>
Allowance for Impairment					
Buildings and building improvement	2,527	-	-	-	2,527
Machinery and equipment	2,932	-	-	-	2,932
Total Allowance for Impairment	<u>5,459</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,459</u>
Net	<u>813,421</u>				<u>874,478</u>

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Consolidated Financial Statements (In Thousand Baht)					
	Beginning Balance as at January 1, 2023	Movements During the Year			Ending Balance as at December 31, 2023
		Addition	Deduction	Transfer	
Cost					
Land	217,538	-	-	-	217,538
Land improvement	41,097	-	4,334	14,933	51,696
Building	208,211	-	20,821	70,966	258,356
Building improvement	72,535	2,913	5,400	67,090	137,138
Machinery and equipment	372,917	4,829	3,831	7	373,922
Electric system	50,035	-	12,632	(18,725)	18,678
Furniture, fixtures and office equipment	20,235	2,963	242	-	22,956
Vehicle	54,017	-	-	-	54,017
Utilities	3,897	-	-	-	3,897
Construction in progress and machinery under installation	209,727	194,561	-	(171,983)	232,305
Total Cost	<u>1,250,209</u>	<u>205,266</u>	<u>47,260</u>	<u>(37,712)</u>	<u>1,370,503</u>
Accumulated Depreciation					
Land improvement	11,681	2,123	300	-	13,504
Building	88,904	8,945	10,778	-	87,071
Building improvement	30,202	6,571	336	-	36,437
Machinery and equipment	316,906	10,667	3,568	-	324,005
Electric system	18,059	4,880	1,420	(15,380)	6,139
Furniture, fixtures and office equipment	17,794	982	224	-	18,552
Vehicle	53,697	213	-	-	53,910
Utilities	3,897	-	-	-	3,897
Total Accumulated Depreciation	<u>541,140</u>	<u>34,381</u>	<u>16,626</u>	<u>(15,380)</u>	<u>543,515</u>
Allowance for Impairment					
Buildings and building improvement	2,527	-	-	-	2,527
Machinery and equipment	2,932	2,200	-	-	5,132
Total Allowance for Impairment	<u>5,459</u>	<u>2,200</u>	<u>-</u>	<u>-</u>	<u>7,659</u>
Net	<u>703,610</u>				<u>819,329</u>

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

	Separate Financial Statements (In Thousand Baht)				Ending Balance as at December 31, 2023
	Beginning Balance as at January 1, 2023	Movements During the Year			
		Addition	Deduction	Transfer	
Cost					
Land	217,538	-	-	-	217,538
Land improvement	41,097	-	4,334	14,933	51,696
Building	208,211	-	20,821	70,966	258,356
Building improvement	72,535	2,913	5,400	67,090	137,138
Machinery and equipment	372,917	4,829	3,831	7	373,922
Electric system	50,035	-	12,632	(18,725)	18,678
Furniture, fixtures and office equipment	19,558	2,963	242	-	22,279
Vehicle	54,017	-	-	-	54,017
Utilities	3,897	-	-	-	3,897
Construction in progress and machinery under installation	201,756	194,459	-	(171,983)	224,232
Total Cost	<u>1,241,561</u>	<u>205,164</u>	<u>47,260</u>	<u>(37,712)</u>	<u>1,361,753</u>
Accumulated Depreciation					
Land improvement	11,681	2,123	300	-	13,504
Building	88,904	8,945	10,778	-	87,071
Building improvement	30,202	6,571	336	-	36,437
Machinery and equipment	316,906	10,667	3,568	-	324,005
Electric system	18,059	4,880	1,420	(15,380)	6,139
Furniture, fixtures and office equipment	17,174	960	224	-	17,910
Vehicle	53,697	213	-	-	53,910
Utilities	3,897	-	-	-	3,897
Total Accumulated Depreciation	<u>540,520</u>	<u>34,359</u>	<u>16,626</u>	<u>(15,380)</u>	<u>542,873</u>
Allowance for Impairment					
Buildings and building improvement	2,527	-	-	-	2,527
Machinery and equipment	2,932	-	-	-	2,932
Total Allowance for Impairment	<u>5,459</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,459</u>
Net	<u>695,582</u>				<u>813,421</u>

In 2023, the subsidiary (PNB) had certain power equipment that was not used (at cost of approximately Baht 7.1 million) whereby the management considered its fair value (cost approach) less cost of disposal and noted the impairment of approximately Baht 2.2 million. Such loss was, therefore, recognized and presented as part of “Administrative expenses” in the 2023 consolidated statement of comprehensive income. Subsequently in 2024, the Company sold such power equipment of approximately Baht 1.9 million and, therefore, the aforesaid impairment was reversed of Baht 2.2 million, which was recognized and presented as a deduction in “Administrative expenses” in the 2024 consolidated statement of comprehensive income.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

As at December 31, 2024 and 2023, the Company's land, building and building improvement, machinery and equipment of which carrying amount totalling approximately Baht 560.7 million and Baht 574.9 million, respectively, were used as guarantees for the credit facilities with financial institutions and other person (see Notes 13, 15 and 16).

As at December 31, 2024 and 2023, cost of the Company's building and building improvement and equipment which have been fully depreciated but still in use amounting to approximately Baht 350.3 million and Baht 380.5 million, respectively.

Depreciation of plant and equipment for 2024 amounted to approximately Baht 33.9 million in the consolidated and separate financial statements whereas for 2023 amounted to approximately Baht 34.4 million in the consolidated and separate financial statements.

11. RIGHT-OF-USE ASSETS - NET

	Consolidated and Separate Financial Statements (In Thousand Baht)				Balance as at December 31, 2024
	Balance as at January 1, 2024	Movements During the Year			
		Increase	Decrease	Transfer	
Land and building					
Cost	4,461	3,528	(3,528)	-	4,461
Accumulated depreciation	(683)	(2,533)	1,555	-	(1,661)
Net	<u>3,778</u>				<u>2,800</u>
Vehicles and equipment					
Cost	84,741	1,993	(364)	4,186	90,556
Accumulated depreciation	(50,692)	(6,796)	364	1,144	(55,980)
Net	<u>34,049</u>				<u>34,576</u>
Total	<u>37,827</u>				<u>37,376</u>

	Consolidated and Separate Financial Statements (In Thousand Baht)				Balance as at December 31, 2023
	Balance as at January 1, 2023	Movements During the Year			
		Increase	Decrease	Transfer	
Land and building					
Cost	-	4,461	-	-	4,461
Accumulated depreciation	-	(683)	-	-	(683)
Net	<u>-</u>				<u>3,778</u>
Vehicles and equipment					
Cost	45,584	1,969	(437)	37,625	84,741
Accumulated depreciation	(31,044)	(4,705)	437	(15,380)	(50,692)
Net	<u>14,540</u>				<u>34,049</u>
Total	<u>14,540</u>				<u>37,827</u>

Depreciation for the years 2024 and 2023 amounted to approximately Baht 9.3 million and Baht 5.4 million, respectively.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

12. INTANGIBLE ASSETS - NET

Consolidated Financial Statements (In Thousand Baht)					
	Beginning Balance as at January 1, 2024	Movements During the Year			Ending Balance as at December 31, 2024
		Addition	Deduction	Transfer	
Cost	13,433	-	-	-	13,433
Accumulated amortization	(10,718)	(681)	-	-	(11,399)
Net	<u>2,715</u>				<u>2,034</u>

Separate Financial Statements (In Thousand Baht)					
	Beginning Balance as at January 1, 2024	Movements During the Year			Ending Balance as at December 31, 2024
		Addition	Deduction	Transfer	
Cost	13,180	-	-	-	13,180
Accumulated amortization	(10,537)	(663)	-	-	(11,200)
Net	<u>2,643</u>				<u>1,980</u>

Consolidated Financial Statements (In Thousand Baht)					
	Beginning Balance as at January 1, 2023	Movements During the Year			Ending Balance as at December 31, 2023
		Addition	Deduction	Transfer	
Cost	11,280	2,153	-	-	13,433
Accumulated amortization	(10,330)	(388)	-	-	(10,718)
Net	<u>950</u>				<u>2,715</u>

Separate Financial Statements (In Thousand Baht)					
	Beginning Balance as at January 1, 2023	Movements During the Year			Ending Balance as at December 31, 2023
		Addition	Deduction	Transfer	
Cost	11,087	2,093	-	-	13,180
Accumulated amortization	(10,169)	(368)	-	-	(10,537)
Net	<u>918</u>				<u>2,643</u>

Amortization for the years 2024 and 2023 amounted to approximately Baht 0.7 million and Baht 0.4 million, respectively, which was presented as part of “Administrative expenses” in statements of comprehensive income.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

13. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Bank overdrafts	158,742	53,356	138,874	53,356
Loans under packing credits	279,660	293,880	279,660	293,880
Loans under promissory notes	300,398	294,487	300,398	294,487
Loans under trust receipts	6,923	3,896	6,923	3,896
Total	745,723	645,619	725,855	645,619

As at December 31, 2024 and 2023, the Company had overdraft lines with four local banks totalling Baht 74 million and Baht 60 million, respectively, which bear interest at Minimum Overdraft Rate.

As at December 31, 2024 and 2023, the Company had packing credit facilities with three and four local banks totalling Baht 130 million and Baht 293 million, respectively, which bear interest rates referenced to Minimum Loan Rate.

As at December 31, 2024 and 2023, the Company had promissory note facilities with three and four local banks totalling Baht 308 million and Baht 377 million, respectively, which bear interest ranging between 5.42% and 7.27% p.a. in 2024 and between 5.50% and 6.77% p.a. in 2023.

As at December 31, 2024 and 2023, the Company had trust receipt facilities with three local banks totalling Baht 193 million and Baht 98 million, respectively, which bear interest rates referenced to Minimum Loan Rate. Trust receipt facilities can be used together with overdraft facilities, packing credit facilities and promissory note facilities.

The abovementioned credit facilities are guaranteed by certain directors and relatives of directors of the Company as well as their land and fixed deposits, the Company's fixed deposits as discussed in Note 7, and the Company's land, buildings, machinery and equipment as discussed in Note 10.

14. OTHER PAYABLES - OTHER PARTIES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Other payables	45,783	39,832	37,858	33,815
Advance received for share subscription awaiting repayment	25,613	25,613	-	-
Accrued interest	17,174	13,101	16,649	12,462
Accrued advertising and sales promotion expenses	15,273	25,015	15,273	25,015
Advances from customers	10,341	8,198	5,432	5,512
Accrued salary, wage, and welfares	9,121	4,534	9,081	4,494
Accrued electricity	2,455	3,885	2,455	3,885
Accrued sales discount	2,400	4,482	2,400	4,482
Others	6,443	7,237	4,024	4,956
Total	134,603	131,897	93,172	94,621

During 2024 and 2023, the Group transferred beginning advances from customers to revenue from sales due to goods were delivered to customers in consolidated financial statements amounting to approximately Baht 3.9 million and Baht 1.6 million, respectively, and in separate financial statements amounting to approximately Baht 1.4 million and Baht 1.6 million, respectively.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

15. SHORT-TERM AND LONG-TERM LOANS FROM OTHER PARTIES

As at December 31, 2024, this account represented short-term loans under loan agreements whereby a portion of the balance presented in the consolidated financial statements amounting to Baht 19.7 million was secured by the Company's common shares of totalling 10.6 million shares held by two directors and a relative of such two directors. A portion of the balance presented in the consolidated financial statements amounting to Baht 200 million was secured by a subsidiary's common shares of totalling 40 million shares held by the Company. These loans were made by the Company and a subsidiary with non-related persons and bear interest ranging between 5.0% p.a. and 15.0% p.a., which have maturities not exceeding nine months. The long-term loan under loan agreement presented in the consolidated and separate financial statements of Baht 30.0 million bear interest at 5% p.a. with maturity of two years from the agreement date and is secured by two plots of the Company's land.

As at December 31, 2023, this account represented short-term loans under loan agreements whereby a portion of the balance presented in the consolidated financial statements amounting to Baht 40 million was secured by the Company's common shares of totalling 22.4 million shares held by two directors and a relative of such two directors. These loans were made by the Company and a subsidiary with several non-related persons between April and December 2023. These loans bear interest ranging between 7% p.a. and 8% p.a. which have maturities not exceeding nine months.

16. LONG-TERM BORROWINGS

As at December 31, 2024 and 2023 the Company had long-term borrowings from four and three local banks, respectively, which comprised of:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
1) Loans under facilities of Baht 80 million, repayable monthly until June 2026, bear interest rate referenced to Minimum Loan Rate	31,359	44,615	31,359	44,615
2) Loans under facilities of Baht 105 million, repayable monthly until December 2027, bear interest rate referenced to Minimum Loan Rate	39,126	60,330	39,126	60,330
3) Loans under facilities of Baht 30 million, repayable monthly until July 2026, bear interest ranging between 2% and 7% p.a.	30,000	30,000	30,000	30,000
4) Loans under facilities of Baht 15.11 million, repayable monthly until August 2035, bear interest ranging between 0% and 8% p.a.	14,238	-	-	-
Total	114,723	134,945	100,485	134,945
Less Current portion	(39,449)	(37,782)	(38,386)	(37,782)
Net	<u>75,274</u>	<u>97,163</u>	<u>62,099</u>	<u>97,163</u>

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

The above long-term loans have guarantees as discussed in Note 10. The aforesaid loans 3) are guaranteed by the Company's two directors and Thai Credit Guarantee Corporation (TCG) while the loans 4) are secured by cash which the subsidiary has deposited with the lender of Baht 4.97 million, which was presented as part of "Restricted deposits at banks" in the consolidated statement of financial position as at December 31, 2024 and guaranteed by the Company and the Company's three directors.

In addition, the Company must comply with certain loan covenants and undertakings as well as waivers e.g. maintaining Debt Service Coverage Ratio, Debt-to-Equity Ratio, and Current Ratio, etc. As at December 31, 2024, the Company violated certain financial ratios related to long-term loans with a local bank. Notwithstanding, on December 19, 2024, the Company obtained written waivers to maintain such financial ratios from the bank.

17. DEBENTURES

	Consolidated and Separate Financial Statements (In Thousand Baht)	
	2024	2023
Debentures	986,025	1,206,500
Less Deferred direct transaction costs on debenture issuance and extension	(5,975)	(9,595)
Net	980,050	1,196,905
Less Due for payments within one year	(879,409)	(606,042)
Net	<u>100,641</u>	<u>590,863</u>

Direct transaction costs on debenture issuance and extension were debenture issuance costs, which were recorded as deferred item and systematically amortized on straight-line method as part of finance costs over the term of related debentures.

As at December 31, 2024 and 2023, such debentures had fair values of approximately Baht 985.3 million and Baht 1,201.6 million, respectively. Fair value of 2023 is the level 2 inputs of the fair value hierarchy which was the price announced and referenced by the Thai Bond Market Association. Fair value of 2024 of Baht 595.1 million is the level 2 inputs of the fair value hierarchy which was the price announced and referenced by the Thai Bond Market Association and of Baht 390.2 million is the level 3 inputs of the fair value hierarchy which was discounted cash flows estimated by independent external specialist company. Key assumption for such estimate was discount rate of 7.42% whereby the aforesaid fair value will decrease or increase of approximately Baht 3.3 million or Baht 3.4 million if the discount rate increases or decreases by 1%, respectively.

As at the end of 2024, the Company had current portion of debentures totalling Baht 883.3 million whereby the management has been managing and determining the appropriate and sufficient measures for serving the redemption of such debentures or compromising with the debenture holders for certain conditions.

The outstanding debentures as at December 31, 2024 and 2023 consisted of:

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Consolidated and Separate Financial Statements

Debentures	Issued Date	Maturity Date	Secured Type	Interest Rate per Annum (%)	Term (Years)	Number of Units	In Thousand Baht	
							December 31, 2024	December 31, 2023
ECF246A*	June 9, 2022	June 9, 2024 and 2025*	Unsecured	7.15 and 7.40*	3.00*	409,500*	389,025*	409,500
ECF256A	June 9, 2022	June 9, 2025	Unsecured	7.30	3.00	240,500	240,500	240,500
ECF245A	May 11, 2023	May 11, 2024	Unsecured	6.85	-	200,000	-	200,000
ECF255A	May 11, 2023	May 11, 2025	Unsecured	7.05	2.00	74,800	74,800	74,800
ECF265A	May 11, 2023	May 11, 2026	Unsecured	7.15	3.00	25,200	25,200	25,200
ECF255B	November 17, 2023	May 17, 2025	Secured	7.30	1.50	179,000	179,000	179,000
ECF262A	November 17, 2023	February 17, 2026	Secured	7.60	2.25	28,000	28,000	28,000
ECF28NA	November 17, 2023	November 17, 2028	Secured	7.30 to 9.00	5.01	49,500	49,500	49,500
							<u>986,025</u>	<u>1,206,500</u>

The Company limitedly issued and offered the registered, unsubordinated debentures to the institutional investors or high net worth investors, whereby face value of debentures is Baht 1,000 per unit, except outstanding face value of ECF246A is Baht 950 per unit (see explanation *), interest is payable on a quarterly basis and the debentures have significant conditions which include maintaining Debt-to-Equity ratio at the rate not exceeding 4:1, and ECF255B, ECF262A and ECF28NA were secured by the common shares of ECF-P which were held by ECF of 18,788,168 shares, 2,938,932 shares and 5,195,611 shares, respectively.

* On April 30, 2024, the Company had the Debenture Holders' Meeting for ECF246A whereby the resolution approved the extension of ECF246A's maturity date for 1 year and revision of the redemption date from June 9, 2024 to June 9, 2025 and approved partial repayment of principal to debenture holders by reducing the par value per unit at the total amount of 5% of the debentures principal as of its issuance date, calculating as a total principal repayment of Baht 20,475,000 which shall be paid on June 9, 2024 (the former maturity date) and the entire remaining principal amount will be repaid on June 9, 2025 which is the extended maturity date as requested, and approved the amendment of the interest rate of the debentures from 7.15% p.a. to 7.40% p.a., to be calculated from June 9, 2024 to (but excluding) June 9, 2025 which is the extended maturity date as requested, as well as approved the amendment of terms and conditions, debenture's certificate, debenture's name, and any related documents of the debentures to be in line with the aforesaid amendments.

EAST COAST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2023 and 2022

18. LEASE LIABILITIES

	Consolidated and Separate Financial Statements (In Thousand Baht)			Balance as at December 31, 2024
	Balance as at January 1, 2024	Movements During the Year		
		Increase	Decrease	
Land and Building	3,890	3,528	4,414	3,004
Vehicles and equipment	24,453	6,205	12,409	18,249
Total	28,343	9,733	16,823	21,253

	Consolidated and Separate Financial Statements (In Thousand Baht)			Balance as at December 31, 2023
	Balance as at January 1, 2023	Movements During the Year		
		Increase	Decrease	
Land and Building	-	4,460	570	3,890
Vehicles and equipment	14,064	17,954	7,565	24,453
Total	14,064	22,414	8,135	28,343

	Consolidated and Separate Financial Statements (In Thousand Baht)	
	2024	2023
Lease liabilities		
- Due for payments within one year	11,269	14,628
- Due for payments between 2-5 years	10,669	15,334
- Due for payments exceeding 5 years	2,467	2,623
Total	24,405	32,585
Less Deferred interest	(3,152)	(4,242)
Lease liabilities - net of deferred interest	21,253	28,343
Less Current portion	(10,069)	(14,309)
Net	11,184	14,034

Decrease in lease liabilities during 2024 (mainly) and 2023 (entirely) pertained to lease payments as scheduled.

Amortized interest, which was presented as part of “Finance costs” in statements of comprehensive income for years 2024 and 2023, amounted to approximately Baht 2.1 million and Baht 1.3 million, respectively.

The Company had lease/hire purchase agreements for its vehicles and equipment and sales and leaseback agreement for its equipment with seven local leasing companies for the periods of 24, 36 and 48 months whereby such agreements will end during 2024 to 2027 and interest rates were at 4.0%-9.1% p.a.

The Company had land lease agreement for warehouse construction with a director of the Company for the period of 20 years whereby such agreement will end in 2043 and interest rate was 6.5% p.a.

The Company had building lease agreement for being its warehouse with a local company for the period of 24 and 36 months whereby such agreement will end in 2026 and interest rate was at 8.3% and 5.1% p.a.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

During 2024, the Company terminated land lease for being its warehouse with a local company because the Company decided to move its goods to its warehouse in Rayong province. The aforesaid termination of lease resulted in derecognition and elimination of related lease liabilities and right-of-use assets amounting to approximately Baht 2.05 million and Baht 1.97 million, respectively, with gain on termination of lease of approximately Baht 0.08 million which was presented as part of “Other income” in 2024.

19. LIABILITY FOR EMPLOYEE BENEFITS

The Company has obligations on the provisions for post-employment benefits and obligations for other long-term benefits from services of employees that reached a specified number of years, which were latest reassessed and computed by the qualified actuary near the end of 2024. Movements of such provisions for the years ended December 31, 2024 and 2023 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Balance as at January 1	17,483	16,266	16,036	15,063
Current service cost	4,284	1,508	3,665	1,124
Interest cost	487	345	438	312
Expense recognized as profit or loss in statements of comprehensive income	4,771	1,853	4,103	1,436
Actuarial loss (gain) on re-measurement	838	(636)	904	(463)
Employee benefits paid during the year	(576)	-	(576)	-
Balance as at December 31	22,516	17,483	20,467	16,036

Significant assumptions used in calculation of liability for employee benefits are as follows:

Discount rate	2.20% and 2.28% p.a. in 2024 and 2.65% p.a. in 2023 for the parent 2.10% - 2.81% p.a. in 2024 and 2.52% - 3.16% p.a. in 2023 for subsidiaries
Salary escalation rate	3% p.a. in 2024 and 2023 for the parent 4% p.a. in 2024 and 5% p.a. in 2023 for subsidiaries
Employee turnover rate	8% - 40% p.a. in 2024 and 2023 for the parent 2% - 23% p.a. in 2024 and 2023 for subsidiaries

Actuarial gain (loss) on re-measurement comprised of:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Experience adjustment	490	(518)	518	(337)
Changes in financial assumptions	348	(118)	386	(126)
Total	838	(636)	904	(463)
Effects from income tax	(168)	100	(181)	93
Net	670	(536)	723	(370)

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

The abovementioned changes in significant assumptions may affect the sensitivity of the provision for employee benefits in respect of information as per calculation report of the qualified actuary as follows:

Significant Assumptions - Consolidated Financial Statements	Liability may increase (decrease) from changes in assumptions (In Thousand Baht)	
	If assumption increased	If assumption decreased
Discount rate (increase/decrease by 1%)	(1,287)	1,437
Salary escalation rate (increase/decrease by 1%)	1,273	(1,163)
Employee turnover rate (increase/decrease by 20%)	(2,011)	2,352
Significant Assumptions - Separate Financial Statements		
Discount rate (increase/decrease by 1%)	(1,134)	1,260
Salary escalation rate (increase/decrease by 1%)	1,122	(1,030)
Employee turnover rate (increase/decrease by 20%)	(1,905)	2,227

The weighted average maturities of the abovementioned provisions in 2024 and 2023 were approximately 7.3 years and 6.6 years, respectively, in the consolidated financial statements and 7.0 years and 6.3 years, respectively, in the separate financial statements.

20. SHARE CAPITAL AND WARRANTS

Share Capital

Par Value (In Baht)	In Thousand Shares / In Thousand Baht				
	2024		2023		
	No. of Share	At Par Value	No. of Share	At Par Value	
Authorized share capital					
As at December 31					
- Common shares	0.25	1,439,258	359,815	1,151,385	287,846
Issued and paid-up shares as at January 1					
- Common shares	0.25	959,506	239,876	959,488	239,872
Exercise of warrants	0.25	-	-	18	4
As at December 31					
- Common shares	0.25	959,506	239,876	959,506	239,876

At the extraordinary general shareholders' meeting on July 11, 2024, the shareholders passed the resolutions to approve (a) decrease in the Company's authorized share capital of Baht 47,969,865 (by eliminating the unissued 191,879,460 common shares, Baht 0.25 par value) from previously Baht 287,846,277 to Baht 239,876,412, divided into 959,505,648 common shares, Baht 0.25 par value, and (b) increase in the Company's authorized share capital of Baht 119,938,206 (from previously Baht 239,876,412 to Baht 359,814,618), which is additional common shares 479,752,824 common shares, Baht 0.25 par value. Such incremental common shares shall be appropriated to support the issuance of free ECF-W5 warrants of 479,752,824 units as aforesaid. The Company registered the decrease and increase in authorized share capital with the Ministry of Commerce on July 18, 2024 and July 19, 2024, respectively.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Warrants

On June 2, 2021, the Company issued and offered 191,894,988 units of free warrants (“ECF-W4”) to existing shareholders for purchase of incremental shares on the basis of 5 common shares for 1 unit of warrant. Terms of the warrants are as follows:

Exercise ratio	1 unit of warrant to purchase 1 incremental common share
Exercise price	Baht 2 per share
Exercise period	The warrants shall be exercisable with the first exercise date on July 20, 2021 and other 9 times, i.e. the 20th of November 2021, March, July, November 2022, March, July, November 2023, March 2024 and the last exercise date is June 2, 2024.
Term of warrants	3 years from the date on which warrants are issued to shareholders

Later on June 21, 2021, the Stock Exchange of Thailand has granted the Company’s ECF-W4 warrants 191,894,988 units as listed securities and has permitted such warrants to be traded on the Market for Alternative Investment since June 22, 2021. Details of the exercised ECF-W4 warrants are as follows:

<u>Exercise Date</u>	<u>Number of warrants exercised for purchases of common shares (Unit)</u>	<u>Proceeds from the exercise of warrants (Baht)</u>	<u>Paid-up share capital (Baht)</u>	<u>Premium on shares (Baht)</u>	<u>Number of unexercised warrants (Unit)</u>	<u>Date of the registered increase in issued and paid-up share capital with the Ministry of Commerce</u>
March 20, 2023	18,000	36,004	4,501	31,503	191,876,988	March 31, 2023
May 31, 2024	58	116	14	102	191,876,930	June 14, 2024

May 31, 2024 was the last exercise date of ECF-W4. 191,876,930 units of unexercised ECF-W4 were terminated from being listed on the Market for Alternative Investment (“mai”) and the ECF-W4 holders can no longer exercise.

Later on July 30, 2024, the Company issued and offered 479,742,753 units of free warrants (“ECF-W5”) to existing shareholders for purchase of incremental shares on the basis of 2 common shares for 1 unit of warrant. Terms of the warrants are as follows:

Exercise ratio	1 unit of warrant to purchase 1 incremental common share
Exercise price	Baht 0.55 per share
Exercise period	The warrants shall be exercisable with the first exercise date on November 30, 2024 and other 2 times, i.e. the March 30, 2025 and the last exercise date is July 29, 2025.
Term of warrants	1 year from the date on which the warrants are issued to the shareholders

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

On August 14, 2024, the Stock Exchange of Thailand has granted the Company's ("ECF-W5") warrants 479,742,753 units as listed securities and has permitted such warrants to be traded on the Market for Alternative Investment since August 15, 2024.

21. LEGAL RESERVE PREMIUM ON SHARES AND PAYMENT OF DIVIDENDS

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) requires the public company to appropriate not less than 5% of its annual profit, less accumulated losses brought forward (if any), to a reserve account ("Legal reserve") until this account reaches an amount not less than 10% of the authorized share capital. The legal reserve is not available for dividend distribution.

Section 51 of the Public Limited Companies Act, B.E. 2535 (1992) requires the public company to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account, premium on shares, separated from the reserve account referred to in Section 116 of the Public Limited Companies Act, B.E. 2535 (1992) (Legal reserve). Premium on shares is not available for dividend distribution.

At the general shareholders' meeting on April 20, 2023, the shareholders approved the payment of cash dividends for the 2022 operations at Baht 0.011 per share (from the promoted profit of Baht 0.0053 per share and non-promoted profit of Baht 0.0057 per share), totalling approximately Baht 10.55 millions, to shareholders and scheduled the date for dividends payment on May 19, 2023.

22. EXPENSES BY NATURE

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Assemblies, raw materials, and supplies used	852,316	869,614	837,233	823,446
Employee expenses	306,259	271,255	295,490	261,219
Finance costs	180,671	181,721	182,962	183,425
Freight and transportation charges	67,489	64,344	46,296	42,805
Decrease in finished goods and work-in-process	45,447	51,507	42,017	55,136
Electricity	45,949	47,973	45,949	47,964
Loss on diminution in value of inventories	22,006	45,728	21,946	45,433
Depreciation and amortization	43,975	39,956	43,933	39,913
Loss on fire accident - net	-	16,268	-	16,268
Loss on impairment of financial assets	38,891	11,650	52,707	18,589
Fuels	11,825	11,421	11,825	11,421
Repair and maintenance expenses	11,623	11,174	11,616	11,147
Bank charges	13,877	9,668	11,396	8,135
Customers' claims from abroad	642	6,503	642	6,503
Lease fees attributable to short-term leases	4,007	6,327	3,879	6,155
Lease fees attributable to low-value assets	1,597	1,213	1,597	1,213

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

23. INCOME TAX DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

Corporate income tax recorded as income for the years ended December 31, 2024 and 2023 consists of:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Income tax computed from accounting loss	(59,220)	(36,712)	(66,694)	(40,762)
Effects from non-deductible expenses	73,910	47,598	71,665	44,895
Effects from additional deductible expenses or non-taxable income	(13,091)	(8,965)	(4,971)	(4,133)
Effects from reduction in income tax rate under investment promotion	-	-	-	-
Current tax on taxable profit	1,599	1,921	-	-
Adjustment to tax payable pertaining to prior year	-	(77)	-	(77)
Increase in deferred tax assets	(62,942)	(44,603)	(62,355)	(45,107)
Increase (decrease) in deferred tax liabilities	(2,078)	5,181	(2,078)	5,181
Income tax presented in statement of comprehensive income	<u>(63,421)</u>	<u>(37,578)</u>	<u>(64,433)</u>	<u>(40,003)</u>
Increase (decrease) in deferred tax assets pertaining to other comprehensive income (see Note 19)	168	(100)	181	(93)

As at December 31, 2024, ECF-H had tax loss carryforward of approximately Baht 26.0 million whereby such loss is able to be used as tax credit during 2025 until 2029.

Deferred tax assets and liabilities presented in the statements of financial position as at December 31, 2024 and 2023 consist of:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
<i>Deferred tax assets</i>				
Effects from temporary non-deductible items:				
- Allowance for diminution in value of slow-moving and obsolete inventories	15,997	11,608	15,997	11,608
- Allowance for impairment of receivables	13,616	6,886	12,352	6,060
- Allowance for impairment of building and machinery	1,092	1,092	1,092	1,092
- Allowance for impairment of investment in subsidiaries	5,675	1,511	5,675	1,511
- Lease liabilities	3,030	5,441	3,030	5,441
- Liability for employee benefits	4,362	3,420	4,093	3,207
- Tax loss carryforward	76,381	27,165	76,381	27,165
- Other	80	-	-	-
Total deferred tax assets	<u>120,233</u>	<u>57,123</u>	<u>118,620</u>	<u>56,084</u>

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
<i>Deferred tax liabilities</i>				
Effect from temporary non-recognized item as expense in accounting or taxable income:				
- Right-of-use assets	5,162	6,516	5,162	6,516
- Unamortized debenture issuance costs	1,195	1,919	1,195	1,919
Total deferred tax liabilities	<u>6,357</u>	<u>8,435</u>	<u>6,357</u>	<u>8,435</u>

24. LOSS PER SHARE

Basic loss per share

	In Thousand Baht / In Thousand Shares			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Loss for the year, attributable to owners of the Company	<u>(231,370)</u>	<u>(144,459)</u>	<u>(269,035)</u>	<u>(163,806)</u>
Basic weighted average number of outstanding common shares	<u>959,506</u>	<u>959,506</u>	<u>959,506</u>	<u>959,506</u>
Basic loss per share (Baht)	<u>(0.2411)</u>	<u>(0.1506)</u>	<u>(0.2804)</u>	<u>(0.1707)</u>

Diluted loss per share

	In Thousand Baht / In Thousand Shares			
	Consolidated Financial Statements		Separate Financial Statements	
	2024	2023	2024	2023
Loss for the year attributable to owners of the Company	<u>(231,370)</u>	<u>(144,459)</u>	<u>(269,035)</u>	<u>(163,806)</u>
Basic weighted average number of outstanding common shares	959,506	959,506	959,506	959,506
Effect from the assumed exercise of warrants	-	-	-	-
Diluted weighted average number of outstanding common shares	<u>959,506</u>	<u>959,506</u>	<u>959,506</u>	<u>959,506</u>
Diluted loss per share (Baht)	<u>(0.2411)</u>	<u>(0.1506)</u>	<u>(0.2804)</u>	<u>(0.1707)</u>

Diluted loss per share for the years ended December 31, 2024 and 2023 were the same amount to basic loss per share because (1) the operating results were losses which did not trigger the dilution effect in profit and (2) the average market price of the Company's common shares in 2024 and 2023 was less than the exercise price specified in the warrants. Accordingly, there was no virtual effect from the right under the assumed exercise of warrants that create dilutive potential common shares.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

25. PROMOTIONAL PRIVILEGES UNDER INVESTMENT PROMOTION

The Company has been granted promotional privileges pertaining to the promotional certificate on manufacturing and sales of furniture. Such privileges include among others, exemption from import duty on the imported machinery used in the promoted business and exemption from corporate income tax on net profit from the promoted business attributable in the extent not exceeding the specified amount in the promotional certificate for a period of three years from the date income was first derived from the promoted business i.e. September 10, 2022.

As a promoted entity, the Company must comply with certain conditions and regulations as specified in the promotional certificates.

Operating results classified by promoted and non-promoted businesses for the years ended December 31, 2024 and 2023 are as follows:

	2024 - Consolidated Financial Statement (In Thousand Baht)		
	Promoted Business	Non-Promoted Business	Total
Net sales	492,972	852,850	1,345,822
Other income	12,043	29,192	41,235
Share of profit from investment in associates and joint venture - net	-	19,348	19,348
Cost of sales	(458,983)	(756,859)	(1,215,842)
Distribution costs	(25,447)	(70,338)	(95,785)
Administrative expenses and others	(77,902)	(132,301)	(210,203)
Finance costs	(70,133)	(110,538)	(180,671)
Tax income	-	63,421	63,421
Loss for the year	<u>(127,450)</u>	<u>(105,225)</u>	<u>(232,675)</u>
	2024 - Separate Financial Statement (In Thousand Baht)		
	Promoted Business	Non-Promoted Business	Total
Net sales	492,972	792,111	1,285,083
Other income	12,043	19,364	31,407
Cost of sales	(458,983)	(738,398)	(1,197,381)
Distribution costs	(25,447)	(40,940)	(66,387)
Administrative expenses and others	(77,902)	(125,326)	(203,228)
Finance costs	(70,133)	(112,829)	(182,962)
Tax income	-	64,433	64,433
Loss for the year	<u>(127,450)</u>	<u>(141,585)</u>	<u>(269,035)</u>

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

2023 - Consolidated Financial Statement (In Thousand Baht)			
	Promoted Business	Non-Promoted Business	Total
Net sales	513,582	860,921	1,374,503
Other income	11,871	31,157	43,028
Share of profit from investment in associate and joint venture - net	-	16,607	16,607
Cost of sales	(427,239)	(699,802)	(1,127,041)
Distribution costs	(26,234)	(70,704)	(96,938)
Administrative expenses and others	(77,015)	(134,979)	(211,994)
Finance costs	(72,260)	(109,461)	(181,721)
Tax income	-	37,578	37,578
Loss for the year	(77,295)	(68,683)	(145,978)

2023 - Separate Financial Statement (In Thousand Baht)			
	Promoted Business	Non-Promoted Business	Total
Net sales	513,582	790,043	1,303,625
Other income	11,871	18,261	30,132
Cost of sales	(427,239)	(657,262)	(1,084,501)
Distribution costs	(26,234)	(40,357)	(66,591)
Administrative expenses and others	(77,015)	(126,034)	(203,049)
Finance costs	(72,260)	(111,165)	(183,425)
Tax income	-	40,003	40,003
Loss for the year	(77,295)	(86,511)	(163,806)

**26. SIGNIFICANT FINANCIAL INFORMATION DISAGGREGATED BY
OPERATING SEGMENT**

Sales, other income, cost of sales, other expenses, and profit/loss before income tax expense are significant financial and core information of the Company and its subsidiaries that are provided regularly to the highest authority in decision-making operation and also used in evaluation of financial performances of the segments. The Company and its subsidiaries have two significant operating segments (identified by internal reporting segments), i.e. (1) wood furniture and particle boards (rubber wood furniture and particle board furniture) and (2) other segments (e.g. laminating papers, dried sawn lumbers, furniture-decorating supplies, dealer on furniture business, renewable energy business operated by associate and identity verification services of a new associate). For agriculture business of the subsidiary, VVR, it has not yet been operated as at December 31, 2024 while the operating results on renewable energy business and identity verification services, operated by associates, and the operating results from furniture distribution through overseas agent, operated by a joint venture, was the share of profit or loss as discussed in Note 9. Transfers between segments were accounted for at cost whereby accounting policies applied to operating segments of the Company and its subsidiaries are similar to those accounting policies discussed in Note 3. Further, the Company and its subsidiaries are unable to apportion the segment information for assets and liabilities without incurring undue costs.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Information on Products

	In Thousand Baht	
	Consolidated Financial Statement	
	2024	2023
Net sales		
- Wood furniture and particle boards	1,289,703	1,290,677
- Other products	56,119	83,826
Total	<u>1,345,822</u>	<u>1,374,503</u>
Other income		
- Wood furniture and particle boards	29,849	25,361
- Other products (including share of profit from associate and joint venture - net)	30,734	34,274
Total	<u>60,583</u>	<u>59,635</u>
Cost of sales		
- Wood furniture and particle boards	1,178,069	1,086,818
- Other products	37,773	40,223
Total	<u>1,215,842</u>	<u>1,127,041</u>
Other expenses		
- Wood furniture and particle boards	452,760	455,116
- Other products	33,899	35,537
Total	<u>486,659</u>	<u>490,653</u>
Loss before income tax expense		
- Wood furniture and particle boards	(311,277)	(225,896)
- Other products (including share of profit from associates and joint venture)	15,181	42,340
Net	<u>(296,096)</u>	<u>(183,556)</u>

Information on Geographic Areas

	Consolidated Financial Statements	
	- In Thousand Baht	
	2024	2023
Export sales - net		
- Japan	264,121	294,590
- India	213,950	186,974
- United States of America	39,038	46,886
- Philippines	22,445	7,169
- United Arab Emirates	5,765	5,339
- Bahrain	2,246	8,739
- Myanmar	1,436	2,330
- Korea	547	1,944
Total	<u>549,548</u>	<u>553,971</u>
Domestic sales - net	<u>796,274</u>	<u>820,532</u>
Total sales - net	<u>1,345,822</u>	<u>1,374,503</u>

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Other income, classified by products, included revenues from contracts with other customers who are not attributable to core businesses. Such revenues had timing of recognition as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	Wood furniture and particle boards		Other products	
	2024	2023	2024	2023
At a point in time	8,042	2,887	-	-
Over time	-	-	507	480

The Group has no any non-current assets located in the countries other than Thailand.

Information on Key Customers (customers whose transactions exceeding 10% of total balance of transactions)

	Percentage of Balance Attributable to Key Customers to Total Balance	
	Consolidated Financial Statements	
	2024	2023
Net sales		
- Wood furniture and particle boards	50.33	45.69
- Other products	-	-
- Export	37.65	32.76
- Domestic	57.66	49.76
- Total	49.49	42.91

27. DISCLOSURE OF FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT

The Group is exposed to normal business risks relating to liquidity risk, credit risk, foreign currency exchange rate risk, and interest rate risk. The Group has used derivative financial instruments for hedging against the foreign currency exchange rate risk without intention for trading or speculation purposes and there was no significant change in risk management policy relating to financial instruments and finance during 2024 and 2023 other than management under the going concern basis as discussed in Note 2 and the resolution from the Debenture Holders' Meeting as discussed in Note 17.

Liquidity Risk

The Group manages its liquidity risk and maintains a level of cash and cash equivalents for sufficiency through necessary borrowings or compromising the conditions of debts as well as disposals of assets and each flows from operating activities as deemed adequate to finance the business continuation and to mitigate the effects of fluctuations in cash flows.

Credit Risk

Credit risk is the risk that a customer or counterparty is unable or unwilling to meet its financial and contractual commitments. To mitigate this risk, the Group periodically assess the financial position and viability of customers and counterparties. The carrying amounts of receivables and loan receivables presented in the statements of financial position are the maximum exposure, in all material respects, to credit risk.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Foreign Currency Exchange Rate Risk

The Group has significant business transactions internationally, including import of products and raw materials as well as export of its products, giving rise to exposure to fluctuations in foreign currency exchange rates. In practical, the Group reduces this risk by matching cash receipt from its customers (receivables) against cash payment to its suppliers (payables). Since 2009, the Company has used forward exchange contracts (buy-sell) to mitigate this risk.

As at December 31, 2024 and 2023, the Company had the outstanding forward exchange contracts (sell) as follows:

	In Thousand			
	Foreign Currency		Fixed Baht	
	2024	2023	2024	2023
Forward exchange contracts - sell				
- U.S. Dollar	130	-	4,359	-

In addition, the fair values of forward exchange contracts (sell) outstanding as at December 31, 2024 and 2023 were as follows:

	In Thousand Baht	
	2024	2023
Forward exchange contract - sell		
- U.S. Dollar	4,392	-

As at December 31, 2024 and 2023, significant outstanding non-hedged foreign currency assets and liabilities were as follows:

	Consolidated and Separate Financial Statements			
	Foreign Currency Assets		Foreign Currency Liabilities	
	2024	2023	2024	2023
- U.S. Dollar	570,513	1,842,295	489,635	396,694

Interest Rate Risk

Interest rate risk arises from the fluctuation of market interest rates in the future, which may have a negative effect to the current and future operations and cash flows of the Group. The Group's management believes that the interest rate risk is not material because the Group's deposits at banks, short-term and long-term loan receivables, bank overdrafts and short-term and long-term loan payables as well as other interest bearing liabilities of the Group bear floating market interest rates or fixed rate interest rates that are not materially different from floating market interest rates.

Fair Value Measurements

The following assumptions were used by the Group in estimating the fair values of financial assets and financial liabilities:

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

Cash and cash equivalents, restricted deposits at banks, trade and other receivables, short-term and long-term loan receivables, bank overdrafts, short-term and long-term loan payables, trade and other payables and lease liabilities have carrying amounts that did not materially differ from their fair values because these financial assets and liabilities will mature in the short-term period or bear floating market interest rates or fixed rate interest rates that are not materially different from floating market interest rates (Level 2 inputs of the fair value hierarchy).

Fair value of debentures was disclosed in Note 17.

28. CAPITAL MANAGEMENT

Significant objectives of capital management of the Group are to ensure that they have the appropriate financial structure and fund structure as well as maintaining the financial liquidity and ability to continue their businesses as a going concern. The Group did not have any significant change relating to capital management policy during 2024 and 2023 other than (1) management under the going concern basis as discussed in Note 2, (2) the resolution from the Debenture Holders' Meeting as discussed in Note 17, and (3) the issuance of ECF-W5 warrants as discussed in Note 20.

As at December 31, Debt-to-Equity ratio for the consolidated and separate financial statements was 3.11 : 1.00 and 3.70 : 1.00, respectively, in 2024 and 2.42 : 1.00 and 2.67 : 1.00, respectively, in 2023.

29. REGISTERED PROVIDENT FUND

The Company has arranged a contributory registered provident fund in accordance with the Provident Fund Act, B.E. 2530 (1987). Membership to the fund is on a voluntary basis. Under the plan, the Company and employees contribute an amount equivalent to 3% of the employees' basic salaries. The fund will pay back the provident fund to employees in accordance with the conditions stated in the policies of provident fund regulations.

The Company's contributions, charged as expense for the years 2024 and 2023, amounted to approximately Baht 1.2 million and Baht 1.3 million, respectively.

30. SHORT-TERM LOANS TO OTHER PERSON

This account in 2024 and 2023 represented the unsecured loans of a subsidiary to a non-related person which bear interest at 7.5% p.a. and were due at call.

31. OTHERS

As at December 31, 2024;

- a. The Company had letters of guarantee issued by two local banks to three private companies and a government agency totalling approximately Baht 55.4 million.
- b. The Company had commitments on (1) construction of office building and (2) improvements of infrastructure and factory systems amounting to approximately Baht 39.7 million and Baht 43.8 million, respectively.

EAST COST FURNITECH PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
December 31, 2024 and 2023

32. EVENT AFTER THE REPORTING PERIOD

At the Board of Directors' meeting on January 17, 2025, the Company's Board of Directors passed the resolutions to approve (a) decrease in the Company's authorized share capital of Baht 2,517.75 (by eliminating the unissued 10,071 common shares, Baht 0.25 par value) from previously Baht 359,814,618 to Baht 359,812,100.25, divided into 1,439,248,401 common shares, Baht 0.25 par value, and (b) increase in the Company's authorized share capital of Baht 75,000,000 (from previously Baht 359,812,100.25 to Baht 434,812,100.25) by issuance of new 300,000,000 common shares, Baht 0.25 par value and appropriate such common shares for issuance and offering on the private placement ("PP") that will represent 23.82% of the entire issued and paid-up shares of the Company after PP. The aforesaid matters are subject to the resolutions from the upcoming Extraordinary General Shareholders' meeting to be held in March 2025.

33. APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements have been approved for issuance by the Company's Board of Directors' meeting on February 27, 2025.

Back up attachment

Back up attachment

Attachment 1 : Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary, and the representative for contact and coordination in case of a foreign company

Link to attachment: <https://eonemedia.setlink.set.or.th/report/1124/2024/1741655723334.pdf>



Attachment 2 : Details of the directors of subsidiaries

Link to attachment: <https://eonemedia.setlink.set.or.th/report/1124/2024/1741914918895.pdf>



Attachment 3 : Details of the Heads of the Internal Audit and Compliance Units

Link to attachment: <https://eonemedia.setlink.set.or.th/report/1124/2024/1741655723343.pdf>



Attachment 4 : Assets for business undertaking and details of asset appraisal

Link to attachment: <https://eonemedia.setlink.set.or.th/report/1124/2024/1741914918898.pdf>



Attachment 5 : Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company

Link to attachment: <https://eonemedia.setlink.set.or.th/report/1124/2024/1741655723346.pdf>



Attachment 6 : Report of the Audit Committee

Link to attachment: <https://eonemedia.setlink.set.or.th/report/1124/2024/1741741319151.pdf>

