

The Board of Directors Report

Manu Leelanuwatana

Chairman



In 2022, after having faced the Coronavirus 2019 (COVID-19) outbreak crisis for the past 3 years that adversely impacted economies around the world and inflicted massive change into a new normal on the way of life and on business operations of organizations, the economies of numerous countries started to recover following policies which lifted travel bans and COVID-19 containment measures. At the same time, during the past year, economies of almost every country around the world including Thailand faced a challenge from inflation, which skyrocketed to its highest in many decades from the spike in prices of commodities and energy following the Russia-Ukraine war, causing an increase in cost of living for people and increase in cost of operating a business for organizations.

Thai Wacoal Public Company Limited was able to manage the business and overcome such crisis, turning back to profitability for its 2022 operating performance. The Company developed online sales channels to support the behavior of modern consumers, increased sales through various existing channels, innovated products and services to continuously offer quality goods to customers, and communicated for consumers to truly access Wacoal's essence through the brand message **"Comfortable inside. Confident outside."**, because Wacoal believes that physical and mental comfort help build exuding confidence. With regards to production, the Company established a subsidiary, namely Wacoal Maesot Company Limited, to expand its new production base in parallel with organizational restructuring for conciseness, adjustments to working methods for speed and efficiency, and skill development to equip employees to respond to quick changes.

In terms of operating results, the Company and its subsidiaries in 2022 generated Baht 3,936 million in sales and Baht 103 million in net profit, reflecting a 21.34% and 171.27% increase, respectively. Following strong performance and financial position, the Board of Directors deemed it appropriate and resolved to propose to the Annual General Meeting No. 54 the payment of dividends for the year 2022 of Baht 0.70 per share, reflecting dividend payout ratio of 81.60%, to be paid on May 23, 2023, which would constitute the Company's 50th consecutive year of dividend payment.

In addition to increasing the potential and competitiveness of the organization, the Board of Directors recognized the importance of continuous improvements to the corporate governance system for efficiency, transparency, and verifiability of business operations. This was well-reflected in the Company being granted **"Excellent"** CG rating for the 8th consecutive year from the 2022 Survey of Good Corporate Governance practices for listed companies and re-certification as member of the Thai Private Sector Collective Action Against Corruption (CAC) for the 2nd consecutive time. The Company also strived to operate its business while considering human rights principles by creating equality and fair opportunity in employment. This led to the Company being awarded Sustainability Model Organization in the Thai Capital Market for Supporting the Disabled for the year 2022 in the category of outstanding awards.

On behalf of the Board of Directors, I would like to express my gratitude to all related stakeholders who have supported the business in overcoming various obstacles and challenges during the past year, and I hope that you will all join efforts to drive corporate growth for a stable and sustainable future to come.

(Mr. Manu Leelanuwatana)

Chairman