



BGC

**ANNUAL
REPORT
2019**

Invent to Inspire

พลังสร้างสรรค์ ไม่มีวันหมด



Message from the Chairman

(Mr. Pornwut Sarasin)

Chairman of the Board

In 2019, the overview of Thai economy has been lower expanded than what has been forecasted by many parties, resulting from both domestic and overseas factors, however, many parties have still hoped that both short-term and long-term measures on economic stimulation planned by the government including the investments in large-scale projects to develop the country's infrastructure would help to increase the country's competitiveness and strengthen Thai economy in short term and long term.

Although the economic situation and circumstances have possibly caused many businesses slow down, BG Container Glass Public Company Limited has continued to be interested and confident by investors in the rigid fundamental factors, combined with the better operational results year by year from previous year, especially, in terms of export that has been noticeably expanded. In 2019, the Company's revenue was 11,319 Million Baht, increasing 8% when comparing to previous year, this well reflected our success. In addition, the Company has acquired ordinary shares of Solar Power Management (Thailand) Co., Ltd. (SPM), which 67% of its total shares held by Phu Khanh Power

Joint Stock Company (PKS), a solar power business in Vietnam, with the objective to expand new business in renewable energy in addition to our existing business in glass packaging for supporting the Company's future growth.

However, in 2020, the Company has continued to plan our business expansion in new businesses by studying the feasibility and preparing ourselves to be ready for the investment expansions in other packaging-related businesses and many types of renewable energy businesses to prevent the business risk and increase the opportunities of good growth for earning income by leaps and bounds, as well as provide the highest return to the Company's stakeholders in a long run.

On behalf of the Company's Board of Directors, Management Team and all employees, we would like to thank all shareholders including domestic and international business partners in trusting and supporting us to steadily grow. The Company is committed to further maintain our guideline in strongly operating the businesses under ethics and principles of good corporate governance for the ultimate benefits of all stakeholders and secure and sustainable business growth.

Energy & Environmental Sustainability

BGC Co-building the Energy and Environmental Sustainability for Better Quality Society

Climate change mitigation and adaptation

Managing working process by taking into account the reduction of environmental impact and the livelihood of people in society.

Prevention of pollution

Applying appropriate technologies and improving the quality of raw materials or fuel used to minimize pollution production.

Protection of the environment, biodiversity and restoration of natural habitats

Maintaining and minimizing the impacts on biodiversity in supply chain, continuously promoting and raising awareness of environmental conservation.

Sustainable resource use

Controlling and managing the use of natural resources in a worthy manner to achieve utmost benefits.



GREEN ENERGY

for sustainable future



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Vision and Missions //

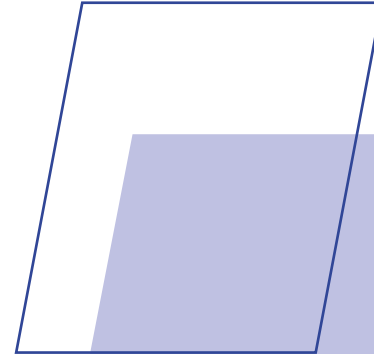
Vision

BGC is committed to be the ASEAN leader in manufacturing and selling quality glass and packaging as well as other related products and services.

Missions

The company aims to satisfy our stakeholders as below:

1. **Financial:** To maximize benefits and returns to all stakeholder.
2. **Customers:** To deliver quality products with world-class standards and services at a competitive price.
3. **Business partnership:** To work with our partners based on a long-term trust and relationship.
4. **Work Process:** To utilize modern technology in every work process with professional teams.
5. **Personnel:** To build people competency, promote team work and employee engagement with an entrepreneurial spirit.



4 Successful Decades of BGC //



START

1974

Bangkok Glass Company was established with a **capital of 50 millions baht**

1980

Started production at **Pathumthani factory**

1983

- **Boon Rawd Brewery Company Limited** has become the major shareholder of the company.
- **Reached the output of 1 million bottles**

2007

Started production at **Khon Kaen and Prachinburi factories**

1996

Started production at **Rayong factory**

BGC

2010

Started production at **Ayutthaya factory**

2016

BG Container Glass Company Limited was registered with a **capital of 1 million baht.**

2017

Rayong factory¹ ceased production.



2019

- Certified by **Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)**
- Acquired 100% total shares of **Solar Power Management (Thailand) Company Limited (SPM)**
- Acquired 26% total shares of **B S Glass Recycling Company Limited (BSR)**
- Acquired 25% total shares of **Taweewee (Jew Ja Heng) Company Limited (TWS)**

2018

- **BG Container Glass Public Company Limited** was registered and first trading of its shares in the Securities Exchange of Thailand with IPO price of 10.20 baht per share for an offering of 194.44 million shares.
- Started production at **Ratchaburi factory**

Remarks: ¹ As of 4 December 2019, Rayong Glass Industry Co., Ltd. changed the name to BGC Glass Solution Co., Ltd. or BGCG

2019 Highlights //

No. 1

manufacturer of the
glass containers
in Thailand.

Revenue¹

11,252

Million Baht

Net Profit²

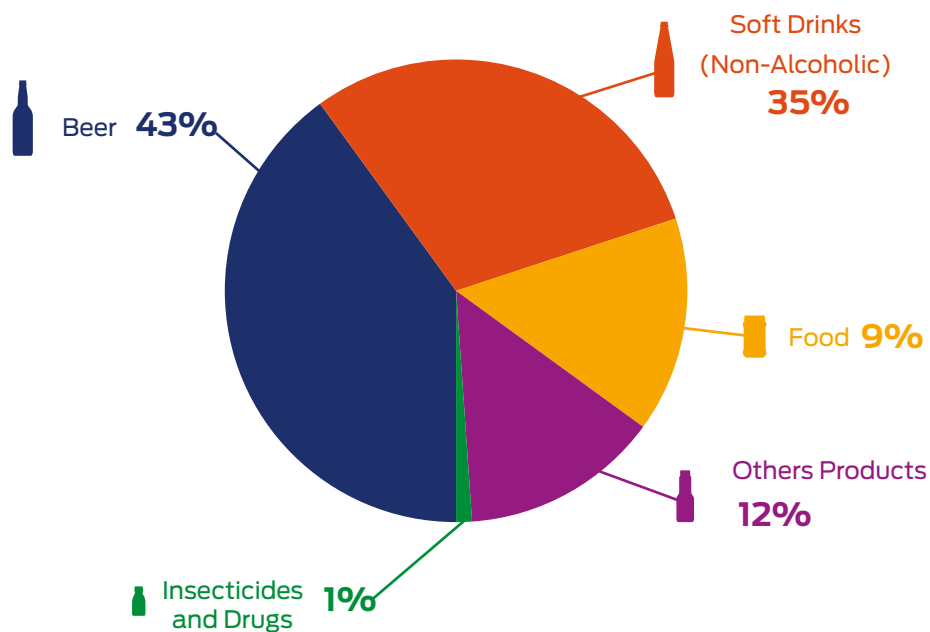
512

Million Baht

Glass Container Production Volume

920K Tons/Year or **3.9Bn** Bottles/Year

Production Proportion of BGC Glass

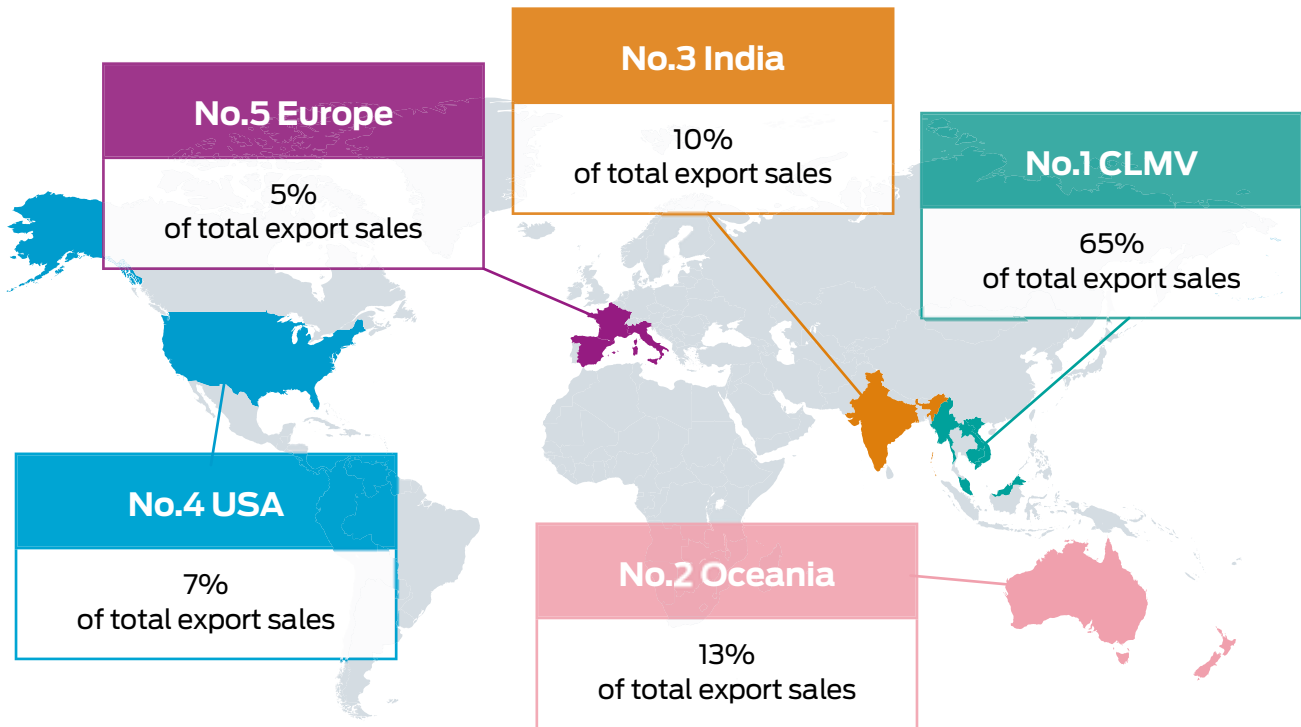


*As of 31 December 2019

Remarks: ¹ Sales revenue from sales of packaging

² Profit attributable to equity holder of the Company

Export Network Covering Around the World



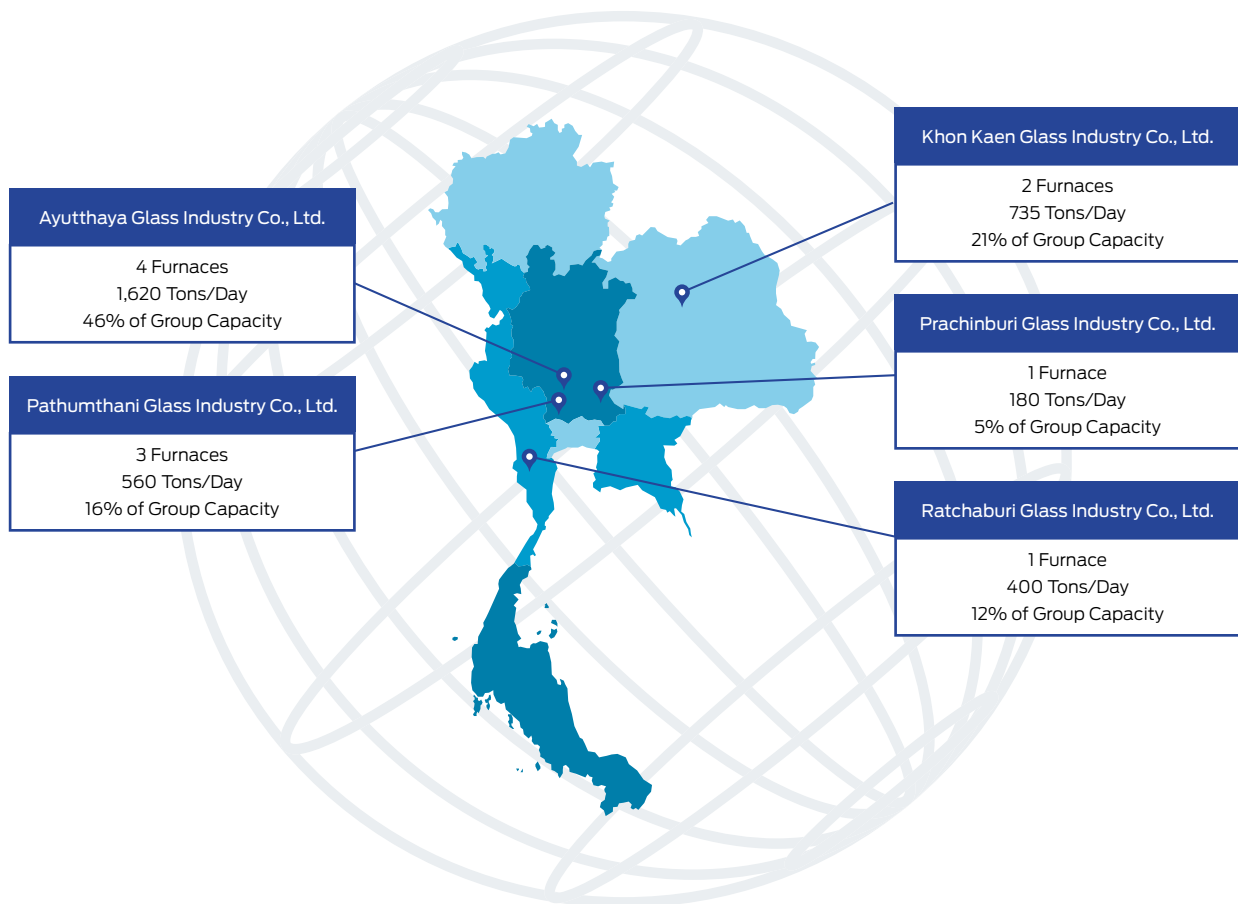
*As of 31 December 2019

**Certified as a Member of Thailand's Private Sector
Collective Action Coalition Against Corruption**





Network of the Manufacturing and Transportation to the Extent of the Strategic Areas



Acquisition of Three Companies



Solar Power Management
(Thailand) Company Limited

To operate in investment in the
renewal energy business

Number of Shares: 100%

Investment Value:
1,259 Million Baht



BS Glass Recycling
Company Limited

To operate in purchasing and
selling glass scraps

Number of Shares: 26%

Investment Value:
35 Million Baht



Taweesup (Jew Ja Heng)
Company Limited

To operate in purchasing and
selling glass scraps
paper scraps and
metal scraps

Number of Shares: 25%

Investment Value:
100 Million Baht

Summary of Financial Information //

Significant Financial Information	Consolidated financial statements		
	2017	2018	2019
Total assets (Million Baht)	12,970.7	14,729.0	17,395.2
Total liabilities (Million Baht)	9,936.4	9,571.2	11,768.2
Total shareholders' equity (Million Baht)	3,034.3	5,157.7	5,627.0
Sales (Million Baht)	11,164.2	10,400.4	11,251.6
Total revenues (Million Baht)	11,221.8	10,521.8	11,318.5
Net Profit (Million Baht)	186.2	496.2	511.6
Earnings per share (Baht)	0.50	0.91	0.74
Dividend per share (Baht)	-	0.18	0.442 ¹
Issued and paid up ordinary shares (Million shares)	25.000	694.444	694.444
Par Value (Baht)	100	5	5
Financial Ratio			
Current ratio (times)	0.5	0.5	0.6
Return on total assets (%)	1.9	3.8	3.3
Gross profit margin (%)	13.3	16.3	15.3
Operating profit margin (%)	3.7	7.0	6.6
Net profit margin (%)	2.2	5.0	4.7
Return on equity (%)	5.1	12.8	9.8
Debt to equity ratio (times)	3.3	1.9	2.1
Interest coverage ratio (times)	7.9	10.4	13.6

¹ Annual dividend in 2019 consisting of interim dividend and final dividend which is in the process of receiving an approval at the Annual General Meeting of Shareholders in 2020.

Business strategies //

1. Strategies for increasing sales and demand side profits

1.1 Increasing diversity of the customer base by increasing the number of customer and new market

The Company has the policy to expand its domestic customer base by focusing on food and beverage industry which the Company has a high market share in Thailand and this customer group, consisting of beer and non-alcohol drink producers, has a high demand of products. In addition, the Company plans to expand its customer bases to other industries such as pharmaceutical industry and cosmetics and beauty industry. Moreover, the Company emphasizes niche market as it can make higher margin than standard products.

Regarding the policy on expanding international customer base, the Company believes that the Group's ability to make products up to the international quality control standards shall make the Group become supplier of choice for international entrepreneurs. As of 31 December 2019, the Company has the customer base in many regions including the US, CLMV, Oceania, the EU, and India. Most of the Company's customers are entrepreneurs in beverage industry. Furthermore, the Company plans to increase the quantity of product sales abroad by selling through foreign dealers which is expected to foster customer base expansion and/or an increase in purchase order quantities from the dealers' customers.

1.2 Increasing profits by increasing the proportion of high-value product mix at competitive price

To ensure conformity to the market direction, the Company has the policy to increase the proportion of high-value product mix such as packaging for pharmaceutical industry, complicated packaging

for niche market and small packaging. By focusing on those targets, an increase in value per ton of the production can be expected and the sales can be on the rise. In addition, those products yield a higher margin as they have higher requirements on cleanliness and safety or have more complications. The new plan in Ratchaburi Province has been designed to have production flexibility. Thus, complicated packaging can be manufactured there.

1.3 Creating a variety of products to satisfy a wide range of customers and different needs of product users

To increase the proportion of high-quality product sales, the Company shall have the ability to produce different types of packaging. Therefore, the Company plans to employ SKU Rationalization on glass products manufacturing which also includes the adjustment of models and sizes of products, development of the models of products and creation of custom-made products to meet the need of individual customer in terms of price, design and usefulness. This includes (1) the production of custom-made light weight bottles for customers who wish to modify the characteristics and appearance of their packaging. The Company believes that the custom-made products will make more profits to the Company in the future and help the Company to maintain its relationship with existing customers while attracting new customers; (2) employing the modern Narrow Neck Press and Blow (NNPB) technology in product molding which make the glass liquid to spread more constantly, resulting in less use of glass liquid for molding and more bottles per ton; and (3) unique design of packaging makes the

products more attractive, outstanding and valuable. It also meets the customer insight as they can be part of the brand. The product problems can be tackled which is conform to the principles of environmental care and conservation.

1.4 Building trust of customers through the Company's brand and reputation

The Company plans to build trust of its customers through various processes such as providing training on products, processing and corporate standards to employees at all levels, plant visit and product design meeting with the aim of raising employee awareness of the Company and "BGC" as the Top of Mind Brand when thinking of or being in need of glass packaging or products of any kind. The Company believes that building experience to employees of customers to the extent of satisfaction and trust in the Company's quality and standards will result in the Company becoming one of the top choices when the customers need glass packaging as well as adding value to the Company's products. Also, the Company wishes to build marketing reputation among customers and consumers who buy products from its targets.

1.5 Continuously developing the quality of products and services and offering new products and services to customers

The Company aims at continuously maintaining the quality of products and services at a high level. For the products, the Company plans to achieve zero customer claim by focusing on delivering products with zero defect to customers. Regarding services, the Company aims at developing sale and logistic services to ensure timely delivery to customers with correct quality and quantity as most of the customers are industrial customers. The Company believes that the quality of products and services will enhance efficiency of the customers' business and production.



2. Strategies for increasing supply side profits

The Company plans to increase sales and supply side profits by implementing Total Quality Management as the major tool as follows:

2.1 One Quality Team

The quality of products and services relies on collaboration of all parties. The Company has the policy to create the sense of collective responsibility by making all divisions be aware that the product quality depends on the work quality of each division, ranging from selection of quality raw materials, standard manufacturing, good storage of products in

the warehouse, and timely delivery without damage to the packaging during transportation.

2.2 Effective cost management on the basis of economies of scale, utilization rate and efficiency rate

The Group strives for effective cost management by appropriately planning the production of each line based on economies of scale. To support the increasing market demand, the Company continuously expands the production capacity which helps the Company maintain good relationship and enhance negotiating

power with customers and raw material suppliers to obtain the best deals. In addition, the Company emphasizes the improvement of utilization rate and efficiency rate by adding production lines connecting with furnaces to enable production capacity. Solution Information Online (SIL) and robots are also used to replace humans in oil coating process, which reduces human error problems. Industrial control through computer software is also employed to facilitate machine communication.

2.3 Personnel Development

The Company has the personnel-related mission as it believes that effective work can be achieved by skilled personnel. Therefore, the personnel from all divisions and at all levels shall have full knowledge and expertise of glass packaging, understanding of processing and the overall business of the Company so as to understand the customer needs. The Company policy shall attend glass packaging training, and executives of each plant shall have financial awareness to ensure that their performance shall result in the utmost benefit of the shareholders.

3. Seeking business partners and investment in glass packaging business and related business in glass packaging supply chain

As the Company aims at becoming the ASEAN leader in production and distribution of glass production and glass packaging and related products and services from upstream to downstream, the Company seeks opportunities to expand its business in the form of

both business growth and inorganic growth in glass production and glass packaging and related products and services such as raw material management business and energy business.



Board of Directors



Mr. Pornwut Sarasin
Chairman of the
Board of Directors



Mrs. Suttharug Panya
Independent Director /
Vice Chairman /
Chairman of the
Audit Committee



Mr. Pavin Bhirom Bhakdi
Director / Chairman of the Executive
Committee / Member of the
Nomination and Remuneration
Committee



Mr. Somchai Sirivichayakul
Independent Director /
Member of the Audit Committee /
Chairman of the Nomination and
Remuneration Committee /
Member of the Corporate
Governance Committee



Mrs. Sunsanee Supatravanij
Independent Director / Member
of the Audit Committee /
Member of the Nomination and
Remuneration Committee /
Chairman of the Corporate
Governance Committee



Mrs. Amarat Puvaveeranin
Director /
Executive Committee



Asst. Prof. Kasom Chanawongse
Director / Member of the
Corporate Governance
Committee



Mr. Silparat Watthanakasetr
Director / Executive Committee /
Member of the Corporate Governance
Committee /
Chief Executive Officer¹ /
Chief Operation Officer - Energy (Acting)¹

Remark : ¹The change in the title of the said position is effective from 1 January 2020 onwards.

Management Team



Mr. Silparat Watthanakasetr
Chief Executive Officer¹
Chief Operation Officer - Energy (Acting)¹



Mr. Wisal Laorsatiangul
Chief Operation Officer -
Glass Container Supply Chain¹



Mr. Kittisak Chokelarptawee
Chief Operation Officer - Trading¹



Ms. Sirikul Mangkornkanok
Chief Financial Officer¹



Mrs. Anocha Loetjaroenwat
Chief People Officer¹

Remark : ¹ The change in the title of the said position is effective from 1 January 2020 onwards.

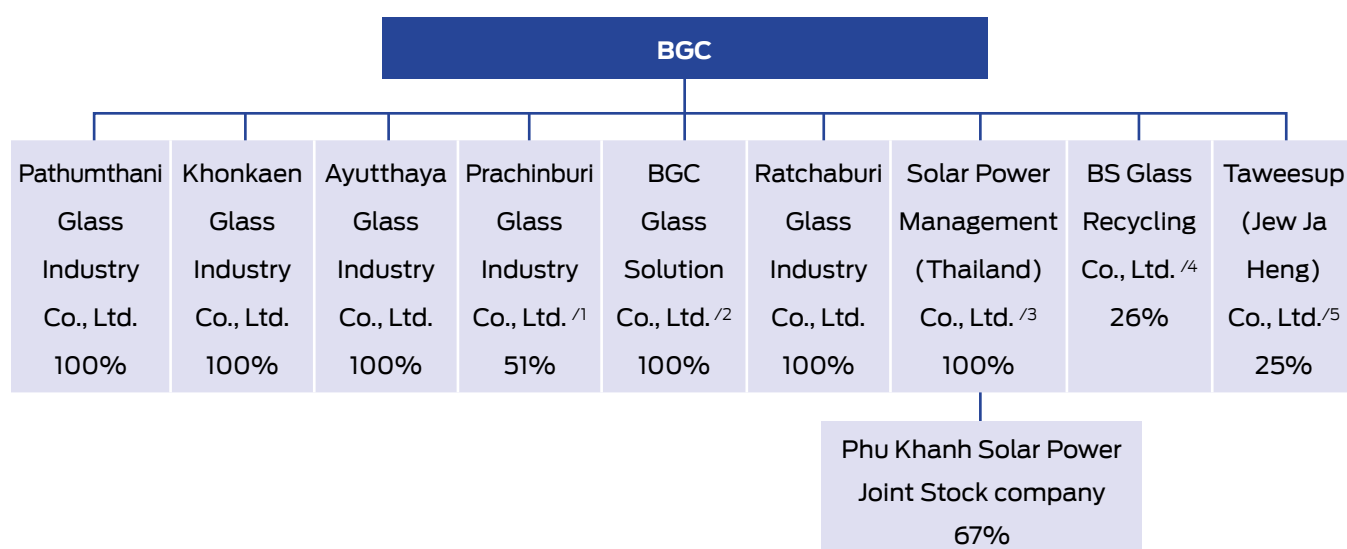
Shareholding Structure of the Corporate Group //

In September 2019, the Company entered into the following transactions.

- A transaction to acquire all shares of Solar Power Management (Thailand) Co., Ltd. (“SPM”) for 2,000,000 shares or 100% of total ordinary shares of SPM, and accept the transfer of the right to claim short-term loan from the related company of SPM as the outstanding liability for Phu Khanh Solar Power Joint Stock Company (“PKS”), to be an investment in alternative energy business, create the revenue security, and diversify an investment in the new business that yields good return. However, the Company’s personnel are expert in the alternative energy business. In addition, the Company has consumed the alternative energy and Commercial Operation Date (COD) of such project has already been effective.

- A transaction to acquire shares of BS Glass Recycling Co., Ltd. (“BSR”) in total of 52,000 shares or 26% of total ordinary shares in BSR for enhancing and developing the Company’s potential of the raw material management and support its growth in the future.

In October 2019, the Company entered into a transaction to acquire shares of Taweessup (Jew Ja Heng) Co., Ltd. (“TWS”) for 125,000 shares or a proportion of 25% of the number of paid-up shares of TWS which is a potential business that has operated the business with and has been the business partner of the Company for long time, and created the security of the raw material supply, leading to value addition for the Company’s shareholders. Therefore, the Company had subsidiaries indirect subsidiaries and associates in accordance as 31 December 2019 with the following shareholding structure of the Corporate Group.



Remark: ^{/1} T.C. Pharmaceutical Industries Co., Ltd. is the joint venture party of Prachinburi Glass Industry Co., Ltd. and holds the shares in a proportion of 49.0%.

^{/2} As of 4 December 2019, Rayong Glass Industry Co., Ltd. changed the name to BGC Glass Solution Co., Ltd. (BGCG)

^{/3} SPM has currently held shares in Phu Khanh Solar Power Joint Stock Company (“PKS”) in a proportion of 67% of total shares in PKS which is a registered incorporated company in the Socialist Republic of Vietnam to operate the solar power plant business for two projects at Fuyian in the Socialist Republic of Vietnam.

^{/4} The former shareholder is the joint venture party of BSR and holds shares in a proportion of 74.0%.

^{/5} The former shareholder is the joint venture party of TWS and holds shares in a proportion of 75.0%.

Details of the Subsidiaries Indirect Subsidiaries and Associates

No.	Company's name	Location	Type of business	Paid-up capital (Million Baht)	Shareholding proportion (%)
1	Pathumthani Glass Industry Co., Ltd.	47/1 Moo 2, Rangsit-Nakornnayok Rd., Km.7, Buengyeetho, Thanyaburi, Pathumthani 12130 Thailand Phone : +66 (0) 2834 7000 Fax : +66 (0) 2834 7021	Manufacture glass packaging for containing beverages in type of beer, soda, soft drink, energy drink, food, insecticide, and medicine.	1,190.4	100
2	Khon Kaen Glass Industry Co., Ltd.	111 Moo 19, 208 Rd. (Khon Kaen-Maha Sarakham), Tapra, Muang Khon Kaen, Khon Kaen 40260 Phone : +66 (043) 349 900 Fax : +66 (043) 349 904	- Manufacture beer bottle packaging and other light brown glass packaging. - Operate the business for providing hotel service, selling foods and beverages, and providing other related services such as Wishing Tree Khon Kaen Resort.	900.0	100
3	Ayutthaya Glass Industry Co., Ltd.	55 Moo 3, Rojana Industrial Park, Sambundit, Uthai, Ayutthaya 13210 Phone : +66 (035) 334 100 Fax : +66 (035) 334 149	Manufacture glass bottle packaging for containing beverages in type of beer, energy drink, liquor, and soda.	3,000.0	100

No.	Company's name	Location	Type of business	Paid-up capital (Million Baht)	Shareholding proportion (%)
4	Prachinburi Glass Industry Co., Ltd.	63 Moo 9, Bangkanak-Bansrang, Ban Tan, Bansrang, Prachinburi 25150 Phone : +66 (037) 415 100 Fax : +66 (037) 415 120	Manufacture glass bottle packaging for containing soft drinks.	600.0	51.0
5	BGC Glass Solution Co., Ltd.	47/1 Moo 2, Rangsit-Nakornnayok Rd., Km.7, Buengyeetho, Thanyaburi, Pathumthani 12130 Thailand Phone : +66 (0) 2834 7000 Fax : +66 (0) 2834 7021	Manufacture glass bottle packaging for beer.	2,008.5	100
6	Ratchaburi Glass Industry Co., Ltd.	155/111 Moo 4, Ratchaburi Industrial Estate, Chet Samian, Photharam, Ratchaburi 70120 Phone : +66 (032) 925 560 Fax : +66 (032) 925 589	Manufacture a variety of glass bottle packaging in accordance with the use demand of the product users.	1,500.0	100
7	Solar Power Management (Thailand) Co., Ltd.	47/1 Moo 2, Rangsit-Nakornnayok Rd., Km.7, Buengyeetho, Thanyaburi, Pathumthani 12130 Thailand Phone : +66 (0) 2834 7000 Fax : +66 (0) 2834 7021	Holding business by investing in an alternative energy business.	20.0	100
8	Phu Khanh Solar Power Joint Stock Company	Phu Yun Province, Socialist Republic of Vietnam	Operates Solar power plants	1,079.3	67
9	BS Glass Recycling Co., Ltd.	45/12,14 Moo 4, Rangsit-Nakhon Nayok Road, Lam Phakkut, Thanyaburi, Pathum Thani 12110 Phone : +66 (0) 2905 2537	Purchase, screen, and sell glass scraps, paper scraps, and metal scraps.	20	26
10	Taweessup (Jew Ja Heng) Co., Ltd.	86 Moo 4, Chorakhe Rong, Chaiyo, Ang Thong 14140 Phone : +66 (035) 699 9037	Purchase, screen, and sell glass scraps, paper scraps, and metal scraps.	50	25

Nature of Business Operation //

1. Overall Business Operations

The Corporate Group operates its main business in manufacturing and selling a variety of glass containers to the customers both in the country and overseas, particularly in the countries in CLMV Group, the countries in Oceania Zone, United States of America, and European Union. The Company also establishes a continuous export expansion plan which will contribute to the Company's customer base extension. In addition, the Company imports some types of glass bottles for selling to its customers in case of the Company's inability to manufacture and/or inadequacy of production capacity to fulfil the packaging requirement and variety of customer requirements.



Due to the target of ASEAN leadership in integrated manufacturing and selling the glass products and containers, as well as the related products and services from upstream to downstream, the Company seeks for a business expansion opportunity both in form of growth under its normal business operation (Organic Growth), and growth in form of joint venture or entry into business investment (Inorganic Growth) in glass packaging business and/or the connected business under supply chain of the glass packaging such as raw material supply business and alternative energy business, etc. In 2019, the Company has entered into the following transactions to acquire shares.

- In September, the Company entered into a transaction to acquire all shares of Solar Power Management (Thailand) Co., Ltd. ("SPM") for 2,000,000 shares or 100% of total ordinary shares of SPM, and accept the transfer of the right to claim liability of short-term loan from the related company of SPM which is the outstanding liability for Phu Khanh Solar Power Joint Stock Company ("PKS"), to be an investment in alternative energy business, create the revenue security, and diversify an investment in the new business that yields good return. However, the Company's personnel are expert in the alternative energy business. In addition, the Company has consumed the alternative energy and Commercial Operation Date (COD) of such project has already been effective; and
- The Company entered into a transaction to acquire shares of BS Glass Recycling Co., Ltd. ("BSR") in total of 52,000 shares or 26% of total ordinary shares in BSR for enhancing and developing the Company's potential of the raw material management and support its growth in the future.
- In October 2019, the Company entered into a transaction to acquire the shares of Taweewup (Jew Ja Heng) Co., Ltd. ("TWS") for 125,000 shares or a proportion of 25% of the number of paid-up shares of TWS which is a potential business that has operated the business with and has been the business partner of the Company for long time, and created the security of the raw material supply, leading to value addition for the Company's shareholders.

2. Revenue Structure

The details of the Corporate Group's revenue structure as of 31 December 2018 and 2019 are as follows:

Revenue structure	For the accounting period as of 31 December	
	2018	2019
	% ⁽¹⁾	% ⁽¹⁾
Revenue from sales of packaging containers		
- Beer	43.4	43.0
- Soft Drinks (Non-Alcohol)	34.3	34.8
- Food	8.6	9.2
- Insecticides & Drugs	1.1	0.9
- Other Products ⁽²⁾	12.6	12.1
Revenue from sales of packaging containers	100.0	100.0

Remark: ⁽¹⁾ % of revenue from sales of packaging containers

⁽²⁾ other types of bottles, mostly bottles for energy drinks, liquor, and wine

3. Type of Products or Services

3.1 Corporate Group's products

The product categories of the Company's glass containers are as follows: (1) Customized design manufactured and sold for specific customers, and (2) Standardized designs which are standard glass containers that can be manufactured and sold to any customer. The Corporate Group manufactures glass containers for customers in various industries which can be divided into five main groups including: (1) Beer bottles, (2) Non-alcoholic beverage bottles (Soft Drink), (3) Glass containers for food, (4) Glass containers for pesticide and medicine, and (5) Glass containers for other products such as energy drink, liquor, and flavoured liquor, etc.

3.2 Marketing and Competition

3.2.1 Marketing and Sales

The company conducts sales and marketing mainly in Thailand. The company plans and monitors its sales and marketing together with each plant's production department to ensure that the plan is fully implemented. Most of the Corporate Group's products are manufactured based on the customer demand. Our sales and marketing focuses on expanding the new customer base and retaining the existing customer base with long-term business relationship. The sales and marketing department annually conducts customer satisfaction, advice and criticism survey and evaluation

to ensure that the Corporate Group can manufacture products to fulfill customer requirement and satisfaction, and maintain the relationship as the key business partner with the Company's major customers. The sales and marketing department will share the sales plan with each plant's production department on a weekly, monthly, and yearly basis. The said sales plans are prepared based on production capacity, specifications and property of glass furnaces at each plant. The production department plans its production that is consistent with the sales plan with a focus on maximizing each plant's production line to sufficiently meet customer demand. The sales and marketing department prepares the sales and marketing plan five years in advance to correspond with the Corporate Group's production capacity expansion plan which has still been in progress.

In addition, the Company performs sales and marketing activities in overseas by directly and mainly contacting and selling to glass container users and partly through distributors. Most of the products are small glass containers, as they are more cost-competitive than the products locally ordered by the customers upon combination of the exporting expense. However, the Corporate Group also exports medium and large containers to the neighboring countries.

3.2.2 Market Outlook of Glass Packaging Containers

The demand for glass packaging in Thailand stems from the food and beverage industry as well as the pharmaceutical industry. Glass container remains the preferred packaging choice for alcoholic and non-alcoholic beverages due to high demand for beverages (According to GlobalData Plc., in 2019, the use of glass containers stood at 14,032.4 million units, increasing from 2013 with total glass container use of 12,534.9 million units, representing Compound Annual Growth Rate (CAGR) of 2.3 percent, respectively, upon estimation on value and quantity basis).

(GlobalData Plc. Predicted that the market value and use of glass containers in Thailand will rise to 15,083.5 billion units in 2023, or representing Compound Annual Growth Rate (CAGR) of 1.5 percent respectively, upon estimation on quantity basis. The market growth of glass containers will be the growth from main consumption of alcoholic and non-alcoholic beverages.)

Key trends affecting glass packaging market include:

- 1) Premiumization: Thai consumers are likely to choose to purchase product quality that matches their increasing income level, such as beautifully designed and high-quality packaging is a key factor for consumer preference, particularly in packaging for personal care products and alcoholic beverages. As a result, the producers are likely to use more glass containers in order to attract consumers to use their products.
- 2) Healthy product choice: This trend is a key factor for consumers' choice in purchasing food and beverages. As a result, the use demand for glass containers has risen as glass packaging is a safe choice to use for containers and likely to cause chemical reaction lesser than other types of packaging.
- 3) Environmental conservation: Consumers have increasingly chosen recyclable packaging. All glass containers can be recycled. As a result, several producers have used more glass containers in order to attract the environmental conservation-conscious consumers to use their products.
- 4) Transparency: Other than the consumers' choice of the green and environmental friendly packaging, the vision of the actual purchased products is required by the consumers to ensure that the product freshness can be examined to show the producer's transparency and create the consumers' trust in purchase of products.

- 5) Less is more: The glass packaging that attracts the interest of the consumers should be simple and clearly seen in packaging for personal care products such as cosmetic and cream bottles, etc., showing simplicity and luxury. The product information should be added as much as necessary only since the consumers' product trust is often lowered upon provision of an excessive detail of product information.
- 6) Creativity: Such trend results in requirement of new designs in containing a variety of products and well usability such as food and beverage packaging, etc. to show the consumers' recognition on creativity which inspires the consumers' interest and also attracts new consumers.

3.2.3 Market Competition of Glass Packaging

There are four major producers in glass packaging industry in Thailand. The four producers are large corporations with high level of investment and capability to access advanced technology and are the affiliated companies of the beverage manufacturing or retail companies.

Glass packaging industry in Thailand is an industry with high barrier to entry for the new producers which are both Thai and international companies as it requires high level of initial investment and experience. Moreover, there have been the major leading companies with quite large market shares.

3.3 Product Supply

3.3.1 Production and Production Capacity

As of 31 December 2019, the six subsidiaries of the Company manufacturing and selling glass packaging products include 1) Pathumthani Glass Industry Co., Ltd. 2) Khon Kaen Glass Industry Co., Ltd. 3) Prachinburi Glass Industry Co., Ltd. 4) Ayutthaya Glass Industry Co., Ltd. and 5) BGC Glass Solution Co., Ltd.¹ 6) Ratchaburi Glass Industry Co., Ltd.

These subsidiaries are the manufacturers and sellers of glass packaging containers with 11 glass furnaces and total production capacity of 3,495 tons per day.

In addition, the Corporate Group operates hotel business, sells food and drinks, and offers other related services including Wishing Tree Khon Kaen Resort, which is the business unit under the management of Khon Kaen Glass Industry Co., Ltd. The Resort's primary objective is to provide training facilities for the Corporate Group's employees and the general public.

3.3.2 Main Suppliers of Raw Materials and Main Raw Materials

The main raw materials used in glass container production are glass scraps, soda ash, and silica sand, and other raw materials. The Company's procurement strategies focus on sourcing raw materials from the reliable and high-quality suppliers, and strengthening the relationship with major suppliers. In the past, the Company has had sufficient sources of raw materials used in production process all the time. In overview, the Company orders raw materials from several suppliers due to the company's policy that requires having at least two suppliers for each type of raw material to allow the company to check and compare prices and reduce the risk of the single supplier dependency in case of a shortage or an expensive price. The Corporate Group can change to use other raw materials such as glass scraps and soda ash to replace the said deficient raw materials. However, the orders of the raw materials from the foreign suppliers are mostly made through the dealers in Thailand. Therefore, the Company mostly makes payment of raw material cost in Baht currency, resulting in no significant direct risk on the foreign exchange rate. Until 31 December 2019, the Corporate Group has never confronted with shortage of any raw materials and has not ordered raw materials from any supplier more than 30.0% of total raw material purchasing amount in each of the said period.

Remark : ¹ As of 4 December 2019, Rayong Glass Industry Co., Ltd. changed the name to BGC Glass Solution Co., Ltd.

Information of Securities and Shareholders //

1. Number of the Paid-Up Registered Capital

The Company's total paid-up registered capital has currently been Baht 3,472,220,000, being classified into 694,444,000 shares at par value of Baht 5 per share. However, the Company has not issued other securities other than ordinary shares.

2. Shareholders

2.1 List of Major Shareholders

(a) Top ten shareholders as of 30 December 2019

List of Shareholders	Number of Shares (Shares)	Shareholding Proportion (%)
1. BANGKOK GLASS PUBLIC COMPANY LIMITED	499,999,920	72.0%
2. ALLIANZ AYUDHYA ASSURANCE PUBLIC COMPANY LIMITED – EQUITY FOR ENHANCED PAR AND PAR FUND	16,961,000	2.4%
3. UOB LONG TERM EQUITY FUND	7,040,200	1.0%
4. PHATRA SMALL AND MID CAP EQUITY FUND	6,729,700	1.0%
5. SCB DIVIDEND STOCK 70/30 LONG TERM EQUITY FUND	6,588,400	0.9%
6. THANACHART DIVIDEND STOK FUND	5,633,300	0.8%
7. TISCO MID/SMALL CAP EQUITY FUND	5,365,200	0.8%
8. MR. PARINYA TIEANWORN	5,100,000	0.7%
9. THAI LIFE INSURANCE PUBLIC COMPANY LIMITED	5,000,000	0.7%
10. BANGKOK INSURANCE PUBLIC COMPANY LIMITED	4,000,000	0.6%
Total	562,417,720	80.9%

Source : Information from Thailand Securities Depository Co., Ltd.

According to the information of the Company's ordinary shareholders who have held shares through Thai NVDR Co., Ltd. (Thai NVDR) as of 30 December 2019, the said held shares have been 3,507,700 shares or 0.5% of total sold share. An exercise of voting rights in the shareholders' meeting are unable for the said ordinary shares held by Thai NVDR unless in case of the exercise of voting rights for resolution on delisting shares from being the listed securities in the SET. Thus, the number of the Company's voting shares will be reduced, resulting in an increase in voting rights of other shareholders. However, the shareholders and investors can verify the number of shares held by Thai NVDR from the Stock Exchange of Thailand's website for benefit of considering an exercise of the voting right accordingly.

(b) Bangkok Glass Public Company Limited is the Holding Company that operates the business by holding shares in other companies and is the major shareholder, it has the significant influence on policy establishing, management or operation of the Company.

2.2 Major Shareholders' Agreement

- None -

3. Issuance of Other Securities

- None -

4. Dividend Payment Policy

4.1 Dividend Payment Policy of the Company

The Company establishes a policy for dividend payment to its shareholders in the ratio of no less than 40.0% of net profit after deduction of corporate income tax, appropriation of legal capital reserve and general reserve by taking into account the separate financial statements of the Company. However, the Company may consider paying dividend different from the established policy, depending on the Company's turnover, financial position, financial liquidity, and necessity on use of fund for business management, and business expansion, as well as economic situation.

4.2 Dividend Payment Policy of the Subsidiaries

The subsidiaries establish a policy for dividend payment to their shareholders in the ratio of no less than 80.0% of net profit in accordance with the separate financial statements of the subsidiaries after deduction of corporate income tax, appropriation of legal capital reserve and general reserve. The Company may consider paying dividend different from the established policy, depending on the subsidiaries' overall operation, financial position, financial liquidity, investment and business expansion plan, as well as economic situation.

Risk Factors //

The Board of Directors recognizes an importance of the corporate risk management and assigns the Audit Committee to review the corporate risk management process. The internal audit office in collaboration of all administrative units are responsible for developing a risk management plan, assigning the responsible

persons for each risk, monitoring and reviewing risks, and reporting to the Audit Committee to ensure the Company's adequate and proper risk management. Despite this measure, there remain some risks worth considering that might occur and affect the company and its stakeholders including:

1. Operational Risks

1.1 Risk of customer concentration

Most of the company's products are sold to a few large customer groups, of which some of them are the shareholders of BG which is the Company's shareholders. However, the sales of products to the large customer group are in accordance with the 5-year futures contract ending on 31 December 2022, whereas a minimum order quantity is specified. The Group of the Company has also entered into contracts with other additional large customers and expanded its customer base locally and internationally to mitigate risk of customer concentration.

1.2 Risk of investment in new business

Due to both domestic and foreign investment plans of the Company, the Company has exposed to risk from the changing business environment from before in term of economic, social, and political situations, and the relevant laws in the foreign countries where the Company has entered to invest. However, the Company has assigned the professional specialist to conduct the study on the related information of the project which will be invested in details, taking into account the related areas whether in law, finance, technique, environment, and ethics.

1.3 Risk of failure to supply raw materials at the suitable price and quantity

The Company's variable cost is estimated as most of total selling cost. The grass scraps are the main raw materials used in manufacture of grass packaging. The price may be depending on the trend in accordance with the overall market and economic situations, possibly affecting the market price of raw materials on periodical basis. However, the Group of the Company has entered into sales contract to purchase glass scraps from the distributor in order to reduce the risk from shortage of the glass scraps. It is important that in case of the shortage of any raw materials, the Company can adjust the manufacturing formula of the remaining raw materials to ensure that the glass packaging with the same quality can be manufactured.





1.4 Risk of increase in raw material cost and energy cost

The risk from an increase in raw material price and energy cost may cause the production cost of the glass packaging to be higher while the Company is unable to thrust a burden of such increasing cost to its customers. In accompany with an intense level of the market competitive situation, and if such cost remains continuously increase, the business operation, business opportunity, financial position, as well as turnover of the Company may be negatively and significantly affected. However, the Company has still monitored the risk of which the rate of labor cost and transportation cost may increase in the future.

1.5 Risk of machine breakdown or malfunction and loss resulting from weather condition, natural disaster, or any uncontrollable situation

The company has ordered machines with high quality and advanced technologies, and schedules a regular repair and maintenance plan. If there is a problem with the machine used in production, the corrective action will immediately be taken by an experienced team of experts. Additionally, as the company operates production facilities in various locations, it is able to efficiently manage the utilization of the other factory in the Group of the Company to ensure on-time delivery of glass packaging to its customers. For the past years, the company has never experienced with the problems

of machine breakdown or production failure or any significant interruption.

1.6 Risk of human resource management for supporting the business growth

In the human resource management and development for supporting the business growth, the use of the personnel with knowledge, competencies, skills, expertise and experiences in the suitable number for the Company's business operation are required. In case of the Company's encounter with the shortage problem of the skillful personnel, failure to retain the key quality personnel, and problem of the labor conflict, it may continually affect its business growth.

1.7 Risk of product damage or holding in a large number from inefficient manufacturing the glass packing on the setting target

The Company's manufacturing may encounter with the problem of failure to manufacture the quality products on the setting target due to various causes consisting of use of poor quality raw materials, below requirement in melting and adjusting the specification of the water glasses, non-relation between the size of furnace and manufactured product, non-relation between the size of machine and tuning of the machine with the manufactured product, poor quality mold used, insufficient working skills of the employees in Production Department causing a large number of poor quality products (holding bottles) from manufacturing at high damage value.

1.8 Risk of fluctuation of the financial cost from foreign exchange rate.

The Company has invested in the new project. Euro currency has been used in a part of the investment funds to procure the project's machines. Therefore, the fluctuation on foreign exchange rate may affect the planned investment budget.

1.9 Risk of financing the source of business investment funds

In the manufacturing business industry of glass packaging products, the manufacturers must use a large amount of investment funds, particularly in investment in the glass manufacturing-related machines and technologies to ensure that the Company can attain its target and business strategy to be the integrated packaging manufacturing leader. Thus, if the Company fails to finance the source of investment funds with the appropriate and adequate financial cost, it may result in a reduction of its competitiveness, and failure to attain the setting target.

1.10 Risk of change in consumer behavior on use of alternative packaging

Despite competition of the Company's business with the alternative packaging, glass packaging remains the safe choice for container, as it causes no chemical reaction with the product contained inside, contributing to the well preservation of the beverage's temperature and taste. Moreover, glass packaging is an entirely recyclable product. The Company also offers to accept the bottles in return for cost savings.

2. Administrative risks

The Company systematically manages and establishes the policies that can be audited, business development strategies, investment plan, dividend payment policy, and business opportunities to make

the Executive assured that the Company will have not have conflict of interests with the major shareholders and any other shareholders in the future.

3. Regulatory risks

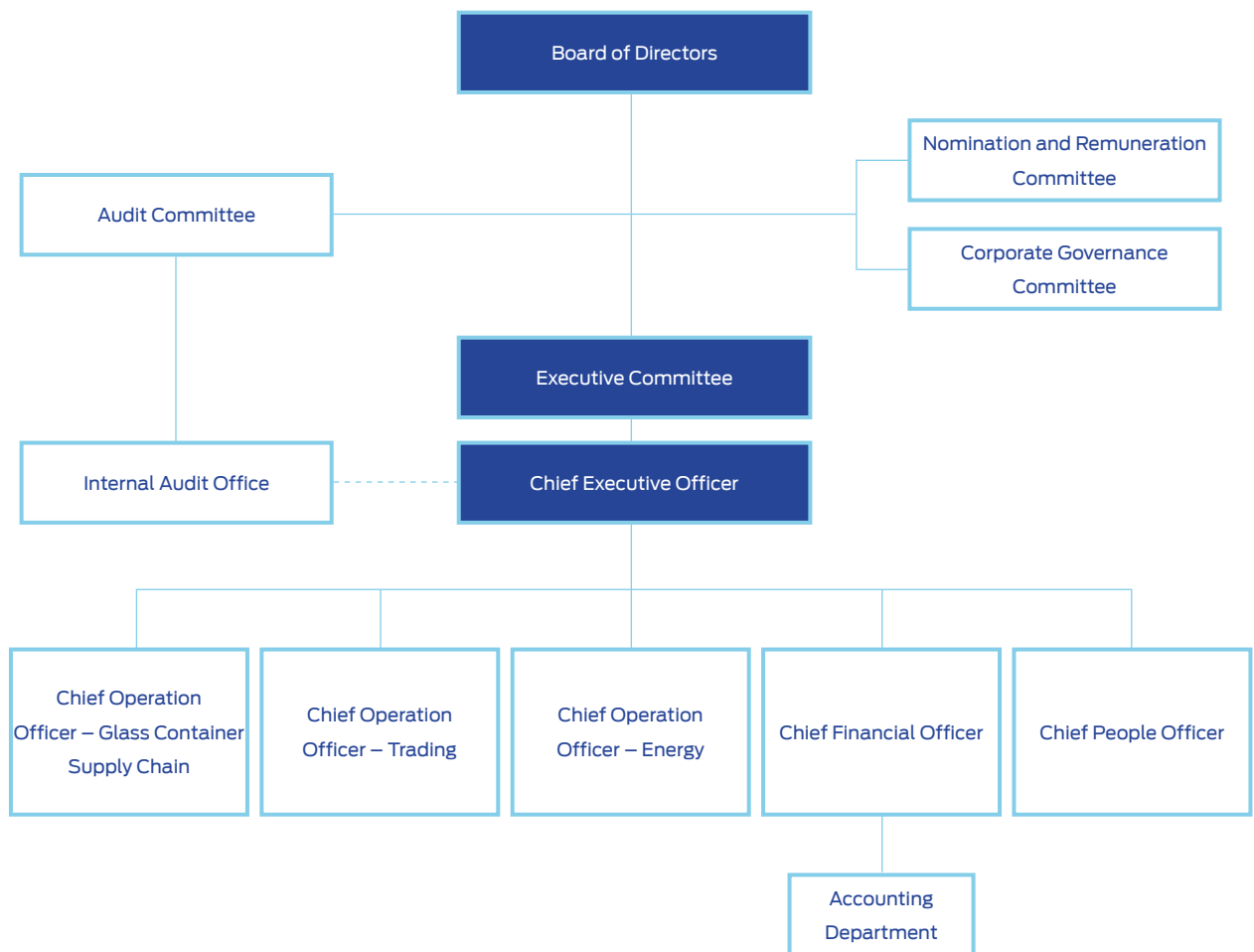
3.1 Risk of failure to completely fulfil the conditions of permits received

The Company needs to be granted for the important permits which are continually effective for its operations and fulfil the conditions specified in the permits. Nonetheless, the Company continuously provides trainings and knowledge for its employees

on industrial standards. Furthermore, due to a regular contact with the government agencies, the Company is informed and understands the way to comply with the requirements of the said relevant agencies. Until 31 December 2019, the Company has never failed to fulfil the conditions under its permits.

Corporate Governance Structure //

1. Organization Chart¹



Remark : ¹ The Company's organization chart as at January 1, 2020.

2. Information of the Board of Directors and the Sub-Committees

The structure of the directors of the Company consists of the Board of Directors and the Sub-Committees in total of four sets which include the Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee, and Executive Committee as per the following details.

2.1 Board of Directors

The current Board of Directors consists of eight directors as per below details.

Name List	Position	Type of Director
1. Mr. Pornwut Sarasin	Chairman of the Board of Directors	Non-Executive Director
2. Mrs. Suttharug Panya	Vice Chairman Chairman of the Auditor Committee	Independent Director / Non-Executive Director
3. Mr. Pavin Bhirom Bhakdi	Chairman of the Executive Committee	Executive Director
4. Mr. Somchai Sirivichayakul	Chairman of the Nomination and Remuneration Committee	Independent Director / Non-Executive Director
5. Mrs. Sunsanee Supatravanij	Chairman of the Corporate Governance Committee	Independent Director / Non-Executive Director
6. Mrs. Amarat Puvaveeranin	Director	Executive Director
7. Asst. Prof. Kasom Chanawongse	Director	Non-Executive Director
8. Mr. Silparat Watthanakasetr	Chief Executive Officer ¹	Executive Director

Whereas Mr. Vorrappop Taksaphan is the Secretary of the Board of Directors.

The composition of the Board of Directors can be classified into the following type of director:

Type of Director	No. (Person)	Ratio to Total Directors (%)
Independent Director	3	37.50
Non-Executive Director	2	25.00
Executive Director	3	37.50

Remark : ¹ The effective date of the change in title of such position from January 1, 2020 onwards.

In addition, the Chairman of the Board is not an independent director. As such, the Board of Directors promotes a balance of power between the Board of Directors and the Management by appointing one independent director, namely, Mrs. Suttharug Panya, to be the Lead Independent Director to participate in designating the board meeting agenda and perform other duties under the defined Charter.

The signatory directors in binding the Company are Mr. Pavin Bhirom Bhakdi or Mrs. Amarat Puvaveeranin or Mr. Silparat Watthanakasetr, whereas two-third of the directors shall jointly affix the signature and seal of the Company for binding the Company.

Scope of Duties and Responsibilities of the Board of Directors

The 2018 Annual General Meeting of Shareholders on March 21, 2018 resolved to approve the scope of power, duties and responsibilities of the Board of Directors as follows.

- 1) The Board of Directors has power, duties and responsibilities in corporate governance of the Company in accordance with laws, objectives, Articles of Association of the Company, and resolution of the Shareholders' Meeting, with integrity and diligence to maintain the interest of the Company and all shareholders.
- 2) Formulate the main objectives and goals of the business, visions, missions, policies, targets, strategies, business plans, management structure, approval power, and budgets of the Company and its subsidiaries; and monitor and supervise the allocation of important resources; and consider and approve the operating policy and direction proposed by the Management.
- 3) Monitor and supervise the efficient and effective administration and management

of the Executive and the Sub-Committees of the Company in accordance with the defined main objectives and goals of the business, visions, missions, policies, targets, strategies, work plans, and budgets to maximize value to the Company and the shareholders.

- 4) Consider reviewing, verifying and approving the policies, directions, strategies and business plans of the Company and its subsidiaries proposed by the Executive.
- 5) Monitor and supervise the ethical business engagement under the right respect and responsibility to the shareholders and stakeholders; and the operation of the business that is useful for society and environment, and adaptable under the changing factors in accordance with the Corporate Governance Code.
- 6) Continuously monitor the Company's operating performance in accordance with the operating plans and budgets of the Company.
- 7) Arrange the preparation of financial statements of the Company and its subsidiaries at the ending date of the Company's accounting period, which are audited by the auditor, and proposed to the Shareholders' Meeting for consideration and approval.
- 8) Consider formulating the appropriate Risk Management Policy to cover the whole organization, and monitor and supervise to have an appropriate risk management system or process under the supporting measure and controlling method to abate an impact toward the businesses of the Company and its subsidiaries.
- 9) Regularly carry out to ensure that the Company and its subsidiaries apply the

proper and efficient accounting system, and establish the adequate and effective internal control system and internal audit system, and appropriate assessment process of the internal control system of the Company and its subsidiaries.

- 10) Consider defining management structure to have power in appointing the Sub-Committees, the Managing Director, and other set of the Sub-Committee as appropriate, and defining the scope of authority of such person.

However, the delegation under the scope of authority defined shall not be in the manner of delegation that allows the said Sub-Committees, Managing Director, and other sets of the Sub-Committees to enable to consider and approve the transactions that may be in conflict with gain and loss or in conflict with any other interests performed with the Company or its subsidiaries (if any), except the approval of transaction in accordance with policies and rules already considered and approved by the Board of Directors.

- 11) Organize the Board of Directors' Meeting at least once a quarter.
- 12) Prepare Annual Report and take the responsibility of preparation and disclosure of financial statements to show financial position and operating performance in last year, as well as monitor and supervise the adequacy of the financial liquidity and solvency of the Company, and propose to the Shareholders' Meeting for consideration and approval.
- 13) Consider giving consent on selection and nomination for appointing the auditor, and determination of an appropriate remuneration as proposed by the Audit Committee to be proposed to the

Shareholders' Meeting for consideration and approval.

- 14) Establish the Corporate Governance Policy under Good Governance Code in writing, and efficiently adapt such Policy for ethical business engagement under the right respect and responsibility to the shareholders and stakeholders, and the operation of business that is useful for society and environment, and adaptable under the changing factors in accordance with Corporate Governance Code.
- 15) Determine a Succession Plan for preparing the succession of the Managing Director and top executive. The Managing Director is assigned to report the operating performance based on the Succession Plan to the Board of Directors for the periodic acknowledgement at least once a year; and monitor and supervise the person that performs his/her duty of management and development of the personnel to have the suitable number, knowledge, skill, experience and motivation.
- 16) Monitor and supervise the formulation of the appropriate remuneration framework, policy and structure as proposed by the Nomination and Remuneration Committee in order to motivate the executives and staffs of all levels to perform their works to be consistent with the main corporate objectives and goals, and consistent with the business interests in long run. The followings shall be also monitored and supervised: (1) a consideration on the suitability of the proportion of remuneration in salary, and remuneration in relation to short-term operating results and long-term operating results of the business, and (2) formulation of Remuneration Payment Policy.

- 17) Appoint the Sub-Committees, such as the Audit Committee, Nomination and Remuneration Committee, and/or any other Sub-Committees to assist and support the duty performance of the Board of Directors as appropriate.
- 18) Assess the working performance of the directors for the whole Board, and assess the working performance of the individual director for considering and reviewing their performance, problems and obstacles in each year so that the assessment result can be applied for developing and improving the operations in various areas.
- 19) Monitor and supervise the administration and management, and operations of the Company and its subsidiaries in accordance with the Company's policies, the securities laws, as well as relevant notifications, regulations and rules of the Capital Market Supervisory Board, Office of SEC, and Stock Exchange of Thailand, for instance, performing the connected transaction, acquisition or disposition of the important assets to the extent that it is not in conflict or contradiction with other laws. The adequate and appropriate internal control and internal audit system are also established.
- 20) Consider appointing the person to assume the office of director or executive of the subsidiaries at least in the proportion of shareholding in the subsidiaries; defining the clear scope of duties and responsibilities of the appointed director and executive of the subsidiaries; defining the framework of power to exercise the discretion to vote in the Board of Directors' Meeting of the subsidiaries in the important matters that must be firstly commented by the Board of Directors; and controlling the management of the subsidiaries in accordance with the Company's policies, and legally performing the transactions, and complete and proper disclosure of the information of financial position, operating results, performing related party transactions, acquisition or disposition of the significant assets.
- 21) Consider approving the appointment of the qualified person without prohibited qualification as determined in the Public Limited Companies Act B.E. 2535 (1992) (including the Amendment), the Securities and Exchange Act B.E. 2535 (1992) (including the Amendment), including the relevant notifications, regulations and/or rules, to assume the office in case of vacancy of the director office due to other reasons apart from the retirement by rotation. In addition, the appointment of the director in replacement of the director who retires by rotation, and the determination of the directors' remuneration shall be considered and given consent, and proposed to the Shareholders' Meeting for consideration and approval.
- 22) Consider approving an interim dividend payout to the Company's shareholders and report the said dividend payout to the Shareholders' Meeting for acknowledgement in the next Meeting of Shareholders.
- 23) Supervise and manage the conflict of interests that may occur among the stakeholders of the Company and its subsidiaries, and protect the undue utilization of the property, information and opportunity of the Company, and performing transactions with the person that has a connected relationship with the Company in improper manner. However, in case where

any director has gain and loss in any transaction performed with the Company or has the increasing or decreasing proportion of the shareholding in the Company and/or its subsidiaries, the said director shall notify the Company for acknowledgement without delay.

- 24) Give precedence and support the creation of innovation that add value to the business in long run, at the same time of creating benefit to the customers or related parties, under social and environmental responsibilities.
- 25) Set a complaint receiving and action mechanism in case of whistleblowing.
- 26) Review the Charter of the Board of Directors at least once a year.
- 27) The Board of Directors may authorize one director or several directors or any other persons to take any action on behalf of the Board of Directors subject to its control, or may authorize the said person to have

power as deemed appropriate by the Board of Directors within the period deemed appropriate by the Board of Directors. The Board of Directors may cancel, withdraw, alter or revise such authorization upon being deemed appropriate.

However, that authorization shall not be in the manner of an authorization that allows the said person to enable to consider and approve the transactions that he/she or the person who may have conflict, gain and loss, or may have conflict of interests in any other manners performed with the Company or its subsidiaries (if any) as defined in the Notification of the Capital Market Supervisory Board and/or Stock Exchange of Thailand, and/or any other Notifications of the relevant agencies, except the approval of transaction in accordance with policies and rules already considered and approved by the Board of Directors.

2.2 Audit Committee

The current Audit Committee consists of three independent directors. Such directors have the complete qualifications in the Notification of Capital Market Supervisory Board, and the relevant Notifications of the Stock Exchange of Thailand as per below detail.

Name List	Position
1. Mrs. Suttharug Panya	Chairman of the Audit Committee
2. Mr. Somchai Sirivichayakul	Member of the Audit Committee
3. Mrs. Sunsanee Supatravanij	Member of the Audit Committee

Mrs. Suttharug Panya is the member of the Committee who has adequate knowledge and experience that can perform her duty in reviewing the reliability of the Company's financial statements.

Whereas Mrs. Suratchanee Benjajinda is the Secretary of the Audit Committee.

Scope of Duties and Responsibilities of the Audit Committee

The 2018 General Meeting of Shareholders on March 21, 2018 resolved to approve the scope of power, duties and responsibilities of the Audit Committee as follows.

- 1) Review the Company and its subsidiaries to ensure proper and adequate financial reporting.
 - 2) Review the Company and its subsidiaries to ensure the appropriate and effective internal control system and internal audit system; and consider the independence of the Internal Audit Unit, as well as give consent on considering the appointment, removal and dismissal of the Chief of the Internal Audit Unit or any other units in charge of internal audit.
 - 3) Review the administration and management to ensure the compliance with the established Risk Management Policy.
 - 4) Review the Company to ensure the compliance with securities and exchange law, regulation of Stock Exchange of Thailand, and laws relating to the businesses of the Company and its subsidiaries.
 - 5) Consider, select and propose the appointment of the person who is independent of function of the Company's auditor, and propose the remuneration of such person; and attend the meeting with the auditor without the meeting attendance of the Management at least once a year.
 - 6) Consider the connected transactions or the transactions that may have conflict of interests in accordance with laws and requirements of the Stock Exchange of Thailand to ensure that the said transactions are reasonable and yield maximum benefits for the Company.
 - 7) Prepare the Audit Committee's Report and disclose in the Company's Annual Report.
- The said Report shall be affixed with the signature of the Chairman of the Audit Committee and at least contain the following information.
- (a) Opinion on the accuracy, completeness, and reliability of the Company's financial report
 - (b) Opinion on the adequacy of the Company's internal control system
 - (c) Opinion on the compliance with the securities and exchange law, requirements of the Stock Exchange of Thailand, or laws relating to the businesses of the Company
 - (d) Opinion on the appropriateness of the auditor
 - (e) Opinion on the transactions that may have conflict of interests
 - (f) Number of the Audit Committee's Meetings, and meeting attendance of each member of the Audit Committee
 - (g) Overall opinion or observation obtained by the Audit Committee from its function under the Charter
 - (h) Other transactions deemed that the shareholders and general investors should be informed under the scope of duties and responsibilities entrusted by the Board of Directors
- 8) The Audit Committee has power to ask for the independent opinion from any other professional advisor when it is deemed as necessary at the Company's expense.
 - 9) Take any actions entrusted by the Board of Directors under the Audit Committee's consent.

2.3 Nomination and Remuneration Committee

The current Nomination and Remuneration Committee consists of three members of the Nomination and Remuneration Committee as per below detail.

Name List	Position
1. Mr. Somchai Sirivichayakul ^{/1}	Chairman of the Nomination and Remuneration Committee
2. Mrs. Sunsanee Supatravanij ^{/1}	Member of the Nomination and Remuneration Committee
3. Mr. Pavin Bhirom Bhakdi	Member of the Nomination and Remuneration Committee

Remark : ^{/1} Independent Director

Whereas Mr. Vorrappop Taksaphan is the Secretary of the Nomination and Remuneration Committee.

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

The 2018 General Meeting of Shareholders on March 21, 2018 resolved to approve the scope of power, duties and responsibilities of the Nomination and Remuneration Committee as follows.

- 1) Suggest the structure, size and composition of the Board of Directors and the Sub-Committees that are appropriate for the nature of the Company's business.
- 2) Determine qualification, rule and procedure for nominating the directors, members of the Sub-committees, and the Managing Director of the Company; and consider selecting the person who is proper in the aspects of knowledge, experiences, and expertise to be nominated to the Board of Directors for considering the appointment and/or presenting to the Shareholders' Meeting for further considering the appointment (as the case may be).
- 3) Consider the structure of remuneration, form and rule for paying working remuneration (either in form of cash, security or any other form) of the directors, members of the Sub-committees, and the Managing Director of the Company to be appropriate and fair in accordance with the relevant laws, as well as determining wage rate, remuneration, pension and award, bonus, and salary increase for the directors, members of the Sub-committees, and the Managing Director of the Company to be presented to the Board of Directors' Meeting and/or the Shareholders' Meeting for further consideration (as the case may be).
- 4) Consider the guideline for determining the directors' remuneration to be consistent with the long-term strategies and goals of the Company, experiences, obligations, scope of accountability and responsibility, including expected benefits gained from each director. Nevertheless, the directors' remuneration should be in the nature that can be compared with the practical level in the industry.
- 5) Consider the nomination for the position of directors or subsidiaries' executive, and determine roles, duties and responsibilities of directors and subsidiaries' executive. Such nomination shall be proposed to the Board of Directors.
- 6) Consider the criteria of performance assessment for the Managing Director of the Company and present to the Board of Directors for considering and giving consent.
- 7) Prepare and review the development plan of the Managing Director and chief executive to be prepared for the Succession Plan in case where the Managing Director or chief executive in the said position retires or is unable to perform his/her duty so that the Company's management can be continuously executed.
- 8) Perform any other works as entrusted by the Board of Directors.

2.4 Corporate Governance Committee

The current Corporate Governance Committee consists of four members of the Corporate Governance Committee as per below detail.

Name List	Position
1. Mrs. Sunsanee Supatravanij ¹	Chairman of the Corporate Governance Committee
2. Mr. Somchai Sirivichayakul ¹	Member of the Corporate Governance Committee
3. Asst. Prof. Kasom Chanawongse ¹	Member of the Corporate Governance Committee
4. Mr. Silparat Watthanakasetr	Member of the Corporate Governance Committee

Remark : ¹ Independent Director

Whereas Mr. Vorratap Taksaphan is the Secretary of the Corporate Governance Committee.

Scope of Duties and Responsibilities of the Corporate Governance Committee

The 2018 General Meeting of Shareholders on March 21, 2018 resolved to approve the scope of power, duties and responsibilities of the Corporate Governance Committee as follows.

- 1) Establish and review the Good Corporate Governance Policy of the Company to be appropriate for the Company's business, to be presented to the Board of Directors, and oversee the Company's operations in accordance with the Corporate Governance Code which is appropriate for the Company's business.
- 2) Review the Charter of the Board of Directors, and the Sub-Committees, Business Ethics and Code of Conduct of the Staffs, Significant
- 3) Report the operating performance under the Corporate Governance Code to the Board of Directors, and determine a guideline for reporting the operating performance under the Corporate Governance Code in Annual Registration Statement Form (Form 56-1) and Annual Report.
- 4) Occasionally perform other duties entrusted by the Board of Directors.

Practice, Guideline of Practice to be updated and suitable for the Company's business, and consistent with the Guideline of Practice of the Stock Exchange of Thailand, Office of Securities and Exchange Commission, and Capital Market Supervisory Board, or any other laws applicable with the Company's business.

2.5 Executive Committee

The current Executive Committee consists of four executive directors as per below detail.

Name List	Position
1. Mr. Pavin Bhirom Bhakdi	Chairman of the Executive Committee
2. Mrs. Amarat Puvaveeranin	Member of the Executive Committee
3. Mr. Somporn Temudomsomboon	Member of the Executive Committee
4. Mr. Silparat Watthanakasetr	Member of the Executive Committee

Whereas Mr. Vorratap Taksaphan is the Secretary of the Executive Committee.

Scope of Duties and Responsibilities of the Executive Committee

The 2018 General Meeting of Shareholders on March 21, 2018 resolved to approve the scope of power, duties and responsibilities of the Executive Committee as follows.

- 1) Consider screening the proposal of the Managing Director, and present goals, policies, and business plans, including annual budgets of the Company for consideration and approval of the Board of Directors
- 2) Control, monitor and supervise, and follow up the operating results of the Company in accordance with the formulated policies, goals, business plans, business strategies, and budgets, and managerial powers as approved by the Board of Directors to be efficient and effective for supporting the business conditions; and give counsel, and advice on administration and management to the chief executives.
- 3) Follow up the operating results and progress of the investment structure of each business, and report the occurred overall results including problems or obstacles, and a guideline of improvement and correction for acknowledgement of the Board of Directors.
- 4) Consider approving the operation that is a normal transaction of the Company's business, for instance, investments based on investment budget or budget approved by the Board of Directors, etc. The financial limit for each transaction shall be in line with Table of Approval Power approved by the Board of Directors. The Executive Committee has power to approve an investment expense in the excessive portion of the annual budget not more than 15.0% and in amount of not more than Baht 50.0 million, and has power to approve the investment expense in the non-budgeting portion not more than Baht 20.0 million.
- 5) Consider profit and loss of the Company, and proposal of the interim dividend or annual dividend payout to be proposed for approval of the Board of Directors.
- 6) Present the Nomination and Remuneration Committee and/or the Board of Directors the organization chart which is appropriate for the Company's operation for consideration and approval.
- 7) Have power to consider approving annual salary increase budget or increase in salary level of staff, and annual gratuity payment (bonus) to the staffs of the Company and its subsidiaries.
- 8) Carry out to allow the executives, the Management or staffs to attend the Executive Committee's Meeting or prepare and provide information relating to the matters of discussion in the Executive Committee's Meeting.
- 9) Procure the advisor or the person with independent opinion to remark opinion or advice as necessary.
- 10) Appoint and/or assign the executive directors or any other one person or several persons to take any action subject to the control of the Executive Committee, or may authorize such person to have power and within the period as deemed as appropriate by the Executive Committee. The Executive Committee may cancel, withdraw, alter or change the authorized person or that authorization as deemed as appropriate.
- 11) Occasionally perform other duties as entrusted by the Board of Directors. Nevertheless, the delegation of power,

duties and responsibilities of the said Executive Committee shall not be in the manner of authorization or sub-authorization that allows the authorized person from the Executive Committee to enable to approve the transactions that he/she or person who may have conflict (as per definition stipulated in the Notification of the Capital Market Supervisory Board and/or Stock Exchange of Thailand, and/or relevant agencies), have gain and loss, or may have any other conflict of interests with the Company or its subsidiaries and/or the

related company. The Executive Committee has no power to approve the operation of such matters whereas such matters must be proposed to the Board of Directors' Meeting and/or the Shareholders' Meeting (as the case may be) for further approval, except the approval of transaction that takes place in accordance with ordinary course of business and normal trade condition as prescribed in the Notifications of the Capital Market Supervisory Board, and/or Stock Exchange of Thailand and/or relevant agencies.

3. Information of the Executives

As at January 1, 2020, the Company's executives as defined by the Office of the Securities and Exchange Commission consist of five persons as follows.

Name List	Position ¹
1. Mr. Silparat Watthanakasetr	Chief Executive Officer, and Chief Operation Officer - Energy (Acting)
2. Mr. Wisal Laorsatiangul	Chief Operation Officer - Glass Container Supply Chain
3. Mr. Kittisak Chokelarptawee	Chief Operation Officer - Trading
4. Ms. Sirikul Mangkornkanok	Chief Financial Officer
5. Mrs. Anocha Loertjaroenwat	Chief People Officer

Nevertheless, Ms. Sirikul Mangkornkanok, Chief Financial Officer, has taken the highest responsibility in accounting and finance, and Mrs. Kallaya Unjai, has been the accountancy controller of the Company.

Remark : The effective date of the request of Mrs. Siriporn Krailadsiri, Assistant Managing Director – Quality Assurance Office for the early retirement from June 1, 2019.

¹ The effective date of the change in title of such position from January 1, 2020 onwards.

Scope of Duties and Responsibilities of the Managing Director¹

The Board of Director's Meeting No. 7/2017 on October 9, 2017 resolved to approve the scope of power, duties and responsibilities of the Managing Director as follows.

- 1) Control the business operation and/or daily administration of the Company.
- 2) Prepare the policy and formulate annual business plan, operating plan, budget plan, and business strategy of the Company and its subsidiaries as proposed by the Management; and define the structure and managerial power to be proposed to the Board of Directors for further consideration and approval.
- 3) Monitor and supervise the operation or duty performance for benefit of the Company in accordance with vision, direction of business operation, policy, business strategy, target, operating plan and budget approved by the Board of Directors; and audit, monitor and assess the operating performance of the Company in compliance with the formulated policy, and has duty in reporting the operating and managerial results, including operating progress to the Audit Committee and the Board of Directors.
- 4) Consider approving the operation that is normal transaction of the Company's business based on the investment budget or budget approved by the Board of Directors. The financial limit for each transaction shall be in line with the one prescribed in Table of Approval Power approved by the Board of Directors, and entering into contracts relating to such matter. The Managing Director has power to approve investment expense in the excessive portion of the annual budget not

more than 15.0% and in amount of not more than Baht 20.0 million, and has power to approve investment expense in the non-budgeting portion not more than Baht 5.0 million.

- 5) Have power to consider approving spending in accordance with the ordinary course of the Company's business, under budget approved by the Board of Directors, and in accordance with approval power already approved by the Board of Directors.
- 6) Have power to approve the manpower, employment and placement of staff, determination of wage, remuneration and bonus, and appointment and removal of staff; and consider the determination of duties and responsibilities of each work unit and position, for the staff in the level of Deputy Managing Director and inferior.
- 7) Have power to issue orders, rules, notifications, and records for operation of the Company in accordance with the Company's policies and interests for maintaining the organizational discipline.
- 8) Have power to appoint the advisor or different sets of working groups for the benefit and efficiency of good and transparent management, and have power to authorize any one person or several persons to take any action under control of the Managing Director, or may authorize such person to have power as deemed appropriate by the Managing Director within period deemed appropriate. The Managing Director may cancel, withdraw, alter, or change the said authorized person or authorization as deemed appropriate.
- 9) Occasionally perform other duties as entrusted by the Board of Directors. Nevertheless, in respect to the operation of

Remark : ¹ The effective date of the change in title of the Chief Executive Officer from January 1, 2020 onwards.

any matters that the Managing Director or the authorized person of the Managing Director, or person who may have conflict (as per definition stipulated in the Notifications of the Capital Market Supervisory Board and/or Stock Exchange of Thailand, and/or relevant agencies), have gain and loss, or may have conflict of interests with the Company or its subsidiaries and/or the related company, the Managing Director has no power to approve the

operation of such matters. Such matters must be proposed to the Board of Directors' Meeting and/or the Shareholders' Meeting (as the case may be) for further approval, except the approval of transaction that takes place in accordance with ordinary course of business and normal trade condition as prescribed in the Notifications of the Capital Market Supervisory Board, and/or Stock Exchange of Thailand and/or relevant agencies.

4. Company Secretary

The Company Secretary is appointed from the Board of Directors, and must be passed for trainings in the related courses. The duties and responsibilities of the Company Secretary in execution are as follows.

1. Supervise and give advice to the directors and executives relating to the compliance with laws, requirements, rules and regulations of the Company; and monitor for proper and regular practice.
2. Take responsibility in organizing the Board of Directors' Meeting, and Shareholders' Meeting, and oversee and coordinate for the compliance with resolution of such meetings.
3. Supervise the disclosure of information and information report in responsible part in accordance with the rules and requirements of the Stock Exchange of Thailand, Office of the Securities and Exchange Commission, including related laws.

4. Prepare and store the following documents.

- 4.1 Directors' Register
- 4.2 Appointment Notice of the Board of Directors' Meeting, and Minutes of the Board of Directors' Meeting
- 4.3 Appointment Notice of the Shareholders' Meeting, and Minutes of the Shareholders' Meeting
- 4.4 Annual Report of the Company
- 4.5 Stakeholding Report of the Directors and Executives

5. Occasionally perform other duties as entrusted by the Board of Directors.

The Board of Directors has appointed Mr. Vorrappop Taksaphan to be the Company Secretary and in 2019, he has fully performed his duties under the defined duties and passed for trainings in the related courses.

5. Personnel

5.1 Number of the Personnel

As at December 31, 2018 and December 31, 2019, total personnel (excluding executives) of the Group of the Company has been 2,809 persons and 2,909 persons, respectively, as per detail in the following table.

Department	Number of Staffs (Persons) As at December 31,	
	2018	2019
Production Department	1,386	1,454
Quality Assurance Department	848	848
Warehouse and Transportation Department	221	228
Administration and Service Activity Department	113	106
Finance and Accounting Department	87	89
Human Resource Department	61	54
Procurement Department	32	43
Management and Investor Relations Department	26	27
Sales and Marketing Department	24	40
Internal Audit Department	11	20
Total	2,809	2,909

The number of staffs of the Group of the Company as at December 31, 2019 increased from the number of staffs as at December 31, 2018 for 100 persons due to the review on the number of the personnel in the quality control and quality assurance to have the suitable rate for quality control of the products prior to delivery to the customers.

5.2 Staffs' Remuneration

The staffs' remuneration (excluding executives) of the Company and its subsidiaries for the year ended December 31, 2018 and for the year ended

December 31, 2019, was Baht 1,026.6 million, and Baht 1,414.0 million, respectively. The said staffs' remuneration consists of salary, bonus, contribution of provident fund, and contribution of social security fund, etc.

5.3 Provident Fund

The Group of the Company and its staffs have mutually established the Provident Fund in accordance with the Provident Fund Act B.E. 2530 (1987). The Group of the Company and its staffs shall monthly pay contribution into the Fund at the

rate of 4 – 7% of the salary depending in the service duration and welfare received by the staffs. This Provident Fund has been managed by the SCB Asset Management Company Limited. The staff shall be paid upon the retirement of the said staff in accordance with the rule of the fund of the Group of the Company. During 2018 and 2019, the Group of the Company recognized the said contribution as expense for Baht 26 million and Baht 33 million, respectively.

5.4 Significant Labor Dispute in the Past Three Years Period

The Company entered none of the collective bargaining agreement with any staff or any labor union, and the Company's staffs did not set up labor union. The Company has never confronted with the problem of strike of staff or personal problem of the staff that may affect the Company's business operation.

Report of the Corporate Governance Committee //

The Board of Directors gives precedence to the duty performance of the directors and executives in accordance with the international standard under Corporate Governance Code in order to lead the organization toward a sustainable success under fair, transparent, and verifiable management, and a reduction of conflict of corporate interests that will be useful and create confidence of all parties of the stakeholders. Therefore, the Board of Directors resolved the approval on February 14, 2018 to appoint the Corporate Governance Committee to formulate the policy for good corporate governance and business ethics to be appropriate for the business of the Company, formulate the policies consistency with Corporate Governance Code, and supervise the Company's operation in accordance with the formulated policies. The Corporate Governance Committee consists of four directors whereas three-fourth of them are non-executive directors as follows.

1. Mrs. Sunsanee Supatravanij
(Independent Director)
2. Mr. Somchai Sirivichayakul
(Independent Director)
3. Asst. Prof. Kasom Chanawongse
(Non-Executive Director)
4. Mr. Silparat Watthanakasetr
(Executive Director)

Mrs. Sunsanee Supatravanij, the independent director, has been appointed to be the Chairman of the Corporate Governance Committee. The Charter has been established as the operating guideline.

In 2019, the Corporate Governance Committee completely performed its duties as stipulated in the Charter and as assigned by the Board of Directors as per the following summary.

1. Governed the shareholders' right, and the equitable shareholder treatment
 - Promoted the shareholders to fully exercise the rights by giving the shareholders the opportunity to propose the meeting agenda in advance, and nominate the candidate for electing as the director in advance. The news are informed via the system of the Stock Exchange of Thailand and the Company's website.
 - Held the Annual General Meeting of Shareholders for 2019 by informing information related to time, date, venue, rule of the meeting, and decision supporting documents in agenda in advance through the SET Portal and the Company's website to ensure that the shareholders could have sufficient time to study the information.
 - Facilitated all aspects in the meeting attendance of the shareholders by holding the meeting at the venue where is convenient for travelling, and allowing the shareholders to authorize, preparing the modern registering tool for the meeting attendance, as well as provided facilities during the meeting.
 - The Company's the Shareholders' Meeting in 2019 earned score at 97% from the assessment under AGM Checklist.
2. Governed the work performance and the responsibilities of the directors
 - Promoted and monitored the directors to comply with the corporate governance policy of the Company which is consistent with the rule of the supervisory agencies for the transparency of the business operation

- and reduction of the law-related risk.
- Promoted and monitored the executive director and top executive to communicate the corporate governance policy to the employees at all levels for their understanding and awareness on practice.
 - Promoted the directors to be developed by attending the training in the standard director course, such as attending the training in accordance with the course of Thai Institute of Directors (IOD).
 - Scheduled the Board of Directors and the Sub-Committees to yearly conduct self-assessment, and reported the summary result for acknowledgement of the Board of Directors. The Sub-Committees had to report their performance for acknowledgement of the Board of Directors.
3. Governed the correct, complete and timely disclosure of information.
- Supervised the correct and complete disclosure of the essential information to the shareholders and investors, and the information of the compliance with Corporate Governance Code via channels, such as the SET Portal, the Company's website, and Annual Registration Statement (56-1) Form, and Annual Report (56-2).
 - Scheduled the directors to report their securities' holding on quarterly basis, and disclosed the securities' holding and stakeholding information of the directors themselves and their related parties in Annual Report.
4. Governed the transparent business operations under the declaration of intention to join as Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). The opinions on documentary preparation process were mutually remarked with the Audit Committee and Internal Audit Department. According to such execution, the CAC Committee resolved to certify the Company to join the CAC in August 2019.
5. Governed and promoted the business operation with the responsibilities toward the society and all groups of the stakeholders, as well as remarked the operational opinions and suggestions. The continual and sustainable projects have been prepared to have concrete social success such as Water Conservation Project.
6. Governed the operation under the Charter
- Developed the corporate governance, and carried forward the sustainable operation by supervising the Management's operation under the established policy framework, and monitoring the presentation of the operated information.
 - Reviewed and updated the Charter, Corporate Governance Policy and Business Ethics to be up-to-date, international, and consistent with the requirement of the supervisory unit, and guideline of the long-term business operation of the Company.
- The Corporate Governance Committee will continuously carry out to promote the directors, executives and employees of all levels to be confident that business is operated under Corporate Governance Code, which will create the corporate strength, and lead the organization toward a sustainable success and growth, resulting in benefits of the stakeholders of all groups, and the valued organization for the society.

(Mrs. Sunsanee Supatravanij)

Chairman of the Corporate Governance Committee

Corporate Governance //

The Board of Directors is confident that the compliance with the Principles of Good Corporate Governance is the key factor in enhancement of competitive potential. The organization can adapt itself for the change in business, continuously create confidence and success as a foundation of sustainable growth that will create value to the shareholders and the related parties of all groups. Therefore, the Board of Directors encourages the directors, executives and employees in all levels to realize on their roles, duties and responsibilities on the adaptation of practices which are established as policies to be appropriate for their responsibilities

in the organization. Such practices are consistent in accordance with Corporate Governance Code of the Listed Companies 2017.

The Practice of Corporate Governance of the Company emphasizes on the right and equality of all shareholders, and supervision of the stakeholders of all groups under the responsibility of the Board of Directors in compliance with and disclosure of information on the transparency, completeness, due course, and verifiability basis, and determination of visions, policies and practical guidelines to attain the objectives in the following areas. In 2019, the following executions were carried out.

1. Rights of Shareholders

Every shareholder has rights on behalf of the owner of the Company. The said rights include the basic rights as stipulated by law, and the right in the matters that should be equally granted on behalf of each shareholder by appointing the director to perform duty in lieu of him/her. The Board of Directors gives precedence to granting the appropriate rights to the shareholders, and acquisition of the company's accurate, complete, adequate, and timely information on equitable basis in order to support the decision making in every matter. Therefore, the Board of Directors has carried out the following executions to ensure that the shareholders have been granted for the basic rights as stipulated by laws.

- Right to purchase, sell or transfer the securities held by the shareholder whereas the share registrar shall be standard and acceptable by the supervising agencies. The Company has appointed Thai Securities Depository

Company Limited (TSD) to be the registrar of all types of securities of the Company.

- Right to equally receive profit sharing / dividend from the Company. The Company clearly establishes the dividend payment policy. In 2019, the dividend and interim dividend were paid to the shareholders for four times in total as per details appeared in the Invitation Notice to the Shareholders' Meeting.
- Right to be equally treated in redemption of shares by the Company. In 2019, such execution was not carried out.
- Right to acknowledge the important information or news of the Company. In 2019, the Company continuously presented the important news via the most convenient and quickest channel of SET Portal System of the Stock Exchange of Thailand, and website of the Company.

- Right to attend the Shareholders' Meeting and vote in the determined agenda to allow the shareholders to consider the significant matters as stipulated by law or the matter that may affect the normal business operation of the Company. The 2019 Annual General Shareholders' Meeting was held on Friday 26 April 2019 at 14:00 hrs. at the conference room, 34th Floor, Singh Complex Building, No. 1788 Phetchaburi Tat Mai Road, Bangkok Sub-district, Huai Khwang District, Bangkok 10310, to allow the shareholders to exercise the following rights.
 - Right to propose agenda prior to attendance of the Shareholders' Meeting, and right to nominate the candidate for electing as the director. The Company gave the shareholders the opportunity to propose the agenda and nominate the candidate during 19 December 2018 to 31 January 2019 via channels, such as Website, Email, telephone, and letter. The Company has publicized the details and rules in its Website, and the right granting via the news system of the Stock Exchange of Thailand for the primary screening prior to proposing to the Board of Directors for consideration. The Company gave the shareholders the opportunity to leave queries required for response in the Shareholders' Meeting in advance. In such period of time, none of any shareholders proposed the meeting agenda or nominated any candidate to be considered as the director.
 - Right to acknowledge and study the information in agenda prior to the meeting in advance. The Company shall issue the meeting appointment notice that clearly determines meeting date, time, and venue,

and meeting agenda, and prepare documentation of the meeting agenda, such as operating results, management policy in various fields, corporate governance, related party transactions of the Company, by notifying and disseminating all details via channel of SET Portal System of the Stock Exchange of Thailand, and the Company's Website in advance for the shareholder's acknowledgement and study on the information in various matters prior to the meeting. In addition, the shareholders are allowed to conveniently download the information of meeting agenda.

Moreover, the meeting appointment notice shall be delivered prior to the meeting at least 21 (twenty-one) days in advance to facilitate the shareholders who are not informed of the information from the Company's Website. The meeting appointment notice shall be publicized in newspaper for three consecutive days prior to the meeting at least 7 (seven) days.

- Right to attend the Shareholders' Meeting and vote in the determined agenda so that the shareholder can consider the important matter as required by law, or the matter that may affect the Company's business operation on the date, time and venue specified in the meeting appointment notice.
- Right to acknowledge proper, complete, and adequate information prior to the Shareholders' Meeting for making decision and resolving in each agenda. In the meeting appointment notice, the topics of the consideration in each agenda are specified whereas each agenda is passed from scrutinizing and remarking the

opinions by the Board of Directors and the Sub-Committees. The objective and reason of proposing the agenda and resolving are also clarified. The main agenda stipulated by law shall completely specify the following information in comparison with the previous year.

- Agenda of the director appointment shall specify name, age, type of the nominated director, educational background and working history, office holding in other company, meeting attendance in previous year, and present criteria and procedure of director nomination
- Agenda of the auditor appointment shall specify the auditor's name, affiliated company, other profiles or information which are useful for making resolution decision, and service fee of the auditor
- Agenda of the approval on dividend payout shall disclose dividend payout policy, proposed dividend payout ratio, and reason and documentation for consideration.
- Agenda for other considerations whereas the Company shall propose objective and reason, together with documentation for consideration
- Right to be facilitated in the meeting attendance as per the following executions of the Company.
 - The Company shall arrange the venue of the Shareholders' Meeting at Singh Complex Building, 34th Floor, where the shareholders can conveniently travel to attend the meeting by several ways and parking lot is sufficient.
 - The shareholder can authorize other person to attend the meeting in lieu of him/her. The Company shall enclose the authorization document in various forms as prescribed by law so that the shareholders can conveniently and appropriately select for using and can download from the Company's Website.
 - The independent director who is authorized from the shareholder is determined to enhance the convenience to the shareholder in case where the attorney is unavailable.
 - E-Registration System is provided for convenience and rapidity in registration. A pre-registration is opened prior to the meeting around two hours, and stamp duties are prepared at the registration point.
- Right to verify accuracy and independence during the meeting, and vote as per the following executions.
 - The Chairman of the Meeting shall carry out the meeting in accordance with laws and Articles of Association of the Company to consider and vote in sequence of the determined agenda without change in the essential information.
 - The meeting agenda other than the determined meeting agenda is not added for fairness due to the advance acquisition of inadequate information by all shareholders for consideration.
 - The independent vote counting checkers shall be arranged by inviting the auditor, legal advisor, and representative from the minor shareholders in the meeting to participate in vote count.

Remark :¹ The change in title of the position to be Chief Executive Office is effective from 1 January 2020 onwards.

- Electronic voting and displaying program is applied as vote counting aided tool for rapid and immediate announcement of the voting results.
 - In voting in each agenda, ballot method shall be used and ballots particularly for disagreed or abstained votes shall be collected for calculating and deducted from everyone who has voting right. The meeting shall be notified prior to the commencement of the meeting, and the shareholders can verify after the meeting.
 - The right to approve the director's remuneration in all forms is exercised whereas the policy and criteria for determining the remuneration, and remuneration for each director shall be proposed for the approval of the meeting.
 - The right to appoint the auditor and approve the auditor's remuneration is exercised whereas the auditor's qualification and the auditor's remuneration which are passed for considering the appropriateness by the Audit Committee are proposed for the approval of the meeting.
 - The right to appoint a director who retires by rotation is exercised by nominating a candidate who is nominated to be a director, together with his/her detailed profile in advance, and asking the shareholders to vote for the individual election.
 - The right to inquire or express the opinion to the director or executive is exercised whereas the Chairman of the Board, Chairman of the Sub-Committee for all sets, Managing Director, and Chief Financial Officer, top executive, auditor, and legal advisor, shall attend the Shareholders' Meetings in order to allow the shareholders to have right in inquiry, opinion and suggestion expression.
- Right to check the properness after meeting as per the following execution.
 - The Company shall disclose the meeting resolution and voting result in the following day from the date of the Shareholders' Meeting through SET Portal System of the Stock Exchange of Thailand, and disclose on the Company's Website.
 - The essence of the minutes of the meeting shall be completely, accurately, and rapidly recorded and include name list of the directors, executives, auditors, and legal advisors who attend the meeting, voting and vote counting procedure, meeting resolution, voting result, and important interrogating issues and opinions. The minutes shall be completed within 14 (fourteen) days from the day of the Shareholders' Meeting, and delivered to the Stock Exchange of Thailand, or related agencies within deadline, and disseminate in the Company's Website for consideration of the shareholders. In addition, the Company shall arrange a meeting video recording, and retain documents and ballots in each agenda as reference or review.
 - Right to call the Shareholders' Meeting in accordance with the rule prescribed by law whereas the shareholders can execute if they deem appropriate. In 2019, none of such execution was carried out.

2. Equitable Treatment of Shareholders

The Board of Directors commits to protect the rights of every shareholder, such as minor shareholders and foreign shareholders. They shall be fairly and equally treated and the opportunity to receive compensation shall be given to them in case of the right infringement. The Board of Directors establishes a treatment policy to make all shareholders confident that they will be fairly and equitably granted for basic rights according to law, and other rights of shareholders for fairness and equality. In 2019, the following executions were carried out.

- Equality of the shareholders in concurrent acquisition of news information as per the following executions.
 - Formulate a Related Party Transaction Policy which shall be passed for the consideration of the Audit Committee to ensure that the occurred related party transaction is impartial at market price, and in the ordinary course of business. Such policies are disclosed by the Board of Directors in details in Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2).
 - Formulate an Insider Trading Prevention Policy for non-public disclosure of the inside information by the person who is informed of information for the personal exploitation, whereas such policy shall be communicated for the acknowledgment and compliance of the directors, executives and staffs. A monitoring measure shall be estimated to ensure that such policy is concretely implemented and penalty is imposed in case where such action is performed.
 - Formulate the policy for the directors and executives to suspend the purchase, sale

and transfer of securities for at least 30 (thirty) days prior to reporting the operating results to the Stock Exchange of Thailand for the equality of all shareholders in recognition of information. A warning is quarterly provided.

- Determine that the directors and executives shall report the purchase, sale, or transfer of securities of the Company to the Office of the Securities and Exchange Commission (SEC) within 3 (three) days from the transaction date. In 2019, the aforesaid was completely observed by the directors and executives.
- Determine that the change in holding the Company's securities held by the directors, executives, and related parties shall be quarterly reported to the Board of Directors' Meeting.
- Equality of nominating a person who will be appointed as a director whereas the Company shall give the minor shareholders the opportunity to nominate the person for the nomination and election as a director in advance. The rule, process, regulation or any other requirement shall be notified via the channel of SET Portal System of the Stock Exchange of Thailand, and the Company's website. In 2019, none of the shareholders nominated any person for election as the Company's director.
- Equality of the shareholders not to lose their right to attend the meeting whereas for the shareholders who are unable to attend the meeting by presence, the shareholders can authorize the independent director or any person to attend the meeting in lieu of them using Proxy delivered together with the

- meeting invitation notice, specifying instruction, procedure and documentary evidence which are simple in giving a proxy, or downloading the said Proxy from the Company's Website. In 2019, total of 114 shareholders by proxy attended the meeting.
- Equality of voting in the manner that the same type of share has equal voting right whereas one share is equal to one vote. In case where the Company has more than one type of shares, the Company shall disclose the right to vote each type of share for acknowledgement of the shareholders prior to voting.
 - Equality of language whereas the Company shall prepare its Website and documents in English language for the foreign shareholders in news reporting, financial information reporting, appointment notice for the shareholders' meeting and supplementary information of the meeting for the whole issue, Proxy, Annual Report, and other important information which should be acknowledged by the shareholders in the Company's Website.

3. Consideration on Roles of Stakeholders

The Board of Directors emphasizes on and recognizes the rights of stakeholders in all groups whether being the internal stakeholders such as shareholders and staffs, and external stakeholders such as customers, business partners, creditors, trade competitors, society, and nearby communities. For protection of the shareholder's rights to be granted for the rights as required by law, or the right which is a collective agreement through an awareness of the Board of Directors on good relationship and inter-cooperation which are useful for the business operation and creation of confidence, and enhancement of the Company's long-term competitiveness, and sustainable growth. Therefore, the policy and guideline of practice are established so that all parties of the stakeholders are granted for the legal rights and the disadvantageous agreement is entered as follows.

3.1 Staffs

The Company realizes on the significance of fair and equitable treatment to all staffs, respect to and non-violation of the principle of human right, non-

exclusion or discrimination due to differences in race, sexuality and social status, adherence to the freedom of religious profession, non-disclosure of the staff's secret to the non-related parties for acknowledgement, protection and supervision of occupational safety and sanitation, supervision of receiving fair and appropriate remuneration and welfare based on knowledge and competence of each staff, and turnover of the Company, as well as promotion and emphasis on the development of the staff's knowledge and competence, and working skill to be efficient. The staff shall be given the opportunity of working skill development in various areas by determining to be a clear and concrete policy and guideline of practice. Moreover, the provident fund for staffs has been established for long-term care of staffs.

In 2019, the Company enhanced the potential of its staffs both in knowledge and competency, and continuously organized both internal and onsite trainings and seminars to promote the creation of good relationship of the staffs in all work units. In addition, the language was emphasized to provide the

learning of English language to the staffs in all work units. The assessment result of the staff development in 2019 has been in good criteria.

Moreover, the privilege of the staffs in all levels is enhanced to ensure the saving with the provident fund for reserving money to be used upon retirement.

- **Human Right Respect and Fair Labor Treatment Policy**

The Company establishes vision of the sustainable business operation and significant mission of the social and stakeholder responsibility by supporting and respecting the human right protection and prevention. The Company strictly complies with the human right law which is conforming to the significant principle of law and international standards with strict non-involvement and avoidance to perform any acts which violate the human rights, such as the United Nations Global Compact (UNGC) and The International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

In addition, the Company also emphasizes on managing the diversity inside the organization, and equal treatment to everyone in accordance with the principle of human rights, with a non-discrimination and an equitable and justified care of every personnel by not segregation of the differences as the result of race, skin color, religion, sex, age, nationality, language, education, citizenship, social status, or any other matters, sexual orientation or disability. The use of child labor and illegal labor are prohibited. The Company strictly complies with the labor law. The Welfare Committee consisting of the representative of the staff party from workplaces of the Company and the representative of the employer party has been set up, focusing two-way communication for

overhearing and gathering the staff opinions, and mutually discussing the issues in improvement of the work system in welfare, working environment, and organizing the appropriate employee activities on regular and monthly basis.

- **Staff Care**

- **Remuneration Management and Welfare Management**

The Company establishes a fair and appropriate remuneration and welfare management policy for the class and status held by the staffs by adhering to an adequacy basis to be properly affordable. The sum of remuneration payment and welfare must be related to cost of output. The determination of remuneration must be controllable under the defined budget and appropriate for the ability to pay so that the operating cost is within the scope and the business can be expanded for the Company's progress.

Moreover, the Company also adheres to the principle of the fair remuneration and welfare management by formulating job evaluation system, remuneration structuring, and performance assessment system under an equity management basis. In other words, Internal Equity shall have an equity for the person who works in the comparable level of duties and responsibilities and difficulties. According to External Equity, the remuneration shall be defined to ensure an attraction of the quality personnel to be consistent with the employment in labor market. Individual Equity is for the person whose performance is better, he/she should earn higher remuneration.

- **Human Resource Development**

The Company realizes that its personnel is valuable asset and a key factor in advancing the Company to achieve target, operating the business on the setting business plan, and supporting the future growth of the Company. Therefore, the Company gives precedence to the continuous and systematic development of personnel in all levels and seriously emphasizes on creation of the progress opportunity, learning and development, in other words, learning support and development and creation of the inspiration to the staffs in "being the best you can be" every day. In addition, the Company also develops its staffs to be prepared for adaptation with changes such as improvement of mindset, knowledge, skill and abilities.

Moreover, the Company promotes Lifelong Learning Culture by applying the various types of development as follows.

- Learning and Development through Exposure, such as On the job training and Mobility / Rotation
- Learning and Development through Experience, such as Mentoring System, Coaching System, Show and Share
- Learning and Development through Education, such as Class room training and E-learning

- **Organizational Engagement**

The Company promotes the development of Employee Engagement under its confidence that a high level of the employee engagement causes the working happiness of the employee, and higher ownership level or organizational participation, resulting in more working efficiency of the employee

and more working efficiency of the Company's employees and success on the setting target.

In the process for awareness of the employee feeling in affection and engagement with the Company, the Company conducts an Employee Engagement Survey whereas the survey result is an element in various dimensions, and prepares action plan from survey result through a working group to build engagement. The working group consists of the representative of the staff party from the Company's workplaces, representative of the Management, and representative of the Human Resource Department.

- **Succession Planning**

The Company systematically carries out Succession Planning to prepare the competent personnel to be ready for holding the position in a high level or level of Leadership Continuity for replacement of the existing position, and to support the position which must be newly defined to be consistent with the future organizational direction, and Succession Planning for replacing the staffs who will be retired in the next five years not to resulting in shortage of the potential manpower, and loss of manpower from retirement.

- Policy and Guideline of Practice for Safety and Occupational Health in Workplace

BG Container Glass Public Company Limited is the company that ethically operates its business under belief in the personnel value, promotes and supervises its staff to have good quality of life, safe and sanitary working condition, as well as adheres to the

environmental responsibilities from the Company's operations affecting the society, related parties, and stakeholders. Therefore, the Company intends to prepare and continuously develop the Occupational Health and Safety Management System Standard ISO 45001, and establishes the following policies.

1. The Company deems that work safety is the part of the important duties and responsibilities of all staffs in all levels who collaborate in performing for their and other person's safety.
2. The Company commits to a counsel provision, and participation of the operators or the operator's representative. All staffs must collaborate in safety, occupational health, and working environment project of the Company and have the right to remark their comments in improvement of the safe working condition and work method.
3. Every staff in directing level have duty to control, supervise, and take responsibilities on his/her subordinate to strictly comply with the prescribed safety rule, and shall behave himself/herself to be a good model, and leader, train and teach the subordinate to have adequate knowledge and competence to ensure work safety.
4. The Company commits to dispose the hazardous sources, improve, control, prevent, and abate risks and likelihood of hazard in various areas in terms of the emergency, occupational accident, and non-occupational accident, illness, occupational disease, and event of trouble, affecting the quality of the staffs, related parties, and stakeholders from the Company's operations.

5. The Company shall support the resources in terms of personnel, budget, time, and training which are appropriate to build safety awareness, and continuously develop safety, occupational health, and working environment work.
6. The Company shall prepare, review, update, and develop Occupational Health and Safety Management System Standard ISO 45001 to be suitable for the changing situations to ensure the continuous improvement and conformity to the legal requirements and other requirements agreed by the Company.

However, the Company extends the safety scope to the key persons which are the business partners with the Company, such as the contractors that play the significant role in repair and construction of the Company's projects. The safety regulation is determined that the contractor must strictly comply with the rule of the Company. SHE Action Plan focuses on the compliance with laws and standards of the Ministry of Labor under classification into three categories as follows.

1. **Safety Work**
 - a. Occupational Health and Safety Management System is carried out in accordance with ISO 45001 : 2018 Standard by BG Container Glass Company Limited and the affiliated companies. The said system has already been prepared and applied for standard certification.
 - b. Safety audit system such as safety audit by professional safety officer (day period and night period) / safety audit by the executive, and safety audit and certification as required by law, to ensure that the Company's staffs will work safely without accident.

- c. In safety, occupational health, and environmental communication, the Company has various communication channels such as visiting and seeing the staffs in production line, communication via journals, and Media channels to ensure that all of the Company's staffs in all level are informed of safety news all over.
 - d. Safety activities for building the staff morale and courage are organized by the Company to promote safety, such as safety day, the day of which the staffs are sent to their home in the period of New Year and Songkran Festival, the project for awarding in safety and good discipline, etc. Other than the work safety promoting activities, the Company also creates non-work safety for the staff safety. Therefore, the Company has established the helmet wearing project and safety belt fastening project for 100% to ensure the road safety.
2. **Occupational Health Work.** To reinforce knowledge and understanding on health care and promote the staff to be healthy, the Company prepares the project for the risk abatement, disease avoidance, and accidental reduction, by training and educating the staffs and monitoring health care result, as well as arranging health menu for the selection of staffs at the Company's canteen and organizing contest activity for the staff health care.
 3. **Environmental Work.** Other than the Company's emphasis on the staffs and business partners, the Company also gives precedence to the surrounding community, and manages in accordance with the good governance, and creates the good relationship with the society and surrounding community in environment.

- **Accident Statistics, Absence Rate, and Occupational Illness Rate in Comparison with Year 2018 and 2019**

Item	2018	2019
1. Total number of staffs who got accident (persons) without absence + with absence	42	45
2. Comparison of a ratio of accidents / 1,000 persons	13	13
3. Comparison of a ratio of absent days / 1,000 persons	12	915

Remark : Accident statistics of BG Container Glass Public Company Limited and the affiliated companies

- **Educating and Training Staffs on Safety and Occupational Health in Workplace in 2019**
In development of the working skill and competence of the staffs, the Company focuses on training for educating the staffs under courses as required by law, such as training the security officer in the supervisory and management level, training of the electricity working, advance fire extinction training, etc. Other than trainings as required by law, the Company also organizes the training of the courses apart from the courses

required by law, such as change in behavior hazard perception, power cutting and separation using Lock Out Tag Out, etc. The main purpose of trainings is to develop knowledge and competence of the staffs for proper and safe operations.

3.2 Shareholders

The Company realizes on the significance and will of transparent business operation, and focus on organizational development for sustainable and continual growth in order to add value of the Company, resulting in maximum return of the shareholders.

In 2019, the Board of Directors performed its duties with honesty and transparency, and made decision on the matters on fairness, prudence and reasonableness basis to focus on the shareholders' overall maximum benefit, as well as regularly reported the significant operations, turnover, financial information, and other information, and continuously paid dividend to the shareholders.

3.3 Business Partners and/or Creditors

The Company realizes on the significance of equitable, fair, and honest treatment to all parties of business partners and/or creditors, and determines the agreement which is disadvantageous against each party. The debt is repaid in accordance with the agreement. The guideline of business partner selection shall be determined by comparing key information in all areas prior to selection and complying with the contract, providing information which is true and based on the business relationship and fairness. In 2019, the customer complaints were unfound. The Company has encouraged its business partners to join anti-corruption in doing the business among them, and established the important mechanism in business partner management in part of supply chain as follows.

1) Business Partner Competence and Process Assessment

The Company assesses its business partners that supplies goods and services which directly affect the packaging quality, such as raw material, packaging material, mold, bottle coating, transportation service, and instrument calibration service, etc. to create confidence and commitment of the business partners to maintain the standard of quality and service. The monthly assessment is conducted under the following assessment topics.

- 1) Quality of goods and services
- 2) Quality of goods delivery
- 3) Quality of both pre- and after sales services In case of the business partner's failure from the assessment criteria, the Company shall collaborate with its business partners to seek for the suitable solution until completion in improvement of such problem. Other than the monthly assessment of business partners, the Company also determines to yearly audit the establishment of the business partners.

2) Selection of New Business Partners

To ensure that the Company will acquire the new business partner with qualification and capacity to fulfill the Company's procurement in accordance with the needs in quality, the Company has formulated the audit criteria of new business partner as follows.

- 1) Auditing an establishment whether there are quality and environmental management system and food safety standard system. An audit is conducted from raw material control, mixed substance protection, production efficiency, quality

control of goods, transportation, inventory management, working environment, and safety and occupational health management, etc.

- 2) Auditing the Company's documents such as certificate, patent permit or concession certificate in case of sand mine, or business license, dealer appointment certificate, etc.
- 3) Auditing the financial history, reliability, reputation, as well as name list of the reference business partners
- 4) Auditing the quality of goods and services in accordance with the Company's standards.

3) Risk Assessment and Management

The Company yearly reviews and assesses risks in part of supply chain whereas likelihood of risk and potential impact towards the Company in finance, business operation continuity, reputation, work safety and human resources, will be considered. In respect to supply chain, the Company focuses on the risk assessment regarding the ability to supply main raw materials and energy at price and quantity based on need, and control of production cost at the suitable level. After the Company has formulated controlling measures, the finding indicated that the risk level in such matter has been in low level. The followings are the setting controlling measures.

- 1) Entry into a contract with the business partner of main raw materials both in short-term contract for 1 year, intermediate period for 3-5 years, and long-term contract for 10-20 years, taking into account the suitability of each raw material, such as sand, soda ash, and natural gas

- 2) Regular selection and development of both new domestic and foreign business partners
- 3) Acquisition of raw materials or substitute goods, such as oil which is an alternative energy.
- 4) Creating good customer relationship, and upgrading the relationship from a vendor to be a business partner
- 5) Regular monitoring the trend of market price and need both in the country and abroad
- 6) Periodically monitoring the main business partner's status

4) Joint-Venture with the Business Partner for Business Security

The Company has foreseen a significance of supply chain towards the Company's business operation in respect of cost, enhancement of capacity in supply of raw materials in terms of quantity and standard quality. Therefore, the Company has considered a strategy of joint venture with the business partner of the main raw material. Two joint ventures in part of glass scraps have been completed. The Company has also further planned for joint venture in other businesses.

3.4 Customers

The Company realizes on the significance that the customer shall receive quality goods. Therefore, the policy and agreement on customer care in receiving quality goods in agreed schedule are formulated, under the responsibility of goods damage, management for the confidentiality of customer information for highest safety, and determination of the right to access the customer information.

Customer Responsibility

The Company commits to develop and improve the production technology of products and

services to fulfil maximum customer satisfaction by taking into account a significance in quality, cleanness, safety, and environment under reasonable price of product and fair condition. The Company strictly complies with the agreement and contract, performs none of any deceptive act, adheres to and observes with the honest, transparent and proper operation, disseminates the correct news information for the recognition of the information relating to products and services, and keep secret of the customer, without the unlawful dissemination or use for the benefits of the Company or other persons.

The Company assigns the work units or persons to perform the duty in supervision of the customer relationship and complaint acceptance for improving and correcting or solving problems for its customers. In 2019, the Company has strictly complied with the policies and efficiently, rapidly and timely solved problems for its customers.

Customer Relationship Management

The Company operates its business in manufacturing and selling glass packaging to B2B in food and beverage industry group and commits to develop its production and service process for the customer need fulfillment and maximum customer satisfaction. The work units in charge of customer relationship management duty are as follows.

- 1) Product Design Team provides counsel and designs packaging based on customer needs, and applies simulation test technology to calculate the strength value of glass packaging.
- 2) Customer Technical Services Team perform its duty to provide advice, inspect, and solve problems for the customers.

- 3) Customer Marketing Team organizes the good customer relationship management activities through sport activities and training/seminar for educating the customers by referring from the market direction and trend, customer need, and hearing of customer opinions for the benefit in a mutual extension of the product and packaging development.

In addition, the Company yearly conducts customer satisfaction survey to measure the customer satisfaction level and customer loyalty survey every two years in order to use the acquired information in development of the Company's products and services, customer need fulfillment and maximum customer satisfaction, leading to the good and sustainable relationship management to develop the business for long-term growth.

3.5 Trade Competitors

The Company realizes on the significance of the conduct in accordance with the framework of the rule of good competition. Therefore, the company formulates the policy and code of business conduct, and fair and transparent competition, non-seeking for confidential information of the trade competitor by dishonest, unfair or improper procedure, and non-discredit of trade competitor with any adverse accusation.

3.6 Community and Society

The Company realizes on the significance of an improvement in quality of the society and community where the Company and its affiliated companies is located, together with the growth of the Company. Therefore, the Company formulates a concrete policy and guideline of practice regarding to social responsibility in promotion and cooperation on organizing and supporting the activities relating to the community development, local customs

and tradition maintenance and preservation; non-supporting of activities that are harmful for society or in conflict with morality; and creation of commitment and dependence. In 2019, the Company has performed activities as reported in social responsibility.

3.7 Environment

The Company realizes on the significance of the strict compliance with environment-related laws and rules, and emphasizes on the continuous environmental impact control and efficient resource consumption. Therefore, the Company formulates the policy for the constant supporting the activities that reinforce quality, occupational health, and environment, as well as maintaining working environment for safety of the staff's life and property, and promoting staffs to have knowledge and understanding on maintaining the environmental and community quality. The business is legally operated under concern on the safety towards the community's quality of life at best.

- **Business Conduct Policy under Environmental Standard or Environmental Management**

The Company gives precedence to the environmental quality and living condition of the surrounding community and therefore, applies the environmental management system ISO 14001 inside the Company, and formulates the environmental policy as an operating guideline of the internal staffs in "the Company's continuous mutual pollution prevention and environmental improvement". The details of the policy are determined as follows.

1. Update the environmental management system, process, products and services of the Company in conformity to the requirement of ISO 14001.

2. Comply with other relevant laws and requirements of the Company.
3. Create an awareness of the environmental quality by focusing on the environmental policy which will be implemented and disseminated to the staffs, the persons who work with the Company, or work on behalf of the Company.
4. Prevent air pollution derived from the production process and continuously improve the process to reduce the environmental problems.
5. Properly and efficiently manage garbage and hazardous wastes.
6. Jointly participate in the conversation and restoration activity for environmental condition of the nearby communities on regular and continual basis.

- **Promotion of the Efficient Resource Consumption**

For promoting the staffs to worthily consume resources, the Company prepares "BGC loves us, conserves the world by just reduction as an aid" activity, by focusing on the environmental conservation for the maximum efficiency and sustainability. The Company initiated a campaign in reduction of the use of the plastic cups by distributing the personal water glasses to the staffs, use of two-page paper, and saving of the energy in production line, etc.

- **Educating and Training the Staffs Regarding Environment/Environmental Standard for 2019**

In respect to the environmental management, the Company emphasizes on the requirement of the staffs to have the environmental knowledge and understanding. Therefore, the Company organizes trainings for its staffs from an orientation of new staffs, and yearly

organizes training courses for its staffs to ensure that the staffs have knowledge and understanding, and can work in accordance with the principle of the environmental management.

- **Others such as Activities/ Trainings on ISO**
In respect to the Company's safety, the trainings of the occupational health and safety management system (ISO 45001 : 2018) are organized for the acknowledgement of the staffs on the requirements and guideline of practice in conformity to the requirement for the safety of every staff.

3.8 Infringement of Intellectual Property

The Company realizes on the significance of non-infringement of intellectual properties or copyrights of other persons, subject to the laws relating to intellectual property and other laws, particularly in the matter of communication and information technology as well as operating system or software system of computer which is the key factor for the rapid and efficient business operation. The policy that allows the staffs to use the operating system determined by the Company only is formulated. The Company encourages and communicates to the staffs to have knowledge, understanding, and discipline on proper use of information system or communication equipment neither with negative impact nor downloading operating system that infringes intellectual property or copyright of other person, under verification and monitoring system. The disciplinary penalty or legal punishment is appropriately determined.

Moreover, the risks are assessed and a preventive guideline for information technology risk is determined to upgrade the standards of control, operation and problem solving to be quicker and more international,

resulting in the ability to continuously operate the business.

3.9 Anti-Corruption

The Company realizes on the significance of transparent and moral business operation, and non-tolerance of any corruption to the extent of all businesses, all work units, and all positions. The concrete Anti-Corruption Policy is established to be the guideline of practice, omission to perform or abuse of position power, improper exploitation in any forms such as promise offering, giving, receiving, requesting, and demanding in property, money or any other benefits with the related parties, government officers, political person and group of political persons, and business partners. In addition, the Company also establishes the guideline of practice on giving or receiving gift, entertaining the business alliances, and donating, which are not the acts to influence or persuade for corruption. The Company trains and promotes its directors, executives, and staffs of the Company to strictly comply with. The penalty in case of breach of compliance is clearly defined. The monitoring, controlling and supervising system is established to prevent corruption. Moreover, the potential corruption risk is regularly assessed to find an appropriate and timely corrective method.

In 2019, the Company declared its intention to join as "Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)" in order to declare its intention and will of anti-corruption in all forms. The said policy was communicated via various channels, such as public address, leaflet, seminar training, notice posting, orientation of new employees, as well as delivery of letter to the business alliances. The CAC Committee resolved to certify that the Company has been permitted to join Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) on last 5 August 2019.

3.10 Channel of Communication, Complaint or Whistleblowing

The Company realizes on the significance of communication with stakeholders of all groups, and therefore, formulates the Complaint and Whistleblowing Policy and Channel for Offence and Corruption, to ensure reporting or provision of the information relating to abnormality of the Company's business operation and of the staffs in various matters, sharing of information, and hearing of advices, opinions, and complaints via the following channels determined by the Company.

1. Directly inform at Tel. 065-726-9707.
2. Directly inform the superior in the line, Head of Human Resource Unit, or Head of internal Audit Unit.
3. Inform through the channel of E-mail at contact@bgc.co.th.
4. Send by post to the Chairman of the Audit Committee at below address.
BG Container Glass Company Limited

47/1 Moo 2, Rangsit-Nakornnayok Rd., Km.7
 Buengyeetho Thanyaburi, Pathumthani
 12130

The Company establishes a complaint management process and assigns the reliable person or work unit, such as Internal Audit Office to oversee and investigate fact and collect fact, and complete the action within 45 (forty-five) days from the received date of complaint. If the complaint become true, the Company shall take action in accordance with the determined penalty or find a damage alleviation method which is appropriate and fair for the victim. The complainant is entitled to be fully protected and any information which can identify the informant shall not be disclosed. After taking action, the result shall be reported to the Audit Committee or the Board of Directors for acknowledgement.

In 2019, the Company detected none of any complaints from all groups of stakeholders.

4. Disclosure of Information and Transparency

The Board of Directors gives precedence that all shareholders shall be equally aware of the important news information of the Company. The data and information of the Company shall be disclosed to the shareholders and public via the channel and media of information dissemination of the Stock Exchange of Thailand, and Website of the Company in accordance with the requirement of the supervising agencies for the shareholder's awareness of the Company's important information or news to the extent of financial information, important information, and general on accuracy, completeness, in due course, transparency and reliability basis. In 2019, the following executions were carried out.

- Reporting of the Company's Data and Information

The Company emphasizes on the disclosure of information which is the Company's important information both in part of financial information and other information in accordance with the criteria prescribed by the Stock Exchange of Thailand and the Office of the SEC, on correctness, clearness, completeness, transparency and easy understanding basis for equitable acquisition of information by the shareholders and stakeholders of all groups via the following channels.

- **Annual Registration Statement Form (Form 56-1), and Annual Report (Form 56-2)** for reporting the financial information, other data and information, corporate overview, past operations, visions, missions, details of the directors and executives, securities' holding, remuneration of the directors, the meetings of the Board of Directors and Sub-Committees, corporate governance and risk management policies, stakeholding of the directors and executives, related party transactions, name list and remuneration of the auditors, and other necessary information. The information shall be disclosed in the Company's Website, and submitted to the supervising agencies and all shareholders within 120 (one hundred and twenty) days from the ending date of the year.

The financial information presented in Annual Report must be prepared in accordance with the Generally Accepted Accounting Standards under selection for use of the appropriate accounting policies, regular observance, and careful exercise of discretion in preparation, and adequate disclosure of key information in notes to financial statements. The Board of Directors assigns the Audit Committee to supervise quality of financial report, and remark the opinions to the Board of Directors. The Board of Directors shall prepare the Report of the Board of Directors' Responsibility towards Financial Report and present in Annual Report.

- **Website of the Stock Exchange of Thailand:** This website is the center where the shareholders can be informed of and study the important data and

information of the Company that are proper, clear and analyzable. The Company gives precedence to the proper, complete, transparent, and up-to-date disclosure via SET Portal System of the Stock Exchange of Thailand both in Thai and English language under timeframe scheduled by the supervising agencies. In 2019, the followings were reported.

- Financial information such as reporting of quarterly operating results, financial statements, summary of operating results, Management Discussion & Analysis (MD&A) on quarterly and yearly basis.
- Investment information, related party transactions, and acquisition of other company's shares
 - Entry into the transaction to acquire shares of Solar Power Management (Thailand) Company Limited
 - Entry into the transaction to acquire shares of BS Glass Recycling Company Limited
 - Related party transaction regarding an acquisition of shares of Taweessup (Jew Ja Heng) Company Limited
- Information of the operation or significant change
 - Payment of dividend and interim dividend
 - Dissemination of the significant resolutions of the Board of Directors that may affect the securities value
 - Meeting invitation, resolution, and minutes of the shareholders' meeting
- Information of the shareholder's right
 - Advance proposal of the meeting agenda

- Advance nomination of a candidate for electing as a director
 - Other general information which should be acknowledged by the shareholders
 - Retirement of the top executive
 - Change in the title of the top executive position
- **Website of the Company:** Website of the Company is the source of rapid, accurate, easily accessible information communication for the shareholders, investors and any those interested to access for studying or perceiving the publicly disclosed information, and information of investor relations which are prepared both in Thai and English language and contained the information as per the following details.
 - History and background of the Company, including significant development, vision, mission, organizational structure, business structure, shareholding structure, and nature of business operation of the Company
 - The Board of Directors and the Executive Board of the Company
 - Financial information consisting of financial statements under retroactive comparison
 - Newsroom or documentary news presented to the supervising agency, mass media, and printing media
 - Corporate governance including articles of association of the Company, policies, Code of Business Conduct
 - Annual Registration Statement Form (Form 56-1), Annual Report (Form 56-2), Appointment Notice of the Shareholders' Meeting, and Minutes of

Shareholders' Meeting whereas the aforesaid can be downloaded as information to be kept for studying

- **Investor Relations Unit**

The Company realizes the significance on management of the relationship with the shareholders, investors, and analysts, including any those interested, and therefore, appoints Investor Relations Unit whereas Miss Nudee Jirangpitakkul is the Head of Investor Relations and she is assigned to coordinate with the responsibility of information communication, hearing of opinions, response of queries in the matters, presentation of the significant news via channels for the acquisition of adequate, proper, complete, transparent and equitable information by all groups and for the development and improvement. Those interested can inquire an additional information by contacting via the following channels.

1. Tel. +662-834-7004
2. E-mail address at IR-BGC@bgc.co.th
3. Sending letter to Investor Relations Department at:
 BG Container Glass Company Limited
 47/1 Moo 2, Rangsit-Nakornnayok Rd.,
 Km.7 Buengyeetho, Thanyaburi,
 Pathumthani 12130

Moreover, the Investor Relations Unit is the efficient center to coordinate with the related parties, such as factory visit, participation in Opportunity Day Event in order to allow the shareholders, analysts, mass media or those interested in investment in general, to inquire information and enhance the understanding of the Company's

business operation from the executives. In 2019, the following executions were carried out.

- Attend the meeting with the analyst by holding total of 15 meetings, lecturing, and inquiring via phone to respond the queries relating to the Company's business operation.
- Participate in "Opportunity Day" activity which is an activity of the Stock Exchange of Thailand to promote the investors to meet the executives of the listed

companies whereas the information relating to business and operation of the Company is clarified and the opportunity is given to the investors for other additional inquires. The Company has quarterly participated in this activity for 4 times in total.

- Visit the business in order to give the analyst or those interested in general the opportunity to understand the operation, and create the confidence to all parties. This activity has been held for 3 times.

5. Responsibility of the Board of Directors

The Board of Directors is appointed from the shareholders to have duty and responsibility in performance in accordance with laws, objectives, regulations, and resolutions of the Shareholders' Meeting, and performance of duties with honesty and diligence in maintenance of the interests of shareholders and stakeholders both in short-term and long-term to ensure that the Company's operation takes place in a direction that causes maximum benefits of the shareholders and stakeholders of all parties. In 2019, The Board of Directors has formulated the policy and executed the following.

- **Determination of Vision and Mission**

For the clear operation of the Board of Directors with target, policy, direction, strategic plan, work plan, and annual budget, and ability to actually implement and communication to the related parties for acknowledgement, the compliance with such policy shall be concretely monitored and yearly reviewed.

- **Promotion for Innovation and Application of Innovation and Technology in Business**

The Board of Directors promotes the efficient

operation through selection and investment for the constant application of the modern production technology in production process to ensure the improved production efficiency, cheaper cost, and competitiveness. In 2019, the factory management system and automatic machinery system for replacement of the existing system have been invested to reduce occupational accident.

Moreover, R&D Unit develops the efficiency of the production process to enhance the efficiency, reduce working hours and damage of goods, and abate risks both in term of machinery and personnel.

- **Formulation of Policy and Guideline for Corporate Governance and Code of Business Conduct**

As a guideline of practice for the directors, executives, and staffs in all sections for the transparency, fairness, creation of corporate value and sustainability, the Business Ethics Manual and corporate governance policy are prepared as a guideline of practice and communicated to all staffs for their acknowledgement and strict compliance,

and publicized in the Company's Website. The monitoring system is established for the concrete and clear compliance, and the assigned person in response of doubts is specified.

- **Duty Performance of the Board of Directors**
 - Supervise the Company to be in line with laws, objectives, and articles of association of the Company, and resolutions of the Shareholders' Meeting.
 - Each director can perform his/her duties and exercise his/her discretion independently in considering and making decision on the matters. He/she can pose queries, express opinions or object in case of contradictory opinion on the matter that affects the interest of the shareholders or stakeholders prior to an approval consideration. He/she also monitors the management's operation to achieve the setting target or in accordance with the approval for operation.
 - Perform duties and responsibilities as determined in the Charter of the Board of Directors.
 - Supervise the efficient and effective operation of the Executives in accordance with the established policies with responsibilities, honesty and diligence under the code of practice pursuant to the good corporate governance policy.
- **Nomination of the Director**
 In nomination of the director, the Company shall emphasize on the person who has knowledge, competence, experience, keen working history, leadership, wide vision, virtue and ethics, as well as good attitude toward the organization, and can devote adequate time which is useful for the business operation of the Company. In addition, the suitable qualification consistency with the composition

and structure of the director shall be taken into account in accordance with the business strategy of the Company under transparent process, use of Board Skill Matrix System in nomination of the director to create confidence of the shareholders.

The Board of Directors shall appoint the Nomination and Remuneration Committee to nominate, consider and screen the qualifications of the person who will be appointed to hold the director or key executive office of the Company, as well as consider the suitable remuneration.

- **Qualification, Structure and Composition of the Board of Directors**
 The Board of Directors possesses knowledge, competence and working experiences in business operation in Diversity Matrix, and is appointed from the shareholders for not more than twelve directors, consisting of independent directors, non-executive directors, and executive directors in the number with a suitable balance. The number of independent directors is in the number specified by the supervising agency. In 2019, the Board of Directors consisted of 8 (eight) directors, including 5 (five) male directors and 3 (three) female directors as per the details of name and position mentioned in the topic of the Corporate Governance Structure. Each director shall hold his/her director office in not more than five listed companies to ensure the efficiency of duty performance as the director and Chief Executive Officer, and not hold the director and/or executive office in other companies other than the daughter company or affiliated company only.
- **Independent Director**
 The Company's independent director shall be fully qualified in accordance with the requirement of law, and possess non-

prohibited characteristics in accordance with the relevant laws, acts or requirements, independent from the Management and shareholders with controlling power, as well as has no duty in management of the Company's business. The independent director is defined by the Company in accordance with the Corporate Governance Code, which is more intensive than the good practices and the rule of the Office of the Securities and Exchange Commission to ensure the dependence on decision making and opinion expression, as well as maintenance of all shareholders' benefits for equality as follows.

1. Hold shares not exceeding 1 (one) percent of total voting shares of the Company, holding company, subsidiaries, associated companies, or juristic person that may have conflict. The shareholding of the related parties of the said independent director shall be counted.
2. Never or ever been the director who is involved in management, employee, staff, regular salary earning advisor, or regulator of the Company, holding company, subsidiaries, associated companies, subsidiaries, associated companies, or juristic person that may conflict, unless he/she is free from the aforesaid characteristic not less than 2 (two) years. Such prohibited characteristics exclude the case where the independent director has ever been the government officer, or advisor of the administrative agency that is the major shareholder, or regulator of the Company.
3. Not being the person who has a relationship by consanguinity or by lawful registration in the nature of parents, spouse, kinsfolk, and child, including spouse of the child of other director, executive, major shareholder, regulator, or person who is nominated to be the director, executive or regulator of the Company or its subsidiaries.
4. Not having or ever had a business relationship with the Company, holding company, subsidiaries, associated companies, major shareholders, or regulators of the Company, or juristic person that may have conflict in the manner that may obstruct the independent exercise of judgment, unless he/she is free from the aforesaid characteristic not less than 2 (two) years prior to assuming the office.
5. Not being or ever been the significant shareholder or regulator of the person who has business relationship with the Company, holding company, subsidiaries, and associated companies, unless he/she is free from the aforesaid characteristic not less than 2 (two) years prior to assuming the office.
6. Not being or ever been the auditor of the Company, holding company, subsidiaries, associated companies, major shareholders, or regulator of the Company; and not being the significant shareholder, regulator or partner of the audit firm which is affiliated by the auditor of the Company, holding company, subsidiaries, associated companies, major shareholders, or regulator of the Company, unless he/she is free from the aforesaid characteristic not less than 2 (two) years prior to assuming the office.
7. Not being or ever been any professional service provider, including the service provider as legal advisor or financial advisor that earns service fee exceeding

Baht 2 (two) million per year from the Company, holding company, subsidiaries, associated companies, major shareholders, or regulator of the Company; and not being the significant shareholder, regulator or partner of such professional service provider, unless he/she is free from the aforesaid characteristic not less than 2 (two) years prior to assuming the office.

8. Not being the director who is appointed to be the representative of the director of the Company, the major shareholder or the shareholder who is the related party of the major shareholder.
9. Not engage in the business with the condition which is similar and significantly competitive with the business of the Company or its subsidiaries; or not being the significant shareholder in partnership or being the director who is involved in management, employee, staff, regular salary earning advisor, or hold shares exceeding 1.0 (one point zero) percent of total voting shares of other company that engages in the business with the condition which is similar and significantly competitive with the business of the Company or its subsidiaries.
10. Not having any other characteristic that disallows remarking the independent opinions on the Company's operation.

In 2019, all independent directors of the Company are fully qualified in accordance with the specified definition, and the requirement of law, with non-prohibited characteristics in accordance with the relevant laws, acts or requirements, and non-holding of the shares, securities or any other instruments of the Company for independence, transparency, and justice in

duty performance and decision in various agenda.

- **Chairman of the Board of Directors**

The Chairman of the Board of Directors, and Managing Director are determined not to be the same person for the clearness in responsibility, and balance of the operating power. However, the Company segregates the role, duty and responsibility between the Board of Directors and executives. The Board of Directors performs its duties in formulating the policy and governing the executives' operation while the executives perform duty in the Company's management in various areas to be in line with the formulated policies. Moreover, as the Chairman of the Board of Directors is not an independent director, the Board of Directors promotes the balance of power among the Board. Therefore, one independent director is appointed to be a Lead Independent Director to mutually consider determining the meeting agenda of the Board of Directors, and coordinating various areas among the directors under the clear Charter in duty performance.

- **Sub-Committees, and Duties and Responsibilities**

The Board of Directors has currently appointed 4 (four) sets of the Sub-Committees consisting of the Audit Committee, Executive Committee, Nomination and Remuneration Committee, and Corporate Governance Committee. The scope of power, duties and responsibilities of each set of the Sub-Committee is clearly determined as follows.

1) **Audit Committee**

The Audit Committee consists of not less than 3 (three) independent directors members as per the details of name and position as mentioned in Topic of Corporate Governance Structure.

The Audit Committee has power, duties and responsibilities as specified in the Charter to be consistent with the relevant laws and requirements and as entrusted by the Board of Directors. The Audit Committee is independent from the Management.

The members of the Audit Committee also plays its role as the directors in governing the Management to formulate policies and give consent on the vision, strategy, target, business plan, and budget of the Company, monitor the working of the Management. They have more obligations than other directors in the matters of supervision on the accuracy and reliability of the financial report, internal control system, internal audit, and risk management, and supervision on the compliance with laws and requirements, as well as maintenance of the shareholders' benefits.

The Audit Committee shall establish Internal Audit Unit by and appoints Mrs. Suratchanee Benjajinda to be the Head of Internal Audit and Secretary of the Audit Committee to perform her duty in auditing the work system, internal control process, and risk management to be adequate and appropriate for the Company's business, and directly reporting to the Audit Committee.

In 2019, the Audit Committee fully performed its duties in accordance with the Charter as follows.

- Review the accuracy and reliability of the financial report in accordance with the General Accounting Standards prior to proposing to the Board of Directors or shareholders for approval and disclosing to the shareholders for

acknowledgement.

- Review the internal control and risk management system for the Company's efficiency, adequacy and appropriateness.
- Consider the transactions that may have conflict of interests or related party transactions of the directors and/or top executives.
- Review the compliance with laws and rules and propose to the Board of Directors for approval or for acknowledgement.
- Consider and screen the nomination of the auditor and the auditor's remuneration.

The Audit Committee has prepared the report of the audit committee to clarify the details of the significant duty performance and operation, and completely disclose the related party transaction information in Annual Report. The Charter has been reviewed and the performance has been assessed on yearly basis for the working development and improvement to achieve a maximum benefit.

2) Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of 3 (three) members that are 2 (two) independent directors as per the details of name and position as mentioned in Topic of Corporate Governance Structure; and has power, main duties and responsibilities as specified in the Charter as follows.

- Determine the qualification, rule and procedure for nomination of the director, member of the Sub-Committee, and Managing Director of the Company

- Select the qualified candidate to be appointed as the Company's director to be proposed as opinion to the Board of Directors' Meeting prior to proposing to the Shareholders' Meeting for approval.
- Consider remuneration structure, form and rule of the remuneration payment for directors, members of the Sub-Committee, and Managing Director of the Company both in monetary and non-monetary term.
- Consider succession plan and replacement for the position.

The members of the Nomination and Remuneration Committee also play the role as the directors to govern the Management, formulate the policies, and given consent on vision, strategy, target, business plan, and budget of the Company, as well as monitor working of the Management.

In 2019, the Nomination and Remuneration Committee fully performed its duties in accordance with the Charter to nominate the candidate for electing as the director in replacement of the director who must retire by rotation, consider and propose the remuneration of the directors and the members of the Sub-Committees, consider succession plan and replacement for the position, and consider other matters. The Board of Directors was proposed for consent or acknowledgement. However, the review on the Charter and the performance assessment are yearly conducted for the working development and improvement to achieve maximum benefits.

Moreover, the Report of the Nomination and Remuneration was prepared to

clarify the details in duty performance and significant operations as disclosed in Annual Report.

3) Executive Committee

The Executive Committee consists of the directors and/or executives of the Company not less than 4 (four) members as per the details of name and position as mentioned in Topic of Corporate Governance Structure, and have power, duties and responsibilities in controlling, supervising, and monitoring the operations of the Company in accordance with the formulated policies, goals, business plans, business strategies and budgets, as approved by the Board of Directors and as determined in the Charter of the Executive Committee.

In 2019, the Executive Committee performed its duties in screening the information to be proposed to the Board of Directors or the Sub-Committees for approval or for acknowledgement, and coordinated and communicated the policies and business plan to the related executives or staffs for acknowledgement. In addition, the Executive Committee continuously controlled and monitored the performance to attain the Company's objectives.

- Office Term of the Director

In every Annual General Meeting of Shareholders, a one-third of directors shall proportionally vacate the office. If the number of directors is identically indivisible into three portions, the directors shall vacate in a nearest number of one-third portion. The director who must vacate the office in the first year and the second year after company transformation shall draw lots. In the following years, the

director who has been in the position for longest term shall vacate the office. The director who retires from the office may be elected to resume the office by the Shareholders' Meeting.

The Company establishes the policy that the continuous office term of the independent director shall not exceed 9 (nine) years from the appointment date for holding the independent director office in the first time. If the Company needs to appoint any independent director to continuously hold the office more than 9 (nine) years, the Company shall show the reason and necessity in considering the appointment of such independent director.

In 2019 as the second year of listing the Company in the Stock Exchange of Thailand, three directors consisting of Mrs. Sunsanee Supatravanij, Mrs. Amarat Puvaveerani, Mr. Silparat Watthanakasetr, drew lots for vacating their office. For promoting the good corporate governance, the Board of Directors gave the shareholders the opportunity to nominate the candidates for electing as the directors in advance. However, in such period of time, none of any shareholders nominated the candidates for electing as the directors. Therefore, the Nomination and Remuneration Committee considered on qualification, knowledge, competence, and responsibility of all three directors, and deemed appropriate to propose to the Board of Directors. The

Board of Directors gave consent on proposing to the Shareholders' Meeting to elect all three directors to resume the Company's director office for another term as per the proposed details in the meeting invitation notice. However, all three directors will continuously hold the office for not more than 9 (nine) years.

- Directors' Remuneration

The Board of Directors shall appoint the Nomination and Remuneration Committee to consider and propose the rule of determination of the directors' remuneration, as the opinion to the Board of Directors. The Board of Directors shall consider for proposing to request an approval of the shareholders. The remuneration shall be suitable for the qualifications of the directors based on necessity and situation of the Company and can motivate the director or executive status. The policy and rule of determination of the directors' remuneration are as follows.

1. Turnover of the Company in previous years
2. Business size by considering in comparison with the directors' remuneration of the listed companies in Stock Exchange of Thailand in similar type and business size
3. Role, obligation, and scope of responsibilities and performance of the director
4. Expected benefit acquired by the Company from the director
5. Survey result of the standard directors' remuneration of various agencies

However, the directors' and executives' remuneration for 2019 which have been approved by the shareholders are as follows.

1. Monthly Remuneration

Position	Remuneration
Chairman of the Board of Directors	120,000 Baht/Month
Vice Chairman	100,000 Baht/Month
Director (except Managing Director) ¹⁾	80,000 Baht/Month

2. Meeting Allowance

Remuneration Mix	Meeting Allowance/Person/ Time
Chairman of the Audit Committee	30,000 Baht
Member of the Audit Committee	20,000 Baht
Chairman of the Nomination and Remuneration Committee	30,000 Baht
Member of the Nomination and Remuneration Committee	20,000 Baht
Chairman of the Corporate Governance Committee	30,000 Baht
Member of the Corporate Governance Committee	20,000 Baht

3. Bonus or special reward shall be paid once a year whereas the Nomination and Remuneration Committee shall consider based on the operating results and the prescribed rule.

4. Othes benefit - None-

5. Total budgeting for paying remuneration of the directors and members of the sub-committees is not more than 12,500,000 Baht.

Table for the Details of Remuneration for Directors and Member of Sub-Committees for 2019

Remuneration	Mr. Pornwut Sarasin	Mrs. Suttharug Panya	Mr. Somchai Sirivichayakul	Mrs. Sunsanee Supatravanij	Mr. Pavin Bhirom Bhakdi	Asst. Prof. Kasom Chanawongse	Mrs. Amarat Puvaveerananin	Mr. Silparat Wattanakasetr
	Chairman of the Board of Directors	Chairman of the Committee	Chairman of the Nomination and Remuneration	Chairman of the Corporate Governance	Chairman of the Executive Committee	Director	Director	Chief Executive Officer/ ¹
Monthly remuneration	1,360,000.00	1,120,000.00	960,000.00	960,000.00	960,000.00	960,000.00	960,000.00	80,000.00
Meeting allowance								
Member of the Audit Committee		240,000.00	160,000.00	160,000.00				
Member of the Nomination and Remuneration Committee			60,000.00	40,000.00	40,000.00			
Member of the Corporate Governance Committee			40,000.00	60,000.00		40,000.00		40,000.00
Annual reward								
Total	1,360,000.00	1,360,000.00	1,220,000.00	1,220,000.00	1,000,000.00	1,000,000.00	960,000.00	120,000.00

- **Board of Directors' Meeting and the Sub-Committee's Meeting**

The Board of Directors determines to hold the meeting for considering the agenda prescribed by law, considering the business strategy plan, and important agenda relating to the Company's business operation, and may organize the additional special meeting as necessary and appropriate under an advance notice of at least 7 (seven) days.

No less than half of total directors shall convene each meeting for constituted quorum. The meeting between non-executive directors shall be held for independent discussion. The meeting agenda shall be clearly determined in advance. The Chairman of the Board and the independent director who is the Lead Independent Director, and the Managing Director¹ shall mutually consider the matters which will be entered as the meeting agenda. The Company Secretary is responsible for overseeing the directors to receive meeting documents in advance prior to the meeting in order to have adequate time for studying the information prior to

considering, commenting and voting. In addition, for efficient meeting appointment, the Company Secretary shall schedule a meeting timetable in advance every year.

During the meeting, an adequate time shall be allocated for the Management to propose documents and information in the significant issues. The Chairman of the Board of Directors shall give the opportunity to and support each director to independently express his/her opinion prior to conclusion of the opinions acquired from the meeting resolution. In considering several agenda, the director with gain and loss in the matter for consideration shall have no right to vote. If considering the related party transaction, the director with gain and loss shall not be present in the meeting in such agenda

After the meeting is ended, the minutes of the meeting shall be recorded and filed such minutes which are certified by the Board of Directors or the Sub-Committee, and shall be ready for verifiability. In 2019, the following directors attended the meeting.

Board of Directors' Meeting

	Board of Directors' Meeting for considering on the agenda in accordance with law, determination of strategy plan and significant agenda relating to the business operation	Non-Executive Directors' Meeting
Mr. Pornwut Sarasin	5/7	1/1
Mrs. Suttharug Panya	6/7	1/1
Mr. Somchai Sirivichayakul	6/7	1/1
Mrs. Sunsanee Supatravanij	7/7	1/1
Asst. Prof. Kasom Chanawongse	7/7	1/1

	Board of Directors' Meeting for considering on the agenda in accordance with law, determination of strategy plan and significant agenda relating to the business operation	Non- Executive Directors' Meeting
Mr. Pavin Bhirom Bhakdi	7/7	
Mrs. Amarat Puvaveeranin	7/7	
Mr. Silparat Watthanakasetr	7/7	

Sub-Committees' Meeting

	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Executive Committee
Mrs. Suttharug Panya	8/8			
Mr. Somchai Sirivichayakul	8/8	2/2	2/2	
Mrs. Sunsanee Supatravanij	8/8	2/2	2/2	
Asst. Prof. Kasom Chanawongse			2/2	
Mr. Pavin Bhirom Bhakdi		2/2		13/13
Mrs. Amarat Puvaveeranin				13/13
Mr. Silparat Watthanakasetr			2/2	13/13

- Enhancement of Knowledge and Business Viewpoint to the Directors

The Board of Directors aims at enhancement of new knowledge and viewpoints to the directors and members of the Sub-Committees by encouraging each of them to participate in trainings or seminars with the international standard agencies, such as Thai Institute of Directors (IOD) in order to develop their professionalism. The good corporate governance is promoted and the duty performance standard of the directors and members of the Sub-Committees are

upgraded to be efficient and equal to the international standard. The project for the executive development is established for the benefit in supporting consideration of the succession plan.

In addition, the Board of Directors formulates the policy that the Management shall prepare documents and information which are useful for the duty performance of the new directors as a guidebook of the nature of business and guideline for business operation for the new directors every time of change in director.

In 2019, the directors attended the seminars and activities of Thai Institute of Directors as per the following details. The Company

encourages the continuous attendance in seminars on yearly basis.

No.	Name	Training Course
1.	Mrs. Suttharug Panya	Ethical Leadership Program (ELP 16/2019)

- **Performance Assessment of the Board of Directors**

The Board of Directors shall conduct performance assessment of the Board of Directors using assessment form recommended by the Stock Exchange of Thailand. The Company Secretary shall notify

the assessment result to every member of the Board of Directors for acknowledgement to be the development of working process of the Board of Directors and each director to achieve maximum benefits of the shareholders. The assessment result in 2019 has been in good criteria.

Corporate Social Responsibility //

BG Container Glass Public Company Limited or BGC has operated its business with social and environmental responsibilities. With the intention of Directors and Executives in emphasizing the improvement of the quality of life in Thai society under the cooperation of government agencies and private sector to organize activities that are continuously beneficial to communities, society and environment, strengthen a foundation of sustainable well-being and continue the positive values in Thai society as a whole.

Social Activities

Donation for flood victims from Tropical Storm Pabuk

BGC has concerned about the sorrow of Thai people in all provinces that suffer from natural disasters, on 11 January 2019, the Company donated money to the Thai Red Cross Society for relieve and help victims of the Tropical Storm Pabuk in 23 provinces, consisting of more than 222,737 affected households or approximately 720,885 people. This

donation helps those people for their consumption, sanitation, and restoring living conditions to live and work after returning to normal situation.



Supporting the Renovation of Khian Khet Temple, Pathumthani Province

BGC has continuously supported and helped religious preservation in various forms because religion is like the spiritual anchor of social members, temples are places to embed virtues and morality for community members. On 15 January 2019, BGC handed a donation for the renovation of the old sermon hall in a monastery at Khian Khet Temple, Thanyaburi District, Pathumthani Province to Phra Thep Rattanasuthi, the Pathumthani Provincial



Monk Dean and the Abbot of Khian Khet Temple so that the temple can spend this donation to renovate this sermon hall where is a place for religious ceremonies as well as a place to publicize the doctrines, teachings and ethics to general public.

Supporting the Thai with Disability Foundation

BGC has supported the Thai with Disability Foundation through the project “Wheel for the Disabled” by donating money for the purchase of equipment used in making wheelchairs and giving 5 tricycles with controlling handle to the disabled, underprivileged and poor patients for their daily activities and traveling to earn a living for themselves and their families, this project aims to support and develop the quality of life of the disabled, promote the employment to earn enough income for their living, and develop the better quality of life for the disabled to allow them to proudly live in society.



Supporting the ‘Change the future’ Project

BGC sponsored the ‘Change the future’ Project organized by the Federation of Thai Industries, in Pathumthani Province on 8 September 2019, it is the first charity walk-run event held at the National Archives in Honour of His Majesty King Bhumibol



Adulyadej, Khlong Luang Sub-district, Thanyaburi District, Pathumthani Province, it is a place providing the science knowledge and also compiling the royal history of His Majesty King Bhumibol Adulyadej The Great (King Rama 9) with the objective to encourage people to take care of their health and promote the tourism of Pathumthani Province. The income after deduction of expenses was given to Pathumthani Hospital and Khlong Luang Hospital for spending in medical benefits.



Project of Helping Flood Victims from Tropical Storm Podul and Tropical Storm Kajiki

BGC concerned people in Khon Kaen Province and in the vicinity of the BGC Khon Kaen Glass factory who were affected by flood, especially children, the disabled and the elderly, BGC Khon Kaen Glass under BGC Group, therefore, organized the project to help flood victims from the Tropical Storm Podul and Tropical Storm Kajiki. On 6 September 2019, the Company participated in visiting 13 communities, consisting of 3,500 households, or approximately 12,000 people in the affected areas, to deliver necessary items for consumption such as blankets, towels, mosquito nets, shoes, dried food and drinking water in Ban Phai District, Khon Kaen Province where were affected by the sudden flood, flash flood, landslide as well as those whose farms or gardens were damaged and property was lost, in order to alleviate the suffering, restoring living conditions and mental health so that those victims could well go through this disaster.



Educational Activities

BGC Sharing Kindness and Smiles

BGC organized the “BGC Sharing Kindness and Smiles” event to support skills and create learning experiences during the semester break, raise the awareness of youth to love nature and environment and learn to adjust and behave themselves for social benefits through a field trip. In this project, totally 98



children and youths aged of 4 - 15 years, consisting underprivileged youths, children of police officers in Buengkum Police Station, travelled and participated in activities that enhance their knowledge, imagination, creativity, build understanding and responsibility towards the environment through tree planting activity in the area of BGC, Khon Kaen Glass factory, as well as learn history, science and Buddhism through a field trip in historical sites in Khon Kaen Province. This project aims to allow children and youths to have learning process from the ecosystems and their



surroundings, it also encourages children and youths to have a chance to know each other, increasing social experience, this project was organized on 25 - 27 October 2019.



Project of Sharing Kindness for Making Dreams Come True

BGC in cooperation with the Biz Focus Group organized a Project of Sharing Kindness for Making Dreams Come True for 328 students including kindergarten to Primary Education Grade 6, in Ban Suan Phueng School, Ratchaburi Province, most of them are Karens. The objectives of this project are to support the education, expand the learning opportunities for students in local community, providing children with physical, mental, emotional, and social developments to be



confident in their values and ready to happily live in society through learning promotion activities such as drawing competition, dancing competition and other skill-promoting games, the nutritious lunch was also prepared and provided to children and we also provide consumer goods, learning tools and ten scholarships to good students in Primary Education Grade 1-6 who have good behavior from poor families.



Seminar on “GET READY For Your Future”

BGC supported the Youth Club of the Marketing Association of Thailand to organize the 33rd Seminar under the theme ‘GET READY For Your Future, Beware of Disruption’ to provide knowledge to a new generation of marketers for going along with the changes, there were 900 attendants



including teachers, university students who are interested in marketing from educational institutions throughout Thailand, and the seminar was held at the Main Auditorium, Chulalongkorn University. This seminar enhances the knowledge and understanding in current marketing, recommends the adaptation guidelines to prepare themselves for dealing with future market changes, and also supports university students to seek themselves in the marketing field.



Sport Activities

Supporting the BGC POWERBOAT GRAND PRIX 2019

BGC jointly sponsored the international speed boat competition “BGC POWERBOAT GRAND PRIX 2019” held at Bueng Nong Khot, Khon Kaen Province for 2 consecutive years, this project aims to give Khon Kaen people the opportunity to experience water sports, upgrade Thailand’s water sport competition to be widely known, as well as promote tourism and





stimulate the economy in the province. This competition invited foreign racers from many countries to participate in the competition to improve the readiness of Thai athletes, develop their potential for preparing themselves to step forward to the international racing.



AIA FOOTBALL CLINIC 2019

BG Pathum United Football Club or BGPU in collaboration with BGC and AIA Thailand organized the "AIA FOOTBALL CLINIC 2019" with BGC and the goals to increase the experience, develop skills and maximize the opportunity to realize dreams for Thai youth football players aged 8-12 years who are committed to the development of their potential to become professional football players in the future. There are more than 700 youths from 46 schools



participating in the project, they learnt both theory and practices in the football field and learnt in-depth skills taught by football coach representatives from Tottenham Hotspur, English Premier League and the BGPU Club at the practice field of the BGPU Club, located in Pathumthani Province. Eight selected players from this project will have the opportunity to participate in the intensive training under Spurs way for one week at Thanyapura Health & Sports Resort, Phuket Province, it is another project that helps to continue knowledge and apply the experience gained from the project for the future use.

BGPU Campus Tour 2019

BG Pathum United Football Club or BGPU in collaboration with BGC established the “BGPU Campus Tour 2019” Project, a football development program for lower secondary education students aged 12-15 years in Pathumthani Province, led by a team of trainers from BGPU Academy who



provided basic football skills including advanced techniques that can be actually used in competition for students at schools. This is considered as an opportunity and a forum for youths to show their talents and gain experience in order to be used for self-development and to build a reputation for schools in the future. In addition, 15 candidates were selected from representatives from each school to be members of ad hoc school team to participate in the football competition “BGPU Campus Cup 2019” at YAMAOKA HANASAKA ACADEMY which is a youth football center or YHA Rangsit Khlong 4, Pathumthani Province.



BGPU Family Rally 2019

BG Pathum United Football Club or BGPU in collaboration with BGC organized a charity activity “BGPU Family Rally 2019” to provide BGPU football fans an opportunity to join the rally along with volunteer activities through recreation activities and providing lunch to students at Ban Khlong Suea School, Nakhon Ratchasima Province, and also providing scholarships and sports equipment for further use. With this activity, in addition to providing fun and building relationships with football fans, it is also a part in forwarding good things to society for sharing kindness and smiles to Thai youths as well.



Thai-Denmark Football Tournament

BG Pathum United Football Club or BGPU in cooperation with BGC and the Dairy Farming Promotion Organization Of Thailand (DPO), a manufacturer and distributor of Thai-Denmark dairy products, organized a football competition of youths under 15 years of age under the project

“Thai-Denmark Football Tournament”, allowing those youths from all over Thailand to seek for their own potential, follow their dream aiming to be a good professional athlete in the future. The selected youth team will have the opportunity to be trained of football skills by a professional coach team and will join the final match of competition at Leo Stadium, this is deemed as a valuable experience on the competition in an internationally standard football field.



Umay+ Road To Cerezo

BG Pathum United Football Club or BGPU in collaboration with BGC and the Umay+Cash Card Company organized the “Umay+ Road To Cerezo”, a creative activity to promote football skills for Thai youths and show their ability and learn correct football skills with a professional team. Twenty



two youth players aged 12-15 years from all 5 regions across the country were selected as representatives to travel to learn and develop football skills in various areas with a professional trainers from Cerezo Osaka, one of leading J-League clubs in Osaka City, Japan, for 5 days with the objective to inspire Thai youths to enhance their potentials to be one of professional football players in the future.

Supporting the Golf Tournament 'BG Bangkok Open 2019'

BGC sponsored the golf tournament "BG Bangkok Open 2019" at Watermill Golf Club & Resort, Nakhon Nayok Province with the aim to support and inspire new generation young golfers



by providing opportunities to talented golfers to participate in the tournament for testing their skills and gaining experience in competing in challenging fields, strengthening and preparing themselves for international tournaments in the future.



Environmental Activitiy

BGC Water for Life

BGC recognizes the importance of making good use of resources, therefore, organized a campaign "BGC Water for Life" with the aims to create awareness and encourage the behavior of resource use campaigns, conserve and restore water resources in a concrete manner by means of providing knowledge and campaigning for the surrounding communities to efficiently manage water. The water resources in the community was also developed to reduce sewage problems through the activity of Love Water with Buddhism Way by planting Cannas in order to improve the quality of water and the scenery in neighboring





communities for more livable place. This is considered as another natural treatment method of environmental conservation, continuing the project under the Royal initiative of His Majesty King Bhumibol Adulyadej The Great (King Rama 9) in inventing the “healing plant” for Thai people. In this year, we joined a volunteer group to visit and plant more than 1,000 Cannas in total at the community in Wat Khian Khet Alley, Pathumthani Province, and Nong Kraphang Canal, Uthai District, Phra Nakhon Si Ayutthaya Province.



Report of the Nomination and Remuneration Committee //

The Board of Directors realizes on a significance of the confidence of the shareholders and investors towards the management of the Company's directors and top executives. Therefore, it resolved to appoint the Nomination and Remuneration Committee on February 14, 2018 to nominate the candidates to hold the director and top executive office, and pay remuneration or other benefits to the directors, members of the Sub-Committees and top executives, under clear, transparent, and fair criteria to be appropriate for obligation and value acquired from the function of each director and executive, and to be consistent with the Company's overall operation.

The Nomination and Remuneration Committee consists of three members and two-third of them are nonexecutive directors as follows.

1. Mr. Somchai Sirivichayakul
(Independent Director)
2. Mrs. Sunsanee Supatravanij
(Independent Director)
3. Mr. Pavin Bhirom Bhakdi
(Executive Director)

Mr. Somchai Sirivichayakul, the independent director, has been appointed to be the Chairman of the Nomination and Remuneration Committee. The Charter has been established as an operating guideline. In 2019, the Committee completely performed its duties as stipulated in the Charter and as assigned by the Board of Directors, and held two meetings as per the following summary of the essence.

1. Emphasized on nominating the directors and top executives consistency with the structure and composition of the Board of Directors and the necessary qualifications and skills for nominating the directors under Board Skill

Matrix by clearly establishing the qualifications, rule and procedure for nominating the candidates in appointing the directors and top executives. In addition, the shareholders' exercise of their legal rights were given precedence. In 2019, the shareholders were given the opportunities to nominate the candidates for electing as the directors in replacement of the directors who must retire by rotation. In such period of time, none of any shareholders nominated the candidates for the consideration of the Board of Directors. Therefore, the Nomination and Remuneration Committee considered and deemed appropriate to propose the shareholders to elect the directors who retired by rotation to resume the director office for another term.

2. Emphasized on considering the remuneration of the directors and members of the Sub-Committees by determining the remuneration structure, form and rule for paying the remuneration of the directors and the members of the Sub-Committees to be appropriate for their obligation, fair in accordance with the related laws, consistent with the requirements of the supervisory agencies, and referable to other companies in the same industries with similar size and nature of business. The details were presented in Annual Report and proposed to the Shareholders' Meeting for exercise of the right to consider and approve accordingly.
3. Emphasized on creating the transparency of the roles, duties, and responsibilities of the Board of Directors under Corporate Governance

Code, and promoted checks and balances between the directors by proposing to appoint a Lead Independent Director to mutually coordinate with the Chairman of the Board and the Committees, as well as determining for practice to ensure the clearness of the duty performance.

4. Emphasized on considering the establishment of the assessment criteria for the Managing Director consistency with long-term strategies and goals of the Company, including obligation, and scope of roles and responsibilities. In 2019, the Managing Director was assessed for determining remuneration under the established criteria and the assessment result was reported to the Board of Directors.
5. Emphasized on supporting a development guideline for the directors and top executives in accordance with their obligations and skills in necessary areas to be consistent with the Company's goals. The directors were promoted to attend the trainings with the standard agencies or organizations in development of the director professionalism, such as Thai Institute of Directors (IOD), to enhance the potential and upgrade the directorship standard, causing the benefits of the shareholders and all parties of the stakeholders as per details presented in Annual Report.
6. Emphasized on preparing and reviewing a Succession Plan of the Managing Director and top executives, by advising and considering the appropriateness of the process and rule for the nomination and development to be ready in case where the Managing Director or top executive in that office retires or is unable to perform his/her duties. Long-term plan has been prepared for the continuous and sustainable management of the Company.

7. Emphasized on developing and revising roles, duties, and responsibilities of the Nomination and Remuneration Committee. In 2019, the following executions were carried out.

- 7.1 Considered reviewing and revised the Charter of the work performance to cover and conform to the guideline of the Company's business operation under the good corporate governance policy for the maximum benefits of the shareholders.
- 7.2 Assessed the performance for 2019. The assessment result was in very good criteria whereas the duties could completely performed under the responsibilities and as assigned.
- 7.3 Reported its performance and assessment result for the year to the Board of Directors for acknowledgement, and presented the details to the shareholders in Annual Report 2019.

The Nomination and Remuneration Committee prudently and carefully performed its duties using knowledge and competency, under its adequate independence in providing the opinions and suggestions for equality and maximum benefits of the shareholders consistency with Corporate Governance Code. The operation will be continuously developed for the confidence and trust of all shareholders, resulting in a sustainable business operation.

(Mr. Somchai Sirivichayakul)
Chairman of the Nomination and
Remuneration Committee

Profile of the Directors, Executives, Controlling Person, and Company Secretary //

1. Mr. Pornwut Sarasin

Chairman of the Board of Directors

Age 60 years old

Appointment Date 21 March 2018

Educational Background

- Master's Degree: Business Administration, Pepperdine University, USA
- Bachelor's Degree: Business Administration, Boston University, USA

Training Courses organized by Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP) Class 45/2005

Ratio of Shareholding in the Company¹ None

Family Relationship between Director and Executive None

Working Experience in the past 5 years

Position in listed company

2017 - Present	BG Container Glass Public Company Limited Chairman of the Board of Directors
2015 - Present	Crown Seal Public Company Limited Director
2015 - Present	Home Products Center Public Company Limited Director
2009 - Present	AP (Thailand) Public Company Limited Director
1986 - Present	Charoong Thai Wire & Cable Public Company Limited Independent Director / Chairman of the Audit Committee

Position in non-listed company

2014 - Present Bangkok Glass Public Company Limited Director

Position in other business which is a non-listed company 21 Companies

Position in the competitive/related business of the Company's business None

2. Mrs. Suttharug Panya

Independent Director

Vice Chairman

Chairman of the Audit Committee

Age 65 years old

Appointment Date 21 March 2018

Educational Background

- Master's Degree: Accounting, Chulalongkorn University
- Bachelor's Degree: Accounting, Chulalongkorn University
- Advanced Auditing Certificate, Chulalongkorn University

Training Courses organized by Thai Institute of Directors (IOD)

- Director Certification Program (DCP) Class 45/2004
- Advanced Audit Committee Program (AACP) Class 23/2016
- Ethical Leadership Program (ELP) Class 16/2019

Ratio of Shareholding in the Company¹ None

Family Relationship between Director and Executive None

Working Experience in the past 5 years

Position in listed company

2017 - Present	BG Container Glass Public Company Limited Independent Director / Chairman of the Audit Committee
2018 - Present	Demco Public Company Limited Advisor of the Board of Directors
2015 - 2019	Land and Houses Bank Public Company Limited Advisor - Risk Management
2015 - 2019	Bangkok Bank Public Company Limited Advisor - Finance and Accounting
2015 - 2017	PTG Energy Public Company Limited Advisor - Finance and Accounting

Position in other business which is a non-listed company 3 Companies

Position in the competitive/related business of the Company's business None

3. Mr. Pavin Bhirom Bhakdi

Director
Chairman of the Executive Committee
Member of the Nomination and Remuneration Committee
Authorized Signatory Director
Age 44 years old

Appointment Date 21 March 2018

Educational Background

- Bachelor's Degree: Management (General Management), University of Denver, USA

Training Courses organized by Thai Institute of Directors (IOD)

- Corporate Governance for Executives (CGE) Class 11/2018
- Director Certificate Program (DCP) Class 122/2009
- Understanding the Fundamental of Financial Statements (UFS) Class 1/2006

Ratio of Shareholding in the Company¹

- Direct and indirect shareholding through Pavin & Child Co., Ltd. for 0.12% and 0.08%, respectively
- Direct and indirect shareholding of his spouse through Pavin & Child Co., Ltd. for 0.01% and 0.03%, respectively

Family Relationship between Director and Executive None

Working Experience in the past 5 years

Position in listed company

2016 - Present BG Container Glass Public Company Limited Director / Chairman of the Executive Committee / Member of the Nomination and Remuneration Committee

Position in non-listed company

2015 - Present Bangkok Glass Public Company Limited President

2012 - Present Bangkok Glass Public Company Limited Director

Position in other business which is a non-listed company 18 Companies

Position in the competitive/related business of the Company's business None

4. Mr. Somchai Sirivichayakul

Independent Director
Member of the Audit Committee
Chairman of the Nomination and Remuneration Committee
Member of the Corporate Governance Committee
Age 62 years old

Appointment Date 21 March 2018

Educational Background

- Master's Degree: Engineering (Civil Engineering), Tokyo Institute of Technology, Japan
- Bachelor's Degree: Engineering (Civil Engineering), Tokyo Institute of Technology, Japan

- Accredited Gemologist Gemology Diamond and Gemstone Grading, Gemstone Identification Asian Institute of Gemologist Sciences (AIGS)

Training Courses organized by Thai Institute of Directors (IOD)

- Audit Committee Program (ACP) Class 2/2004
- Directors Accreditation Program (DAP) Class 9/2004
- Director Certification Program (DCP) Class 44/2004
- Role of the Compensation Committee (RCC) Class 8/2009
- Director Certification Program Refresher Course Class 2/2009
- Monitoring the System of Internal Control and Risk Management (MIR) Class 10/2010
- Successful Formulation & Execution of Strategy (SFE) Class 8/2010
- Monitoring Fraud Risk Management (MFM) Class 6/2011
- Monitoring the Quality of Financial Reporting (MFR) Class 13/2011
- Monitoring the Internal Audit Function (MIA) Class 11/2011

Ratio of Shareholding in the Company¹ None

Family Relationship between Director and Executive None

Working Experience in the past 5 years

Position in listed company

2017 - Present	BG Container Glass Public Company Limited Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee / Member of the Corporate Governance Committee
2009 - 2018	AIS Distribution (Thailand) Public Company Limited Chairman of the Nomination and Remuneration Committee

2004 - 2018	AIS Distribution (Thailand) Public Company Limited Independent Director / Member of the Audit Committee
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Position in non-listed company

2015 - 2016	Strega Public Company Limited Chairman of the Executive Committee / Chief Executive Officer
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Position in other business which is a non-listed company 4 Companies

Position in the competitive/related business of the Company's business None

5. Mrs. Sunsanee Supatravanij

Independent Director
Member of the Audit Committee
Member of the Nomination and Remuneration Committee
Chairman of the Corporate Governance Committee
Age 61 years old

Appointment Date 21 March 2018

Educational Background

- Master's Degree: Business Administration, Thammasat University
- Bachelor's Degree: Faculty of Arts (Honors), Chulalongkorn University

Training Courses organized by Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) 79/2009
- Director Certificate Program (DCP) Class 129/2010
- Advanced Audit Committee Program (AACP) 29/2018
- Corporate Governance for Executives (CGE) Class 12/2018

Ratio of Shareholding in the Company¹ None
Family Relationship between Director and Executive None

Working Experience in the past 5 years

Position in listed company

2018 - Present	BG Container Glass Public Company Limited Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee / Chairman of the Corporate Governance Committee
2008 - 2014	Ocean Glass Public Company Limited Director / Managing Director

Position in other business which is a non-listed company 1 Company

Position in the competitive/related business of the Company's business None

6. Mrs. Amarat Puvaveerarin

Director

Executive Committee

Authorized Signatory Director

Age 62 years old

Appointment Date 21 March 2018

Educational Background

- Master's Degree : Business Administration, Chulalongkorn University
- Bachelor's Degree : Accounting, Thammasat University

Training Courses organized by Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP) Class SET/2012

Ratio of Shareholding in the Company¹

- Direct shareholding for 0.00%

Family Relationship between Director and Executive None

Working Experience in the past 5 years

Position in listed company

2016 - Present	BG Container Glass Public
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Company Limited Director /

Executive Director

Position in non-listed company

2015 - Present	Bangkok Glass Public Company Limited Senior Executive Vice President and Group CFO
2010 - 2015	Bangkok Glass Public Company Limited Vice President, Finance and Account Division

Position in other business which is a non-listed company 14 Companies

Position in the competitive/related business of the Company's business None

7. Asst. Prof. Kasom Chanawongse

Director

Member of the Corporate Governance Committee

Age 52 years old

Appointment Date 21 March 2018

Educational Background

- Doctor Degree: Faculty of Humanities and Social Sciences-Development Studies Program, Khon Kaen University
- Master's Degree: Industrial Engineering the University of Texas at Arlington, USA
- Bachelor's Degree: Faculty of Engineering-Industrial Program, Khon Kaen University

Training Courses organized by Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP) Class 144/2018

Ratio of Shareholding in the Company¹

- Direct shareholding for 0.02%

Family Relationship between Director and Executive None

Working Experience in the past 5 years

Position in listed company

2017 - Present	BG Container Glass Public Company Limited Director
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/ Member of the Corporate
Governance Committee

Position in other business which is a non-listed
company 15 Companies

Position in the competitive/related business of the
Company's business None

8. Mr. Silparat Watthanakasetr

Director

Executive Committee

Member of the Corporate Governance Committee

Chief Executive Officer²

Chief Operation Officer - Energy (Acting)²

Authorized Signatory Director

Age 49 years old

Appointment Date 21 March 2018

Educational Background

- Master of International Management (MIM), University of Denver, USA
- Bachelor's Degree : Faculty of Economics, Chulalongkorn University

Training Courses organized by Thai Institute of Directors (IOD)

- Corporate Governance for Executives (CGE) Class 11/2018
- Director Certificate Program (DCP) Class 204/2015

Ratio of Shareholding in the Company¹ None

Family Relationship between Director and

Executive None

Working Experience in the past 5 years

Position in listed company

2017 - Present BG Container Glass Public
Company Limited Director /
Executive Director / Chief Executive
Officer / Member of the Corporate
Governance Committee

2017 Ocean Glass Public Company
Limited Managing Director

2016 - 2017 Ocean Glass Public Company
Limited General Manager /
Managing Director (Acting)

Position in other business which is a non-listed
company 7 Companies

Position in the competitive/related business of the
Company's business None

9. Mr. Wisal Laorsatiangul

Chief Operation Officer - Glass Container Supply
Chain²

Age 48 years old

Appointment Date 1 May 2018

Educational Background

- Master's Degree: Business Administration, Finance Program, National Institute of Development Administration (NIDA)
- Bachelor's Degree: Faculty of Engineering, Electric Power Program, King Mongkut's Institute of Technology Ladkrabang

Ratio of Shareholding in the Company¹ None

Family Relationship between Director and

Executive None

Working Experience in the past 5 years

Position in listed company

2018 - Present BG Container Glass Public
Company Limited Chief Operation
Officer - Glass Container Supply
Chain

Position in non-listed company

2017 - 2018 Bangkok Glass Public Company
Limited Assistant President

2015 - 2017 Bangkok Glass Public Company
Limited Senior Director - Central
Production and Engineering

2011 - 2015 Bangkok Glass Public Company
Limited Director - Central
Engineering Office

Position in other business which is a non-listed
company None

Position in the competitive/related business of the Company's business None

2019 - Present BS Glass Recycling Co., Ltd.
Director

10. Ms. Sirikul Mangkornkanok

Chief Financial Officer²

Top person in charge of Finance and Accounting

Age 36 years old

Appointment Date 1 September 2017

Educational Background

- Master's Degree: Management in Finance, University of Melbourne, Australia
- Bachelor's Degree: Accounting, Chulalongkorn University

Training Courses on Continuous Knowledge Development in Accounting

- Strategic CFO in Capital Markets Class 9, Stock Exchange of Thailand
- Preparedness and e-filing Guideline Class 1/62, Federation of Accounting Professions Under the Royal Patronage of His Majesty The King
- 21st Course – Basic Accounting and Financial Statements Analysis, CPD Tutor Co., Ltd.

Ratio of Shareholding in the Company¹ None

Family Relationship between Director and

Executive None

Working Experience in the past 5 years

Position in listed company

2017 - Present BG Container Glass Public Company Limited Chief Financial Officer

Position in non-listed company

2013 - 2016 Bangkok Glass Public Company Limited Director – Finance and Accounting Office

Position in other business which is a non-listed company 4 Companies

Position in the competitive/related business of the Company's business

2019 - Present Taweessup (Jew Ja Heng) Co., Ltd.
Director

11. Mr. Kittisak Chokelarptawee

Chief Operation Officer - Trading²

Age 41 years old

Appointment Date 2 April 2018

Educational Background

- Master's Degree: Marketing, University of Leicester, UK
- Bachelor's Degree: International Business Administration, Assumption University

Ratio of Shareholding in the Company¹ None

Family Relationship between Director and

Executive None

Working Experience in the past 5 years

Position in listed company

2018 - Present BG Container Glass Public Company Limited Chief Operation Officer - Trading

Position in other business which is a non-listed company

2012 - 2018 BP-Castrol (Thailand) Co., Ltd.
Channel Sales Manager

Position in the competitive/related business of the Company's business None

12. Mrs. Anocha Loetjaroenwat

Chief People Officer²

Age 53 years old

Appointment Date 16 January 2019

Educational Background

- Master's Degree: Information Technology Program, King Mongkut's University of Technology Thonburi
- Bachelor's Degree: Political Science Program, Chulalongkorn University

Ratio of Shareholding in the Company¹ None

Family Relationship between Director and

Executive None

Working Experience in the past 5 years

Position in listed company

2019 -Present BG Container Glass Public
Company Limited Chief People
Officer

Position in other business which is a non-listed company

2015 - 2019 AIA Co., Ltd. Senior Associate
Director

2005 - 2015 TMB Bank Public Company
Limited First Vice President

Position in the competitive/related business of the Company's business None

13. Mrs. Kallaya Unjai

Accounting Department Manager²

Accountancy Controller

She is the book-keeper with qualification and condition as the book-keeper in accordance with the rule prescribed in the Notification of the Department of Business Development.

Age 53 years old

Appointment Date 1 September 2017

Educational Background

- Bachelor's Degree: Business Administration Program in General Management, Petchaburi Vitthayalongkorn Rajabhat University
- Bachelor's Degree: Business Administration Program in Accounting, Sukhothai Thammathirat Open University

Training Courses on Continuous Knowledge

Development in Accounting

Organized by the external agencies

- Tax problem arisen from short-over stock from the goods and raw material report and a corrective guideline, Dharmniti Office of Management Development on 09/10/62, total 6.00 hrs.
- Bookkeeping of revenues and expenses, and

impact on net profit calculation,

Dharmniti Office of Management Development on 12/11/62, total 6.00 hrs.

- Accounting & taxation update in the matter required for recognition of the accountant (New Course for 2019), Dharmniti Office of Management Development on 19/12/62, total 6.00 hrs.

Ratio of Shareholding in the Company¹ None

Family Relationship between Director and Executive None

Working Experience in the past 5 years

Position in listed company

2017 -Present BG Container Glass Public
Company Limited Accounting
Department Manager

Position in non-listed company

2015 - 2016 Bangkok Glass Public Company
Limited Cost Accounting Division
Manager

2012 - 2014 Bangkok Glass Public Company
Limited Assistant Cost Accounting
Division Manager

Position in other business which is a non-listed company None

Position in the competitive/related business of the Company's business None

14. Mr. Vorratap Taksaphan

Company Secretary

Age 51 years old

Appointment Date 17 January 2018

Educational Background

- Bachelor's Degree: Accounting Program, Bangkok University

Training Courses organized by Thai Institute of Directors (IOD)

- Company Secretary Program (CSP) Class 86/2018

- Corporate Governance for Executives (CGE)
Class 11/2018
 - How to Develop a Risk Management Plan (HRP)
Class 2/2012
 - Company Secretary Program (CSP)
Class 13/2005
 - Board Reporting Program (BRP) Class 4/2010
- Ratio of Shareholding in the Company¹**
- Direct shareholding for 5,000 shares or 0.00%
- Family Relationship between Director and Executive** None
- Working Experience in the past 5 years**
- Position in listed company**
- 2016 - Present BG Container Glass Public Company Limited Company Secretary
- Position in non-listed company**
- 2013 - Present Bangkok Glass Public Company Limited Secretary of the Board of Directors
- Position in other business which is a non-listed company** 2 Companies
- Position in the competitive/related business of the Company's business** None

Training Courses organized by Thai Institute of Directors (IOD)

- Anti-Corruption the Practical Guide (ACPG)
Class 44/2018
- Corporate Governance for Executives (CGE)
Class 12/2018

Ratio of Shareholding in the Company¹ None

Family Relationship between Director and Executive None

Working Experience in the past 5 years

Position in listed company

2017 - Present BG Container Glass Public Company Limited Director – Internal Audit Office

Position in non-listed company

2014 - 2017 Bangkok Glass Public Company Limited Director – Internal Audit Office

Position in other business which is a non-listed company 1 Company

Position in the competitive/related business of the Company's business None

15. Mrs. Suratchanee Benjajinda

Director - Internal Audit Office

Head of Internal Audit

Age 48 years old

Appointment Date 1 September 2017

Educational Background

- Bachelor's Degree: Accounting Program, University of the Thai Chamber of Commerce
- Master's Degree: Business Administration Program, SOUTHEASTERN UNIVERSITY

Remark : ¹ Including both direct and indirect shareholding on ratio basis whereas the shares held by spouse and minor children of the said person as of 31 December 2019 are included.

² The change in the title of the said position is effective from 1 January 2020 onwards.

Holding of the Director and Executive Office in the Company, Subsidiaries, and Associated Companies

Name List of the Directors and Executives	The Company or BGC	Subsidiaries							Associated Companies	
		Khon Kaen Glass	Pathumthani Glass	BGCG ²	Ratchaburi Glass	Ayutthaya Glass	Prachinburi Glass	SPM	BSR	TWS
1. Mr. Pornwut Sarasin	C	-	-	-	-	-	-	-	-	-
2. Mrs. Suttharug Panya	II, III	-	-	-	-	-	-	-	-	-
3. Mr. Pavin Bhirom Bhakdi	I, IV, V	I	I	I	I	I	I	I	-	-
4. Mr. Somchai Sirivichayakul	II, III, V, VI	-	-	-	-	-	-	-	-	-
5. Mrs. Sunsanee Supatravanij	II, III, V, VI	-	-	-	-	-	-	-	-	-
6. Mrs. Amarat Puvaveeranin	I, IV	I	I	I	I	I	I	I	-	-
7. Asst. Prof. Kasom Chanawongse	I, VI	-	-	-	-	-	-	-	-	-
8. Mr. Silparat Watthanakasetr ¹	I, IV, VI, X	I, X	I, X	I, X	I, X	I, X	I, X	I	-	-
9. Mr. Wisal Laorsatiangul ¹	X	-	-	-	-	-	-	-	-	-
10. Mr. Kittisak Chokelarptawee ¹	X	-	-	-	-	-	-	-	-	-
11. Ms. Sirikul Mangkornkanok ¹	X	-	-	-	-	-	-	-	I	I
12. Mrs. Anocha Loetjaroenwat ¹	X	-	-	-	-	-	-	-	-	-
13. Mrs. Kallaya Unjai ¹	X	-	-	-	-	-	-	-	-	-

Remark:

C = Chairman of the Board of Directors

II = Independent Director

IV = Executive Committee

VI = Member of the Corporate Governance Committee

BGCG = BGC Glass Solution Company Limited

BSR = BS Glass Recycling Company Limited

I = Director

III = Member of the Audit Committee

V = Member of the Nomination and Remuneration Committee

X = Executive

SPM = Solar Power Management (Thailand) Company Limited

TWS = Taweessup (Jew Ja Heng) Company Limited

¹ The effective date of the change in title of the said position from 1 January 2020 onwards

² The Company's executive under the definition of the Office of the Securities and Exchange Commission

Details of the Shareholding of the Company, Directors and Executives for 2019

Name List of the Directors and Executives	Position	Number of Shares			Shareholding Proportion (%)
		As at 1 January 2019	As at 31 December 2019	Increasing (Decreasing) Change	
1. Mr. Pornwut Sarasin	Chairman of the Board of Directors	-	-	-	-
Spouse and underage children		-	-	-	-
2. Mrs. Suttharug Panya	Independent Director, and Chairman of the Audit Committee	-	-	-	-
Spouse and underage children		-	-	-	-
3. Mr. Pavin Bhirom Bhakdi	Director, Chairman of the Executive Committee, Member of the Nomination and Remuneration Committee, and Authorized Signatory Director	700,020	860,020	160,000	0.12%
Spouse and underage children		-	60,000	60,000	0.01%
4. Mr. Somchai Sirivichayakul	Independent Director, Member of the Audit Committee, Chairman of the Nomination and Remuneration Committee, and Member of the Corporate Governance Committee	-	-	-	-
Spouse and underage children		-	-	-	-

Name List of the Directors and Executives	Position	Number of Shares			Shareholding Proportion (%)
		As at 1 January 2019	As at 31 December 2019	Increasing (Decreasing) Change	
5. Mrs. Sunsanee Supatravanij	Independent Director, the Member of the Audit Committee, Member of the Nomination and Remuneration Committee, and Chairman of the Corporate Governance Committee	-	-	-	-
Spouse and underage children		-	-	-	-
6. Mrs. Amarat Puvaveeranin	Director, Executive Director, and Authorized Signatory Director	20	20	-	0.00%
Spouse and underage children		-	-	-	-
7. Asst. Prof. Kasom Chanawongse	Director, and Member of the Corporate Governance Committee	500,000	150,000	(350,000)	0.02%
Spouse and underage children		-	-	-	-
8. Mr. Silparat Watthanakasetr ²	Director, Executive Director, Member of the Corporate Governance Committee, Chief Executive Officer ¹ Chief Operation Officer - Energy (Acting) ¹ and Authorized Signatory Director	-	-	-	-
Spouse and underage children		-	-	-	-

Name List of the Directors and Executives	Position	Number of Shares			Shareholding Proportion (%)
		As at 1 January 2019	As at 31 December 2019	Increasing (Decreasing) Change	
9. Mr. Wisal Laorsatiangul ²	Chief Operation Officer - Glass Container Supply Chain ¹	10,000	-	(10,000)	-
Spouse and underage children		-	-	-	-
10. Mr. Kittisak Chokelarptawee ²	Chief Operation Officer - Trading ¹	-	-	-	-
Spouse and underage children		-	-	-	-
11. Ms. Sirikul Mangkornkanok ²	Chief Financial Officer ¹ and Person taking highest responsibility in accounting and finance	56,000	-	(56,000)	-
Spouse and underage children		-	-	-	-
12. Mrs. Anocha Loetjaroenwat ²	Chief People Officer ¹	-	-	-	-
Spouse and underage children		-	-	-	-
13. Mrs. Kallaya Unjai ²	Accounting Department Manager ¹ and the Accountancy Controller	-	-	-	-
Spouse and underage children		-	-	-	-

Remark : ¹ The effective date of the change in title of the said position from 1 January 2020 onwards

² The Company's executive under the definition of the Office of the Securities and Exchange Commission

Internal Control and Risk Management //

The significant causes of the expansion and complexity of the current business operation in different manners from the past have been due to the commencement of the impacts from the trend of technological developments on making a living, and behavior of people in the society, and on some business. Although these changes have not

yet caused the clear impacts on the current business of the Company, but it may cause new opportunity or risk affecting the Company's business in the future. Therefore, the Company has given precedence to the readiness on having the good internal control and efficient risk management.

1. The Board of Directors' opinions on the internal control

The Board of Directors recognizes the importance of having a good internal control system and considers it is an important function to ensure that the Company has an appropriate and adequate internal control system in efficiently supervising the operations to achieve the targets, objectives under the relevant laws and requirements, it can help to prevent the management risks or damages that may occur with the Company and stakeholders, to oversee the properties, and prevent damage from corruptions as well as prepare the accounting and financial reports that are accurate and reliable under the complete and adequate disclosure of the information within the appropriate timeframe.

In the Meeting of the Board of Directors No. 1/2020 on 27 February 2020, attended by 3 members of the Audit Committee who are independent directors, the Board of Directors concluded the opinions about the Company's internal control

system in terms of the adequacy, appropriateness, faults and the correction of such faults in the internal control system by asking information from the Company's Management and the Internal Audit Office. The Board of Directors remarked the opinions that the Company's internal control system is sufficient and appropriate. The Company has provided the sufficient personnel to efficiently and systematically operate under the internal control system in respect of monitoring and supervising the operations of the Company and its subsidiaries to protect the assets of the Company and its subsidiaries from misuse or without authorization, as well as an adequately control the transactions with persons who may have conflicts and with the connected persons. The Board of Directors also agreed that the Company has had the sufficient internal control on other topics of the internal control.

2. The Company's Internal Control

The Company establishes the internal control system that is adequate for the business operations and regularly monitors and evaluates the results to ensure that the established system can be appropriately operated to suit the changing environment in line with the acceptable risk level. All of 5 elements of the internal control structure based on the standard of the Committee of Sponsoring Organization of The Treadway Commission: COSO 2013 are as follows:

2.1. Control Environment

2.1.1. The policies and regulations are established and documented in accordance with Corporate Governance Code. The code of conduct of the Board of Directors, executives and employees, the business code of conduct are also established with the focus on honesty based on the good business practices. The Company requires the Board of Directors, all executives and employees to comply with such policies and requirements as their duties and responsibilities.

2.1.2. The Business Ethics are established and documented as a good business practices. The Company also prepares a practical guideline to prevent and counter the corruption on giving or receiving gifts or properties or any other benefits to underline all executives and employees to conduct themselves in accordance with the given practical guideline and Business Ethics.

2.1.3. The Board of Directors is independent from the executives by clearly segregating duties and responsibilities between the directors and executives. The Board of Directors has roles, duties and responsibilities in reviewing and approving the important strategies and policies, as well as setting the objectives, financial targets, risks, plans and

budgets, and also supervising, controlling and overseeing the executives to efficiently and effectively operate works in accordance with the given policies and plans.

2.1.4. The organizational structure is established, focusing on the efficient internal control and internal power balance by dividing the important work lines from each other, whereas the authorities and responsibilities of all work lines are independent to each other under the responsibility of the chief executive officer in each work line. In addition, the organization structure is regularly reviewed to comply with the strategies and operational plans.

2.1.5. The Human Resources Policy is established to systematically and sustainably enhance the employees' knowledge and competency, including the dimensions of the appropriate Attracting, Developing, Retaining and Engaging personnel. The process of fair performance management is in place to reflect the ability in performing works according to different Key Performance Indicators (KPIs). In addition, the employee recruitment is also based on the recruitment policies, whereas the recruitment strategies are reviewed to suit the changing environment and business needs, and the readiness of the employee who is the successor in executive level position is also completely assessed. The Employee Engagement with the Company is created to reinforce the working happiness and satisfaction of the employees in order to efficiently and mutually advance toward the targets of both employees and the Company.

2.2. Risk Assessment

The Company gives an importance on the companywide risk management, and is prepared for

any situations under changes caused both from internal and external factors that will affect the process and organizational level activities. The Company establishes a policy on the risk management guideline as well as supervises and monitors the important risk management in the organization's overview for risk assessment. The Management and all employees from all work units seriously participate in the factor assessment and monitor the risks. The risks are assessed in all aspects including strategic risk, operational risk, financial risk, regulation compliance and corruption risk, covering all risks caused both from internal and external factors, for example, domestic political situation, world economic situation, laws, regulations and government policies, and stakeholder's expectations, etc. In addition, the likelihood of potential consequence and impact magnitude of which the Company may be affected in case where the said circumstance occurs, are forecasted. The Risk Management and Internal Control Unit performs its duty in continuously monitoring the progress of risk mitigation measures and plans, and quarterly reports the organizational level risks, and risk management situations to the Audit Committee and the Board of Directors.

2.3. Control Activities

The Company determines the efficient and effective control activities which contribute to reduce the risks that cause the failure of the Company to achieve the objectives at an acceptable level, under the following important control measures:

2.3.1. The internal control policy including regulation, manual and work procedure are clearly established. The Table of Authority (TOA) is also determined to set the financial limit and hierarchy of the authorized persons in approval, covering the budget, human resource management, procurement and finance & accounting, as well as asset transfer and asset account amortization. The review and

adjustment are carried out to be consistent with the change and growth of the Company's structure, without the operating interruption.

2.3.2. The internal control measures that cover the important key processes, such as segregation of duties, approval, verification and document storage, etc., are in place to ensure all operations are efficient and effective, and the reports are reliable and comply with the relevant laws, and rules and regulations.

2.3.3. The preventive and monitoring control activities are in place both for manual and automated systems that are hidden or intervened in the work process. These activities require the executives at all levels to have duties and responsibilities in overseeing and auditing the work system in their work units to be efficient and proper according to the operational regulations. In addition, the appropriate, concise, and auditable internal control system is also established.

2.3.4. The management policies for the companies in the group are established to allow the management of the Company and other companies in the group to be in the same direction under the mutual consideration and decision on the important matters; as well as regularly monitor and supervise the operations of the subsidiaries or the associated companies, resulting in the Company's participation in the policy formulation, periodic acknowledgement and monitoring of the performance in accordance with the significant Key Performance Indicator (KPI) of the subsidiaries and associated companies.

2.4. Information and Communication System

The Company gives importance to the information and communication systems that systematically support the operation, implementation, management and financial reporting which assists the decision of the Board of Directors and executives; and support the internal control to be efficiently and effectively conducted. However, the Company appropriately establishes the policies and procedures for the use of

information and communication technologies. The Company has the adequate and efficient information and communication systems for the inside information so that the employees and executives are informed, and can quickly access the operational information via various channels. The said channels include an arrangement of the communication of the important and necessary news information by the Company's executives (Town Hall), internal trainings and joint meetings, sending of emails, voice announcements, public relations through various activities, internal journals and specific group communications via social media, etc., to enable the internal communication to be timely and accessible to all groups of employees. The important information is also appropriately communicated as the reference for the consideration of the Board of Directors by sending the meeting documentation to the Board of Directors at least 7 (seven) days in advance before each meeting. In respect to an external communication, the Company's the Investor Relations Department and Corporate Communications Department are responsible for thoroughly and equally disclosing the Company's information and communicating to all stakeholders through the channels consisting of websites of the Company and of related organizations such as SEC, to allow external stakeholders to equally, conveniently and more quickly access the important information.

The Company establishes the written measures of complaints and whistleblowing including from complaint channel and complaint process, the protection of whistleblowers and related persons to enable the employees and external parties to report or provide the information related to the offences against law or regulations, corruption, or any actions that seek for undue and unlawful benefits.

2.5. Monitoring Activities

The Company monitors and assesses the internal control and set a guideline for the improvement and

development to ensure that the Company's internal control system is carried out with efficiency and effectiveness. The Company requires the executives at all levels to appropriately have duties and responsibilities in overseeing and auditing the internal work system within their own controls for the efficiency and correctness according to the policies, requirements and operational regulations, as well as achieving the given plan or target, for example, holding the departmental meetings to monitor the performance to achieve the target according to the Key Performance Index (KPI). The performance report is regularly prepared by comparing the result with the target under the plan or budget proposed to the executives for consideration on the improvement and the correction to be in line with the target, etc. The Company must carry out according to the requirements and rules from the relevant external agencies, such as the Office of the Securities and Exchange Commission, Revenue Department, Board of Investment (BOI), etc. The Internal Audit Unit establishes an annual audit plan by considering the major risks, changes or increase of processes/work systems, requests from the executives and the Audit Committee (if any), to review the adequacy, appropriateness of the internal control system in each activity and provide suggestions for the correction and improvement, as well as monitor the operating results based on the suggestions proposed to the executives of the Audit Unit and the relevant top executives for acknowledgement and operation as per suggestions. The Internal Audit Unit monitors the progress of the actions according to the suggestions in the audit report in all issues until all actions are completed, the progress results are summarized and proposed to the executives and the Audit Committee on quarterly basis to ensure that all suggestions are effectively implemented in the internal control and risk management.

Audit Committee Report //

To All Shareholders,

The Audit Committee of BG Container Glass Public Company Limited (Company) has been consisted of 3 independent directors who are full qualified as requirements stipulated by the Securities and Exchange Commission, and having Mrs. Suttharug Panya acted as the Chairman of the Audit Committee. Below in the namelist of the Audit Committee in 2019:

1. Mrs. Suttharug Panya
Chairman of the Audit Committee
2. Mr. Somchai Sirivichayakul
Member of the Audit Committee
3. Mrs. Sunsanee Supatravanij
Member of the Audit Committee

and Mrs. Suratchanee Benjajinda, the director of the Internal Audit Office, is the Secretary of the Audit Committee.

The Audit Committee has independently performed its duties in accordance with the scope, duties and responsibilities as assigned by the Company's Board of Directors by adhering to the Charter of the Audit Committee in line with the good practices of the Audit Committee as stipulated by the Stock Exchange of Thailand to review the administration of the company operations in terms of good corporate governance, internal control, internal audit, risk management, financial reports and other operational areas of the Company to comply with relevant laws, rules and regulations to allow the Company to effectively conduct its business and achieve efficiency, as well as promote and support to comply with anti-corruption guideline for corporate transparency.

In 2019, the Audit Committee held 8 meetings with constituted quorum in all meetings. In the meeting of the Audit Committee, related management and the Auditors were invited to attend the meetings as per meeting agenda, in addition, the Audit Committee has also continuously prepared the reports on the performance of the Audit Committee and proposed to the Board of Directors with following key summary about its performance:

1. Review of financial reports: The Audit Committee has reviewed the Company's financial reports including interim financial information and the Company's annual financial statements including connected transactions, transactions with potential conflict of interest. The Company's financial reports have been prepared in accordance with the financial reporting standard by reviewing the significant issues and being provided of the explanation from the Auditor, the management, and the director of the Internal Audit Office regarding the accuracy and completeness of financial reports and financial statements, the adjustment of significant accounting transactions affecting the financial information and financial statements, the adequacy and appropriateness of accounting recording methods and the scope of audits to ensure the reasonable accuracy of the preparation of financial information and financial statements including notes in the financial statements in accordance with the legal requirements and financial reporting standards. Then, the said financial information and financial statements that were reviewed and inspected by the Auditors shall be approved, containing non-conditioned opinions and essential information

in preparing financial information and financial statements, information disclosure, key audit matters (KAM) that will be appeared in the Auditor's Report, by focusing on the accurate, complete, sufficient presentation of information and the independence of the Auditor to ensure that the preparation of financial information and financial statements complies with legal requirements and financial reporting standards in a reliable and timely manner, and sufficient important information disclosure for the benefits of investors or users of financial statements.

2. Review of good corporate governance: The Audit Committee encourages the administration and management to achieve good corporate governance, transparency, reliability, which are important factors that add values to the Company and all interested parties. The operation shall be reviewed according to the specified work system in order to comply with the rules and regulations of the Stock Exchange of Thailand including other laws related to the Company's business operations and the compliance with the anti-corruption ("CAC") measures is also reviewed to be in line with the principles of good corporate governance, promote and support the process for receiving complaints and whistleblowing for transparency and fairness. The Audit Committee held meetings with the Management to discuss about the operational results in accordance with the anti-corruption policy and report the results to the Board of Directors in order to provide useful suggestions and practices including review 71-clause self-assessment in accordance with the CAC assessment form for applying CAC membership. The Company has been certified as a member of the Private Sector Collective Action Coalition against Corruption on 5 August 2019.

3. Review of connected transactions and transactions with potential conflict of interest: The Audit Committee has reviewed the connected transactions in accordance with the Notification of the Stock Exchange of Thailand, transactions with potential conflict of interest and disclosure of connected transactions information to ensure that the said transactions are reasonable, accurate and complete and useful for the Company

4. Review of the Efficiency of Internal Audit System and Risk Management: The Audit Committee has reviewed the Company's internal control system in its adequacy, appropriateness and effectiveness by supporting the preventive control system in various operational stages that are sufficient, appropriate and in line with the good practices of the Stock Exchange of Thailand and the Securities and Exchange Commission, including the internal control framework in accordance with international standards (The Committee of Sponsoring Organizations of the Treadway Commission: COSO 2013) with the assessment results ensuring that the Company's internal control meets the specified standards. In addition, the Audit Committee has reviewed the risk management at the organization level, plans and risk management guidelines that may affect the operations, and provided suggestions for improvements.

5. Oversight of Internal Audits: The Audit Committee has overseen the Internal Audit Unit to be independent by directly reporting to the Audit Committee as described in the Charter of Internal Audit Office, reviewed and approved the annual internal audit plan, long-term audit plan and the adjustment of audit plan to link organizational goals to be in line with the changing environment and risks, reviewed the operations and operational results based on specified audit plan. In addition, the Audit

Committee has also continuously provided recommendations and followed up the corrective actions on significant issues in accordance with the audit report in order to achieve good corporate governance and adequate internal controls, supported the development of personnel in the Internal Audit Office to have knowledge and capability in performing their duties. The Audit Committee has supported the audit staff to develop their knowledge and experience and to develop the internal audit staff to have knowledge and competency in professionally and efficiently performing the audit, as well as considered the adequacy and appropriateness of the resources in the Internal Audit Office, evaluated the performance and considered annual merits of the director of the Internal Audit Office.

6. Maintaining the Quality of the Audit Committee: The Audit Committee has reviewed the Charter of the Audit Committee to be appropriate, in accordance with the rules, regulations and criteria of the regulatory agencies and in compliance with the mission assigned by the Board of Directors. The Audit Committee has evaluated the performance of the Audit Committee as a whole and individual by using self-assessment form provided by the Stock Exchange of Thailand to ensure that the performance of the Audit Committee is effective and achieve the results as defined and the overall evaluation showed good result. In addition, the Audit Committee has quarterly reported its performance to the Board of Directors by providing comments for the improvement of the oversight process, risk management, internal control and compliance with the Company's rules and regulations.

7. Consideration and Proposal for the Appointment of Auditors: The Audit Committee has considered and approved to propose the Auditors from EY Office Company Limited to be the Company's Auditor with the auditor's remuneration for 2020 to the Board of Directors for approval in proposing the 2020 Annual General Meeting of Shareholders for consideration and approval to appoint Mrs. Poonnard Paocharoen, Certified Public Accountant No. 5238, or Miss Vissuta Jariyathanakorn, Certified Public Accountant No. 3853, or Miss Manee Rattanabunnakit, Certified Public Accountant No. 5313, of E Y Office Company Limited, as the Company's Auditors and the auditor's remuneration for 2020.

In summary, the Audit Committee has performed its duties and responsibilities as specified in the Charter of the Audit Committee approved by the Board of Directors with the use of knowledge, competency and prudence, sufficient independence and giving opinions and recommendations for the benefits of all stakeholders in an equal manner. The Audit Committee expressed its opinion that the Company's management and operations have been continuously improved with good corporate governance, risk management system, internal control system and audit system in an appropriate, sufficient, and effective manner. The Company's financial reports are accurate, reasonable, and reliable in accordance with generally accepted accounting standards, sufficient disclosure. Additionally, the Company has operated in accordance with the laws and regulations related to the business operations.

On behalf of the Audit Committee



(Mrs. Suttharug Panya)

Chairman of the Audit Committee

Related Party Transactions //

1. Parties with Potential Conflicts

Parties with Potential Conflicts	Nature of Business Operation	Nature of Relationship with the Company
BG Group		
1. Bangkok Glass Public Company Limited ("BG")	Holding Company	<ul style="list-style-type: none"> Major shareholder of the Company, holding shares at 72.0% of paid-up registered capital after public offering for sales of ordinary shares There are two common directors including Mr. Pornwut Sarasin and Mr. Pavin Bhirom Bhakdi.
2. BG Float Glass Company Limited	Buy, wholesale, retail, import and export glass sheets, including glass products and glass for buildings	<ul style="list-style-type: none"> BG, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital. There are two common directors including Mr. Pavin Bhirom Bhakdi and Mrs. Amarat Puvaveeranin.
3. Kabinburi Glass Industry Company Limited	Manufacture and sell glass sheets, including glass products and glass for buildings	<ul style="list-style-type: none"> BG, the Company's major shareholder, holds shares at 95.6% of paid-up registered capital. There are two common directors including Mr. Pavin Bhirom Bhakdi and Mrs. Amarat Puvaveeranin.
4. BG Packaging Company Limited	Manufacture and sell preform plastic tubes and PET Containers, and sell plastic caps, plastic crown caps and crates	<ul style="list-style-type: none"> BG, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital. There are two common directors including Mr. Pavin Bhirom Bhakdi and Mrs. Amarat Puvaveeranin.

Parties with Potential Conflicts	Nature of Business Operation	Nature of Relationship with the Company
5. Bangkok Visypak Company Limited	Manufacture and sell various types of corrugated cartons	<ul style="list-style-type: none"> BG, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital. There are two common directors including Mr. Pavin Bhirom Bhakdi and Mrs. Amarat Puvaveerananin.
6. BGFC Sport Company Limited	Sport management business	<ul style="list-style-type: none"> BG, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital. There are two common directors including Mr. Pavin Bhirom Bhakdi and Mrs. Amarat Puvaveerananin.
7. BG Energy Solution Company Limited	Generate and sell electric power	<ul style="list-style-type: none"> BG, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital. There are two common directors including Mr. Pavin Bhirom Bhakdi and Mrs. Amarat Puvaveerananin.
Other Groups		
8. Khon Kaen Sport Management Company Limited	Sport management business	<ul style="list-style-type: none"> Mr. Kasom Chanawongse, the Company's director, holds shares at 40.0% of paid-up registered capital. There is one common director including Mr. Kasom Chanawongse.
9. ThaiNamthip Manufacturing Company Limited	Manufacture and sell soft drinks	<ul style="list-style-type: none"> There is one common director including Mr. Pornwut Sarasin.
10. Thai Asia Pacific Brewery Company Limited	Manufacture and sell beers	<ul style="list-style-type: none"> There is one common director including Mr. Pornwut Sarasin.
11. Taweessup (Jew Ja Heng) Company Limited	Wholesale waste and scrap for recycle	<ul style="list-style-type: none"> The Company is the major shareholder at 25.0% of paid-up registered capital. There is one director as the Company's representative including Miss Sirikul Mangkornkanok.

Parties with Potential Conflicts	Nature of Business Operation	Nature of Relationship with the Company
Boon Rawd Group		
12. Boonrawd Brewery Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> Major shareholder of the Company by indirect shareholding through BG in the proportion of 67.5% of paid-up registered capital
13. Pathumthani Brewery Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 100.0% of paid-up registered capital through Singha Corporation Company Limited. Mr. Santi Bhirom Bhakdi and Mr. Piya Bhirom Bhakdi, the major shareholders of Boonrawd Brewery Company Limited, act as directors.
14. Chiangmai Beverage Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 100.0% of paid-up registered capital through Singha Corporation Company Limited. Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.
15. Boonrawd Trading International Company Limited	Import and export alcohol and soft drinks	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 100.0% of paid-up registered capital through Singha Corporation Company Limited.
16. Wang Noi Beverage Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 100.0% of paid-up registered capital through Singha Corporation Company Limited. Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.

Parties with Potential Conflicts	Nature of Business Operation	Nature of Relationship with the Company
17. Sam Sen Brewery Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 100.0% of paid-up registered capital through Singha Corporation Company Limited. Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.
18. Suratthani Beverage Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 100.0% of paid-up registered capital through Singha Corporation Company Limited. Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.
19. Singha Beverage Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 100.0% of paid-up registered capital through Singha Corporation Company Limited. Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.
20. Boonrawd Trading Company Limited	Distribute alcohol and soft drinks	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital.
21. Khon Kaen Brewery Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 81.7% of paid-up registered capital through Singha Corporation Company Limited. Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.

Parties with Potential Conflicts	Nature of Business Operation	Nature of Relationship with the Company
22. Leo Links Company Limited	Logistics service	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 100.0% of paid-up registered capital through Singha Corporation Company Limited.
23. Singha Parks Chiangrai Company Limited	Agro-tourism location	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital. Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.
24. Mahasarakham Beverage Company Limited	Manufacture and sell alcohol and soft drink	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 100.0% of paid-up registered capital through Singha Corporation Company Limited.
25. Hesco Solution Company Limited	Manufacture food	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 100.0% of paid-up registered capital through Singha Corporation Company Limited.
26. Singha Beer Company Limited	Manufacture and sell alcohol drink	<ul style="list-style-type: none"> Mr. Santi Bhirom Bhakdi, the Company's major shareholder, holds shares at 85.0% of paid-up registered capital. Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.
27. Khao Yai Winery Company Limited	Manufacture and sell alcohol drink	<ul style="list-style-type: none"> Mr. Piti Bhirom Bhakdi, the Company's major shareholder, is the direct and indirect shareholder around 58.2% of paid-up registered capital. Mr. Piti Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.

Parties with Potential Conflicts	Nature of Business Operation	Nature of Relationship with the Company
28. Santiburi Development And Resort Company Limited	Integrated office management service	<ul style="list-style-type: none"> Mr. Santi Bhirom Bhakdi, the Company's major shareholder, holds shares at 54.0% of paid-up registered capital. Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.
29. Boonrawd Supply Chain Company Limited	Supply chain service and related asset leasing	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital. Mr. Santi Bhirom Bhakdi and Mr. Piti Bhirom Bhakdi, the major shareholders of Boonrawd Brewery Company Limited, act as directors.
30. BRF Logistics Company Limited	Supply chain service	<ul style="list-style-type: none"> Boonrawd Brewery Company Limited, the Company's major shareholder, is an indirect shareholder at 50.0% of paid-up registered capital through Boonrawd Supply Chain Company Limited. Mr. Piti Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.

2. Related Party Transactions

The related party transactions of the Group and the parties with potential conflicts in the accounting year ended December 31, 2018 can be summarized as follows.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
1. BG Group					
- BG	1.1 Transaction of purchase of office equipment and production planning program			<ul style="list-style-type: none"> - The Group purchased decorative equipment of Pathum Thani Head Office and Singha Complex Office from BG whereas pricing is based on cost. - The Group purchased production planning system program from Research and Development Department of BG whereas pricing is based on cost. - The Group purchased equipment of glass doors and windows together with safety lock system from the companies in BG Group under price and general commercial condition similar to a transaction entered with the third party. 	<ul style="list-style-type: none"> - Such transaction is related to purchase of asset to be used in business operation. Therefore, the said transaction is considered and deemed proper and reasonable.
	- Asset	-	36,491,692.1		
	- Payable	-	-		
	- Asset	-	532,974.6		
- BG Float Glass Company Limited	- Payable	-	12,375.0		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
	1.2 Revenue from cost of spare parts, mechanical consumables and other materials			<ul style="list-style-type: none"> - The Group sold spare parts, mechanical consumables and other materials available in its warehouse to the companies in BG Group due to the quantity in excess of use. - Selling price of spare parts, mechanical consumables and other materials is cost price of such assets. 	<ul style="list-style-type: none"> - Such transaction supports the Group's normal business. Pricing is based on cost, resulting in non-loss of the Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable.
- BG	<ul style="list-style-type: none"> - Revenue - Receivable 	989,183.9 114,997.5	248,420.8 4,941.70		
- BG Float Glass Company Limited	<ul style="list-style-type: none"> - Revenue - Receivable 	39,841.5 -	176,237.0 7,310.0		
- Kabinburi Glass Industry Company	<ul style="list-style-type: none"> - Revenue - Receivable 	1,006,244.3 -	2,675.1 -		
- BG Packaging Company Limited	<ul style="list-style-type: none"> - Revenue - Receivable 	252,439.5 -	357,834.1 53,381.4		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– BG	1.3 Expenditure from cost of spare parts, mechanical consumables and other materials			– The Group occasionally purchased spare parts, mechanical consumables and other materials from BG due to BG's inventory in type of spare parts, mechanical consumables, and other materials under common use with the Group.	– Such transaction supports the Group's normal business. Pricing is based on cost, resulting in non-loss of the Group's benefit.
	– Cost	405,789.6	12,128,999.0		Therefore, the said transaction is considered
	– Payable	-	-	– Purchase price of spare parts, mechanical consumables and other materials is cost price of such assets.	and deemed proper and reasonable.
	– Cost	-	174,630.00		
– BG	– Payable	-	-		
	1.4 Revenue from room, food and beverage charge			– In organizing trainings and seminars for the Group's employees, the Group occasionally accommodated room, food and beverage to facilitate the employees of the companies in BG Group attending in trainings and seminars. Thus, the Group charged the room, food and beverage charge from the companies in BG Group.	– Such transaction supports the Group's normal business. Pricing is based on market rate and a discount is offered from the price quoted by the Group to the third party, resulting in non-loss of the
	– Revenue	83,743.9	206,134.2		
	– Receivable	4,597.9	-		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– Kabinburi Glass Industry Company	– Revenue	716.19	232,050.5	– Wishing Tree Khon Kaen Resort is the hotel under the Group with main purpose of use as training and seminar venue for the employees of the Group and the companies in BG Group.	Group's benefit since the Group has still earned the operating profit after such discount offering, and it has been the general policy of the former BG Group. Therefore, the said transaction is considered and deemed proper and reasonable.
	– Receivable	-	-		
– BG Packaging Company Limited	– Revenue	24,455.87	33,525.2	– For the accounting year ended December 31, 2017, the room, food and beverage charge is the discounted price from the price offered by the Group to the third parties in accordance with the BG Group's policy.	From 2018 onwards, the Group has entered into the transaction under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
	– Receivable	-	-		
– Bangkok Visypak Company Limited	– Revenue	26,235.4	14,635.5	– However, since 2018 onwards, the room, food and beverage charge has been the same price offered by the Group to the third parties.	
	– Receivable	766.3	-		
– BG Float Glass Company Limited	– Revenue	87,543.2	104,570.8		
	– Receivable	-	-		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– BGFC Sport Company Limited	1.5 Revenue from room, food and beverage charges			<p>– BGFC Sport Company Limited isolated the athletes for training at Wishing Tree Khon Kaen Resort whereas the Group accommodated room, food and beverage, and provided laundry service to facilitate those athletes. Thus, the Group charged room, food and beverage, and laundry service charges from BGFC Sport Company Limited. According to the isolation of athletes for training, the room, food and beverage, and laundry service charges are the discounted prices from the prices offered by the Group to the third parties in accordance with the BG Group's policy. However, from 2018 onwards, the room, food and beverage charges will be the same prices offered by the Group to the third parties.</p>	<p>– From 2018 onwards, the Group has entered into the transaction under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.</p> <p>– Such transaction of sale of accommodation and meal package supports the Group's normal business. The pricing of the accommodation and meal package is under general</p>
	– Revenue	155,274.6	117,841.1		
	– Receivable	-	-		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				<ul style="list-style-type: none"> - In addition, Wishing Tree Khon Kaen Resort sold the room and food package to BGFC Sport Company Limited for using the services at Wishing Tree Khon Kaen Resort. The room, food and beverage, laundry charges under room and food package are the comparative prices offered by the Group to the third parties. 	commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
<ul style="list-style-type: none"> - Kabinburi Glass Industry Company 	1.6 Revenue from cullet sales <ul style="list-style-type: none"> - Revenue - Receivable 	5,149,007 -	1,597,898 -	<ul style="list-style-type: none"> - The Group sold cullets in its inventory to the companies in BG Group due to the quantity in excess of use. - Sale price of cullets is an average price of market price. 	<ul style="list-style-type: none"> - Such transaction supports the Group's normal business. Pricing is based on average price of market price, resulting in non-loss of the Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– BG	1.7 Revenue from utility charge			– The Group applied for using utility services with the related agencies whereas some companies in BG Group are located in the same area of the Group and use utility services in such area. Therefore, the Group charged the companies in BG Group for such utility charges.	– Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
	– Revenue	8,869,780.8	884,759.6		
	– Receivable	1,213,688.2	50,348.0		
	– Revenue	77,873.7	127,205.7		
– BG Float Glass Company Limited	– Receivable	5,865.7	6,166.9	– Utility charges are charged based on actual expenses.	
– BG Packaging Company Limited	1.8 Revenue from electricity bill and wastewater treatment fee			– The factory of BG Packaging Company Limited is located in the same area as the Ayutthaya Glass Industry Company Limited's factory. The Group applied for use of electricity and installation of an electric meter, as well as use of wastewater treatment service from the industrial estate. However, BG Packaging Company Limited also used the electricity and wastewater	– Such transaction supports the Group's normal business under the reasonable price and general commercial condition. Therefore, the said transaction is considered and deemed proper.
	– Revenue	51,181,921.9	48,697,413.4		
	– Receivable	-	4,422,166.4		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				<p>treatment services, therefore, the Group charged BG Packaging Company Limited for such services.</p> <ul style="list-style-type: none"> Electricity bill and wastewater treatment fee are charged based on actual expenses. 	
<ul style="list-style-type: none"> BG 	<p>1.9 Expenditure for office rental and service fees</p> <ul style="list-style-type: none"> Expense Payable 	<p>7,397,620.6</p> <p>1,231,486.9</p>	<p>30,703,236.9</p> <p>2,860,802.6</p>	<p>In 2019, the Group relocated its office, and has entered into lease and service agreements with BG for leasing space of the office project on 32nd Fl. at Singha Complex Building of approximate total area of 826.82 Sq.m., and leasing an office building area of approximately 2,448.5 Sq.m. in total at Thanyaburi District, Pathum Thani Province, from BG to be used as the location of the Group's offices.</p> <ul style="list-style-type: none"> The office rental and service fees (for Singha Complex Building at 38th Floor) are comparable with the rate of nearby area. The rental fee of office building space (in Pathum Thani Province) is a price estimated 	<p>Such transaction is the Group's real estate lease under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.</p>

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				by an independent valuation company approved by the Office of the SEC. The lease agreement for space is entered by the Group and effective from January 1, 2018 (kindly consider the detail of the lease agreement for space in Form 56-1 Part 1 Clause 6 – Other Key Information).	
– BG	1.10 Expenditure for land and building space lease fees – Cost – Payable	27,443,114.9 1,904,133.3	22,849,600.0 1,904,133.3	– The Group has entered into (1) transaction of land lease for the factory location of Pathumthani Glass Industry Company Limited, (2) transaction of land lease for the zone location of Ayutthaya Glass Industry Company Limited, and (3) transaction of space lease for the Mould Center and ISC in Ayutthaya Province. The purchase price of the land, including rate of land and space lease fees are based on the prices estimated by an independent valuation company approved by the Office	– From January 1, 2018, the Group entered into a new real estate lease agreement in which a lease fee is based on the price estimated by an independent valuation company approved by the Office of the SEC.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				of the SEC. Such land and space lease agreements are entered by the Group and effective from January 1, 2018 (kindly consider the detail of land and space lease agreements in Form 56-1 Part 1 Clause 6 – Other Key Information).	
– BG	1.11 Administration expenses – Service fee – Payable	59,218,272.0 4,886,813.0	56,922,140.0 5,057,055.4	<ul style="list-style-type: none"> – Additional details related to administration expenses and service fees collected by BG in 2018 can be considered in details in Part 2 Clause 12 – Related Party Transactions, Sub-Clause 12.3 – Additional Explanation on Transactions of Administration Expenses Collected by BG. – Such transaction supports the Group's normal business. Pricing is based on market rate and actual expense, resulting in non-loss of the Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable. – The transaction of service fee and software system-related service fee in 	

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
					Q1/2018 is considered as transaction that supports the Group's normal business. Service fee is charged based on market rate and actual expenses, and software system-related service fee is charged based on actual cost plus financial cost, resulting in non-loss of the Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
- BG	1.12 Expenditure for factory equipment purchase cost			<ul style="list-style-type: none"> - Research and Development Department of BG invented the equipment used in factory, such as bottle quality detector, internal production process tester, etc. to enhance the efficiency of production process. The Group purchased such factory equipment for using in production process. - Factory equipment cost is estimated based on cost and expense used in research and development of such equipment plus profit, and lower than market price. 	<ul style="list-style-type: none"> - Such transaction supports the Group's normal business and it is the transaction occurred in the past. Pricing is based on cost and expense plus profit but not higher than market price, resulting in non-loss of the Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable.
	<ul style="list-style-type: none"> - Asset - Payable 	<ul style="list-style-type: none"> 600,000.0 - 	<ul style="list-style-type: none"> 85,000.0 - 		
- BG	1.13 Other expenditures			<ul style="list-style-type: none"> - Other expenditures include (1) expenditure for annual maintenance cost of Software System of Warehouse Management System, which was shared with BG that is the copyright owner, (2) insurance premium of Public & Products Liability, and Product 	<ul style="list-style-type: none"> - Such transaction supports the Group's normal business. Pricing is based on actual cost and expense, resulting in non-loss of the Group's benefit.
	<ul style="list-style-type: none"> - Expense - Payable 	<ul style="list-style-type: none"> 1,776,207.1 - 	<ul style="list-style-type: none"> 766,675.0 - 		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				<p>Recall Insurance, and (3) expenditure for internet charges of which BG firstly advanced and charged to the Group.</p> <ul style="list-style-type: none"> Expenses are estimated based on actual cost and expense. 	Therefore, the said transaction is considered and deemed proper and reasonable.
<ul style="list-style-type: none"> BG Packaging Company Limited Bangkok Visypak Company Limited 	<p>1.14 Revenue from pallet rental fee</p> <ul style="list-style-type: none"> Revenue Receivable Revenue Receivable 	<p>1,055,520.4</p> <p>-</p> <p>509,025.4</p> <p>96,419.54</p>	<p>578,931.2</p> <p>76,813.4</p> <p>519,790.9</p> <p>116,012.2</p>	<ul style="list-style-type: none"> The companies in BG Group rented some pallets from the Group because at that time the Group had some pallets not in use and so rent them out. Pallet rental fee is estimated based on actual cost of pallets. 	<ul style="list-style-type: none"> Such transactions support the Group's normal business. Pricing is based on actual cost and expense, resulting in non-loss of the Group's benefit. <p>Therefore, the said transaction is considered and deemed proper and reasonable.</p>

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> Bangkok Visypak Company Limited 	1.15 Expenditure for packaging purchase			<ul style="list-style-type: none"> The Group purchased cartons and paper trays from Bangkok Visypak Company Limited for using as packaging materials for the Group's glass packaging products. 	<ul style="list-style-type: none"> Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the transaction is considered and deemed proper.
	<ul style="list-style-type: none"> Cost of sales Payable 	209,188,933.0 25,199,387.3	214,728,062.2 21,038,968.2	<ul style="list-style-type: none"> Purchase price is comparable with that of the third party by considering on attribute and property of product and usability. 	
<ul style="list-style-type: none"> BG Packaging Company Limited 	1.16 Revenue from water sample analysis fee			<ul style="list-style-type: none"> BG Packaging Company Limited used the Group's service for water sample analysis because the Group has a work section to analyze water quality under the industrial standard. 	<ul style="list-style-type: none"> Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
	<ul style="list-style-type: none"> Revenue Receivable 	13,200.0 -	13,800.0 -	<ul style="list-style-type: none"> Water sample analysis fee is comparable with a market price. 	

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> - BG Packaging Company Limited - BG Float Glass Company Limited - BG 	1.17 Other revenues <ul style="list-style-type: none"> - Revenue - Receivable 	109,601.4 -	31,106.61 -	<ul style="list-style-type: none"> - Most of other revenues included revenue from sale of office supplies and equipment. The Group sold office supplies to companies in BG Group due to their urgent need for use. - The price of such office supplies is cost price of such assets. 	<ul style="list-style-type: none"> - Such transaction supports the Group's normal business. Pricing is based on cost, resulting in non-loss of the Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable.
	<ul style="list-style-type: none"> - Revenue - Receivable 	82,943.9 20,623.4	134,745.3 7,658.43		
	<ul style="list-style-type: none"> - Revenue - Receivable 	378,241.1 13,223.7	236,504.0 8,613.3		
<ul style="list-style-type: none"> - BG Packaging Company Limited 	1.18 Other expenditures <ul style="list-style-type: none"> - Cost of sales - Payable 	41,730.0 -	55,000.0 -	<ul style="list-style-type: none"> - Most of other expenditures are the expenditures for buying equipment used as support for the Group's business operation. - The purchase price of such equipment is comparable to a market price. 	<ul style="list-style-type: none"> - Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
	<ul style="list-style-type: none"> - Cost of sales - Payable 				

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– BGFC Sport Company Limited	1.19 Expenditure for premium cost			– The Group purchased premiums from BGFC Sport Company Limited as entertainment and gifts for customers, as well as support the Group's business operation such as giving sport shirts to the employees for the internal activities. – The price of premiums is comparable with the price that BGFC Sport Company Limited sells to a third party.	– Such transactions support the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
	– Expense – Payable	4,475,509.6 47,790.0	7931,517.5 653,887.0		
– BG Energy Solution Company Limited	1.20 Revenue from rooftop rental fee			– The Group has rented out the rooftop area of Ayutthaya Glass Industry Company Limited's warehouse building to BG Energy Solution Company Limited for installing solar PV rooftop panels and equipment. The Group has entered into a long-term lease agreement with BG Energy Solution Company Limited that is effective from January 1, 2018.	– Such transactions support the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
	– Revenue – Receivable	1,542,600.0 122,000.0	2,285,000.0 174,000.0		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				<ul style="list-style-type: none"> Rental fee is based on a market rate (kindly consider the detail of lease agreement for the rooftop area of warehouse building in Form 56-1 Part 1 Clause 6 - Other Key Information). 	
<ul style="list-style-type: none"> BG Energy Solution Company Limited 	1.21 Expenditure for electricity bill <ul style="list-style-type: none"> Revenue Receivable 	11,776,147.7 2,065,559.1	40,833,875.2 3,904,228.5	<ul style="list-style-type: none"> The Group purchased electricity from BG Energy Solution Company Limited for use inside factory as follows. <ul style="list-style-type: none"> Ayutthaya Glass Industry Company Limited purchased electricity from Solar PV Rooftop. Prachinburi Glass Industry Company Limited purchased electricity from Floating Solar. The price of electricity bill is comparable with the purchase of electricity from PEA (kindly consider the detail of the lease agreement for the rooftop area of warehouse building in Form 56-1 Part 1 Clause 6 - Other Key Information). 	<ul style="list-style-type: none"> Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> BG Energy Solution Company Limited 	1.22 Expenditure for advisory fee <ul style="list-style-type: none"> Expense Payable 	1,010,221.7 82,258.9	1,107,404.6 102,866.8	<ul style="list-style-type: none"> The Group has 2 types of electric generation units from the waste heat at Ayutthaya Glass Industry Company Limited's factory and from the solar rooftop at Khon Kaen Glass Industry Company Limited's factory. There is also waste heat recovery at Khon Kaen Glass Industry Company Limited to be used within its own factory and for sale to the outsiders (only KGI that sells to the outsiders). However, BG incorporated BG Energy Solution Company Limited to operate the business of electric power generation and sale, resulting in restructuring within the group and employees so as to be consistent with such business. Therefore, the Group engaged BG Energy Solution Company Limited to provide advice and oversee the projects related to electricity generation of the Group at Khon Kaen Glass Industry Company Limited and 	<ul style="list-style-type: none"> Such transaction supports the Group's normal business under the reasonable price and general commercial condition. Therefore, the said transaction is considered and deemed proper.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				<p>Ayutthaya Glass Industry Company Limited's factories. The Group entered into an advisory service agreement with BG Energy Solution Company Limited for a period of 10 years period and is effective from March 1, 2018.</p> <ul style="list-style-type: none"> Advisory fee is charged at 2% of total revenue from the above electricity generating units, which is comparable with actual cost of service (kindly consider the detail of the advisory service agreement in Form 56-1 Part 1 Clause 6 – Other Key Information). 	
1.23 Expenditure for sport sponsorship money – BGFC Sport Company Limited	– Expense – Payable	70,000,000.0 -	- -	<ul style="list-style-type: none"> The Group yearly provided sponsorship money to the sport club under the supervision of BGFC Sport Company Limited (Football and Volleyball Team). Such sponsorship is a part of the Group's corporate social responsibility project and received advertisement right in return. Such transaction supports the Group's normal business in accordance with the sport sponsorship policy (CSR). Therefore, the said transaction is considered and deemed reasonable. 	

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				<ul style="list-style-type: none"> - In 2018, the Company entered into sport sponsorship agreement of 70 million Baht. - The Board of Directors' Meeting held on August 14, 2018 resolved not to provide sponsorship to the football club that may have relationship or related to the Group to create confidence to all parties of the stakeholders, particularly the shareholders and investors that the management of the Company related to the entry into transactions with potential conflict of interest of the Company transparently and accountably takes place. 	

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
Other Groups					
– Khon Kaen Sport Management Company Limited	2.1 Expenditure for sport sponsorship money			– The Group provided sponsorship money to Khon Kaen Football Club which is the football club operated under supervision of Khon Kaen Sport Management Company Limited. Such sponsorship is a part of the Group's corporate social responsibility project and received advertisement right in return.	– Such transaction supports the Group's normal business in accordance with the sport support policy (CSR). Therefore, the said transaction is considered and deemed reasonable.
	– Expense	19,600,000.0	-		
	– Payable	-	-	– In 2018, the Company entered into sport sponsorship agreement of 30 million Baht. The payment of such sponsorship money was ended in Q2/2018 due to the resolution of the Board of Directors' Meeting held on August 14, 2018 not to provide sponsorship to the football club that may have relationship or related to the Group to create confidence to all parties of the stakeholders, particularly the shareholders and investors	

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				that the management of the Company related to the entry into transactions with potential conflict of interest of the Company transparently and accountably takes place.	
<ul style="list-style-type: none"> - Taweessup (Jew Ja Heng) Company Limited 	2.2 Expenditure for purchase of cullet <ul style="list-style-type: none"> - Cost - Payable 	1,011,830,154.7 50,615,294.1	977,008,384.3 42,434,773.0	<ul style="list-style-type: none"> - Taweessup (Jew Ja Heng) Company Limited is a major seller of cullets. The Group purchased cullets from this company as raw materials for manufacturing the Company's glass packaging products. - Purchase price is comparable with cullet price purchased from a third party 	<ul style="list-style-type: none"> - Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
<ul style="list-style-type: none"> - Taweessup (Jew Ja Heng) Company Limited 	2.3 Other expenditures <ul style="list-style-type: none"> - Expense - Payable 	79,784.4 10,492.2	6,170.2 -	<ul style="list-style-type: none"> - Most of other expenditures included cullet lading service fee for loading on transportation vehicle, and the related workforce wage. 	<ul style="list-style-type: none"> - Such transaction supports the Group's normal business under price and general commercial condition similar to a

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				The rate of service fee is a rate comparable with service provided to third party.	transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
2.4 Taweessup (Jew Ja Heng) Company Limited <ul style="list-style-type: none"> – Taweessup (Jew Ja Heng) Company Limited 	Revenue from electricity and water supply/ ground water bill <ul style="list-style-type: none"> – Revenue – Receivable 	- -	196,029.2 13,381.7	<ul style="list-style-type: none"> – The factory of Taweessup (Jew Ja Heng) Company Limited is located in the same area as the Ratchaburi Glass Industry Co.,Ltd. factory. The Group applied for use of electric meter, as well as use of water supply. – Electricity bill and water supply are charged based on actual expenses. 	<ul style="list-style-type: none"> – Such transaction supports the Group's normal business under the reasonable price and general commercial condition. Therefore, the said transaction is considered and deemed proper
2.5 Taweessup (Jew Ja Heng) Company Limited <ul style="list-style-type: none"> – Taweessup (Jew Ja Heng) Company Limited 	Other revenues <ul style="list-style-type: none"> – Revenue – Receivable 	325,000.0 -	- -	<ul style="list-style-type: none"> – Most of other revenues included transaction for the Group's sale of scraps such as conveyor machine, deteriorated pallets to Taweessup (Jew Ja Heng) Company Limited due to disuse. 	<ul style="list-style-type: none"> – Such transaction supports the Group's normal business. Pricing is based on net book value of the said asset plus profit, resulting in non-loss of the

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				The sale price is net book value of such asset plus profit.	Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable.
<ul style="list-style-type: none"> ThaiNamthip Manufacturing Company Thai Asia Pacific Brewery Company 	2.6 Revenue from packaging sales				
	<ul style="list-style-type: none"> Revenue Receivable 	33,476,601.6 7,707,204.9	60,760,550.4 24,682,588.7	<ul style="list-style-type: none"> The Group sold glass packaging to ThaiNamthip Manufacturing Company Limited and Thai Asia Pacific Brewery Company Limited, as normal business operation of the Group. Sale prices are in accordance with the Group's price policy comparable with other customers. 	<ul style="list-style-type: none"> Such transactions support the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
Boon Rawd Group					
– Boonrawd Brewery Company Limited	3.1 Revenue from packaging sales				
	– Revenue	804,923.0	537,781.0	– The Group sold glass packaging to Boonrawd Brewery Company Limited as the normal business operation of the Group. Sale prices are comparable with the prices offered for sale by the Group to the third party.	– Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
	– Receivable	4,940.3	-		
– Pathumthani Brewery Company Limited	3.2 Revenue from packaging sales				
	– Revenue	1,367,484,331.3	1,629,235,622.6	– The Group sold glass packaging to the companies in Boon Rawd Group, as normal business operation of the Group. Sale prices are in accordance with the prices specified in the packaging sale contracts (kindly see the detail of packaging sale contracts with Boon Rawd Group in Form 56-1 Part 1 Clause 6 – General Information and	– Such transaction supports the Group's normal business under the reasonable price and general commercial. Therefore, the said transaction is considered and deemed proper.
	– Receivable	-	147,615,017.1		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– Chiangmai Beverage Company Limited	– Revenue	160,535,087.2	187,041,369.6	Other Key Information) in accordance with the Group's price policy comparable with other customers.	
	– Receivable	15,568,632.7	16,141,009.9		
– Wang Noi Beverage Company Limited	– Revenue	1,192,313,787.2	1,287,666,772.0		
	– Receivable	95,848,228.9	112,748,065.7		
– Sam Sen Brewery Company Limited	– Revenue	16,343,347.2	11,274,854.4		
	– Receivable	-	-		
– Suratthani Beverage Company Limited	– Revenue	230,088,492.4	288,003,072.0		
	– Receivable	10,196,808.9	22,869,580.8		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– Singha Beverage Company Limited	– Revenue	879,433,597.4	787,598,524.7		
	– Receivable	58,681,307.7	29,724,595.0		
– Boonrawd Trading Company Limited	– Revenue	12,196.8	19,065.6		
	– Receivable	-	6,800.1		
– Khon Kaen Brewery Company Limited	– Revenue	1,813,908,824.1	1,653,361,298.0		
	– Receivable	222,376,347.6	149,901,156.3		
– Mahasarakham Beverage Company	– Revenue	428,247,250.0	519,264,813.2		
	– Receivable	58,406,953.7	36,259,441.0		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> Pathumthani Brewery Company Limited Wang Noi Beverage Company Limited Sam Sen Brewery Company Limited 	3.3 Revenue for packaging transportation fee			<ul style="list-style-type: none"> Transportation service is a supporting activity for sale of the Group. However, the Group charged transportation fee to the companies in Boon Rawd Group for transporting glass packaging. Transportation fee is charged at a rate similar to hiring a third party. 	<ul style="list-style-type: none"> Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper.
	<ul style="list-style-type: none"> Revenue Receivable 	<ul style="list-style-type: none"> 24,262,764.09 - 	<ul style="list-style-type: none"> 26,205,931.90 - 		
	<ul style="list-style-type: none"> Revenue Receivable 	<ul style="list-style-type: none"> 155,292.00 - 	<ul style="list-style-type: none"> - - 		
	<ul style="list-style-type: none"> Revenue Receivable 	<ul style="list-style-type: none"> 309,636.00 - 	<ul style="list-style-type: none"> 213,944.0 - 		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> Singha Beverage Company Limited Boonrawd Trading Company Limited Wang Noi Beverage Company Limited 	<ul style="list-style-type: none"> Revenue Receivable Revenue Receivable Expense Payable 	3,259,312.05 - 3,000.0 - - -	3,401,864.0 - - - 2,241 -		
<ul style="list-style-type: none"> Pathumthani Brewery Company Limited 	3.4 Revenue from bottle storage service fee <ul style="list-style-type: none"> Revenue Receivable 	6,521,720.9 986,742.2	4,423,344.0 -	<ul style="list-style-type: none"> The Group earned revenue from goods storage management for customers because its customers were unable to receive all goods as ordered for production in some period of time. Therefore, the Group provided storage service of such goods to be gradually feed into the customer factories. Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said 	

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> - Khon Kaen Brewery Company Limited 	<ul style="list-style-type: none"> - Revenue - Receivable 	16,587,269.0 2,703,955.2	7,228,383.0 -	<ul style="list-style-type: none"> - The rate of goods storage management fee is comparable with the rate offered for sale by the Group of the Company to the third party. 	transaction is considered and deemed proper and reasonable.
<ul style="list-style-type: none"> - Boonrawd Trading Company Limited 	3.5 Expenditure for godown rental fee <ul style="list-style-type: none"> - Expense - Payable 	1,600,000.0 -	- -	<ul style="list-style-type: none"> - The Group rented godown in Khon Kaen Province from Boonrawd Trading Company Limited for using as goods storage. - The rate of godown rental fee was similar to the rate of godown rental fee in nearby area of the third party. 	<ul style="list-style-type: none"> - Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
3.6	Revenue for insurance premium				
– Pathumthani Brewery Company Limited	– Revenue	71,573.6	41,214.5	– The companies in Boon Rawd Group purchased glass packaging from the Group and sometimes deposited in godown of goods, and insured for goods protection. However, as the Group has already insured warehouse, therefore, the insurance premium was charged to the companies in Boon Rawd Group.	– Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
– Chiangmai Beverage Company Limited	– Revenue	7,055.0	4,112.4		
	– Receivable	802.7	577.0	Insurance premium is estimated based on actual expense.	
– Wang Noi Beverage Company Limited	– Revenue	43,023.9	20,031.9		
	– Receivable	3,203.3	377.5		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> – Suratthani Beverage Company Limited – Khon Kaen Brewery Company Limited – Mahasarakham Beverage Company 	<ul style="list-style-type: none"> – Revenue – Receivable 	5,654.9 275.7	2,975.1 143.5		
	<ul style="list-style-type: none"> – Revenue – Receivable 	93,866.4 6,611.9	29,175.1 3,168.1		
	<ul style="list-style-type: none"> – Revenue – Receivable 	13,037.6 908.7	7,129.1 624.3		
<ul style="list-style-type: none"> – Khao Yai Winery Company Limited – Hesco Solution Company Limited 	3.7 Revenue from packaging sales <ul style="list-style-type: none"> – Revenue – Receivable – Revenue – Receivable 	190,400.0 - - -	95,200.0 - - 5,700 -	<ul style="list-style-type: none"> – The Group sold glass packaging to Khao Yai Winery Company Limited as the Group's normal business operation. – Sale price is cost plus profit. The glass packaging sold to Khao Yai Winery Company Limited is the packaging purchased for distribution and fulfillment of the overall customer needs. 	<ul style="list-style-type: none"> – Such transaction supports the Group's normal business. Pricing is based on cost plus profit, resulting in non-loss of the Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– Singha Beverage Company Limited	3.8 Expenditure for claim charge of poor standard goods	2,099,219.1	-	– The Group accepted to buy poor standard goods back as stipulated in the agreements of packaging buyback from Singha Beverage Company Limited and Pathumthani Brewery Company Limited. Purchase price was cost price purchased by Singha Beverage Company Limited and Pathumthani Brewery Company Limited from the Group.	– Such transaction supports the Group's normal business under the reasonable price and general commercial condition. Therefore, the said transaction is considered and deemed proper.
	– Expense	-	-		
	– Payable	921,208.1	-		
	– Expense	-	-		
– Pathumthani Brewery Company Limited	– Payable	-	-		
– Khon Kaen Brewery Company Limited	3.9 Revenue from steam sales	15,237,079.8	10,490,954.2	– Khon Kaen Glass Industry's factory generates Waste Heat Stream acquired from glass melting in the manufacturing process of glass packaging. The quantity is sufficient for selling to Khon Kaen Brewery Company Limited.	– Such transaction supports the Group's normal business. Pricing is based on the agreed price formula whereas profit is earned from steam sales, resulting
	– Revenue	1,299,033.3	964,557.4		
	– Receivable				

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				<ul style="list-style-type: none"> Steam price is estimated from the agreed price formula and profit is earned from steam sales. 	<p>in non-loss of the Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable.</p>
<ul style="list-style-type: none"> Khon Kaen Brewery Company Limited 	<p>3.10 Expenditure for service fee for water quality analysis and price of feed water for steam generation</p> <ul style="list-style-type: none"> Cost Payable 	<p>510,936.0</p> <p>81,282.6</p>	<p>413,892.0</p> <p>82,067.9</p>	<ul style="list-style-type: none"> For Khon Kaen Glass Industry's steam generation, water used as steam feed water must have specific property; so feed water must undergo property analysis and purification process. Since Khon Kaen Brewery Company Limited has a unit responsible for water analysis and reverse osmosis process for manufacturing its beers, Khon Kaen Glass Industry Company Limited uses the service of such unit to analyze and produce water for steam generation in order to reduce a cost of establishing a new unit. Service fee for water quality analysis and price of feed water for steam generation are charged based on cost. 	<ul style="list-style-type: none"> Such transaction supports the Group's normal business. Pricing is based on cost, resulting in non-loss of the Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– Khon Kaen Brewery Company Limited	3.11 Expenditure for water supply bill – Expense – Payable	3,355,884.1 496,940.5	2,815,734.7 498,160.4	– Khon Kaen Brewery Company Limited built a generation unit of water from natural water sources for using in production process. Due to insufficiency of water supply in the area, Khon Kaen Glass Industry Co., Ltd. made an agreement to use such water in its business as the two companies are in nearby area. As a result, Khon Kaen Brewery Company Limited charges Khon Kaen Glass Industry Co., Ltd. for water supply. – Water supply bill is charged based on a cost plus small operational charge.	– Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
	3.12 Expenditure for packaging transportation fee – Cost – Payable	22,174,344.8 661,866.0	- -	– The Group engaged Leo Links Company Limited and BRF Logistics Company Limited to transport some of its glass packaging products of the Group to customers.	– Such transaction supports the Group's normal business under price and general commercial condition similar to a

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– BRF Logistics Company Limited	– Cost – Payable	2,666,603.1 981,432.0	25,285,174.2 1,191,373.0	Transportation fee is a rate similar to hiring a third person for contracting of transporting glass packaging products.	transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
– Leo Links Company Limited	3.13 Revenue from claim of damaged goods during transportation – Revenue – Receivable	216,623.4 –	– –	– The Group engaged Leo Links Company Limited to transport some of its glass packaging products of the Group to customers. Compensation fee was charged once goods were damaged during transportation. – Claim charge of goods is a rate that the Company sells glass packaging to its customers.	– Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
– BRF Logistics Company Limited	– Revenue – Receivable	– –	22,746.9 –		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– Singha Parks Chiangrai Company Limited – Khon Kaen Brewery Company Limited	3.14 Expenditure for product purchase			– The Group purchased food & beverage products from Singha Parks Chiangrai Company Limited to be used in the business of the Group. Purchase price is comparable with a price offered for sale by Singha Parks Chiangrai Company Limited to a third party.	– Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
	– Expense	21,432.0	-		
	– Payable	950.2	-		
– Singha Beer Company Limited	3.15 Expenditure for purchase of food/ drinking water			– The Group purchased food and drinking water from Singha Beer Company Limited and Boonrawd Trading Company Limited for the employee welfare during duty performance in the Group. Purchase price is comparable with the sale price of the Company offered to the third party.	– Such transaction supports the Group's normal business under price and general commercial condition similar to a transaction entered with a third party. Therefore, the said
	– Expense	3,477,391.9	3,811,135.5		
	– Payable	742,772.1	611,502.3		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– Boonrawd Trading Company Limited	– Expense – Payable	26,056.3 –	121,499.1 6059.8		transaction is considered and deemed proper and reasonable.
– Santiburi Development And Resort Company Limited	3.16 Expenditure for lawn mowing employee wage – Expense – Payable	45,320.0 –	7,150.0 –	– The Group engaged the employees of Santiburi Development And Resort Company Limited for lawn mowing of the provincial football field to support corporate social responsibility activity of the Group. – Service charge is comparable with market price.	– Such transaction supports the Group's normal business under the reasonable price and general commercial condition. Therefore, the said transaction is considered and deemed proper.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended December 31, 2018 (Baht)	Transaction Value for the Accounting Year Ended December 31, 2019 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
	3.17 Expenditure for workforce wage in lading poor standard bottles				
– Pathumthani Brewery Company Limited	– Expense – Payable	9,896.0 –	– –	– In case of the Group's transportation of poor standard or damaged glass packaging to its customers, the customers shall notify the Company to arrange vehicle to take back such glass packaging. However, the customers will employ workers to move such glass packaging inside the customer's factory, and the Group will pay this part of workforce employment expense to its customers. – Expense is charged based on actual expense.	– Such transaction supports the Group's normal business under the reasonable price and general commercial condition. Therefore, the said transaction is considered and deemed proper.
– Wang Noi Beverage Company Limited	– Expense – Payable	– –	5,131.7 –		

3. Additional Explanation on Transactions of Administration Expenses Collected by BG

In 2019, the Group paid service fees to BG in accordance with the service contracts entered with BG and effective from January 1, 2018 under the scope of service and charging method as follows: (1) Management Service: a service fee is charged based on the rate of actual cost, (2) Technological, Information, and Communication Service: a service fee is charged from the rate of actual cost in comparison with the market rate, (3) Logistics Management Service for Goods: a service fee is charged based on the rate of actual cost, and (4) Company Secretary Service:

a service fee is charged based on the rate of actual cost in comparison with the market rate. In addition, the Company has entered into the contract with BG for the software system-related service, maintenance fee of the said software system, which is effective from January 1, 2018. However, the service rate is in line with the rate of actual cost plus financial cost of BG (kindly consider the details in Form 56-1 Part 1 Clause 6 – Other Key Information, and notes to consolidated financial statements of the Company and its subsidiaries for the year ended December 31, 2019).

4. Necessity and Reasonableness of the Related Party Transactions

The Audit Committee's Meeting of the Company No. 1/2020 held on February 27, 2020 considered the information of the related party transactions of the Group for the accounting year ended December 31, 2019, in accompany with the inquiry of information from the Company's Management, and review of the information as specified in notes to consolidated financial statements audited and/or reviewed by the Company's auditor. The Meeting deemed that the related party transactions of the Group for the accounting year ended December 31,

2019 are the necessary and useful transactions for the Group's business operation and/or transactions taken place for the Group's normal business operation, and in accordance with the general commercial conditions similar to the act which should be performed by a reasonable man with the general contractual party in the same situation under the commercial bargaining power at free of the influence on the status of the other contractual party as the party with potential conflict on Arm's Length Basis.

5. Measure and Procedure for the Approval of Entry into Related Party Transactions or Connected Transactions

The Board of Directors' Meeting No. 8/2017 held on November 15, 2017 considered and approved the policy for entry into related party transactions or connected transactions for transparency and maintenance of benefits of the Group from the

entry into the related party transaction between the Company and/or its subsidiaries of the Company, with the person or juristic person with potential conflict. The following could be summarized.

For the investor protection in case of entry into related party transactions or connected transactions of the Company and its subsidiaries, with the party with potential conflict of interest, the Company shall execute by mainly taking into account the maximum benefits of the Company to ensure that all related party transactions or connected transactions of the Company are transparently entered without conflict of interest. Therefore, the Board of Directors shall approve the entry into related party transactions or connected transactions in accordance with the rule of the Securities and Exchange Act B.E. 2535 (1992) (including amendment), and the related rules of the Capital Market Supervisory Board and/or the Securities and Exchange Commission, and the Stock Exchange of Thailand, as well as complied with the requirements related to the disclosure of the related party transactions in notes to financial statements audited by the auditor of the Company, and Annual Registration Statement Form (56-1). In entry into such transactions, the Company shall audit and supervise the occurred transactions without participation of the stakeholders who are related to such interests in decision making on the occurred related party transactions.

The Board of Directors resolved to approve the procedure for an entry into the related transactions or connected transactions under the framework of good ethics through screening by the Audit Committee under major concern on the benefits of the Company and the shareholders, and supervising the compliance with the rule of the Capital Market Supervisory Board, the Securities and Exchange Commission, and Stock Exchange of Thailand, and considering the public disclosure of the information on the entry into related party transactions or connected transactions to be proper and complete.

In case of the Company's normal business transaction or normal business supporting transaction, and transaction that may continuously occur in the future, the Company establishes a policy for determining the framework of such transactions that the commercial agreement is required in the nature which is similar to the act of the reasonable man performed with the general contractual party in the same situation with the commercial bargaining power at free of influence from the status of the director, executive or related party, and without transfer of interest; and/or can indicate that the reasonable or fair prices or conditions on the entry into such transactions are determined.

The Management of the Company can immediately enter into transactions with nature as determined in the framework without requirement to re-propose such transactions for requesting the approval from the Board of Directors. The Company shall prepare the quarterly summary report of the related party transactions or connected transactions to report in the Audit Committee's Meeting of the Company and the Board of Directors' Meeting in accordance with the securities and exchange law, regulations, notifications, orders or requirements of the Office of the Securities and Exchange Commission, Capital Market Supervisory Board, and Stock Exchange of Thailand.

If the related party transaction or connected transaction which is other transaction is entered, the Company shall propose the Audit Committee to remark the opinions related to the appropriateness of price and reasonableness of such transaction. In case where the Audit Committee is not expert in considering the occurred connected transaction, the Audit Committee can hire or assign the person who has knowledge and specialization such as

the auditor, or independent valuator of assets to remark the opinion on such connected transaction to support the consideration of the Board of Directors or the shareholders as the case may be. The person with potential conflict of interest or the stakeholder in entry into the transaction is not entitled to vote in considering and approving the entry into the connected transaction in order to ensure that the entry into such transaction is not removal or transfer of the Company's benefits

but is the entry into the transaction under main concern on maximum benefits of the Company and all shareholders.

However, the Company shall disclose the related party transactions in notes to financial statements audited by the auditor of the Company, Annual Registration Statement Form (Form 56-1), and Annual

Report (Form 56-2) as prescribed in the securities and exchange law.

6. Policy and Trend of Future Entry into Related Party Transactions

In the future, in case of the necessity of the Company and/or its subsidiaries to enter into related party transactions or connected transactions, the Company shall execute in accordance with the measure and procedure for approving an entry into related party transactions or connected transactions as prescribed by the Company. The stakeholding directors are unable to participate in approval of such transactions to make decision on the entry into such transactions without conflict of interest and for maximum benefits of all shareholders. However, if the related party transaction of the Company or its subsidiaries with the party with potential conflict of interest is entered, the Company shall formulate criteria and practical guideline in accordance with the nature of general business by referring to proper, fair, reasonable and accountable prices and conditions, and propose to the Audit Committee to remark the opinions. In case where the Audit Committee is not expert in considering the potential related party transactions, the Company

shall assign an independent expert or an auditor of the Company to remark the opinions on such related party transactions for using in decision support of the Board of Directors and/or Audit Committee and/or shareholders as the case may be. After the Company is listed in the Stock Exchange of Thailand, the Board of Directors shall supervise to ensure the Company's compliance with law on securities and exchange supervision, notifications, orders or requirements of the Stock Exchange of Thailand, as well as any requirements related to the disclosure of information on entry into related party transactions, and acquisition or disposal of the core assets of the Company or its subsidiaries, as well as accounting standards prescribed by the Institute of Certified Public Accountants.

Nevertheless, the Company shall transparently enter into the aforesaid transactions and strictly comply with the Related Party Transaction Policy of the Company consistency with the requirements of the Office of the SEC and other related agencies.

Report of the Board of Directors' Responsibility toward Financial Report //

Attention: The Shareholders

The Board of Directors is responsible for the consolidated financial statements and separate financial statements of BG Container Glass Public Company Limited ("Company") and its subsidiaries being prepared in accordance with Thai Financial Reporting Standards under consideration on the appropriate accounting policies, regular observance, exercise of careful discretion and application of the principle of reasonable estimation in preparation of financial statements, and adequate and transparent disclosure of key information in notes to financial statements for benefits of the shareholders and general investors.

The Board of Directors has established the good corporate governance and maintained the risk management and internal control systems to ensure the correct and complete accounting information, and the timely and adequate presentation of the essential information on fact basis to substantially maintain assets and protection from corruption or unusual action.

The Board of Directors has appointed the Audit Committee consisting of the independent directors to be responsible for the supervision and review of reliability and accuracy of the financial report, and assessment for the efficiency of internal control and internal audit systems. The opinions of the Audit Committee related to this matters have been appeared in the Report of the Audit Committee already presented in this Annual Report.

In the opinion of the Board of Directors, it has been assured of the internal control and internal audit systems of the Company that the consolidated statements of BG Container Glass Public Company Limited and its subsidiaries, and the separate financial statements of BG Container Glass Public Company Limited for the year ended December 31, 2019 properly and fairly indicate financial position, operating results, and cash flows in the materiality in accordance with Thai Financial Reporting Standards.



(Mr. Pornwut Sarasin)

Chairman of the Board of Directors



(Mr. Silparat Watthanakasetr)

Chief Executive Officer

Management Discussion and Analysis //

1. Overview of Past Performance Results

The Company Group has mainly operated its businesses in manufacturing and distributing a wide range of glass containers to both domestic and international customers, especially, CLMV countries, India, Oceania countries, the United States of America and European Union, we have also planned to continuously expand the export business which will help in expanding the Company Group's customer base. In addition, the Company Group has also imported some types of glass bottles which we could not produce or due to inadequate production capacity, to sell to customers in order to respond their demands of packaging and a variety of customers' demands.

Under the goal of being a leader among ASEAN countries in terms of production and distribution of glass products and packaging including related products and services from upstream to downstream in an integrated manner, the Company Group has therefore sought for the opportunities to expand its businesses in the form of growth under its own business operations (Organic Growth) and growth in the form of joint ventures or investments in business (Inorganic Growth), in the glass container business and/or related businesses under supply chain of glass container, such as raw material supply business and renewable energy business, etc. In 2019, the Company Group entered into following share acquisition transactions:

- In September, the Company Group entered into a transaction to acquire totally 2,000,000 shares of Solar Power Management

(Thailand) Company Limited ("SPM") or 100% of all ordinary shares of SPM, as well as to be transferred of claims on short-term loans from related companies of SPM, which are outstanding debt for Phu Khanh Solar Power Joint Stock Company ("PKS") as an investment in the renewable energy business for creating income security and diversifying the investment in new businesses with good returns. We have personnel who are experts in renewable energy business, and we have also currently used renewable energy. Furthermore, the said project has started its Commercial Operation Date (COD), and

- The Company Group entered into a transaction to acquire totally 52,000 shares of BS Glass Recycling Company Limited ("BSR"), or 26% of all ordinary shares in BSR, in order to increase and develop the potential on raw material management for the Company Group and support its future growth, and
- In October 2019, the Company Group entered into a transaction to acquire 125,000 shares of Taweessup (Jew Ja Heng) Company Limited ("TWS"), representing 25% of all paid-up shares of TWS, which is a business having a potential by doing business and being the Company Group's partner for a long time, and creating stability in raw material supply, leading to value added for the Company Group's shareholders.

2. Analysis of Performance Results for the accounting years ended 31 December 2018 and 31 December 2019

2.1 Income

Income	Consolidated Financial Statement			
	2018		2019	
	Value (Million Baht)	% ⁽¹⁾	Value (Million Baht)	% ⁽¹⁾
Sales Income	10,400.5	98.8	11,251.6	99.4
Interest Received	0.1	0.0	0.0	0.0
Other Incomes ⁽²⁾	121.2	1.2	66.9	0.6
Total Incomes	10,521.8	100.0	11,318.5	100.0

Remark: ⁽¹⁾ % of total incomes

⁽²⁾ Other incomes will consist of income from selling scraps, profit from selling spare parts and unused machineries, pallet rental fee and gain of exchange rates.

For the accounting years ended 31 December 2018 and 31 December 2019, the Company Group's sales revenue were 10,400.5 Million Baht and 11,251.6 Million Baht, increasing 851.1 Million Baht or 8.2% compared to previous year due to the increase in sales of beers, especially, the export of beer which had a growth rate of 84% compared to previous year, the increase in sales of soft drinks from domestic market and the increase in sales of food from both domestic market and export.

due to the increase of fixed costs from the launching of factory in Ratchaburi Province and the Company Group's production efficiency (Efficiency rate) was decreased from 87.6% in 2018 to 85.0% in 2019 or decreasing 2.6% due to the start of new product production to support new customer base. However, during 2019, the price of raw materials (glass scraps) and energy were declined according to the World's market prices, causing the change of average variable costs decreased.

2.2 Cost of Sales

For the accounting years ended December 31, 2018 and 31 December 2019, the Company Group's costs of sales were 8,708.3 Million Baht and 9,527.1 Million Baht, respectively. In 2019, the Company Group's total cost of sales was increased by 818.8 Million Baht, or increasing 9.4%

2.3 Gross Profit and Gross Profit Margin

For the accounting years ended 31 December 2018 and 31 December 2019, the Company Group's gross profits were 1,692.1 Million Baht and 1,724.5 Million Baht, respectively, or representing 16.3% and 15.3% respectively. In 2019, the Company Group's gross profit was increased by 32.4 Million Baht,

representing 15.3% of gross profit margin, decreasing 1% from previous year, mainly due to the reserved expense for long-term employee benefits in Production Department, which has been defined according to the law, increasing from 300 days to be 400 days and the Company Group's efficiency rate was decreased due to the start of new product production to support new customer base, including the increase of the Company Group's fixed cost due to the opening of the factory in Ratchaburi Province.

2.4 Sales Expenses

For the accounting years ended 31 December 2018 and 31 December 2019, the Company Group's sales expenses were 312.2 Million Baht and 300.4 Million Baht, respectively. In 2019, the Company Group's sales expense was decreased by 11.8 Million Baht or 3.8% from previous year due to the decrease in expenses related to the Company Group's CSR activities.

2.5 Administrative Expenses

For the accounting years ended 31 December 2018 and 31 December 2019, the Company Group's administrative expenses were 648.4 Million Baht and 677.7 Million Baht, respectively. In 2019, the Company Group's administrative expense was increased by 29.3 Million Baht or 4.5% due to the reserve fund for long-term employee benefits stipulated by law which has been increased from 300 days to be 400 days. In addition, the rental fee and utility fee of new office located in Pathum Thani Province was also increased.

2.6 Other Expenses

Other expenses are the list of expenses that are continuously occurred and not the expenses incurred by business operation. For the accounting years

ended 31 December 2018 and 31 December 2019, the Company Group's other expenses were 48.8 Million Baht and 30.1 Million Baht, respectively. In 2019, the Company Group's other expenses from the recognition of losses from the impairment of fixed assets due to the reserve of the impairment of molds and machinery parts with long service life and deterioration.

2.7 Financial Expenses

Major financial expenses consist of the interest paid to financial institutions for both short-term and long-term loans, including bank fees. For the accounting years ended 31 December 2018 and 31 December 2019, the Company Group's financial expenses were 192.5 Million Baht and 182.8 Million Baht, respectively. In 2019, the Company Group's financial expense was 182.8 Million Baht, decreasing 9.7 Million Baht or 5.0% due to the short-term loan repayment in early 2019.

2.8 Income Tax Expenses

For the accounting years ended 31 December 2018 and 31 December 2019, the Company Group's corporate income tax expenses were 87.9 Million Baht and 68.0 Million Baht, respectively, decreasing 19.9 Million Baht or 22.6%, with the effective tax rate at 11.4 percent, decreasing from the end of 2018 which was at 14.4% due to the increase of profits in factories with tax incentives from BOI.

2.9 Net Profit and Net Profit Margin

For the accounting years ended 31 December 2018 and 31 December 2019, the Company Group's net profits were 523.7 Million Baht and 528.4 Million Baht, respectively, increasing 4.7 Million Baht or 0.9% from previous year due to the increase of sales revenue from both domestic market and export.

3. Analysis of Financial Position

3.1 Overview of Assets

As of 31 December 2018 and 31 December 2019, the Company Group's total assets were 14,729.0 Million Baht and 17,395.2 Million Baht, respectively, by the end of 2019, the Company Group had total assets increased by 2,666.2 Million Baht or 18.1% compared to the end of 2018. Significant changes include account receivables and other receivables, inventories, other current assets, investments in associated companies, properties, buildings and equipment, goodwill, leasehold right and non-current assets, as follows:

3.2 Account Receivables and Other Receivables

As of 31 December 2018 and 31 December 2019, the Company Group's account receivables other receivables were 1,351.3 Million Baht and 1,379.4 Million Baht, respectively, increasing 28.1 Million Baht or 2.1% compared to the end of 2018, mainly due to other account receivable of energy business in Vietnam. The Company Group's average collection periods were 46.7 days in 2018 and 43.7 days in 2019, reduced by 4.4 days from 2018 because of better capability in debt collections.

3.3 Inventories

As of 31 December 2018 and 31 December 2019, the Company Group's net inventories were 2,110.3 Million Baht and 1,843.5 Million Baht, respectively. In 2019, the Company Group's inventory was decreased by 266.8 Million Baht or 12.7% compared to previous year, mainly due to the decrease of finished goods.

3.4 Other Current Assets

As of 31 December 2018 and 31 December 2019, the Company Group had other current assets equal to 55.9 Million Baht and 80.9 Million Baht respectively.

In the year 2019, the Company Group's other current assets were increased by 25.0 Million Baht or 44.7% compared 2018, mainly due to the deposit of money deposit contract from Phu Khanh Solar Power Joint Stock Company ("PKS").

3.5 Investment in Associated Companies

As of 31 December 2019, the Company Group's investment in associated companies was 130.9 Million Baht due to the acquisitions of ordinary shares in 2 companies in order to minimize the risk of raw material supply in long term as follows:

- On 26 September 2019, the Company Group entered into the contract to acquire 52,000 ordinary shares of BS Glass Recycling Company Limited, representing 26% shareholding, amounting 35 Million Baht, and
- On 31 October 2019, the Company Group entered into the contract to acquire 125,000 ordinary shares of Taweessup (Jew Ja Heng) Company Limited and was also transferred of ownership in ordinary shares, representing 25% shareholding, for 100 Million Baht in total.

3.6 Properties, Buildings and Equipment

Most of properties, buildings and equipment consist of machineries and equipment used in manufacturing plants, mainly including glass melting furnaces and equipment related to glass container production. As of 31 December 2018 and 31 December 2019, the Company Group's properties, buildings and equipment were 10,851.3 Million Baht and 12,887.7 Million Baht, respectively. As of 31 December 2019, the Company Group's properties, buildings and equipment were increased by 2,036.4 Million Baht or 18.8% compared to 2018, mainly due to the

investment fund in Phu Khanh Solar Power Joint Stock Company (“PKS”), an indirect subsidiary, and the purchase of assets during the year for normal operations, such as the purchase of machineries, molds, and warehouse construction at the factory in Ayutthaya Province.

3.7 Unallocated Cost of Business Acquisition

As of 31 December 2019, the Company Group's unallocated cost of business acquisition for 505.7 Million Baht due to the acquisition of Solar Power Management (Thailand) Company Limited (SPM), resulting in a difference of the purchase price that was higher than the net book value of the said Company on the acquisition date in the Company Group's shareholding proportion.

3.8 Leasehold right

As of 31 December 2019, the Company Group's leasehold right of 15.5 Million Baht, which is the prepaid land rental payment under the land lease agreement for the use of premises in Xuan Tho 1 and Xuan Tho 2 Solar Power Plant Projects in Vietnam.

3.9 Deposit for Equipment

Most deposits for equipment are deposits for the purchase of factory machineries and equipment. As of 31 December 2018 and 31 December 2019, the Company Group's deposits for equipment were 31.2 Million Baht and 11.1 Million Baht, respectively, decreasing by 20.1 Million Baht or 64.4% compared 2018, mainly due to the transfer of deposits for equipment into the list of assets of factory in Ratchaburi Province which was completed in 2019.

3.10 Deferred Tax Assets

As of 31 December 2018 and 31 December 2019, the Company Group's deferred tax assets were 61.2 Million Baht and 91.0 Million Baht, respectively.

As of 31 December 2019, the Company Group's deferred tax assets were increased by 29.8 Million Baht or 48.7% compared to 2018, mainly due to the majority of Deferred Tax Asset of factory in Pathum Thani Province.

3.11 Other Non-current Assets

As of 31 December 2018 and 31 December 2019, the Company Group's other non-current assets were 23.2 Million Baht and 10.8 Million Baht, respectively. As of 31 December 2019, the Company Group's other non-current assets were decreased by 12.4 Million Baht or 53.4T compared to 2018, mainly due to the reduction of corporate income tax.

3.12 Overview of Liabilities

As of 31 December 2018 and 31 December 2019, the Company Group's total liabilities were 9,571.2 Million Baht and 11,768.2 Million Baht, respectively. As of 31 December 2019, the Company Group's total liabilities were increased by 2,197 Million Baht or 23.0% compared to 2018, mainly due to the increase of long-term loans from banks to acquire the energy businesses in Vietnam. During the year, short-term loans were repaid to the banks, therefore resulting in the decrease of short-term loans.

3.13 Account Payables and other Payables

As of 31 December 2018 and 31 December 2019, the Company Group's account payables and other payables were 1,025.3 Million Baht and 1,203.2 Million Baht, respectively. As of 31 December 2019, the Company Group's account payables and other payables were increased by 177.9 Million Baht or 17.4% compared to 2018, mainly due to the increase of - unrelated parties since it is the deposit under the project of power plants investment in Vietnam.

3.14 Shareholders' Equity

As of 31 December 2018 and 31 December 2019, the shareholders' equities of the Company Group were 5,157.7 Million Baht and 5,627.0 Million Baht, respectively. As of 31 December 2019, the shareholders'

equity of the Company Group was increased by 469.3 Million Baht or 9.1% compared to previous year, due to the increase of non-controlling interests of the subsidiaries from the profits brought forward from Phu Khanh Solar Power Joint Stock Company ("PKS").

4. Appropriateness of Capital Structure

As of 31 December 2018 and 31 December 2019, the Company Group's debt to equity ratios (D/E ratio) were 1.9 times and 2.1 times, respectively, due to

long-term loans for the project of energy business investment in Vietnam.

5. Major Factors and Influences Possibly Affecting the Performance Results or Financial Position in the Future

In the businesses of the Company Group, there are many factors that may affect the Company Group's financial position, performance results and the business opportunities, we have expected that these factors will continue to affect in the future, such as production costs, capacity utilization rate and production efficiency. The Company Group's distribution of packaging products to those who may have conflicts and changes in consumer demands.

sufficient quantities at the right time and at a competitive price is the important factor for the Company Group to operate the business in glass container production.

5.1 Production Cost

The Company Group's production costs mainly include costs of raw materials, energy, labor, production and depreciation. The Company Group's sales costs for the accounting years ended 31 December 2018 and 31 December 2019, represented 83.7% and 84.7% of sales revenue, respectively. If the prices of raw materials have increased, the Company Group will have higher sales costs. Also, if the Company Group fails to pass the said sales costs to the Company Group's customers, its profitability will be reduced. However, if the production costs are decreased, the Company Group's profitability may be increased. Therefore, the supply of raw materials by suppliers in

5.2 Expansion of Production Capacity and Maintaining Capacity Utilization Rates & Production Efficiency

The Company Group's ability in the growth of revenue and business expansion mainly depends on the increase of production capacity of glass container factories and factories of other types of containers. For the accounting years ended 31 December 2018 and 31 December 2019, the average utilization rates of the glass container factory were approximately 89.1% and 86.4%, respectively and the average production efficiency rate of the glass container factory were approximately 87.6% and 85.0%, respectively. In addition, the Company Group's ability to continue the business growth depends on the ability to maintain the utilization rate and the production efficiency of the Company Group's production plants to continue at a high level by regularly maintaining the glass furnaces, divided into 2 categories: (a) Hot

Repair: it is the maintenance while the glass furnace is working; and (b) Cold Repair: it is a big maintenance requiring the shutdown of glass furnaces. Generally, the Company Group conduct the Cold Repair by considering relevant factors such as the age of glass melting furnaces, the usage condition of furnaces, customer's packaging requirement plan, etc.

5.3 Distribution of Container Products to Those who may have conflicts with the Company Group

The Company Group has connected transactions in general business with related companies which the Company Group's major shareholder is the authorized person in controlling that company and/or have same Directors. Most of those connected transactions with related parties include container sales which is considered as the Company Group's main business. The Company Group has made connected transactions

according to prices and trade conditions that are comparable to the market, or with the prices that are reasonable and suitable in accordance with the Company Group's price policy and practices in general, with the prices specified in the contract. The Company Group will continue to make connected transactions with the related parties in the future.

5.4 Behavioral Changes in Consumer's Demand

The Company Group's performance results and profitability mainly depend on incomes from selling glass containers, the demands of the Company Group's glass containers will mainly depend on the competition of prices and use weights. Therefore, any significant behavioral changes in consumer's demand, or the change to use other alternative containers by consumers may cause the Company group's sales affected, possibly resulting in the decrease of the Company group's profitability accordingly.

Independent Auditor's Report //

To the Shareholders of BG Container Glass Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of BG Container Glass Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2019, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of BG Container Glass Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BG Container Glass Public Company Limited and its subsidiaries and of BG Container Glass Public Company Limited as at 31 December 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matter

I draw attention to Note 10.6 to the financial statements regarding the acquisition of investment in a subsidiary during the year. The Company is in process of measuring the fair value at the acquisition date of the identifiable assets acquired, the liabilities assumed. The Company is to complete the recording of this acquisition within 1 year after the acquisition date in accordance with Thai Financial Reporting Standard No. 3 (revised 2018) Business Combinations. My opinion is not modified in respect of this matter.

Key Audit Matter

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

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

Key audit matter and how audit procedures respond is described below.

Revenue recognition

Sales are significant to the financial statements and directly impact on the Group's operating results. Moreover, the Group has both domestic and overseas sales transactions under various terms and conditions. I therefore focused on the Group's recognition of sales, especially the timing of revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.

- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period to assess whether revenue recognition was consistent with the sales conditions, and whether it was in compliance with the Group's policy.
- Reviewing credit notes that the Group issued after the accounting period.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Poonnard Paocharoen
Certified Public Accountant (Thailand) No. 5238

EY Office Limited
Bangkok: 27 February 2020

BG Container Glass Public Company Limited and its subsidiaries

Statement of financial position //

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Assets					
Current assets					
Cash and cash equivalents	7	262,480,061	144,915,002	64,315,504	48,696,933
Trade and other receivables	6, 8	1,379,382,477	1,351,284,081	865,530,902	569,307,349
Short-term loans to related parties	6	-	-	164,000,000	968,000,000
Inventories	9	1,843,510,895	2,110,348,406	32,083,484	16,102,539
Value added tax refundable		158,427,397	87,567,133	109,893,747	57,369,906
Other current assets		80,901,488	55,852,358	13,231,762	7,483,005
Total current assets		3,724,702,318	3,749,966,980	1,249,055,399	1,666,959,732
Non-current assets					
Investments in subsidiaries	10	-	-	9,586,425,486	9,069,108,453
Investments in associates	11	130,885,764	-	135,000,000	-
Long-term loan to related party	6	-	-	741,682,967	-
Property, plant and equipment	12	12,887,733,592	10,851,258,213	114,869,323	55,885,551
Unallocated cost from business acquisition	10.6	505,653,723	-	-	-
Intangible assets	13	17,829,332	12,216,040	8,868,214	869,159
Leasehold right	14	15,531,143	-	-	-
Deposit for purchase of equipment		11,141,828	31,191,548	-	-
Deferred tax assets	22	90,952,658	61,152,102	-	-
Other non-current assets		10,819,346	23,194,528	8,624,989	20,488,721
Total non-current assets		13,670,547,386	10,979,012,431	10,595,470,979	9,146,351,884
Total assets		17,395,249,704	14,728,979,411	11,844,526,378	10,813,311,616

The accompanying notes are an integral part of the financial statements.

BG Container Glass Public Company Limited and its subsidiaries

Statement of financial position (continued) //

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	15	3,789,000,000	5,044,000,000	1,973,000,000	2,509,000,000
Trade and other payables	6, 16	1,203,157,447	1,025,348,322	1,887,019,542	1,688,671,674
Short-term loans from related parties	6	300,208,154	-	428,100,000	316,000,000
Current portion of long-term loans from banks	17	1,105,201,535	977,000,000	500,000,000	500,000,000
Income tax payable		53,817,514	39,207,931	3,417,187	-
Other current liabilities		65,077,277	51,650,211	12,642,399	10,894,914
Total current liabilities		6,516,461,927	7,137,206,464	4,804,179,128	5,024,566,588
Non-current liabilities					
Long-term loans from banks - net of current portion	17	4,626,030,134	1,964,500,000	2,000,000,000	1,000,000,000
Provision for long-term employee benefits	18	618,949,852	453,304,984	207,317,940	136,412,518
Other non-current liabilities		6,797,376	16,221,448	540,900	717,980
Total non-current liabilities		5,251,777,362	2,434,026,432	2,207,858,840	1,137,130,498
Total liabilities		11,768,239,289	9,571,232,896	7,012,037,968	6,161,697,086

The accompanying notes are an integral part of the financial statements.

BG Container Glass Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Shareholders' equity					
Share capital	19				
Registered					
694,444,000 ordinary shares of Baht 5 each		3,472,220,000	3,472,220,000	3,472,220,000	3,472,220,000
Issued and paid up					
694,444,000 ordinary shares of Baht 5 each		3,472,220,000	3,472,220,000	3,472,220,000	3,472,220,000
Share premium	19.2	979,405,939	979,405,939	979,405,939	979,405,939
Retained earnings					
Appropriated - Statutory reserve	20	135,892,776	79,672,690	69,947,800	42,871,000
- General reserve		2,452,590	2,452,590	-	-
		138,345,366	82,125,280	69,947,800	42,871,000
Unappropriated		333,502,200	250,883,447	310,914,671	157,117,591
Other components of shareholders' equity		9,353,328	9,353,328	-	-
Equity attributable to owners of the Company		4,932,826,833	4,793,987,994	4,832,488,410	4,651,614,530
Non-controlling interests of the subsidiaries		694,183,582	363,758,521	-	-
Total shareholders' equity		5,627,010,415	5,157,746,515	4,832,488,410	4,651,614,530
Total liabilities and shareholders' equity		17,395,249,704	14,728,979,411	11,844,526,378	10,813,311,616

The accompanying notes are an integral part of the financial statements.

BG Container Glass Public Company Limited and its subsidiaries

Statement of comprehensive income //

For the year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit or loss:					
Revenues					
Sales	23	11,251,582,405	10,400,448,987	4,204,845,652	2,762,656,970
Dividend income	10.2	-	-	482,240,000	558,390,000
Interest income		53,784	127,561	15,292,845	16,080,310
Management fees	6	-	-	468,339,539	448,907,073
Other income		66,862,045	121,244,780	76,466,570	57,320,996
Total revenues		11,318,498,234	10,521,821,328	5,247,184,606	3,843,355,349
Expenses					
Cost of sales		9,527,116,646	8,708,347,402	3,999,445,901	2,630,830,984
Selling and distribution expenses		300,385,264	312,195,712	217,582,121	193,851,026
Administrative expenses		677,653,679	648,388,156	402,016,248	279,763,083
Loss on impairment of fixed assets	12	30,084,388	48,787,572	-	-
Total expenses		10,535,239,977	9,717,718,842	4,619,044,270	3,104,445,093
Profit before share of loss from investment in associates, finance cost and income tax expenses		783,258,257	804,102,486	628,140,336	738,910,256
Share of loss from investments in associates	11.2	(4,114,236)	-	-	-
Profit before finance cost and income tax expenses		779,144,021	804,102,486	628,140,336	738,910,256
Finance cost		(182,757,753)	(192,494,965)	(96,665,656)	(115,091,121)
Profit before income tax expenses		596,386,268	611,607,521	531,474,680	623,819,135
Income tax expenses	22	(67,986,224)	(87,860,856)	(23,035,524)	(19,460,195)
Profit for the year		528,400,044	523,746,665	508,439,156	604,358,940
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial loss - net of income tax		(81,866,048)	-	(35,898,796)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods		(81,866,048)	-	(35,898,796)	-
Other comprehensive income for the year		(81,866,048)	-	(35,898,796)	-
Total comprehensive income for the year		446,533,996	523,746,665	472,540,360	604,358,940

The accompanying notes are an integral part of the financial statements.

BG Container Glass Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit attributable to:					
Equity holders of the Company		511,615,745	496,169,874	508,439,156	604,358,940
Non-controlling interests of the subsidiaries		16,784,299	27,576,791		
		<u>528,400,044</u>	<u>523,746,665</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		430,505,319	496,169,874	472,540,360	604,358,940
Non-controlling interests of the subsidiaries		16,028,677	27,576,791		
		<u>446,533,996</u>	<u>523,746,665</u>		
Earnings per share	24				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.74	0.91	0.73	1.11
		<u>694,444,000</u>	<u>543,150,586</u>	<u>694,444,000</u>	<u>543,150,586</u>
Weighted average number of ordinary shares (shares)					

The accompanying notes are an integral part of the financial statements.

BG Container Glass Public Company Limited and its subsidiaries

Cash flow statement //

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit before tax	596,386,268	611,607,521	531,474,680	623,819,135
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,385,938,635	1,312,362,282	22,599,864	38,612,113
Allowance for doubtful accounts (reversal)	(682,204)	18,880,663	(682,204)	18,880,663
Loss on write-off and reduction of inventories to net realisable value (reversal)	65,636,579	36,789,596	(1,005,892)	2,532,419
Loss (gain) on disposal of building and equipment	5,129,656	(343,388,862)	(6,295)	(447,008)
Loss on write-off of building and equipment	3,775,661	267,436,936	84,937	105,112
Gain on disposal of intangible assets	-	(19,190)	-	-
Loss on write-off of intangible asset	57	-	-	-
Allowance for impairment loss on fixed assets	30,084,388	48,787,572	-	-
Provision for long-term employee benefits	93,589,921	54,422,374	31,842,197	12,564,303
Dividend income	-	-	(482,240,000)	(558,390,000)
Share of loss from investments in associates	4,114,236	-	-	-
Interest income	(53,784)	(127,561)	(15,292,845)	(16,080,310)
Interest expenses	181,132,914	187,391,445	95,854,459	114,605,183
Profit from operating activities before changes in operating assets and liabilities	2,365,052,327	2,194,142,776	182,628,901	236,201,610
Decrease (increase) in operating assets				
Trade and other receivables	67,495,231	230,938,357	(273,204,536)	343,199,646
Inventories	201,149,477	(155,979,892)	(14,975,053)	90,505,210
Other current assets	(38,012,761)	(35,131,483)	(58,272,598)	(1,955,778)
Other non-current assets	606,459	(15,015,786)	95,009	(18,905,101)
Increase (decrease) in operating liabilities				
Trade and other payables	(102,407,576)	(137,611,659)	(29,964,932)	313,942,746
Other current liabilities	9,095,055	(1,688,987)	1,747,485	(4,700,032)
Other non-current liabilities	(7,672,479)	(8,123,335)	-	-
Cash flows from (used in) operating activities	2,495,305,733	2,071,529,991	(191,945,724)	958,288,301
Cash received from interest income	73,302	85,468	17,460,016	14,679,594
Cash paid for interest expenses	(183,758,246)	(200,474,063)	(97,911,238)	(118,328,815)
Cash paid for long-term employee benefits	(21,272,021)	(75,419,954)	(15,523,274)	(16,370,521)
Cash paid for corporate income tax	(61,876,600)	(70,257,164)	(7,849,614)	(17,769,926)
Net cash flows from (used in) operating activities	2,228,472,168	1,725,464,278	(295,769,834)	820,498,633

The accompanying notes are an integral part of the financial statements.

BG Container Glass Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from investing activities				
Cash paid for acquisition of investment in subsidiary				
and received transfer of assigned debts	(1,070,150,000)	-	(1,070,150,000)	-
Proceeds of subsidiaries from acquisition of investment in subsidiary	171,887,665	-	-	-
Cash paid for subscription of additional share of subsidiaries	-	-	-	(1,182,000,000)
Cash paid for acquisition of investments in associates	(135,000,000)	-	(135,000,000)	-
Cash paid for equipment deposits	(11,141,828)	(31,191,547)	-	-
Cash paid for acquisition of property, plant and equipment	(702,247,363)	(2,043,710,827)	(44,969,690)	(32,671,338)
Cash paid for acquisition of intangible assets	(9,230,638)	(8,867,686)	(9,198,339)	(434,112)
Proceeds from disposal of building and equipment	8,331,535	97,891,431	32,914	448,077
Proceeds from disposal of intangible assets	-	50,000	-	-
Cash paid for short-term loans to related parties	-	-	(567,200,000)	(3,017,000,000)
Cash received from short-term loans to related parties	-	-	1,371,200,000	2,375,000,000
Dividend income	-	-	482,240,000	558,390,000
Net cash flows from (used in) investing activities	(1,747,550,629)	(1,985,828,629)	26,954,885	(1,298,267,373)
Cash flows from financing activities				
Increase (decrease) in short-term loans from banks	(1,255,000,000)	2,037,000,000	(536,000,000)	2,369,000,000
Cash received from short-term loans from related parties	-	234,000,000	370,000,000	1,266,000,000
Repayment of short-term loans from related parties	-	(3,499,550,000)	(257,900,000)	(4,261,550,000)
Increase in long-term loans from banks	2,200,000,000	1,000,000,000	1,500,000,000	-
Repayment of long-term loans from banks	(977,000,000)	(1,062,000,000)	(500,000,000)	(500,000,000)
Cash received from subscription of additional shares	-	1,983,328,800	-	1,983,328,800
Cash paid for direct costs related to the share offering	-	(39,628,577)	-	(39,628,577)
Dividend paid	(291,666,480)	(341,574,750)	(291,666,480)	(341,574,750)
Subsidiary paid dividend to its non-controlling interest	(39,690,000)	(10,290,000)	-	-
Net cash flows from (used in) financing activities	(363,356,480)	301,285,473	284,433,520	475,575,473
Net increase (decrease) in cash and cash equivalents	117,565,059	40,921,122	15,618,571	(2,193,267)
Cash and cash equivalents at beginning of year	144,915,002	103,993,880	48,696,933	50,890,200
Cash and cash equivalents at end of year (Note 7)	262,480,061	144,915,002	64,315,504	48,696,933

The accompanying notes are an integral part of the financial statements.

BG Container Glass Public Company Limited and its subsidiaries

Cash flow statement (continued) //

For the year ended 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Non-cash items				
Increase in payables for construction	3,029,427	43,927,688	35,526,218	-
Transfer deposits for purchase of equipment to property, plant and equipment	31,191,548	109,048,497	-	-
Transfer inventories to property, plant and equipment	51,455	1,906,434	-	-
Transfer equipment to intangible assets	-	2,078,169	-	-
Decrease in short-term loan to related party in respect of subscription of additional share of subsidiaries	-	-	-	980,000,000
Decrease in other receivables in respect of subscription of additional share of subsidiary	-	-	-	38,000,000
Increase in short-term loan from parent company in respect of short-term loan to subsidiaries	-	-	-	914,000,000
Increase in short-term loan from parent company due to repayment short-term loan from subsidiaries	-	-	-	112,000,000
Increase in short-term loan from parent company in respect of purchase land	-	1,026,000,000	-	-
Increase in other receivables from receive transfer provision for long-term employee benefits from related companies	16,257,517	7,399,128	24,503,984	7,399,128
Increase in other payables from transfer provision for long-term employee benefits to related companies	5,748,269	2,262,645	5,393,396	26,723
Increase in other payables in respect of payment provision for long-term employee benefits	12,182,956	3,183,932	599,965	358,990
Increase (decrease) in other non-current liabilities in respect of payment provision for long-term employee benefits	(1,751,593)	3,960,845	(177,080)	717,980
Increase in other payables from investment in subsidiary	188,850,000	-	188,850,000	-

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity //

For the year ended 31 December 2019

(Unit: Baht)

Consolidated financial statements										
Equity attributable to owners of the Company										
	Issued and paid-up capital	Share premium	Retained earnings		Other components of equity			Total shareholders' equity of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total
			Statutory reserve	General reserve	Unappropriated	Difference from business combination under common control	Total other components of shareholders' equity			
Balance as at 1 January 2018	2,500,000,000	-	3,396,600	1,698,300	173,409,843	9,353,328	9,353,328	2,687,858,071	346,471,730	3,034,329,801
Profit for the year	-	-	-	-	496,169,874	-	-	496,169,874	27,576,791	523,746,665
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	496,169,874	-	-	496,169,874	27,576,791	523,746,665
Increase share capital (Note 19.2)	972,220,000	979,405,939	-	-	-	-	-	1,951,625,939	-	1,951,625,939
Dividend paid (Note 27)	-	-	-	-	(341,665,890)	-	-	(341,665,890)	-	(341,665,890)
Subsidiary paid dividend to its non-controlling interest (Note 10.7)	-	-	-	-	-	-	-	-	(10,290,000)	(10,290,000)
Transfer to statutory reserve and general reserve of the Company and subsidiaries	-	-	76,276,090	754,290	(77,030,380)	-	-	-	-	-
Balance as at 31 December 2018	3,472,220,000	979,405,939	79,672,690	2,452,590	250,883,447	9,353,328	9,353,328	4,793,987,984	363,758,521	5,157,746,515
Balance as at 1 January 2019	3,472,220,000	979,405,939	79,672,690	2,452,590	250,883,447	9,353,328	9,353,328	4,793,987,984	363,758,521	5,157,746,515
Profit for the year	-	-	-	-	511,615,745	-	-	511,615,745	16,784,299	528,400,044
Other comprehensive income for the year	-	-	-	-	(81,110,426)	-	-	(81,110,426)	(755,622)	(81,866,048)
Total comprehensive income for the year	-	-	-	-	430,505,319	-	-	430,505,319	16,028,677	446,533,996
Acquisition of investment in subsidiary (Note 10.6)	-	-	-	-	-	-	-	-	354,086,384	354,086,384
Dividend paid (Note 27)	-	-	-	-	(291,666,480)	-	-	(291,666,480)	-	(291,666,480)
Subsidiary paid dividend to its non-controlling interest (Note 10.7)	-	-	-	-	-	-	-	-	(39,690,000)	(39,690,000)
Transfer to statutory reserve of the Company and subsidiaries	-	-	56,220,086	-	(56,220,086)	-	-	-	-	-
Balance as at 31 December 2019	3,472,220,000	979,405,939	135,892,776	2,452,590	333,502,200	9,353,328	9,353,328	4,932,826,833	694,183,562	5,627,010,415

The accompanying notes are an integral part of the financial statements.

BG Container Glass Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2019

(Unit: Baht)

	Separate financial statements				
	Issued and paid-up capital	Share premium	Retained earnings		Total
			Statutory reserve	Unappropriated (deficit)	
Balance as at 1 January 2018	2,500,000,000	-	-	(62,704,459)	2,437,295,541
Profit for the year	-	-	-	604,358,940	604,358,940
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	604,358,940	604,358,940
Increase share capital (Note 19.2)	972,220,000	979,405,939	-	-	1,951,625,939
Dividend paid (Note 27)	-	-	-	(341,665,890)	(341,665,890)
Transfer to statutory reserve	-	-	42,871,000	(42,871,000)	-
Balance as at 31 December 2018	3,472,220,000	979,405,939	42,871,000	157,117,591	4,651,614,530
Balance as at 1 January 2019	3,472,220,000	979,405,939	42,871,000	157,117,591	4,651,614,530
Profit for the year	-	-	-	508,439,156	508,439,156
Other comprehensive income for the year	-	-	-	(35,898,796)	(35,898,796)
Total comprehensive income for the year	-	-	-	472,540,360	472,540,360
Dividend paid (Note 27)	-	-	-	(291,666,480)	(291,666,480)
Transfer to statutory reserve	-	-	27,076,800	(27,076,800)	-
Balance as at 31 December 2019	3,472,220,000	979,405,939	69,947,800	310,914,671	4,832,488,410

The accompanying notes are an integral part of the financial statements.

BG Container Glass Public Company Limited and its subsidiaries

Notes to consolidated financial statements //

For the year ended 31 December 2019

1. General information

BG Container Glass Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Bangkok Glass Public Company Limited, which was incorporated in Thailand. The parent company of the Group is Boonrawd Brewery Co., Ltd. The Company is principally engaged in the management services of the glass containers business group. The subsidiaries are principally engaged in the manufacture and distribution of glass containers and generating and distributing electricity from solar power. The registered office of the Company is at 47/1 Moo 2, Rangsit-Nakornnayok Road, Buengyeetho, Thanyaburi, Pathumthani.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of BG Container Glass Public Company Limited (“the Company”) and the following subsidiaries (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
			(%)	(%)
<u>Subsidiaries held by the Company</u>				
Khonkaen Glass Industry Co., Ltd. (KGI)	Manufacture of glass bottles	Thailand	100	100
Ayutthaya Glass Industry Co., Ltd. (AGI)	Manufacture of glass bottles	Thailand	100	100
BGC Glass Solution Co., Ltd. (BGCG)				
(formerly known as "Rayong Glass				
Industry Co., Ltd. (RGI)")	Manufacture of glass bottles	Thailand	100	100
Pathumthani Glass Industry Co., Ltd. (PTI)	Manufacture of glass bottles	Thailand	100	100
Ratchaburi Glass Industry Co., Ltd. (RBI)	Manufacture of glass bottles	Thailand	100	100
Prachinburi Glass Industry Co., Ltd. (PGI)	Manufacture of glass bottles	Thailand	51	51
Solar Power Management (Thailand)	Investment in other company			
Co., Ltd. (SPM)		Thailand	100	-
<u>Subsidiary held by a subsidiary (Indirect subsidiary)</u>				
Phu Khanh Solar Power Joint Stock	Generating and distributing			
Company (PKS)	electricity from solar power	Vietnam	67	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that significantly affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared for the same reporting period as the Company and using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of oversea subsidiary company is translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

- 2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3 New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the period, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Group's financial statements.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Group expects the adoption of these accounting standards to result in the recognition of credit losses. The Group is to recognise an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables. The management of the Group believes that adoption of these standards will not have any significant impact on the financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Group expects the effect of the adoption of this accounting standard to the statement of financial position as at 1 January 2020 to be to increase the Group's assets by approximately Baht 424 million (the Company only: approximately Baht 194 million) and the Group's liabilities by approximately Baht 424 million (the Company only: approximately Baht 194 million).

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts, allowances and price promotions to customers.

Revenue from sales of electricity

Revenue from sales of electricity from solar power is recognised at the point in time when control over the electricity is transferred from the indirect subsidiary to the customer. Revenue is determined based on the volume of electricity delivered at the rate stipulated in the Power Purchase Agreement.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the rights to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Finished goods and work in process are valued at the lower of cost (under the first-in, first-out method) and net realisable value. The cost includes all production costs, labor costs and attributable factory overheads.

Raw materials, spare parts, factory supplies and packing materials are valued at the lower of weighted average cost and net realisable value and are charged to production costs whenever consumed.

4.5 Investments

- a) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and associates are accounted for in the separate financial statements are stated at cost net of allowance for impairment loss (if any).

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.6 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

The Group has adopted the following bases and useful lives of assets in calculating depreciation:

	Years	
	Assets acquired since 2001	Assets acquired during 1992 - 2000
	Straight-line method	Straight-line method
Land improvements	20	-
Buildings and building improvements	20, 30	20
Furnaces	10 - 12	5 - 7
Machinery, equipment and other factory equipment	5 - 14, 20	5
Motor vehicles	5	5
Furniture, fixtures, equipment and other operating equipment	3, 5	5

Buildings acquired during 1984 - 1991 are depreciated by sum-of-years digit method over useful lives of 20 years and buildings of a subsidiary acquired before 1984 are depreciated by straight-line method over 50 years.

The cost of the cold-repair of the furnace is depreciated on a straight-line basis over the estimated addition to the useful life of the furnace as a result of the repair.

Bottle moulds are depreciated based on the ratio of actual units produced to projected total production units.

Depreciation of plant and equipment of indirect subsidiary is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Power plant buildings and building improvements	5, 20 years
Machinery and equipment	5 - 20 years
Other fixed assets	20 years
Motor vehicles	6 years

Depreciation is included in determining income.

No depreciation is charged for land and assets under installation and construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.8 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Computer software	3, 5 and 10 years
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No amortisation is charged for computer software under installation.

4.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.10 Leasehold right/Amortisation

Land leasehold right is stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method, over the lease period of 48 years.

4.11 Related party transactions

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

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.12 Long-term leases

Leases of property, plant and equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

4.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange rate are included in determining income.

4.14 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.15 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and the Group's employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefits plan, namely long service awards.

The obligation under the defined benefit plans and other long-term employee benefits plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income. Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

4.16 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.17 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximise the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Property, plant and equipment/Depreciation

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

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

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans and other long-term employee benefit

The obligation under the defined benefit plans and other long-term employee benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2019	2018	2019	2018	
Transactions with parent company					
Other income	87	79	-	-	Close to market price
Service expenses	85,949	84,066	36,303	37,111	Cost of parent company average by sales of the Group and cost of parent company close to market price
Dividend paid	210,000	330,000	210,000	330,000	As declared
Purchases of goods	11,784	-	11,784	-	At cost
Acquisition of investment	100,000	-	100,000	-	At discounted cash flow method
Purchases of lands and structures thereon	19,566	1,026,000	19,566	-	Market price
Purchases of other assets	15,728	1,006	15,643	-	At cost
Interest expenses	-	13,906	-	13,905	2018: Consolidated financial statement 1.80% - 2.85% per annum (The Company only: 1.80% - 2.50% per annum)
Rental expenses	58,010	36,186	38,152	11,680	Market price
Other expenses	1,637	2,320	1,372	1,642	Cost of parent company
Transactions with subsidiary companies					
(eliminated from the consolidated financial statements)					
Transportation income	-	-	21,305	11,984	At cost
Interest income	-	-	15,266	16,031	2.85% - 3.00% per annum (2018: 1.80% - 2.85% per annum)
Management fee income	-	-	468,340	448,907	Percent of sales and at cost
Rental income	-	-	52,297	43,202	At cost compare market price
Other income	-	-	10,396	9,673	Close to market price
Dividend income	-	-	482,240	558,390	As declared by subsidiaries
Purchases of goods	-	-	3,910,080	2,489,673	Cost plus margin
Interest expenses	-	-	6,867	5,669	1.60% - 2.16% per annum (2018: 1.95% - 2.16% per annum)
Seminar expenses	-	-	979	693	Comparable price as to other customers of subsidiary
Transactions with associated companies					
Purchases of raw materials	276,433	-	-	-	Market price
Service expenses	346	-	-	-	Market price
Transactions with related parties					
Sales of goods	7,836,394	7,573,794	1,551,930	767,305	Cost plus margin
Transportation income	49,152	44,171	15,255	8,613	At cost and cost plus margin
Other income	8,766	4,639	5,984	2,056	At cost, cost plus margin and market price
Commission income	5,834	-	5,834	-	As stipulated in agreement
Sales of assets	-	574	-	-	At cost
Purchases of other assets	-	975	-	-	At cost
Transportation expenses	21,426	24,351	6,891	7,660	Close to rate that the Group hires third parties
Advertising expenses	-	70,000	-	70,000	Close to market price
Purchases of raw materials and packing materials	1,152,578	1,224,613	3,943	3	Market price
Purchases of finished goods	7,142	4,828	2,968	1,456	Cost plus margin
Service expenses	2,201	2,452	-	-	At cost
Electricity expenses	40,834	6,108	-	-	Electricity rate as declared by Provincial Electricity Authority less discount as stipulated in the agreement
Other expenses	-	1,200	-	-	Close to market price
Interest expenses	230	-	-	-	7.00% per annum

The balances of the accounts as at 31 December 2019 and 2018 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Trade and other receivables (Note 8)				
<u>Trade receivables - related parties</u>				
Related parties	565,506	779,369	145,260	84,405
Total	565,506	779,369	145,260	84,405
<u>Other receivables - related parties</u>				
Parent company	4,756	1,855	4,542	262
Subsidiaries	-	-	106,034	93,858
Related parties	10,699	9,348	4,886	4,087
Total	15,455	11,203	115,462	98,207
Trade and other payables (Note 16)				
<u>Trade and other payables - related parties</u>				
Parent company	19,838	32,386	14,418	24,604
Subsidiaries	-	-	1,537,283	1,594,749
Associated companies	66,460	-	-	-
Related parties	44,960	80,826	4,346	700
Total	131,258	113,212	1,556,047	1,620,053
<u>Payables for construction - related parties</u>				
Parent company	25,902	-	25,902	-
Related party	26,796	-	-	-
Total	52,698	-	25,902	-

Loans to related parties and loans from related parties

Loans to related parties and loans from related parties are in the form of promissory notes and are clean loans. As at 31 December 2019 and 2018, the balance of loans between the Group and those related parties and the movement are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Balance as at	Increase from	Decrease	Balance as at
	31 December	Increase	during the year	31 December
	2018	during the year	during the year	2019
Short-term loans from related party				
Communication & System Solution Plc.	-	-	300,208	300,208
Total	-	-	300,208	300,208

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at	Increase from		Balance as at
	31 December	Increase	business	31 December
	2018	during the year	combination	2019
Short-term loans to related parties				
<u>Subsidiaries</u>				
Ayutthaya Glass Industry Co., Ltd.	-	305,200	-	(305,200)
Ratchaburi Glass Industry Co., Ltd.	968,000	262,000	-	(1,066,000)
Total	968,000	567,200	-	(1,371,200)
Long-term loans to related party				
<u>Subsidiary</u>				
Solar Power Management (Thailand) Co., Ltd.	-	-	741,683	-
Total	-	-	741,683	-
Short-term loans from related parties				
<u>Subsidiaries</u>				
BGC Glass Solution Co., Ltd. (formerly known as "Rayong Glass Industry Co., Ltd.")	275,000	26,000	-	-
Prachinburi Glass Industry Co., Ltd.	41,000	344,000	-	(257,900)
Total	316,000	370,000	-	(257,900)

Directors and management's benefits

During the years ended 31 December 2019 and 2018, the Group had employee benefit expenses payable to their directors and management as below.

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Short-term employee benefits	58,474	51,193	55,391	48,271
Post-employment benefits	8,421	4,196	8,421	4,196
Other long-term benefits	6	1	6	1
Total	66,901	55,390	63,818	52,468

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Cash	933	854	713	548
Bank deposits	261,547	144,061	63,603	48,149
Total	262,480	144,915	64,316	48,697

As at 31 December 2019, bank deposits carried interests at the rate of 0.37% - 0.375% per annum for Baht savings deposits, 0.05% per annum for USD savings deposits and 0.20% - 0.30% per annum for VND savings deposits (2018: 0.05% per annum for USD savings deposits).

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	465,986	651,194	116,177	75,543
Past due up to 3 months	99,520	128,175	29,083	8,862
Total trade receivables - related parties	565,506	779,369	145,260	84,405
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	614,493	405,886	485,169	296,205
Past due				
Up to 3 months	146,278	149,780	117,661	88,339
3 - 6 months	525	13,977	525	13,977
6 - 12 months	50	6,151	50	6,151
Over 12 months	18,070	-	18,070	-
Total	779,416	575,794	621,475	404,672
Less: Allowance for doubtful accounts	(18,070)	(18,752)	(18,070)	(18,752)
Total trade receivables - unrelated parties, net	761,346	557,042	603,405	385,920
Total trade receivables - net	1,326,852	1,336,411	748,665	470,325
<u>Other receivables</u>				
Other receivables - related parties	15,455	11,203	115,462	98,207
Others	37,385	3,980	1,404	775
Total	52,840	15,183	116,866	98,982
Less: Allowance for doubtful accounts	(310)	(310)	-	-
Total other receivables - net	52,530	14,873	116,866	98,982
Total trade and other receivables - net	1,379,382	1,351,284	865,531	569,307

9. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2019	2018	2019	2018	2019	2018
Finished goods	932,452	1,102,574	(80,076)	(72,223)	852,376	1,030,351
Work in process	33,674	22,471	-	-	33,674	22,471
Raw materials	331,230	431,319	-	-	331,230	431,319
Goods in transit	9,389	4,964	-	-	9,389	4,964
Spare parts and factory supplies	671,254	649,743	(94,240)	(65,358)	577,014	584,385
Packing materials	39,828	36,859	-	-	39,828	36,859
Total	2,017,827	2,247,930	(174,316)	(137,581)	1,843,511	2,110,349

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2019	2018	2019	2018	2019	2018
Finished goods	19,244	20,468	(3,115)	(4,866)	16,129	15,602
Work in process	12,505	-	-	-	12,505	-
Goods in transit	2,013	23	-	-	2,013	23
Spare parts and factory supplies	1,042	478	-	-	1,042	478
Packing materials	394	-	-	-	394	-
Total	35,198	20,969	(3,115)	(4,866)	32,083	16,103

During the current year, the Group reduced cost of inventories by Baht 66 million (2018: Baht 37 million) (The Company only: Nil, 2018: Baht 3 million), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 29 million (2018: Baht 87 million) (The Company only: Baht 2 million, 2018: Nil), and reduced the amount of inventories recognised as expenses during the year.

10. Investments in subsidiaries

10.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment of investment		Net book value	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
			(%)	(%)						
Khonkaen Glass Industry Co., Ltd.	900,000	900,000	100	100	1,165,320	1,165,320	-	-	1,165,320	1,165,320
Ayutthaya Glass Industry Co., Ltd.	3,000,000	3,000,000	100	100	3,699,889	3,699,889	-	-	3,699,889	3,699,889
BGC Glass Solution Co., Ltd. (formerly known as "Rayong Glass Industry Co., Ltd.")	2,008,519	2,008,519	100	100	981,960	981,960	(35,525)	(35,525)	946,435	946,435
Pathumthani Glass Industry Co., Ltd.	1,190,353	1,586,353	100	100	1,407,090	1,407,090	-	-	1,407,090	1,407,090
Ratchaburi Glass Industry Co., Ltd.	1,500,000	1,500,000	100	100	1,479,074	1,479,074	-	-	1,479,074	1,479,074
Prachinburi Glass Industry Co., Ltd.	600,000	600,000	51	51	371,300	371,300	-	-	371,300	371,300
Solar Power Management (Thailand) Co., Ltd.	20,000	-	100	-	517,317	-	-	-	517,317	-
Total					9,621,950	9,104,633	(35,525)	(35,525)	9,586,425	9,069,108

(Unit: Thousand Baht)

10.2 During the years ended 31 December 2019 and 2018, the Company received dividend from its subsidiaries as presented in separate financial statements as below.

(Unit: Thousand Baht)

Company's name	2019	2018
Prachinburi Glass Industry Co., Ltd.	41,310	10,710
Ayutthaya Glass Industry Co., Ltd.	287,700	201,900
Khonkaen Glass Industry Co., Ltd.	141,840	345,780
Pathumthani Glass Industry Co., Ltd.	11,390	-
Total	482,240	558,390

10.3 On 1 June 2018, the Extraordinary General Meeting of the shareholders of Ayutthaya Glass Industry Co., Ltd. (the subsidiary) approved an increase in the registered share capital of the company from Baht 1,700 million to Baht 3,000 million, through the issuance of 13 million additional ordinary shares with a par value of Baht 100 each, or a total of Baht 1,300 million. The subsidiary registered the increase in its share capital with the Ministry of Commerce in June 2018.

Subsequently, the subsidiary called for the Company to pay in an additional Baht 100 per share in respect of the 13 million ordinary shares it holds in that subsidiary, or a total of Baht 1,300 million from June 2018 to August 2018. As at 31 December 2018, the Company has paid up the shares in full.

10.4 On 1 June 2018, the Extraordinary General Meeting of the shareholders of Ratchaburi Glass Industry Co., Ltd. (the subsidiary) approved an increase in the registered share capital of the company from Baht 600 million to Baht 1,500 million, through the issuance of 9 million ordinary shares with a par value of Baht 100 each, or a total of Baht 900 million. The subsidiary registered the increase in its share capital with the Ministry of Commerce in June 2018.

Subsequently, the subsidiary called for the Company to pay in an additional Baht 100 per share in respect of the 9 million ordinary shares it holds in that subsidiary, or a total of Baht 900 million. As at 31 December 2018, the Company has paid up the shares in full.

10.5 On 20 February 2019, the Extraordinary General Meeting of shareholders of Pathumthani Glass Industry Co., Ltd. approved the reduction of the registered share capital of the company from Baht 1,700 million to Baht 1,190 million, or a total decrease of Baht 510 million. In addition, the company reduced its paid-up capital from Baht 1,586.35 million to Baht 1,190 million, or a total decrease of Baht 396.35 million, by reducing the par value of its shares from Baht 100 to Baht 70 to eliminate its deficit. This did not affect the number of shares. On 25 March 2019, the company completed the registration of the aforementioned reduction of the registered capital with the Ministry of Commerce.

10.6 On 3 September 2019, the Company's Board of Directors' Meeting approved the acquisition of 2 million ordinary shares in Solar Power Management (Thailand) Co., Ltd. ("SPM"), which was incorporated in Thailand, representing a 100% shareholding in such company, and the transfer of the rights in outstanding short-term loans from a related company of SPM to Phu Khanh Solar Power Joint Stock Company ("PKS") for a total amount of Baht 1,259 million from Eastern Power Group Plc. ("Acquiree"). Currently, SPM has 67% shareholding in PKS, which is a subsidiary in Vietnam. PKS is engaged in the development of two solar power projects in Vietnam, i.e., Project XT1 and Project XT2 with a total capacity of 99.216 megawatts. Under the Power Purchase Agreements, the sale of electricity to the Electricity of Vietnam has a term of 20 years, at the Feed in Tariff or FIT. The construction of solar power plants under the two projects have been completed and the distribution of electricity of the two projects started on 10 June 2019 and 11 June 2019, respectively. The purpose of investments in SPM was to create income stability and diversify into a new business with high return.

On 6 September 2019, the Company entered into an agreement to sell and purchase the shares, and made a deposit at a rate of 10% of the sale and purchase price, totaling Baht 126 million. Subsequently, on 27 December 2019, the Company received the shares and debts transferred, and made payment amounting to Baht 944 million for the shares and the debts. However, the contractors under the two projects have completed only part of the construction and repair work (the unfinished portion of work does not affect the production and distribution of the electricity under the projects). As a result, the Company and the Acquiree agreed to amend the payment schedule under the agreement by withholding 15% of the total payment for the shares, amounting to approximately Baht 189 million until the construction and repair work are completed. The amount was recognised as trade and other payables as at 31 December 2019.

As at the acquisition date, SPM and PKS (the SPM Group) were the Group's subsidiaries. These investments are considered the business combinations under Thai Financial Reporting Standard No. 3 (revised 2018) Business Combinations. As a result of the business combinations, the acquisition costs exceeded the attributable net book value of the investments in such companies by Baht 506 million, and the amount was presented as "unallocated cost from business acquisitions" in the consolidated financial statements.

The consideration paid for the business acquisition, as well as the assets acquired and the liabilities assumed as at the acquisition date are as follows:

	(Unit: Thousand Baht)
The consideration paid for the business acquisition	1,259,000
Less: The value of rights in debts transferred to the Company from the Acquiree	(741,683)
The consideration paid for the business acquisition - net	<u>517,317</u>

(Unit: Thousand Baht)

Assets

Cash and cash equivalents	171,888
Trade accounts receivable and note receivable	78,673
Other current assets	57,787
Buildings and equipment	2,729,171
Leasehold rights	15,535
Total assets	<u>3,053,054</u>

Liabilities

Trade and other payables	48,182
Short-term loans from related party	300,208
Short-term loans from parent company	741,683
Income tax payable	1,743
Accrued expenses	24,425
Other current liabilities	4,332
Long-term loans from banks	1,566,732
Total liabilities	<u>2,687,305</u>
Net assets from business acquisition	365,749
Less: Proportion of non-controlling interest of indirect subsidiary	<u>(354,086)</u>
Fair value of net asset investment in subsidiary	11,663
Shareholding percentage (%)	100
Net assets in proportion of the Company	11,663
Total consideration paid for business acquisition	<u>517,317</u>
Different between acquisition costs and the attributable net book value from business acquisition	<u>505,654</u>

At present, the Group is in the process of completing the measurement of fair value of the identifiable assets acquired and liabilities assumed as at the acquisition date of SPM, mainly with respect to the identification and measurement of intangible assets and certain tangible assets. The measurement is to be completed within a period of 1 year from the acquisition date in accordance with the Thai Financial Reporting Standard No. 3 (revised 2018) Business Combinations. However, the Group has used its best estimates to perform valuation of assets and liabilities based on the facts and circumstances as at the acquisition date in order to initially allocate costs of the business acquisition to such identifiable items. This assessment may be significantly different from the final outcome, and the Group may need to retrospectively adjust the provisional amounts previously recognised as at the acquisition date.

The statements of comprehensive income for the year ended 31 December 2019 included revenue and net loss of the SPM Group as from the acquisition date amounting to Baht 2 million and Baht 0.02 million, respectively. If SPM Group has been included in the statements of comprehensive income as from 1 January 2019, the revenue and net profit of the SPM Group amounting to Baht 161 million and Baht 2 million will have been presented in the statements of comprehensive income.

10.7 Details of investments in subsidiary and indirect subsidiary that have material non-controlling interests

Company's Name	(Unit: Million Baht)							
	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2019	2018	2019	2018	2019	2018	2019	2018
	(%)	(%)						
Prachinburi Glass Industry Co., Ltd.	49	49	340	364	17	28	40	10
Phu Khanh Solar Power Joint Stock Company	33	-	354	-	-	-	-	-

10.8 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests.

Summarised information about financial position as at 31 December 2019 and 2018.

	(Unit: Million Baht)			
	Prachinburi Glass Industry Co., Ltd.		Phu Khanh Solar Power Joint Stock Company	
	2019	2018	2019	2018
Current assets	253	212	264	-
Non-current assets	508	601	2,743	-
Current liabilities	57	66	458	-
Non-current liabilities	8	5	1,476	-

Summarised information about comprehensive income as at 31 December 2019 and 2018.

	(Unit: Million Baht)			
	Prachinburi Glass Industry Co., Ltd.		Phu Khanh Solar Power Joint Stock Company	
	2019	2018	2019	2018
Revenue	719	787	3	-
Profit	34	56	-	-
Total comprehensive income	34	56	-	-

Summarised information about cash flows for the years ended 31 December 2019 and 2018.

	(Unit: Million Baht)			
	Prachinburi Glass Industry Co., Ltd.		Phu Khanh Solar Power Joint Stock Company	
	2019	2018	2019	2018
Cash flows from (used in) operating activities	200	241	(21)	-
Cash flows from (used in) investing activities	(36)	8	-	-
Cash flows used in financing activities	(167)	(246)	-	-
Net increase (decrease) in cash and cash equivalents	(3)	3	(21)	-

11. Investments in associates

11.1 Details of associates

Company's name	Nature of business	Country of incorporation	(Unit: Thousand Baht)					
			Shareholding percentage		Consolidated financial statements		Separate financial statements	
					Carrying amounts based on equity method		Cost of investment	
			2019	2018	2019	2018	2019	2018
			%	%				
BS Glass Recycling Co., Ltd. ⁽¹⁾	Trading glass cullet	Thailand	26	-	32,831	-	35,000	-
Taweessup (Jew Ja Heng) Co., Ltd. ⁽¹⁾	Trading and sorting glass cullet, paper scrap and metal scrap	Thailand	25	-	98,055	-	100,000	-
					130,886	-	135,000	-

⁽¹⁾No fair value since share of such company were not traded on the Stock Exchange of Thailand.

BS Glass Recycling Co., Ltd.

On 26 September 2019, the Company entered into a sale and purchase agreement with Bunyapotikul Co., Ltd. and a former shareholder to acquire 52,000 ordinary shares in BS Glass Recycling Co., Ltd, representing 26% shareholding, for a total amount of Baht 35 million. The purpose of the share acquisition was to mitigate the long-term risk in respect of raw material procurement. The Company paid up for the shares and received the rights to all shares in October 2019. As a result, the acquisition costs exceeded the attributable net book value of the Company's investment of such company as at the acquisition date by Baht 22 million.

The fair value of the acquired assets and liabilities of BS Glass Recycling Co., Ltd. as at the acquisition date are summarised below.

(Unit: Thousand Baht)

Assets

Cash and cash equivalents	626
Trade and other receivables	23,913
Inventories	28,442
Other current assets	1,609
Property, plant and equipment and intangible assets	84,941
Other non-current assets	2,237
Total assets	141,768

Liabilities

Bank overdrafts and short-term loans from banks	51,600
Trade and other payables	7,295
Short-term loan from related party	20,500
Other current liabilities	282
Long-term loans from banks	12,881
Total liabilities	92,558
Net assets from business acquisition	49,210
Shareholder percentage (%)	26
Net assets in proportion of the Company	12,795
Cash paid for business acquisition	35,000
Goodwill from business acquisition	22,205

At present, the Company is in the process of completing the measurement of fair value of the identifiable assets acquired and liabilities assumed as at the acquisition date, mainly with respect to the identification and measurement of intangible assets and certain tangible assets. The measurement is to be completed within a period of 1 year from the acquisition date in accordance with the Thai Financial Reporting Standard No. 3 (revised 2018) Business Combinations. However, the Company has used its best estimates to perform valuation of assets and liabilities based on the facts and circumstances as at the acquisition date in order to initially allocate costs of the business acquisition to such identifiable items. This assessment may be significantly different from the final outcome, and the Company may need to retrospectively adjust the provisional amounts previously recognised as at the acquisition date.

Taweessup (Jew Ja Heng) Co., Ltd.

On 31 October 2019, the Company entered into a sale and purchase agreement to acquire 125,000 ordinary shares in Taweessup (Jew Ja Heng) Co., Ltd., representing 25% shareholding, for a total of Baht 100 million in exchange for the rights to shares from Bangkok Glass Plc. (Parent company). The purpose of the acquisition was to mitigate the long-term risk in respect of raw material procurement. As a result, the acquisition costs exceeded the attributable net book value of the Company's investment of such company as at the acquisition date by Baht 74 million.

The fair value of the acquired assets and liabilities of Taweessup (Jew Ja Heng) Co., Ltd. as at the acquisition date are summarised below.

(Unit: Thousand Baht)

Assets

Cash and cash equivalents	52,125
Trade and other receivables	84,906
Inventories	124,478
Other current assets	94
Restricted bank deposit	328
Building and equipment	59,282
Other non-current assets	49
Total assets	<u>321,262</u>

Liabilities

Bank overdrafts and short-term loans from banks	162,000
Trade and other payables	38,084
Income tax payable	801
Revenue Department payable	5,935
Liabilities under lease agreements	1,981
Provision for long-term employee benefit	9,814
Other non-current liabilities	308
Total liabilities	<u>218,923</u>
Net assets from business acquisition	102,339
Shareholding percentage (%)	25
Net assets in proportion of the Company	25,585
Cash paid for business acquisition	<u>100,000</u>
Goodwill from business acquisition	<u>74,415</u>

At present, the Company is in the process of completing the measurement of fair value of the identifiable assets acquired and liabilities assumed as at the acquisition date, mainly with respect to the identification and measurement of intangible assets and certain tangible assets. The measurement is to be completed within a period of 1 year from the acquisition date in accordance with the Thai Financial Reporting Standard No. 3 (revised 2018) Business Combinations. However, the Company has used its best estimates to perform valuation of assets and liabilities based on the facts and circumstances as at the acquisition date in order to initially allocate costs of the business acquisition to such identifiable items. This assessment may be significantly different from the final outcome, and the Company may need to retrospectively adjust the provisional amounts previously recognised as at the acquisition date.

11.2 Share of comprehensive income and dividend received

During the year, the Company recognised its share of loss from investments in associates in the consolidated financial statements calculated based on the financial statements for the year ended 31 December 2019 as follows.

Company's name	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	Share of loss from investments in associates		Dividend received from associates	
	2019	2018	2019	2018
BS Glass Recycling Co., Ltd.	2,169	-	-	-
Taweessup (Jew Ja Heng) Co., Ltd.	1,945	-	-	-
Total	4,114	-	-	-

12. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements							
	Land and land improvements	Buildings and building improvements	Machinery, equipment and other factory equipment	Motor vehicles	Furniture, fixtures, equipment and other operating equipment	Assets under installation and construction	Total
Cost							
1 January 2018	237,759	5,268,644	16,602,533	107,014	283,484	964,213	23,463,647
Additions	1,004,903	37,923	183,039	18,365	18,809	1,850,599	3,113,638
Capitalised interest	-	-	-	-	-	11,369	11,369
Disposals/write-off	-	(802,107)	(3,697,661)	(24,582)	(35,586)	(25,188)	(4,585,124)
Transfers in (out)	99,872	954,314	1,460,306	-	33,487	(2,439,102)	108,877
31 December 2018	1,342,534	5,458,774	14,548,217	100,797	300,194	361,891	22,112,407
Additions	5,595	38,738	204,426	4,822	39,495	412,201	705,277
Capitalised interest	-	-	-	-	-	424	424
Addition from business combination	-	1,008,056	1,700,204	3,612	103,002	-	2,814,874
Disposals/write-off	-	(658,195)	(272,688)	(4,247)	(9,952)	(7,298)	(952,380)
Transfers in (out)	21,587	238,562	265,648	-	21,959	(516,513)	31,243
31 December 2019	1,369,716	6,085,935	16,445,807	104,984	454,698	250,705	24,711,845
Accumulated depreciation							
1 January 2018	8,286	2,847,601	10,646,872	86,913	219,210	-	13,808,882
Depreciation for the year	3,021	180,366	1,091,312	8,525	27,803	-	1,311,027
Depreciation on disposals/write-off	-	(756,308)	(3,275,210)	(24,152)	(34,425)	-	(4,090,095)
31 December 2018	11,307	2,271,659	8,462,974	71,286	212,588	-	11,029,814
Depreciation for the year	6,684	216,866	1,112,794	8,460	37,514	-	1,382,318
Depreciation from business combination	-	28,062	54,363	483	2,795	-	85,703
Depreciation on disposals/write-off	-	(524,844)	(250,721)	(4,248)	(9,298)	-	(789,111)
31 December 2019	17,991	1,991,743	9,379,410	75,981	243,599	-	11,708,724
Allowance for impairment loss							
1 January 2018	-	209,376	416,719	430	584	28,528	655,637
Decrease during the year	-	(44,194)	(373,987)	(430)	(584)	(5,107)	(424,302)
31 December 2018	-	165,182	42,732	-	-	23,421	231,335
Increase (decrease) during the year	-	(133,351)	5,417	-	-	11,986	(115,948)
31 December 2019	-	31,831	48,149	-	-	35,407	115,387
Net book value							
31 December 2018	1,331,227	3,021,933	6,042,511	29,511	87,606	338,470	10,851,258
31 December 2019	1,351,725	4,062,361	7,018,248	29,003	211,099	215,298	12,887,734
Depreciation for the year							
2018 (Baht 1,262 million included in manufacturing cost, and the balance in administrative expenses)							1,311,027
2019 (Baht 1,350 million included in manufacturing cost, and the balance in administrative expenses)							1,382,318

(Unit: Thousand Baht)

	Separate financial statements					
	Building and improvement	Machinery, equipment and other factory equipment	Motor vehicles	Furniture, fixtures, equipment and other operating equipment	Assets under installation and construction	Total
Cost						
1 January 2018	-	69,931	5,911	4,128	6,957	86,927
Additions	60	28,523	314	3,236	538	32,671
Disposals/write-off	-	(6,709)	-	(6)	(93)	(6,808)
Transfer in (out)	-	6,730	-	672	(7,402)	-
31 December 2018	60	98,475	6,225	8,030	-	112,790
Additions	19,566	5,854	107	21,144	33,825	80,496
Disposals/write-off	-	(5,738)	-	(43)	-	(5,781)
Transfer in (out)	18,801	-	-	7,074	(25,875)	-
31 December 2019	38,427	98,591	6,332	36,205	7,950	187,505
Accumulated depreciation						
1 January 2018	-	24,560	307	540	-	25,407
Depreciation for the year	3	35,329	1,191	1,676	-	38,199
Depreciation on disposals/write-off	-	(6,700)	-	(2)	-	(6,702)
31 December 2018	3	53,189	1,498	2,214	-	56,904
Depreciation for the year	887	13,521	1,261	5,732	-	21,401
Depreciation on disposals/write-off	-	(5,653)	-	(16)	-	(5,669)
31 December 2019	890	61,057	2,759	7,930	-	72,636
Net book value						
31 December 2018	57	45,286	4,727	5,816	-	55,886
31 December 2019	37,537	37,534	3,573	28,275	7,950	114,869
Depreciation for the year						
2018 (the balance included in administrative expenses)						38,199
2019 (the balance included in administrative expenses)						21,401

During the years 2019 and 2018, the subsidiaries used loans from banks and related parties for construction of warehouses, construction and installation of machines and factory equipment. Borrowing costs amounting to Baht 0.4 million and Baht 11 million, respectively, were capitalised as costs of assets, which were calculated based on capitalisation rates of 2.47% to 2.51% and 1.80% to 2.85%, respectively.

During the year ended 31 December 2019, the subsidiaries recognised losses on impairment of equipment amounting to Baht 30 million (2018: Baht 49 million). The major portion of allowance for impairment losses was recorded for factory equipment of subsidiaries, since there are no plans to use such assets.

As at 31 December 2019, certain items of building and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 3,801 million (2018: Baht 3,710 million) (The Company only: Baht 216 million, 2018: Baht 127 million).

13. Intangible assets

The net book value of intangible assets as at 31 December 2019 and 2018 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Computer software	Computer software under installation	Total
As at 31 December 2019			
Cost	20,762	3,566	24,328
Less: Accumulated amortisation	(6,499)	-	(6,499)
Net book value	14,263	3,566	17,829
As at 31 December 2018			
Cost	6,747	8,370	15,117
Less: Accumulated amortisation	(2,901)	-	(2,901)
Net book value	3,846	8,370	12,216

(Unit: Thousand Baht)

	Separate financial statements		
	Computer software	Computer software under installation	Total
As at 31 December 2019			
Cost	7,089	3,566	10,655
Less: Accumulated amortisation	(1,787)	-	(1,787)
Net book value	5,302	3,566	8,868
As at 31 December 2018			
Cost	1,456	-	1,456
Less: Accumulated amortisation	(587)	-	(587)
Net book value	869	-	869

A reconciliation of the net book value of intangible assets for the years 2019 and 2018 are presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Net book value at beginning of year	12,216	2,636	869	848
Additions during the year - cost	9,230	8,868	9,198	434
Transfer in from equipment	-	2,078	-	-
Disposal/write-off during the year - net book value at disposal/write-off date	-	(31)	-	-
Amortisation	(3,617)	(1,335)	(1,199)	(413)
Net book value at end of year	17,829	12,216	8,868	869

14. Leasehold right

The balance is the advance of land rental under the land rental agreement to use the land for locate power plant. The net book value of leasehold right as at 31 December 2019 and 2018 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2019	2018
Leasehold right - cost	15,741	-
Less: Accumulated amortisation	(210)	-
Net book value	15,531	-

A reconciliation of the net book value of leasehold right for the years 2019 and 2018 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2019	2018
Net book value at beginning of year	-	-
Additions from business combination	15,535	-
Amortisation	(4)	-
Net book value at end of year	15,531	-

15. Short-term loans from banks

Short-term loans from banks are clean and denominated in Baht.

16. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Trade and other payables - related parties	131,258	113,212	1,556,047	1,620,053
Trade and other payables - unrelated parties	812,534	672,025	235,183	30,576
Payables for construction - related parties	52,698	-	25,902	-
Payables for construction - unrelated parties	36,000	85,669	9,624	-
Accrued expenses	170,667	154,442	60,264	38,043
Total trade and other payables	<u>1,203,157</u>	<u>1,025,348</u>	<u>1,887,020</u>	<u>1,688,672</u>

17. Long-term loans from banks

			(Unit: Thousand Baht)			
			Consolidated financial		Separate financial	
			statements		statements	
Loan	Interest rate	Repayment schedule	2019	2018	2019	2018
<u>The Company</u>						
1	Fixed rate	Every 3 months, at Baht 125 million per installment, as from February 2018	1,000,000	1,500,000	1,000,000	1,500,000
2	Fixed rate	Every 3 months, at Baht 150 million per installment, as from March 2021	1,500,000	-	1,500,000	-
<u>Subsidiaries</u>						
Ayutthaya Glass Industry Co., Ltd.						
3	Fixed rate	Every 3 months, at Baht 31.25 million per installment, as from September 2016	62,500	187,500	-	-
4	Fixed rate	Every 3 months, at Baht 28 million per installment, except for the last installment at Baht 30 million, as from April 2017	142,000	254,000	-	-
5	Fixed rate	Every 3 months, installment period 1 st -8 th at Baht 60 million per installment, 9 th -12 th at Baht 70 million per installment and 13 th -15 th at Baht 80 million, as from February 2019	760,000	1,000,000	-	-
Ratchaburi Glass Industry Co., Ltd.						
6	Fixed rate	Every 3 months, no installment for the installment 1 st -4 th , installment 5 th -8 th at Baht 50 million per installment, 9 th -12 th at Baht 55million and 13 th -16 th at Baht 60 million, as from September 2019	700,000	-	-	-

			(Unit: Thousand Baht)			
			Consolidated financial statements		Separate financial statements	
Loan	Interest rate	Repayment schedule	2019	2018	2019	2018
<u>Indirect subsidiary</u>						
Phu Khanh Solar Power Joint Stock Company						
7	LIBOR	Every 3 months, for installment 1 st -19 th at				
	6M +2.2%	USD 1,000,000 per installment, 20 th -55 th				
	and LIBOR	at USD 1,245,000 per installment and for				
	6M +3.0%	the last installment for the remaining, as				
		from June 2020	1,566,732	-	-	-
Total			5,731,232	2,941,500	2,500,000	1,500,000
Less: Current portion			(1,105,202)	(977,000)	(500,000)	(500,000)
Long-term loans, net of current portion			4,626,030	1,964,500	2,000,000	1,000,000

Movements of the long-term loans account for the years ended 31 December 2019 and 2018 are summarised below.

			(Unit: Thousand Baht)	
			Consolidated financial statements	Separate financial statements
Balance as at 1 January 2018			3,003,500	2,000,000
Add: Additional borrowings during the year			1,000,000	-
Less: Repayment during the year			(1,062,000)	(500,000)
Balance as at 31 December 2018			2,941,500	1,500,000
Add: Additional borrowings during the year			2,200,000	1,500,000
Additional from business combination			1,566,732	-
Less: Repayment during the year			(977,000)	(500,000)
Balance as at 31 December 2019			5,731,232	2,500,000

The loan obtained by an indirect subsidiary has been secured by the mortgage of the shares of the indirect subsidiary and Eastern Power Group Public Co., Ltd., a former shareholder of the indirect subsidiary. In addition, the loans remain secured by the group of former shareholders of the indirect subsidiary until an amendment is made to the loan agreement.

The loan agreements contain several covenants which, among other things, require the Group to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements. In addition, the Group is required to comply with a condition under the loan agreements, whereby it agrees not to enter into any negative pledges of its assets, unless it is undertaken in the ordinary course of business.

As at 31 December 2019, the long-term credit facilities of the Group which have not yet been drawn down amounted to USD 10 million (2018: Nil).

18. Provision for long-term employee benefits

(Unit: Thousand Baht)

	Consolidated financial statements		
	Provision for post-employment benefits	Provision for other long-term employee benefits	Total
Provision for long-term employee benefits			
as at 1 January 2018	457,562	18,749	476,311
Included in profit or loss:			
Current service cost	38,287	859	39,146
Interest cost	14,874	403	15,277
Transfer from parent company	7,399	-	7,399
Transfer to related party	(2,263)	-	(2,263)
Benefit paid during the year	(80,992)	(1,573)	(82,565)
Provision for long-term employee benefits			
as at 31 December 2018	434,867	18,438	453,305
Included in profit or loss:			
Current service cost	37,309	653	37,962
Interest cost	13,906	322	14,228
Past service costs	41,400	-	41,400
Included in other comprehensive income:			
Actuarial loss arising from			
Demographic assumptions changes	8,673	-	8,673
Financial assumptions changes	67,487	518	68,005
Experience adjustments	16,571	-	16,571
Transfer from related parties	15,817	441	16,258
Transfer to related parties	(5,724)	(25)	(5,749)
Benefit paid during the year	(30,282)	(1,421)	(31,703)
Provision for long-term employee benefits			
as at 31 December 2019	600,024	18,926	618,950

(Unit: Thousand Baht)

	Separate financial statements		
	Provision for		Total
	Provision for post-employment benefits	other long-term employee benefits	
Provision for long-term employee benefits			
as at 1 January 2018	131,167	2,756	133,923
Included in profit or loss:			
Current service cost	8,232	193	8,425
Interest cost	4,065	74	4,139
Transfer from parent company	7,399	-	7,399
Transfer to related party	(27)	-	(27)
Benefit paid during the year	(17,101)	(345)	(17,446)
Provision for long-term employee benefits			
as at 31 December 2018	133,735	2,678	136,413
Included in profit or loss:			
Current service cost	15,068	220	15,288
Interest cost	4,456	82	4,538
Past service costs	12,016	-	12,016
Included in other comprehensive income:			
Actuarial loss arising from			
Demographic assumptions changes	2,812	-	2,812
Financial assumptions changes	21,757	180	21,937
Experience adjustments	11,150	-	11,150
Transfer from related parties	24,001	503	24,504
Transfer to related parties	(5,369)	(25)	(5,394)
Benefit paid during the year	(15,514)	(432)	(15,946)
Provision for long-term employee benefits			
as at 31 December 2019	204,112	3,206	207,318

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment. The Group reflected the effect of the change by recognising past service costs amounting to Baht 41 million (the Company only: Baht 12 million) as expenses in the statement of comprehensive income of the current year.

The Group expects to pay Baht 36 million (2018: Baht 33 million) of long-term employee benefits during the next year (The Company only: Baht 12 million (2018: Baht 9 million)).

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit is 15 years (2018: 15 years) (The Company only: 15 years (2018: 15 years)).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Discount rate	1.90	3.30	1.90	3.30
Salary increase rate (depend on age)	4.0 - 9.0	4.0 - 9.0	4.0 - 9.0	4.0 - 9.0
Turnover rate (depend on age)	0.0 - 12.0	0.0 - 12.0	0.0 - 12.0	0.0 - 12.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2019 and 2018 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	2019		2018	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(45,272)	52,443	(41,809)	48,165
Salary increase rate	50,503	(44,554)	46,453	(41,163)

	(Unit: Thousand Baht)			
	Separate financial statements			
	2019		2018	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(14,576)	16,896	(10,084)	11,586
Salary increase rate	16,268	(14,341)	11,206	(9,959)

19. Share capital

19.1 On 21 March 2018, the Annual General Meeting of the Company's shareholders passed resolutions approving the following matters:

- 1) Approved the conversion of the Company into a public company
- 2) Approved the change of the par value of the Company's shares from Baht 100 to Baht 5 per share. After the change in par value, there will be 500 million shares and the registered share capital will be Baht 2,500 million.
- 3) Approved the increase of the Company's registered share capital from Baht 2,500 million to Baht 3,472 million, by issuing 194.44 million ordinary shares with a par value of Baht 5 per share.
- 4) Approved the allocation of 194.44 million additional ordinary shares with a par value of Baht 5 as follows:
 - Allocation of 175 million additional ordinary shares to the initial public offering
 - Allocation of 19.44 million additional ordinary shares to be offered to directors, management and employees of the Group at an offering price equal to the initial public offering price
- 5) Approved the listing of the Company's ordinary shares as securities on the Stock Exchange of Thailand.

The Company registered the above matters 1) - 3) with the Ministry of Commerce in April 2018 and executed the above matters 4) - 5) in October 2018.

19.2 During 8 October 2018 to 10 October 2018, the Company offered 194.44 million of additional ordinary shares at a price of Baht 10.20 per share to the initial public offering and the directors, management and employees of the Group. The Company received full settlement of the additional share capital and registered the increase in its paid-up capital with the Ministry of Commerce on 12 October 2018. The Company is required to pay incentive and underwriting fees to the securities underwriters, with those fees calculated in accordance with the condition stipulated in the contract dated 5 October 2018. The Company recorded the differences between the selling price (Baht 10.20 per share) and par value (Baht 5.00 per share) of 194.44 million additional ordinary shares, amounting to Baht 1,011.1 million, as share premium in shareholders' equity. In addition, the direct costs attributable to the share offering net of income tax, amounting to Baht 31.7 million, were presented as a deduction from the share premium.

The Stock Exchange of Thailand (SET) approved the listing of the ordinary shares of the Company as securities on the SET, to be traded from 18 October 2018.

20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its profit for the year after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

According to Section 1202 of the Thai Civil and Commercial Code, a subsidiary (incorporated under Thai Laws) is required to set aside a statutory reserve equal to at least 5% of its profit each time the company pays out a dividend, until such reserve reaches 10% of its registered share capital. The statutory reserve can neither be offset against deficit nor used for dividend payment.

21. Expenses by nature

Significant expenses classified by nature are as follows:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Salaries and wages and other employee benefits	1,762,568	1,518,470	169,841	111,303
Depreciation	1,382,318	1,311,027	21,401	38,199
Amortisation expenses	3,621	1,335	1,199	413
Loss on impairment of equipment	30,084	48,788	-	-
Loss on exchange	6,887	-	10,347	2,203
Rental expenses from operating lease agreements	115,424	90,950	43,610	15,610
Raw materials and consumables used	5,842,525	5,861,520	-	-
Purchases of goods	98,839	57,373	3,987,432	2,540,039
Changes in inventories of finished goods and work in progress	158,919	(229,115)	(11,281)	89,514
Loss on reduction of cost of inventories to net realisable value	65,637	36,790	-	2,532
Transportation expenses	255,645	174,729	163,699	53,418
Insurance expenses	17,170	19,538	1,530	1,062
Doubtful debts	-	18,881	-	18,881

22. Income tax

Income tax expenses for the years ended 31 December 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Current income tax:				
Current income tax charge	86,404	76,185	23,036	11,534
Deferred tax:				
Relating to origination and reversal of temporary differences	(18,418)	3,750	-	-
Effects of income tax related to the share offering (Note 19.2)	-	7,926	-	7,926
Income tax expense reported in profit or loss	67,986	87,861	23,036	19,460

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Deferred tax assets on actuarial loss	11,383	-	-	-
Total	11,383	-	-	-

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Accounting profit before tax	598,324	611,608	531,475	623,819
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	119,665	122,322	106,295	124,764
Effects of eliminated transactions	96,459	109,831	-	-
Adjustment in respect of income tax of previous year	-	199	-	-
Temporary differences and tax loss utilised during the year for which deferred tax assets were not previously recognised	(30,055)	(108,311)	(1,470)	(1,539)
Tax losses for the year for which deferred tax assets were not recognised	550	108,254	-	-
Temporary differences for the year for which deferred tax assets were not recognised	24,848	10,863	6,031	6,795
Effects of:				
Promotional privileges (Note 23)	(80,806)	(65,606)	-	-
Exempt revenues and non-deductible expenses	(62,273)	(89,238)	(87,448)	(110,204)
Additional expense deductions allowed	(402)	(453)	(372)	(356)
Total	(143,481)	(155,297)	(87,820)	(110,560)
Income tax expenses reported in profit or loss	67,986	87,861	23,036	19,460

The components of deferred tax assets are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2019	2018
Deferred tax assets		
Allowance for diminution in value of inventories	18,795	11,446
Allowance for assets impairment	9,268	7,889
Provision for long-term employee benefits	62,001	38,789
Adjustment of accrued rental expenses under straight-line method	889	444
Unused tax losses	-	2,584
Total	90,953	61,152

As at 31 December 2019, the Group have deductible temporary differences and unused tax losses totaling Baht 1,788 million (2018: Baht 1,984 million), on which deferred tax assets have not been recognised as the Group believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 1,575 million (2018: Baht 1,724 million) will expire by 2024 (2018: within 2023).

23. Promotional privileges

Some subsidiaries were granted investment promotional privileges by the Board of Investment (BOI) under the Investment Promotion Act B.E. 2520. As at 31 December 2019, important tax privileges granted to the companies are summarised below.

	Investment promotion certificate no.	Expiry date of exemption from import duty on machines	Exemption from corporate income tax for the periods	Commencing date for income tax exemption
Khonkaen Glass Industry Co., Ltd.				
Generating electricity from solar rooftop	1428(1)/2557	Expired	8 years	31 July 2014
Modifying of machine for increase efficiency of glass production or glass products	61-0940-1-05-1-0	9 August 2021	3 years	1 January 2019
Ayutthaya Glass Industry Co., Ltd.				
Manufacture of glass and glass products	5106(2)/2555	Expired	8 years	25 October 2012
Manufacture of glass and glass products	5105(2)/2555	Expired	8 years	30 September 2013
Manufacture of glass and glass products	5107(2)/2555	Expired	8 years	23 May 2015
Ratchaburi Glass Industry Co., Ltd.				
Manufacture of glass and glass products	2391(2)/2556	Expired	7 years	26 November 2018
Manufacture of glass and glass products	60-0021-0-00-1-2	Expired	7 years	Not yet utilised

Indirect subsidiary was granted investment promotional privileges under the Investment Promotion Decree B.E. 2558 from Ministry of Planning and Investment of Vietnam. As at 31 December 2019, important tax privileges granted to the company is summarised below.

	Investment promotion certificate no.	Tax privileges promotion	Commencing date for income tax promotion
Phu Khanh Solar Power Joint Stock Company			
Generating electricity from solar power	4601762606	Year 1 - 4, tax rate 0% Year 5 - 13, tax rate 5% Year 14 - 15, tax rate 10% Year 16 - 20, tax rate 20%	6 August 2019
Generating electricity from solar power	3134008258	Year 1 - 4, tax rate 0% Year 5 - 13, tax rate 5% Year 14 - 15, tax rate 10% Year 16 - 20, tax rate 20%	6 August 2019

The Group's operating revenues for the years ended 31 December 2019 and 2018, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

Consolidated financial statements								
Promoted operations								
Investment promotional privileges under the Investment Promotion Act B.E. 2520		Investment promotional privileges under the Investment Promotion Decree B.E. 2558		Non-promoted operations		Total		
2019	2018	2019	2018	2019	2018	2019	2018	
Sales								
Domestic sales	5,242,490	4,491,559	3,335	-	4,850,894	5,192,004	10,096,719	9,683,563
Export sales	-	-	-	-	1,154,863	716,886	1,154,863	716,886
Total sales	5,242,490	4,491,559	3,335	-	6,005,757	5,908,890	11,251,582	10,400,449

24. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of shares for the year ended 31 December 2018 to reflect the change in the number of shares as a result of the change in the par value in April 2018. In this respect, the number of ordinary shares was adjusted as if the share split had occurred at the beginning of the first reporting period.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Profit attributable to equity holders of the Company (Thousand Baht)	513,554	496,170	508,439	604,359
Weighted average number of ordinary shares (Thousand shares)	694,444	543,151	694,444	543,151
Earnings per share (Baht per share)	0.74	0.91	0.73	1.11

25. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group's operations involve the business of manufacture and distribution of glass containers. This is only industry segment in which the Group mainly operates and almost entire revenues are generated from this segment. As such, no segmental bifurcation is applicable since the operations are mainly limited to only one aforesaid segment. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the consolidated financial statements.

Geographic information

The Group mainly operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2019, the Group has revenue from a customer group and a major customer in amount of Baht 6,397 million and Baht 1,489 million, respectively (2018: Baht 6,132 million and Baht 1,486 million, respectively).

26. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of 4 - 7 percent of basic salary and benefit received. The fund, which is managed by SCB Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the years 2019 and 2018 of the Group amounting to approximately Baht 33 million and Baht 26 million, respectively (The Company only: Baht 13 million and Baht 7 million, respectively) were recognised as expenses.

27. Dividends

The Company declared dividends during the years ended 31 December 2019 and 2018 as follows.

Dividend	Approved by	Dividends paid (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2018	The Company's Annual General Meeting of the shareholders on 26 April 2019	83,334	0.12
Interim dividends for 2019	The Company's Board of Directors' Meeting on 14 May 2019	83,333	0.12
Interim dividends for 2019	The Company's Board of Directors' Meeting on 9 August 2019	62,500	0.09
Interim dividends for 2019	The Company's Board of Directors' Meeting on 11 November 2019	62,499	0.09
Total dividends for 2019		<u>291,666</u>	

Dividend	Approved by	Dividends paid (Thousand Baht)	Dividend per share (Baht)
Interim dividends for 2018	The Company's Board of Directors' Meeting on 14 August 2018	300,000	0.60
Interim dividends for 2018	The Company's Board of Directors' Meeting on 14 November 2018	41,666	0.06
Total dividends for 2018		<u>341,666</u>	

28. Commitment and contingent liabilities

28.1 Capital commitments

As at 31 December 2019, the Group had capital commitments amounting to Baht 38 million, and EUR 1 million (2018: Baht 53 million, EUR 0.3 million and JPY 81 million) and the Company only amounting to Baht 7 million and EUR 0.1 million (2018: Nil), related to the construction of warehouses, building renovation, acquisition of machinery and develop system.

28.2 Operating lease and service commitments

The Group has entered into several lease agreements in respect of the space rental, lease of motor vehicles and equipment and service agreements. The terms of the agreements are generally between 1 and 10 years. In addition, the Company has entered into office space rental and service agreement with parent company. The Group has entered into land rental agreement with parent company on which to locate their factory and office buildings of the Group.

As 31 December 2019 and 2018, the Group has future minimum lease payments required under these operating leases contracts and service agreements were as follows.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Payable:				
In up to 1 year	116	75	48	11
In over 1 and up to 5 years	165	159	50	16
In over 5 years	85	90	-	-

28.3 Commitments of service contracts

28.3.1 The Company entered into a service agreement with the parent company in related to management and general supporting. The service rates are as stipulated in the agreement. The term of the agreement is 1 year and it can be renewed for further terms of 1 year each. During the year 2019, the Company paid service expenses amounting to Baht 57 million (2018: Baht 55 million).

28.3.2 The Group entered into a service agreement with the parent company in relation to a computer software system. The term of the agreement is 5 years and the service rates are as stipulated in the agreement. During the year 2019, the Group had service expenses amounting to Baht 28 million (2018: Baht 24 million).

28.4 Long-term purchase commitments

28.4.1 The Group entered into forward contracts with a limited partnership for purchases of raw materials for 5 and 10 years with two related companies and 10 years with an unrelated company. The volumes and prices of the purchases are as stipulated in the memorandum and agreements. The contracts are valid up to 31 December 2023, 30 June 2027 and 30 June 2023, respectively.

28.4.2 Three subsidiaries had commitments under agreements to purchase fuel from an unrelated company, with the quantities, prices and related costs as stipulated in the agreements. The terms of the agreements are 5 years, 10 years and 10 years, valid until 30 September 2022, 30 June 2020 and 30 June 2028, respectively.

28.5 Commitments in respect of electricity plant agreements

28.5.1 An indirect subsidiary has entered into telecommunication service agreement for solar electricity plant project with a service provider in Vietnam. The agreement has a term of 3 years, with a total contract value of VND 3,597 million, and is effective until 5 May 2022.

28.5.2 An indirect subsidiary has entered into service agreement in related to management supporting for solar electricity plant project with a service provider in Vietnam. The agreement has a term of 3 months, with a total contract value of VND 175 million, and is effective until 31 March 2020.

28.5.3 An indirect subsidiary has entered into agreement in related to management and maintenance of transmission line for solar electricity plant project with a service provider in Vietnam. The agreement has a term of 1 year, with a total contract value of VND 3,280 million, and is effective until 31 December 2020.

28.5.4 An indirect subsidiary had commitment under agreement to purchase electricity from an unrelated party, with the volume, price and related costs as stipulated in the agreement. The agreement has a term of 5 years and is effective until 27 May 2024.

28.6 Guarantees

As at 31 December 2019, the Group had outstanding bank guarantees of approximately Baht 101 million (The Company only: Nil) (2018: Consolidated financial statements: Baht 100 million, The Company only: Nil). They were issued by the banks on behalf of the Group in respect of certain performance bonds as required in the ordinary course of its business. These mainly included letters of guarantee to guarantee electricity use, fuel oil and waste water treatment.

28.7 Letter of credit

As at 31 December 2018, subsidiaries have outstanding commitments of approximately EUR 0.07 million (2019: Nil) under letter of credit, relating to acquisition of machinery.

29. Financial instruments

29.1 Financial risk management

The Group's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, loan receivables, investments, trade and other payables and short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans and other receivables. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. However, the Group is exposed to concentrations of credit risk with respect to trade receivables because it sells most of its products to the group of companies that are major shareholders. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivable, loans and other receivables as stated in the statement of financial position.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, loan receivables and short-term and long-term borrowings with interest. However, most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December 2019					
	Fixed interest rates					
	Within 1 year	1-5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>						
Cash and cash equivalents	-	-	81.4	181.1	262.5	0.37 - 0.375, USD 0.05, VND 0.20 - 0.30
Trade and other receivables	-	-	-	1,379.4	1,379.4	-
	-	-	81.4	1,560.5	1,641.9	
<u>Financial liabilities</u>						
Short-term loans from banks	3,789.0	-	-	-	3,789.0	1.55 - 1.70
Trade and other payables	-	-	-	1,203.2	1,203.2	-
Short-term loan from related party	300.2	-	-	-	300.2	7.00
Long-term loans from banks	1,105.2	4,626.0	-	-	5,731.2	2.80 - 5.69
	5,194.4	4,626.0	-	1,203.2	11,023.6	

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December 2018					
	Fixed interest rates					
	Within 1 year	1-5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>						
Cash and cash equivalents	-	-	9.3	135.6	144.9	USD 0.05
Trade and other receivables	-	-	-	1,351.3	1,351.3	-
	-	-	9.3	1,486.9	1,496.2	
<u>Financial liabilities</u>						
Short-term loans from banks	5,044.0	-	-	-	5,044.0	1.95 - 2.16
Trade and other payables	-	-	-	1,025.3	1,025.3	-
Long-term loans from banks	977.0	1,964.5	-	-	2,941.5	2.80 - 2.95
	6,021.0	1,964.5	-	1,025.3	9,010.8	

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2019					
	Fixed interest rates					
	Within 1 year	1-5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>						
Cash and cash equivalents	-	-	7.5	56.8	64.3	USD 0.05
Trade and other receivables	-	-	-	865.5	865.5	-
Short-term loans to related party	164.0	-	-	-	164.0	2.85
Long-term loans to related party	-	741.7	-	-	741.7	2.85
	164.0	741.7	7.5	922.3	1,835.5	
<u>Financial liabilities</u>						
Short-term loans from banks	1,973.0	-	-	-	1,973.0	1.55 - 1.67
Trade and other payables	-	-	-	1,887.0	1,887.0	-
Short-term loans from related parties	428.1	-	-	-	428.1	1.60
Long-term loans from banks	500.0	2,000.0	-	-	2,500.0	2.95 - 3.12
	2,901.1	2,000.0	-	1,887.0	6,788.1	

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2018					
	Fixed interest rates					
	Within 1 year	1-5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>						
Cash and cash equivalents	-	-	9.3	39.4	48.7	USD 0.05
Trade and other receivables	-	-	-	569.3	569.3	-
Short-term loans to related parties	968.0	-	-	-	968.0	2.85
	968.0	-	9.3	608.7	1,586.0	
<u>Financial liabilities</u>						
Short-term loans from banks	2,509.0	-	-	-	2,509.0	1.95 - 2.16
Trade and other payables	-	-	-	1,688.7	1,688.7	-
Short-term loans from related parties	316.0	-	-	-	316.0	2.16
Long-term loans from banks	500.0	1,000.0	-	-	1,500.0	2.95
	3,325.0	1,000.0	-	1,688.7	6,013.7	

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from trading transactions and machine import that are denominated in foreign currencies. As at 31 December 2019 and 2018, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2019	2018	2019	2018	2019	2018
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	12.2	6.0	62.1	0.1	30.15	32.45
Euro	0.4	0.4	0.9	1.6	33.73	37.13
VND	98,786.8	14.9	37,914.6	-	0.001	0.001

As at 31 December 2019 and 2018, the Group has no outstanding foreign exchange forward contracts.

29.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature, loan receivables and loans borrowings carrying interest at rates closed to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

30. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2019, the Group's debt-to-equity ratio was 2.09:1 (2018: 1.86:1) and the Company's was 1.45:1 (2018: 1.32:1).

31. Events after the reporting period

- 31.1 On 9 January 2020, the Company additionally acquired 107,380 newly issued ordinary shares of BS Glass Recycling Co., Ltd. for a total amount of Baht 10.7 million. The share capital increase does not have an impact on the Company's shareholding in such company.
- 31.2 On 27 February 2020, a meeting of the Company's Board of Directors passed a resolution approving the payment of a dividend to its shareholders from the Company's operating profit of the year 2019. Since the Company's Board of Directors previously approved an interim dividend amounting to Baht 208 million, the remaining dividend payment of 694.44 million ordinary shares is Baht 0.142 per share, amounting to Baht 99 million. The Company's Board of Directors will propose the dividend payment for approval by the 2019 Annual General Meeting of the Company's Shareholders in April 2020.

32. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2020.

General Information of the Company and References //

1. General Information of the Company

Name of Securities	BG Container Glass Public Company Limited
Symbol	BGC (listed in the Stock Exchange of Thailand)
Registration Number	0107561000099
Type of Business	Distribute, export and import glass containers as well as invest in production and distribution of glass container business through the Company's subsidiaries.
Registered Capital	3,472,220,000.00 Baht
Paid-Up Registered Capital	3,472,220,000.00 Baht
Number of Ordinary Shares	694,444,000 Shares
Par Value	Ordinary Share at 5.0 Baht per Share
Preference Shares	- None -
Accounting Period	1 January - 31 December
Location of Head Office	47/1 Moo 2, Buengyeetho, Thanyaburi, Pathumthani 12130
Contact	<p>Head Office</p> <p>Telephone +66 (0) 2834 7000</p> <p>Facsimile +66 (0) 2834 7021</p> <p>E-mail Contact@bgc.co.th</p> <p>Company Secretary</p> <p>Telephone +66 (0) 2834 7110</p> <p>E-mail CS@bgc.co.th</p>

Website

Investor Relations

Telephone +66 (0) 2834 7004

E-mail IR-BGC@bgc.co.th

www.bgc.co.th

2. Information of References

Securities Registrar

THAILAND SECURITIES DEPOSITORY Co., Ltd.

Address

93, 14th Floor, Ratchadaphisek Road, Din Daeng
Sub-district, Din Daeng District, Bangkok Metropolis
10400

Telephone

+66 (0) 2009 9999

Website

<https://www.set.or.th/tsd>

Auditor

EY OFFICE COMPANY LIMITED

By Miss Vissuta Jariyathanakorn, Certified Public
Accountant No. 3853;

or Mrs. Poonnard Paocharoen, Certified Public
Accountant No. 5238;

or Miss Manee Rattanankit, Certified Public
Accountant No. 5313

Telephone

+66 (0) 2264 0777

Website

www.ey.com/en_th



BG Container Glass Public Company Limited

BG Container Glass Public Company Limited

47/1 Moo 2 Rangsit-Nakornnayok Rd., Km.7 Buengyeetho,
Thanyaburi, Pathumthani 12130

T +66 (0) 2834 7000

F +66 (0) 2834 7021

www.bgc.co.th