

# BGC



ANNUAL REPORT  
2020

# THZ W THZ N O C



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INVENT TO  
INSPIRE



# Message from Chairman



(Pornwut Sarasin)

Chairman of the Board of Directors



What was happened in 2020 had extremely challenged the Company's operations, our personnel in all levels were well united in driving our business forward amidst this crisis.

Even if the overview reflected most of domestic business were affected, with a flexible and agile business strategy along with the vision focusing on business risk diversification of BG Container Glass Public Company Limited, we are capable to quickly cope and adapt ourselves to the situation, resulting in a total income of 10,968 million baht, net profit of 516 million baht, we have continued to make profit under the key factors including the production management in compliance with the customer needs, and the growth of renewable energy businesses in foreign countries on target achievement.

Based on our 2021 growth plan, the Company has emphasized the Customer Centric strategy along with the export expansion to customers with good profit margins. Additionally, we are also looking for the merger with any packaging business enabling us to expand our glass packaging business, leading to the Total Packaging Solutions.

On behalf of the Board of Directors, I would like to take this opportunity to deliver our gratitude to all shareholders, business partners, parties involved and employees for assistance and support always given to the Company's operations. We are strongly committed to uphold our business conduct under the principles of ethics and good corporate governance in order to create all-around sustainability for our Company and all stakeholders. Thank you very much.



# / 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

BGC aims at building satisfactions among all groups of stakeholders with an emphasis on the following matters:

**Financial:** Maximizing benefits and returns for all stakeholders.

**Customer:** Delivering quality products with world-class standard and excellent service at a competitive price.

**Business partnership:** Aiming at doing business with partners on the basis of long-term trust and relationship.

**Work process:** Implementing modern technology operated by professional experts at each work process.

**Personnel:** Aiming at developing the personnel, promoting team working and creating employee engagement with an entrepreneurial spirit.



# 2020 Highlights

**No. 1**

*manufacturer of the  
glass containers  
in Thailand.*

**Sales  
Revenue<sup>1</sup>**

**10,968**  
*Millions Baht*

**Net  
Profit<sup>2</sup>**

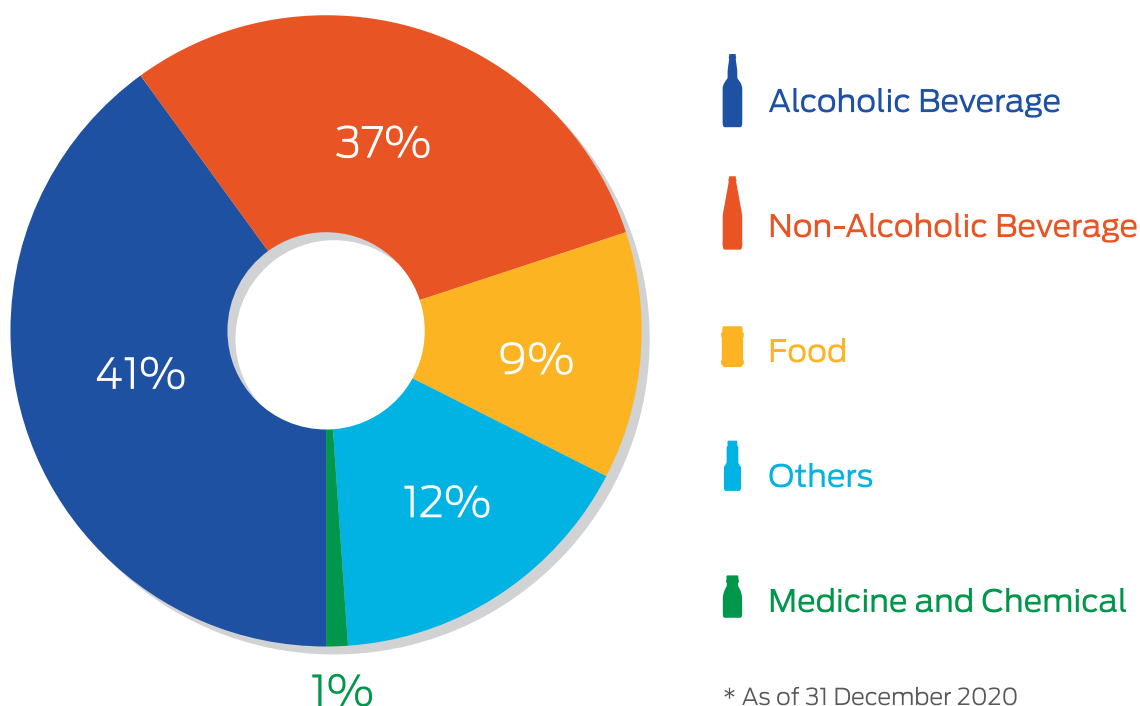
**516**  
*Millions Baht*

Remarks:

<sup>1</sup> Sales revenue from sales of packaging and energy

<sup>2</sup> Profit attributable to equity holder of the Company

## Glass - Sales Proportion (Tons)



\* As of 31 December 2020



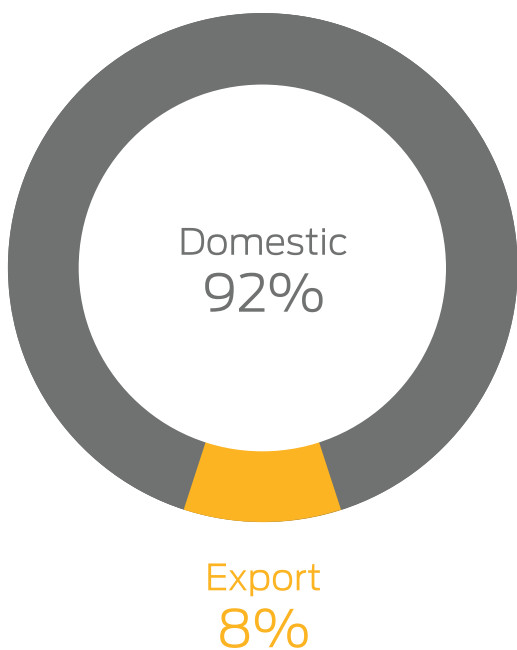
## Maximum Production Capacity

3,495 Tons/Day

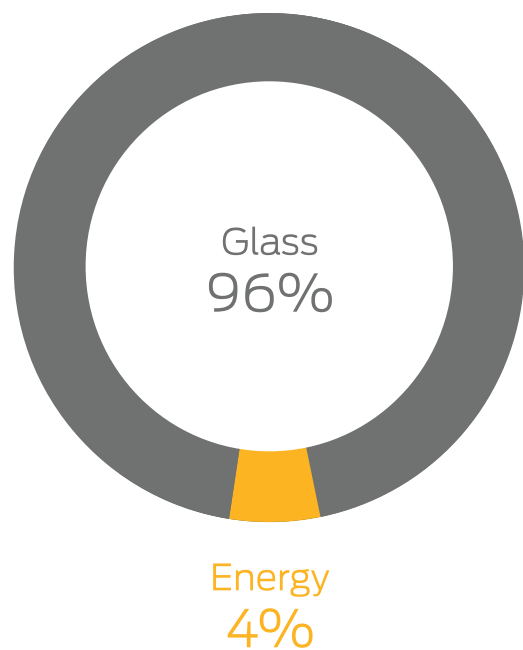


### Network of the Manufacturing and Transportation to the Extent of the Strategic Areas

Sales Distribution  
(Tons)



Proportion of Total Sales Revenue  
(Millions Baht)



\* As of 31 December 2020

# / Summary of Financial Information

Significant Financial Information	Consolidated financial statements		
	2018	2019	2020
Total assets (Million Baht)	14,729.0	17,391.7	17,948.9
Total liabilities (Million Baht)	9,571.2	11,989.9	11,790.5
Total shareholders' equity (Million Baht)	5,157.7	5,941.8	6,158.5
Sales (Million Baht)	10,400.4	11,251.6	10,968.0
Total revenues (Million Baht)	10,521.8	11,318.4	11,022.4
Net Profit (Million Baht)	496.2	511.6	516.4
Earnings per share (Baht)	0.91	0.74	0.74
Dividend per share (Baht)	0.18	0.42	0.48
Issued and paid up ordinary shares (Million shares)	694.444	694.444	694.444
Par value (Baht)	5	5	5
<b>Financial Ratio</b>			
Current ratio (times)	0.5	0.6	0.6
Return on total assets (%)	3.8	3.2	3.3
Gross profit margin (%)	16.3	15.3	18.7
Net profit margin (%)	5.0	4.7	5.3
Return on equity (%)	12.8	9.5	9.7
Debt to equity ratio (times)	1.9	2.0	1.9
Interest coverage ratio (times)	10.4	13.6	8.4

# / 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 sales and 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.



## 4. Customer Relationship Management

The company is engaged in the production and distribution of packaging to business customers (B2B) in the food and beverage sector. Under the changing circumstances and increasing competition, the Company realizes the importance of building confidence and good relationship with sustainable customers. Therefore, the customer relationship management has been developed to be more efficient as follows:

- 1) To Set quantitative goal for improving customer satisfaction. (A target of 86% customer satisfaction level in 2020 and the result achieved this year, with customer satisfaction level was 88.1 percent which is better than the target.)
- 2) To evaluate customer satisfaction.
- 3) The evaluation results are analyzed to develop and improve the Company's products/services/business processes.





# Profile of the Directors, Executives, Regulator, and Company Secretary



## Mr. Pornwut Sarasin

Age 61 years old

Chairman of the Board of Directors

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 Company<sup>1</sup> 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<br>Chairman of the Board of Directors |
| 2015 - Present | Crown Seal Public Company Limited<br>Director                                   |

2015 - Present	Home Products Center Public Company Limited Director
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2009 - Present	AP (Thailand) Public Company Limited Director
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2529 - Present	Charoong Thai Wire & Cable Public Company Limited Independent Director / Chairman of the Audit Committee
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Position in non-listed company

2014 - Present	Bangkok Glass Public Company Limited Director
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Position in other business which is a non-listed company 21 Companies

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



## Mr. Pavin Bhirom Bhakdi

Age 45 years old

Director / Chairman of the Executive Committee /

Member of the Nomination and Remuneration Committee /

Authorized Signatory Director

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 Company<sup>1</sup>

- Direct shareholding of 1,000,020 shares or 0.14% and indirect shareholding through Pavin & Child Co., Ltd. of 1,110,000 shares or 0.16%
- Direct shareholding of spouse and minor children of 620,000 shares or 0.09% and indirect shareholding of through Pavin & Child Co., Ltd. of 369,999 shares or 0.05%

### 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 8 Companies

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



## Mr. Silparat Watthanakasetr

Age 50 years old

Director / Executive Director / Member of the Corporate Governance Committee / Chief Executive Officer / Authorized Signatory Director

Appointment Date 21 March 2018

### Educational Background

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

2017

Ocean Glass Public Company Limited

Managing Director

2016 - 2017

Ocean Glass Public Company Limited

General Manager / Managing Director (Acting)

### Training Courses organized by Thai Institute of Directors (IOD)

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

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

### Ratio of Shareholding in the Company<sup>1</sup> None

### Family Relationship between Director and Executive

None

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



## Mrs. Amarat Puvaveeranin

Age 63 years old

Director / Executive Director / Authorized Signatory Director

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 Certification Program (DCP) Class 298/2020
- Directors Accreditation Program (DAP) Class SET/2012

### Ratio of Shareholding in the Company<sup>1</sup>

- Direct shareholding of 20 shares 0.00%

### Family Relationship between Director and Executive

None

### Position in non-listed company

2015 - Present Bangkok Glass Public Company Limited

Senior Vice President

2010 - 2015 Bangkok Glass Public Company Limited

Assistant President, Finance and Account Division

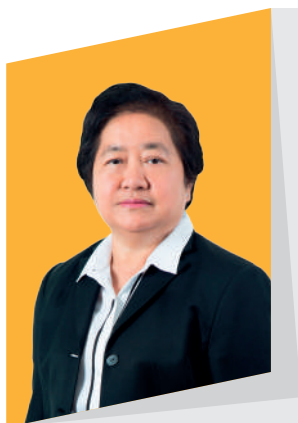
Position in other business which is a non-listed company 12 Companies

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

### Working Experience in the past 5 years

Position in listed company

2016 - Present BG Container Glass Public Company Limited  
Director / Executive Director



## Mrs. Suttharug Panya

Age 66 years old

Independent Director / Vice Chairman / Chairman of the Audit Committee

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)

- Board Matters and Trends สัปดาห์ 9/2020
- Ethical Leadership Program (ELP) Class 16/2019
- Advanced Audit Committee Program (AACP) Class 23/2016
- Director Certification Program (DCP) Class 45/2004

Ratio of Shareholding in the Company<sup>1</sup> 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

2020 - Present Pico (Thailand) Public Company  
Limited

Director (Non Management)

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



## Mr. Somchai Sirivichayakul

Age 63 years old

Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee / Member of the Corporate Governance Committee

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)

- 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
- Monitoring the system of Internal Control and Risk Management (MIR) class 9/2010
- Monitoring the System of Internal Control and Risk Management (MIR) Class 10/2010
- Successful Formulation & Execution of Strategy (SFE) Class 8/2010
- Role of the Compensation Committee (RCC) Class 8/2009
- Director Certification Program Refresher Course Class 2/2009
- Audit Committee Program (ACP) Class 2/2004
- Directors Accreditation Program (DAP) Class 9/2004
- Director Certification Program (DCP) Class 44/2004

Ratio of Shareholding in the Company<sup>1</sup> 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<br>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<br>Chairman of the Nomination and Remuneration Committee  |
| 2004 - 2018    | AIS Distribution (Thailand) Public Company Limited<br>Independent Director / Member of the Audit Committee   |

Position in non-listed company

- |             |  |
|-------------|--|
| 2015 - 2016 | Strega Public Company Limited<br>Chairman of the Executive Committee / Chief Executive Officer |
|-------------|--|

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

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

Remark: <sup>1</sup> As of 31 December 2020.



## Mrs. Sunsanee Supatravanij

Age 62 years old

Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee / Chairman of the Corporate Governance Committee

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)

- Ethical Leadership Program (ELP) ๑๗/๒๐๒๐
- Advanced Audit Committee Program (AACP) 29/2018
- Corporate Governance for Executives (CGE) Class 12/2018
- Director Certificate Program (DCP) Class 129/2010
- Director Accreditation Program (DAP) 79/2009

Ratio of Shareholding in the Company<sup>1</sup> 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



## **Asst. Prof. Dr. Kasom Chanawongse<sup>2</sup>**

Age 53 years old

Director / Member of the Corporate Governance Committee

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 Company<sup>1</sup>**

- Direct shareholding of 150,000 shares or 0.02%

### **Family Relationship between Director and Executive**

None

### **Working Experience in the past 5 years**

Position in listed company

2017 - 2020	BG Container Glass Public Company Limited
	Director / 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

Remark : <sup>1</sup> As of 31 December 2020.

<sup>2</sup> Professor Assistant Dr. Kasom Chanawongse has submitted his resignation from Director, which is effective from 30 December 2020 onwards





**Mr. Wisal  
Laorsatiangul**

**Age** 49 years old

**Chief Operation Officer - Glass Container Supply Chain**

**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 Company<sup>1</sup>** 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 5 Companies

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



**Mr. Kittisak  
Chokelarptawee**

**Age** 42 years old

**Chief Operation Officer - Trading**

**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 Company<sup>1</sup>** 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



**Ms. Sirikul  
Mangkornkanok**

**Age** 37 years old

**Chief Financial Officer**

**Top person in charge of Finance and Accounting**

**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**

- CFO Refresher Course Class 1/2563  
Stock Exchange of Thailand
- 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
- 21<sup>st</sup> Course – Basic Accounting and Financial Statements Analysis  
CPD Tutor Co., Ltd.

**Ratio of Shareholding in the Company<sup>1</sup>** 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 10 Companies

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

Position in the related business of the Company's business

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



**Mrs. Anocha  
Loetjaroenwat**

**Age** 54 years old

**Chief People Officer**

**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 Company<sup>1</sup>** 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

## Mrs. Kallaya Unjai

Age 54 years old

Accounting Department Manager

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

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

- เจาะลึกวิเคราะห์งบการเงิน จัดโดย บริษัท ฝึกอบรมและสัมมนา ธรรมนิติ จำกัด วันที่เข้ารับการอบรม 18/12/2563 จำนวน 6.00 ชั่วโมง
- ภาษีสำหรับนักบัญชี “ภาษีอากรทั้งระบบ” จัดโดย บริษัท ฝึกอบรมและสัมมนา ธรรมนิติ จำกัด วันที่เข้ารับการอบรม 17/12/2563 จำนวน 6.00 ชั่วโมง
- แนวทางการจัดทำรายงานทางการเงินของบริษัทที่ได้รับผลกระทบจากเหตุการณ์ COVID-19 จัดโดย ศูนย์ส่งเสริมการพัฒนาความรู้ตลาดหลักทรัพย์แห่งประเทศไทย วันที่เข้ารับการอบรม 12/06/2563 จำนวน 3.00 ชั่วโมง

Ratio of Shareholding in the Company<sup>1</sup> 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

## Mr. Suravich Yingsithisawatt

Age 38 years old

Company Secretary

Appointment Date 12 November 2020

Educational Background

- Master's Degree: Business Management, Mahidol University
- Bachelor's Degree: Law, Bangkok University

Training Courses organized by Thai Institute of Directors (IOD)

- Company Secretary Program (CSP) Class 84/2017

Ratio of Shareholding in the Company<sup>1</sup> None

Family Relationship between Director and Executive

None

Working Experience in the past 5 years

Position in listed company

2020 - Present BG Container Glass Public Company Limited  
Company Secretary

Position in non-listed company

2018 - 2020 Bangkok Glass Public Company Limited  
Legal Department Manager

2010 - 2018 Bangkok Glass Public Company Limited  
Legal Division Manager

Ratio of Shareholding in the Company<sup>1</sup> None

Family Relationship between Director and Executive  
None

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

Working Experience in the past 5 years

Position in listed company

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

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

## Mrs. Suratchanee Benjajinda

Age 49 years old

Director - Internal Audit Office

Head of Internal Audit

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

Training Courses organized by Thai Institute of

Directors (IOD)

- Company Secretary Program (CSP) Class 113/2020
- Anti-Corruption the Practical Guide (ACPG) Class 44/2018
- Corporate Governance for Executives (CGE) Class 12/2018

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

## 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 <sup>2</sup>	Pathumthani Glass	BGCG	Ratchaburi Glass	Ayutthaya Glass	Prachinburi Glass	SPM	BSR	TWS
1. Mr. Pornwut Sarasin	C	-	-	-	-	-	-	-	-	-
2. Mr. Pavin Bhirom Bhakdi	I, IV, V	I	-	-	-	-	-	I	-	-
3. Mr. Silparat Watthanakasetr <sup>1</sup>	I, IV, VI, X	I, X	I, X	I, X	I, X	I, X	I, X	I	-	-
4. Mrs. Amarat Puvaveeranin	I, IV	I	I	I	I	I	I	I	-	-
5. Mrs. Suttharug Panya	II, III	-	-	-	-	-	-	-	-	-
6. Mr. Somchai Sirivichayakul	II, III, V, VI	-	-	-	-	-	-	-	-	-
7. Mrs. Sunsanee Supatravanij	II, III, V, VI	-	-	-	-	-	-	-	-	-
8. Asst. Prof. Dr. Kasom Chanawongse	I, VI	-	-	-	-	-	-	-	-	-
9. Mr. Wisal Laorsatiangul <sup>1</sup>	X	-	I, X	I, X	I, X	I, X	I, X	-	-	-
10. Mr. Kittisak Chokelarptawee <sup>1</sup>	X	-	-	-	-	-	-	-	-	-
11. Ms. Sirikul Mangkornkanok <sup>1</sup>	X	-	I, X	I, X	I, X	I, X	-	-	I	I
12. Mrs. Anocha Loetjaroenwat <sup>1</sup>	X	-	-	-	-	-	-	-	-	-
13. Mrs. Kallaya Aunjai <sup>1</sup>	-	-	-	-	-	-	-	-	-	-

Remark:

C = Chairman of the Board of Directors

II = Independent Director

IV = Executive Director

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

Remark: <sup>1</sup>The Company's executive under the definition of the Office of the Securities and Exchange Commission

<sup>2</sup>On 1 April 2020, Khon Kaen Glass Industry Co., Ltd. entered into an agreement to transfer the entire business at the net book value of Khon Kaen Glass Industry Co., Ltd. as at 30 April 2020 to BGC Glass Solution Co., Ltd., effective from 1 May 2020. Then, on 25 May 2020, Khon Kaen Glass Industry Co., Ltd. registered its dissolution with the Ministry of Commerce. It is currently in the process of liquidation.

## Details of the Shareholding of the Company, Directors and Executives for 2020

Name List of the Directors and Executives	Position	Number of Shares			Shareholding Proportion (%)
		As at 1 January 2020	As at 31 December 2020	Increasing (Decreasing) Change	
1. Mr. Pornwut Sarasin	Chairman of the Board of Directors	-	-	-	-
Spouse and underage children		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-
2. Mr. Pavin Bhirom Bhakdi	Director, Chairman of the Executive Committee, Member of the Nomination and Remuneration Committee, and Authorized Signatory Director	860,020	1,000,020	140,000	0.14
Spouse and underage children		60,000	620,000	560,000	0.09
Juristic persons which holding more than 30%		570,000	1,110,000	540,000	0.16
3. Mr. Silparat Watthanakasetr <sup>1</sup>	Director, Executive Director, Member of the Corporate Governance Committee, Chief Executive Officer and Authorized Signatory Director	-	-	-	-
Spouse and underage children		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-

Remark : <sup>1</sup> The Company's executive under the definition of the Office of the Securities and Exchange Commission

Name List of the Directors and Executives	Position	Number of Shares			Shareholding Proportion (%)
		As at 1 January 2020	As at 31 December 2020	Increasing (Decreasing) Change	
4. Mrs. Amarat Puvaveerarin	Director, Executive Director, and Authorized Signatory Director	20	20	-	0.00
Spouse and underage children		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-
5. Mrs. Suttharug Panya	Vice Chairman, Independent Director, and Chairman of the Audit Committee	-	-	-	-
Spouse and underage children		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-
6. 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		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-

Remark : <sup>1</sup> The Company's executive under the definition of the Office of the Securities and Exchange Commission

Name List of the Directors and Executives	Position	Number of Shares			Shareholding Proportion (%)
		As at 1 January 2020	As at 31 December 2020	Increasing (Decreasing) Change	
7. 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		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-
8. Asst. Prof. Dr. Kasom Chanawongse	Director, and Member of the Corporate Governance Committee	150,000	150,000	-	0.02
Spouse and underage children		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-
9. Mr. Wisal Laorsatiangul <sup>1</sup>	Chief Operation Officer - Glass Container Supply Chain <sup>1</sup>	-	-	-	-
Spouse and underage children		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-

Remark : <sup>1</sup> The Company's executive under the definition of the Office of the Securities and Exchange Commission



Name List of the Directors and Executives	Position	Number of Shares			Shareholding Proportion (%)
		As at 1 January 2020	As at 31 December 2020	Increasing (Decreasing) Change	
10. Mr. Kittisak Chokelarptawee <sup>1</sup>	Chief Operation Officer - Trading	-	-	-	-
Spouse and underage children		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-
11. Ms. Sirikul Mangkornkanok <sup>1</sup>	Chief Financial Officer and Person taking highest responsibility in accounting and finance	-	-	-	-
Spouse and underage children		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-
12. Mrs. Anocha Loetjaroenwat <sup>1</sup>	Chief People Officer	-	-	-	-
Spouse and underage children		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-
13. Mrs. Kallaya Aunjai <sup>1</sup>	Accounting Department Manager and the Accountancy Controller	-	-	-	-
Spouse and underage children		-	-	-	-
Juristic persons which holding more than 30%		-	-	-	-

Remark : <sup>1</sup> The Company's executive under the definition of the Office of the Securities and Exchange Commission

# / Shareholding Structure of the Corporate Group

On 1 April 2020, Khonkaen Glass Industry Co., Ltd. entered into an agreement to transfer the entire business at the net book value of Khon Kaen Glass Industry Co., Ltd. as at 30 April 2020 to BGC Glass Solution Co., Ltd., effective from 1 May 2020. Then, on 25 May 2020, Khon Kaen Glass Industry Co., Ltd. registered its dissolution with the Ministry of Commerce. It is currently in the process of liquidation.



Remark: <sup>/1</sup> On 1 April 2020, Khon Kaen Glass Industry Co., Ltd. entered into an agreement to transfer the entire business at the net book value of Khon Kaen Glass Industry Co., Ltd. as at 30 April 2020 to BGC Glass Solution Co., Ltd., effective from 1 May 2020. Then, on 25 May 2020, Khon Kaen Glass Industry Co., Ltd. registered its dissolution with the Ministry of Commerce. It is currently in the process of liquidation.

<sup>/2</sup> T.C. Pharmaceutical Industries Co., Ltd. is the joint venture party of PGI and holds the shares in a proportion of 49.0%.

<sup>/3</sup> Rayong Glass Industry Company Limited (RGI) changed its name to BGC Glass Solution Company Limited (BGCGL)

<sup>/4</sup> SPM has currently held shares in Phu Khanh Solar Power Joint Stock Company ("PKS") in a proportion of 67.0% of total shares in Phu Khanh Solar Power Joint Stock Company which is a registered incorporated company in the Socialist Republic of Vietnam to operate the solar power plant business for two projects at Phu Yen Province in the Socialist Republic of Vietnam.

<sup>/5</sup> The former shareholder is the joint venture party of BSR and holds shares in a proportion of 74.0%.

<sup>/6</sup> The former shareholder is the joint venture party of TWS and holds shares in a proportion of 75.0%.

## Details of the Subsidiaries and Associates

No.	Company's name	Location	Type of business	Paid-up capital (Thousands Baht)	Shareholding proportion (Percent)
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.	1,190,353	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.	900,000	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.	3,000,000	100

No.	Company's name	Location	Type of business	Paid-up capital (Thousands Baht)	Shareholding proportion (Percent)
4	Prachinburi Glass Industry Co., Ltd.	25150 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.	600,000	51
5	BGC Glass Solution Co., Ltd. (BGCG)	47/1 Moo 2, Rangsit-Nakornnayok Rd., Km.7, Buengyeetho, Thanyaburi, Pathumthani 12130 12130 Thailand Phone : +66 (0) 2834 7000 Fax : +66 (0) 2834 7021	Production of Glass Bottle Packaging for Beer beverage	525,000	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.	1,500,000	100
7	Solar Power Management (Thailand) Co., Ltd. (SPM)	51/29,51/61, Vibhavadi Rangsit 66 (Sayam Samakkhi) Alley, Talat Bang Khen, Lak Si, Bangkok 10210	Holding business by investing in an alternative energy business.	20,000	100
8	Phu Khanh Solar Power Joint Stock Company	Phu Yen Province Socialist Republic of Vietnam	Production and distribution of electric power, solar cells	1,079,300	67
9	BS Glass Recycling Co., Ltd. (BSR)	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.	20,000	26

No.	Company's name	Location	Type of business	Paid-up capital (Thousands Baht)	Shareholding proportion (Percent)
10	Taweesup (Jew Ja Heng) Co., Ltd. (TWS)	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.	50,000	25

# / Nature of Business Operation

## 1. Overall Business Operations

The Company 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.

## 2. Revenue Structure

The details of the Corporate Group's revenue structure as of 31 December 2019 and 2020 are as follows:

Revenue structure	For the accounting period as of 31 December	
	2019	2020
	%	%
<b>Revenue from sales of packaging containers</b>		
- Beer	43.0	41.0
- Non-alcoholic drinks (Soft Drinks)	34.8	37.1
- Food	9.2	9.4
- Pesticide and medicine	0.9	0.9
- Other types of bottles <sup>(1)</sup>	12.1	11.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

Remark <sup>(1)</sup> other types of bottles, mostly bottles for energy drinks, liquor, wine, and standardized glass

## 3. Type of Products or Services

### 3.1 Company 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 2020, glass packaging market in Thailand and the use of glass containers stood at 13,360.3 million units, increasing in 2013 with total glass container use of 12,630.1 million units, representing Compound Annual Growth Rate (CAGR) of 0.9%, upon estimation on quantity basis).

GlobalData Plc. Predicted that the market value and use of glass containers in Thailand will rise to 14,725.1 billion units in 2024, or representing Compound Annual Growth Rate (CAGR) of 2.2%, 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) Sustainable Packaging: 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.
- 2) 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.
- 3) 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.
- 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.

### 3.2.4 The Impact from COVID-19 Pandemic on Glass Packaging Containers

In 2<sup>nd</sup> quarter of 2020, the Company's sales revenue was disrupted in the economic activities and enforcement measures a ban on alcohol by the Government. Moreover, the pandemic of corona virus (COVID-19) resulting to lack of container and the increasing of sea-freight, which impact to export sales slowdown in 4<sup>th</sup> quarter of 2020. However, the Company's sales revenue was meet the target goal in 2020.



# / Information of Securities and Shareholders

## 1. Number of the Registered and Issued and Paid-Up

The Company's total registered and issued and paid-up 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 2020

List of Shareholders	Number of Shares (Shares)	Shareholding Proportion (%)
1. Bangkok Glass Public Company Limited	500,178,520	72.03%
2. Allianz Ayudhya Assurance Public Company Limited	13,753,000	1.98%
3. Thai NVDR Co., Ltd.	13,045,204	1.88%
4. Mr. Parinya Tianworn	6,900,000	0.99%
5. Thai Life Insurance Public Company Limited	6,784,200	0.98%
6. Bualuang Siriphon Corporate Governance Fund	5,947,000	0.86%
7. KKP SMALL AND MID CAP EQUITY Fund	5,435,900	0.78%
8. Bualuang Siriphon Corporate Governance RMF	5,195,500	0.75%
9. Bualuang Income Fund	5,130,700	0.74%
10. TOA Group Holding Company Limited (O) by SCB Securities Co., Ltd.	4,498,600	0.65%
<b>Total</b>	<b>566,868,624</b>	<b>81.63%</b>

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 2020, the said held shares have been 13,045,204 shares or 1.88% 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 in the way that by course of conduct, 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 Enterprise Risk Management contributes to support and promotion to make the Company ready to rapidly adapt in order to cope with the risks both from internal and external factors in advance. This is important as an aid in the goal attainment of the Company's business operation. In addition, the

Company also continuously emphasizes to build an awareness on the risk management to all employees in the Company and aims for having the efficient risk management for value addition to the Company and all groups of its stakeholders, and contribution to the Company's ability of sustainable growth.

## Enterprise Risk Management Framework

The Company's Enterprise Risk Management is conforming to the international standards. The Company's Enterprise Risk Management Framework consists of formulation of strategy, determination of clear objectives and Degree of Risk Appetite of the Company to ensure that the risk management takes place in the same direction all over the Company, and determination of the Company's structure and responsibility of risk management by setting up the Risk Management Sub-Committee to perform the duty in screening the risk issues, mutually considering the

likelihood and impact, determining a control measure, a person in charge, and a risk management guideline in the overview of the Company, as well as supervising and monitoring, taking action to prevent or mitigate loss, adjusting the risk management strategies to be suitable for the Company's situations and reporting to the Audit Committee. The Audit Committee performs its duty in reviewing the risk management efficiency to ensure that the risks are efficiently and effectively managed to be consistent with the determined guideline.

## Risk Management

The Company adopts the Enterprise Risk Management Framework in operations. The risk management process can be studied in "Risk Management Manual". The main process consists of risk identification, risk assessment, determination of management measure, and determination of Key Risk Indicator (KRI), risk supervision, monitoring, and reporting. The Risk Management Sub-Committee reviews, considers, and screens the list of the Company's risks, and risk management plan to be consistent with the changing business strategies and environment, as well as supervises, monitors, and quarterly considers

commenting and suggesting in the risk issues to the management for the management improvement to ensure the goal attainment of the Company's operations, and reports the results to the Audit Committee.

The Company's business expansion has tended to focus on the investment in new business with the investment policy in type of Mergers and Acquisitions (M&A) to enhance the channel of the entry into new industry, and increase sales volume, and add the market share from the existing customer base. The Company establishes the investment policy in type M&A to contribute to time and cost saving in new study

and investment by the Company from the beginning, covering the risk management, and contribute to mitigation of the investment risk. However, the risks considered by the Company includes Financial Risks in acquisition of the source of capital to be adequate for the capital requirement, and maintenance of the appropriate Interest-Bearing Debt to Equity Ratio only. The Company mainly realizes on the environmental, social, and good governance risks to expect positive effect on the society and creation of the Company's sustainable growth. In 2020, to have systematic and continuous enterprise risk management, and ability to

manage the potential risks in the future, the Company, therefore, develops and improves the risk management system to be consistent with both internal and external changes of the Company, and also considers determining the guideline, procedure, and channel of the communication to make all employees understand the principles and processes of the risk management, and make the operators acknowledge the steps and processes of the risk management planning to comply with the systematic and continuous risk management process.

## Key Risks of the Company due to Both Internal Factors and External Factors

### Internal Risks

The Company has the factors of the risks controllable by the Company covering the following.

- **Strategic Risks** : The risks are caused from the operating planning, improper strategic planning with the working environment, or failure to attain the Company's objectives after implementation. Such factors are managed by the following procedures, such as determination of the investment policy, efficient feasibility and worthiness analysis of the project, business partner readiness analysis to support the continuous expansion of the Company, development of quality personnel to be consistent with the business expansion, setting of the team to thoroughly study the data relating to the business operation in each country before making decision in investment, joint venture with the potential business allies, acquisition of the source of capital to be adequate for the capital requirement, and maintenance of the appropriate Interest Bearing Debt to Equity Ratio, etc.
- **Operational Risks** : The risks that affect the Company's operations as the result of the error due to the operations of the related personnel in all levels under the processes. Such factors are managed by the following procedures, such as determination of the Company's structure, segregation of the clear duties and responsibilities, preparation of the work manual, determination to regularly have the audit system and internal control system, determination of Key Performance Indicators (KPIs), determination of the security policy of the information system and information data, and preparation of Business Continuity Management (BCM) Plan, etc.
- **Compliance Risks in Rules, Regulations, and Laws** : The risks from non-compliance with the rules and regulations prescribed from inside and outside the Company, including the relevant laws. Such factors are managed by the following procedures, such as determination of the compliance policy, and communication to all employees for compliance, determination

of closely monitoring and reporting the change in the public sector policies, rules, regulations, and laws in the countries where the Company enter to operate the business, etc.

- **Financial Risks :** The risks due to the fluctuation of the financial variables, exchange rate, interest rate, and financial liquidity, affect the Company's financial position. Such factors are managed by the following procedures, such as the Company's adoption of the appropriate financial tools, analysis on quality and customer solvency, and review on the customer financial position, etc.

### External Risks

The risks which are uncontrollable by the Company, such as economic, social, and political conditions, climate change, business competition situation, customer requirement, natural disaster, including laws

and administrative rules. The said factors are managed by the following procedures.

- Making insurances;
- Preparing Business Continuity Management (BCM) Plan to ensure that the business can be continuously operated under the state of crisis;
- Promoting the good corporate governance throughout the business cycle of goods and services;
- Setting team in closely monitoring the economic, social, and political situations, laws and rules relating to the business operations both in the country and foreign levels to acquire data for situational analysis for the events that may affect the Company's business operations in time for preparing the risk management plan to appropriately support the occurring impact.

## Key Business Operation Risks and Risk Management Strategies

### Internal Risks

#### 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.

#### 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.

#### 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.

#### 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 measures to monitor the risk of which the rate of labor cost and transportation cost may increase in the future.

#### 5. 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. Including the Company has been prepared a succession plan for important positions.

#### 6. Risk of compliance with laws, rules, and requirements

In the Company's business operations, it is necessary for the Company to have the significant licenses which are continuously effective and enable to comply with the conditions prescribed in the licenses. However, the Company has continuously organized trainings and provided knowledge to its employees relating to the industrial industry. In addition, the Company has regularly contacted the administrative agencies. Therefore, the Company can acknowledge and understand the practice pursuant to the said related agencies' requirements. However, up to 31 December 2020, the Company has never confronted with the problem in compliance with the conditions of the licenses at all.

#### 7. 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.

#### 8. 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.

In addition, the Company places great emphasis on financial discipline and continually focuses on maintaining good relationships with institutional investors in the capital and money markets so that investors have confidence and trust in their operations.

### External Risks

#### 9. 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.

#### 10. Risk of change in the public sector policy and other administrative agencies in the countries where the Company operates its business

The Company has invested in the solar power business in Vietnam. In the case of uncertainty of the political stability, and adjustment of the public sector management, there may be the change in laws, rules, and criteria. The said change may affect

the determined conditions pursuant to the concession contract and affect the Company's operations.

#### 11. Risk of weather, natural disaster, or any other incidents beyond control

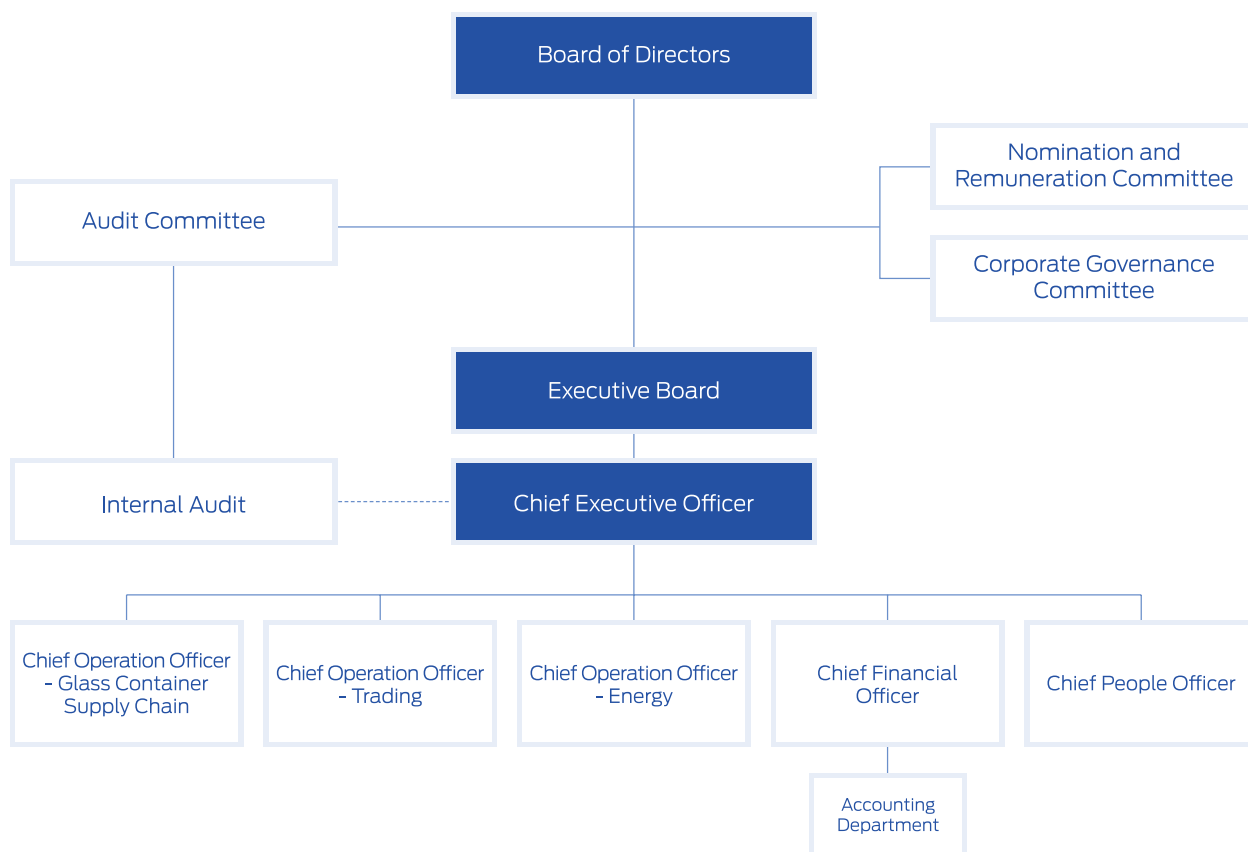
The yearly changing tendency of the current weather, and the occurrence of natural disaster have affected the Company's properties, life of the employees, possibly causing the interruption of the Company's business, or failure to continuously operate. The Company has made the insurance that covers damage due to natural disaster for all projects of the Company to reduce the occurred financial damage. In addition, the Company has also prepared the Business Continuity Plan (BCP) for managing in the emergency situation to support and mitigate the impacts from the event of emergency or the event of crisis.

#### 12. Risk from wide disease outbreaks

From the worldwide COVID-19 pandemic situation since 2020 up to present, it has affected the life and health of the employees, business doing of the Company and economy in wide area. Even though, the current daily new case rate of Thailand has been in low level and the public sector has relieved the measures. The likelihood of the new wave of the COVID-19 pandemic may occur. Therefore, the Company has issued a control and preventive measure for its employees to manage risk to be in the controllable degree through the order of the Business Continuity Management Committee.

# / Business Structure

## 1. Organization Chart





## 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 4 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

Board of Directors is a person group with knowledge, ability and experience in business operations in a variety of areas (Diversity Matrix) who have been appointed by the shareholders. There are no more than 12 people, consisting of independent directors. Non-executive director and executive directors. There are the number

of independent directors according to the regulations set by the regulator, which has an amount that has been properly balanced. In 2020, the Company's board of directors consists of 8 members, 5 of which are male and 3 females. There are amounts that are suitable for the business conditions of the company, and all directors have work experience or have worked in the top management positions of business units, as well as graduated in business administration, accounting, finance, engineering, marketing, and economics. This makes the composition of the board of directors of the company come from various professions and cover all aspects appropriately. With the following components:

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

The details of Board of Directors as per below:

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 Audit Committee/ Head of Independent Director	Independent Director
3. Mr. Somchai Sirivichayakul	Chairman of Nomination and Remuneration Committee	Independent Director
4. Mrs. Sunsanee Supatravanij	Chairman of the Corporate Governance Committee	Independent Director
5. Mr. Pavin Bhirom Bhakdi	Chairman of Executive Committee	Executive Director
6. Mrs. Amarat Puvaveerani	Director	Executive Director
7. Mr. Silparat Watthanakasetr	Chief Executive Officer	Executive Director
8. Asst. Prof. Dr. Kasom Chanawongse	Director	Non-Executive Director

Each director shall hold his/her director office in not more than 5 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.

Whereas Mr. Suravich Yingsithisawatt is the Secretary of the Board of Directors.

#### Scope of Duties and Responsibilities of the Board of Directors

- 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 the member of Audit Committee consists of 3 persons, which have the complete qualifications in the Notification of Capital Market

Supervisory Board, and the relevant Notifications of the Stock Exchange of Thailand. The details as per below:

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

In 2020, the Audit Committee has performed all duties in accordance with the charter. 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, propose the appointment, and terminate of external auditors, 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) Consider investments until the Company has appointed an Investment Committee, which is authorized by the Board of Directors. To consider and approve investment projects proposed by the Executive Committee before seeking approval from the Board.
- 10) Review and update the Audit Committee Charter to be up to date and suitable for the company environment at least once a year.
- 11) 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 3 persons as per below detail.

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

Remark : <sup>1</sup>Independent Director

Whereas Mrs. Anocha Loetjaroenwat is the Secretary of the Nomination and Remuneration Committee.

#### Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

- 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 and screen people to serve as a director or management of a subsidiary, and defining the scope of duties and responsibilities of the proposed subsidiaries' directors and executives. To present to the Board of Directors meeting.
  - 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) any other works as entrusted by the Board of Directors.

## 2.4 Corporate Governance Committee

The current Corporate Governance Committee consists of 4 persons as per below detail.

Name List	Position
1. Mrs. Sunsanee Supatranij <sup>1</sup>	Chairman of the Corporate Governance Committee
2. Mr. Somchai Sirivichayakul <sup>1</sup>	Member of the Corporate Governance Committee
3. Asst. Prof. Dr. Kasom Chanawongse	Member of the Corporate Governance Committee
4. Mr. Silparat Watthanakasetr	Member of the Corporate Governance Committee

Remark : <sup>1</sup> Independent Director



Whereas Mr. Suravich Yingsithisawatt is the Secretary of the Corporate Governance Committee.

#### Scope of Duties and Responsibilities of the Corporate Governance Committee

- 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 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.
- 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.

## 2.5 Executive Committee

The current Executive Committee consists of 3 persons 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. Silparat Watthanakasetr	Member of the Executive Committee

Whereas Mr. Suravich Yingsithisawatt 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

The Company's executives as defined by the Office of the Securities and Exchange Commission consist of 5 persons as follows.

Name List	Position
1. Mr. Silparat Watthanakasetr	Chief Executive Officer
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 Loetjaroenwat	Chief People Officer

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

#### Scope of Duties and Responsibilities of the Chief Executive Officer

- 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 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.

On 12 November 2020, the Board of Directors has appointed Mr. Suravich Yingsithisawatt to be the Company Secretary and in 2020, he has fully performed his duties under the defined duties.

## 5. Personnel

### 5.1 Number of the Personnel

As at 31 December 2019 and 31 December 2020, total personnel (excluding executives) of the Group of the Company has been 2,909 persons and 2,885 persons, respectively, as per detail in the following table.

Department	Number of Staffs (Persons) As at December 31		
	2019	2020	Change
Production Department	1,454	2,070	616
Quality Assurance Department	848	194	-654
Warehouse and Transportation Department	228	210	-18
Administration and Service Activity Department	106	114	8
Finance and Accounting Department	89	102	13
Human Resource Department	54	45	-9
Procurement Department	43	45	2
Management and Investor Relations Department	27	27	0
Sales and Marketing Department	40	57	17
Internal Audit Department	20	21	1
<b>Total</b>	<b>2,909</b>	<b>2,885</b>	<b>-24</b>

The number of staffs of the Group of the Company as at 31 December 2020 decreased from the number of staffs as at 31 December 2019 for 24 persons mainly from the quality assurance department due to improvements in the organizational structure, some of the quality assurance department has moved under the production department.

## 5.2 Staffs' Remuneration

The staffs' remuneration (excluding executives) of the Company and its subsidiaries for the year ended 31 December 2019 and for the year ended 31 December 2020, was Baht 1,414.0 million, and Baht 1,344.2 million, respectively. The said staffs' remuneration consists of salary, bonus, contribution of provident fund, and contribution of social security fund, etc.

## 5.3 Learning and development

For learning and development, the company has organized various training courses. Both in the form of In -House training and Public training useful for the development of employees for better efficiency. Throughout 2020, the number of courses that employees have attended, there are 331 courses and the average number of training hours per employee equals 21.88 hours.

## 5.4 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 2019 and 2020, the Group of the Company recognized the said contribution as expense for Baht 33 million and Baht 35 million, respectively.

## 5.5 Significant Labor Dispute in the Past 3 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.

# 6. Auditor appointment And audit fees

The EY Office Company Limited is the auditor of the Company. Which has been approved by the 2020 Annual General Meeting of Shareholders, is an independent auditor. They are reliable and have no relationship and / or have interest with the Company, subsidiaries, directors, major shareholders or those involved

An Audit Fee for the year 2020 in the amount of 1,560,000 baht, excluding other expenses, which

is an increased rate from 2019 in the amount of 250,000 baht or about 19% due to increasing scope of works from review working paper of Company's joint venture (taweessup (jew ja heng) Co., Ltd. and BS Glass Recycling Co., Ltd.) and provided financial statement of Company's additional affiliates (Solar Power Management (Thailand) Co., Ltd. and Phu Khanh Solar Power Joint Stock Company), and the Company had no non-audit fee for 2019 and 2020.

# / 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. Dr. 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 2020, 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 2020 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.
  - The Company had held an Annual General Meeting for Shareholders 2020 under the Covid-19 situation, where government procedure was followed strictly for the safety of Shareholders who participated in this AGM. The Company also facilitated every aspect possible for Shareholders; the meeting place was held where travelling is convenient, easily accessed through public transportation. Shareholders can delegate. Electronics registration platforms were provided for a smooth registration process, as well as other necessary facilities during

- the meeting.
- The Company received 100 percent of the quality assessment of the shareholders' meeting held in 2020 based on the assessment of the Thai Investors Association.
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. That the company has operated continuously since 2018. In addition, in 2020, the company participated in the Sustainable Development Journey project with the Stock Exchange of Thailand to enhance sustainable business operations with emphasis on policy and strategy formulation that address risks in key sustainability issues.
- Results of good corporate governance survey of listed companies in 2020 from the Thai Board of Directors Association (IOD), the company received a rating of "very good".



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 2020, 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 2020, 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 2020, such execution was not carried out.
- Right to acknowledge the important information or news of the Company. In 2020, 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 2020 Annual General Shareholders' Meeting was held on Friday 17 July 2020 at 14:00 hrs. at the conference room, 34th Floor, Singha 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 1 October 2019 to 31 December 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.
  - Electronic voting and displaying program are 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 after the Shareholders' Meeting was adjourned in that day 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 2020, 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 2020, 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 days from the transaction date. In 2020, 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 2020, 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 2020, total of 1,078 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.

#### • 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 and ESOP policy for staffs has been established for long-term care of staffs.

In 2020, the Company enhanced the potential of its staffs both in knowledge and competence, 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 2020 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.

#### - Remuneration Management and Welfare Management

The Company firstly prioritizes its staffs by establishing the staff treatment policy and guideline in all matters relating to the human resource management without discrimination whether working in any section, department, age or sex under adherence to the principle of equity management. It is to say that for internal equity, it shall be equal for the persons who work in the comparable level of work duties, responsibilities, and difficulties. For external



equity, the determination of remuneration can attract the quality personnel to be corresponding to the employment in labour market.

However, in part of the remuneration payment policy, the Company considers on the payment which is appropriate and consistent and can be competitive to the remuneration payment of the same or similar industry by regularly organizing the participation in market value survey, to be conforming to the notifications of the Ministry of Labour and Social Welfare, such as adjustment of minimum labour cost, payment of labour cost to the persons who are skilled in working and certified for skill standard. In addition, the Company has determined the measurement of KPI, Core competence, and Leadership competence for the clear and measurable assessment of the staff working performance, resulting in the payment of fair remuneration to all staffs, whereas the person with better performance should obtain a higher remuneration.

The Company provides the good welfare to its staffs by taking into account from the result of the market value survey, and the engagement survey, and the staff suggestions,

as well as the welfare management of the Company via the staff representative called the Company Welfare Committee consisting of the employer and the employee parties for considering the matters of the staff welfare to promote the Company's sustainable human resource management as maximum mutual benefit between the Company and its staffs.

#### - Human Resource Development

The Company deems that its staffs are valued assets and key factors in advancing the Company to achieve its goals, operate the business based on the setting business plan, and support the Company's future growth. Therefore, the Company continuously and systematically emphasizes on developing the personnel in all levels. The Company also focuses on creation of the opportunity in progress, learning and development. It is to say that the Company supports lifelong learning culture and creates inspiration to its staffs to be the BEST you can be. Moreover, the Company develops its staffs to be ready for adapting themselves to changes, such as adjustment of mindset, knowledge, skill, and abilities.

For 2020, the staff training reports are as follows.

Type of Course	2019			2020		
	Number of Persons	Number of Hours	Number of Average Hours per Person	Number of Persons	Number of Hours	Number of Average Hours per Person
Compulsory Course	2,082	17,408	8.36	1,805	13,572	7.52
Soft Skill Course	1,326	10,160	7.66	1,678	13,784	8.21
Technical Skill Course	1243	9,944	8.00	941	7,528	8.00

The Company also promotes the lifelong learning culture by applying the various forms of development as follows.

- Learning and Development via Experience, for instance, On the job training, and Mobility/Rotation
- Learning and Development via Exposure, for instance, Mentoring System, Coaching System, and Show and Share.
- Learning and Development via Education, Class room training, and E-learning

The Company has set up Glass Academy Unit as a work unit in supervising and developing the staff skills in all production processes to ensure that the staffs are skillful enough to properly and efficiently perform their duties, resulting in the quality of products which will be delivered to the customers according to the determined standards from the first employment day of the staff in orientation, during probation in on the job training, annual training review, organizing the competition test for skills in various areas, organizing the skill test for paying skill allowance, and developing the in-house lecturer. In addition, this work unit has been certified as the Skill Standard Testing Center for four fields consisting of Level 1 Indoor Electrician, Level 1 Industrial Technician, Level 1 Forklift Truck Machine Operator, and Level 1 Forklift Truck Operator for no more than 10 Tons Products. The more certification branch expansion has been planned in the future.

The Company also systematically establishes a succession planning process to prepare the competent personnel to be ready, under the determination of clear process, yearly review, and individual development plan for the senior management position, the critical role position, and the staffs who will be retired within 5 years period to avoid the impact on the shortage of

the potential workforce, and loss of manpower from retirement.

The care of high potential staff is another policy emphasized by the Company by establishing the Talent Management Project to retain the good skilled persons to stay with the organization for long term to ensure the business continuity and support the expanding or changing business, under the determination of the clear and systematic selection and development process.

#### - 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 of the Top Executive

The Company systematically establishes the Succession Planning Process for Top Executives, whereas the Nomination and Remuneration Committee shall mutually consider the said plan, determine the proposal for the regular and yearly review to prepare the competent personnel to be ready for the leadership continuity in assuming



the position in top level or leadership level of the organization in replacement of the primary position, and support the position which must be newly determined to be consistent with the organizational direction in the future and for the business continuity of the organization.

#### - 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.

#### - 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 3 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 Happy Wellness, Massage club for health, 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 2019 and 2020

Item	2019	2020
1. Total number of staffs who got accident (persons) without absence + with absence	45	20
2. Comparison of a ratio of accidents / 1,000 persons	13	6
3. Comparison of a ratio of absent days / 1,000 persons	915	20

Remark: A decrease in the number of accidents has been dependent on several factors as follows.

- Involvement and care on the staff safety
- Meeting between the supervisor and the staffs before work commencement, and KYT Activity

- Safety improvement activity of each factory
- Safety patrol and Night patrol of the teams
- Hazard identification and risk assessment
- Audit on both Internal and External Systems

#### - Educating and Training Staffs on Safety and Occupational Health in Workplace in 2020

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.

#### - Others (if any) such as Activities/ Trainings on ISO/ Covid-19 Preventive Measures

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.

In prevention of the COVID-19 pandemic disease, the Company has set up a specific working group consisting of Chief Executive Officer, Chief Operating Officer - Glass Container Supply Chain, Human Resource Department, Internal Audit Department, Occupational Safety, Health, and Environment Department, Central Management Department, Social and Organizational Communication Affairs Department, and Information Technology Department, to establish a strict preventive measure for the COVID-19 which has currently been pandemic, and issue the announcement of the measure for staffs, and continuously communicate whereas the Social and Organizational Communication Affairs Department is the center.

#### ▪ 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 2020, 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.

#### ▪ Business Partners

The Company realizes on the significance of equitable, fair, and honest treatment to all parties of business partners and determines the agreement which is disadvantageous against each party. 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 2020, the business partner complaints were unfound. The Company has encouraged its business partners to join anti-corruption in doing the business among them

The business partners in part of supply chain have been important to support the Company's business. In order for the Company's business to operate with stability and success. As well as being able to create maximum satisfaction for customers, the Company 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.

#### ▪ Creditors

The Company emphasizes on the equal and fair creditor treatment and debt settlement according to the agreement. In the case of necessity that the Company fails to execute according to the contractual obligations, the Company shall give an advance notice to the creditors to mutually find the corrective guideline. In 2020, the Company had none of lawsuits or litigations due to the default of debt settlement. In addition, the Board of Directors establishes the policy for the Company's strict compliance with the creditor's financial requirements to avoid the breach of the creditor's conditions and terms. The Board of Directors monitored and asked the Management to report to the Board of Directors' Meeting for acknowledgement.

#### ▪ Customers

The Company realizes on the significance that the customers shall receive the quality products. Therefore, it establishes the policy and agreement for supervising the customers to receive the quality products on the agreed schedule, and taking the responsibilities on the product damage and the management for keeping the customer secret data to be mostly safe by defining the right to access the customer data. The work units are set to perform the duty to supervise the customer relationship and receive the complaints for improving, correcting or solving problems for the customers. In 2020, the Company has strictly complied with the policy and efficiently, rapidly and timely solved the problems for the customers.

#### - Customer Relationship Management

The Company operates the manufacturing and distributing business of packaging to B2B customers in the group of food and beverage under the increased changing and competitive situations. The Company realizes on the significance of the confidence creation and the sustainable good customer relationship. Therefore, the Company has developed the customer relationship management guideline to be more efficient by setting the target of the customer satisfaction level at 86% in 2020 and the acquired results of the customer satisfaction level was at 88.1% which was better than the target via the following operations.

##### Customer Focus: Customer Focus – the Customer Insight Data Study Project

The Company prepares a proactive marketing plan to recognize the real customer requirements, the customer's opinions on the packaging, as well as problems, interests, viewpoints, attitudes, and selection behavior of packaging and services for using from the group of leading companies in food and beverage business. The Company conducts an in-depth interview and collects the data for improving and developing the current products and services, and developing the new products.

The Company mainly aims for developing the manufacturing process and quality of the products to meet the customer requirement and satisfaction. The work units with the customer service duty are as follows.

- 1) Product Design Team performs the duty in giving counsel and suggesting the ideas of the packaging design based on the customer requirement and market trend.
- 2) Product Development Team performs the duty in giving advices and presenting the innovations and technologies for the

packaging development to the customers.

- 3) Customer Technical Services Team performs the duty in giving advices and providing technical services to the customers about the packaging, and verifying and solving the problems for the customers.

##### Customer Relation: Good and Long-Term Customer Relationship Maintenance - Customer Loyalty Program

The Company develops the program that contributes to the maintenance of good and long-term customer relationship with the major customer group, the customer group, and the shareholders of the Company who continuously entrust and are business partners of the Company for long time. The customer marketing team performs the duty in organizing the good customer relationship management activities and preparing the following activity patterns.

##### 1) Activity of Knowledge Provision to the Customers

The Company reinforces the customer relationship via the training, seminar, lecture organizing activities for sharing the knowledge, innovations and technologies, market trend, and important data relating to packaging development in order to promote the business growth and use of packaging under the environment concern.

##### 2) Relationship Management Activity

The customer relationship is managed via the sports and recreation activities, for instance, football competition for goodwill between the customer and the Company, to reinforce the opportunities for the customer company's staffs and the Company's staffs to join the activity, have the chance to more acquaint and understand each other, and also promote good health to the staffs of both companies,



as well as mutually participate in the social activity support between the companies.

### 3) Customer Communication

The Company communicates the packaging product and service data, and shares the knowledge data to the B2B customer group and the consumers as the promotion of knowledge and understanding on selection of packaging for use, and packaging management in correct way via the following communication channels.

**Electronic Direct Mail:** The Company monthly and continuously communicates the data of the Company's packaging products and services, and activities, as well as packaging innovations and technologies to the B2B customer group to ensure that the customers acknowledge data and news of packaging, and the business opportunity for total packaging of the Company and the co-development opportunity for packaging with the customers.

**Social Media:** The Company develops the communication channels to be consistent with the changing social media usage behavior. The social media channels executed by the Company include Facebook and Line Official as the channels which are communicable both with the B2B customer group and consumers. Other than the communication of the Company's packaging product and service data, the Company also publicizes the products of the customers who entrust to use the Company's packaging.

#### Customer Testimonial

The Company prepares public relations media in form of video clip under the objective of communication on the collaboration between the Company and the key customers, and the viewpoint of the customer satisfaction toward the Company's packaging products and services to build the confidence on the

packaging products and services and publicize in the Company's public relations channels.

#### Customer Experience: Creation of Good Experiences and Impression for the Customers

According to the co-creation and new product development, the Company is assured that the experience creation makes the customers impressive and trust on the quality and standard of the packaging products and services. Thus, the Company will be the first alternative in the customer's mind upon the requirement to use the glass packaging, and enhance the business opportunity for Total Packaging manufactured and distributed by the Company. However, the Company also plans to launch new innovated packaging products, and co-develop the packaging with the customers for adding value and the channel of marketing communication via packaging.

#### Customer Satisfaction Survey

The Company yearly conducts the customer satisfaction survey to assess the measure the achievement in all procedures from manufacturing, distribution, and delivery of the packaging products, and services. The customers are inquired about the customer satisfaction on packaging products, services, additional requirements and suggestions, and image perception and customer engagement toward the Company in order to use the said data as support in preparing the improvement and development plan for the packaging products and services to be consistent with and support the customer requirements as per the following process.

- 1) Define the quantitative target of the customer satisfaction development and set the customer satisfaction level target at 86% in 2020. The acquired result of the customer satisfaction level in this year was

at 88.1% which was better than the target.

- 2) Assess the customer satisfaction.
- 3) Analyze the assessment result for developing and improving products/services/business operation process of the Company.

#### ▪ 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.

#### ▪ 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 2020, the Company has performed activities as reported in social responsibility.

#### ▪ 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. This is to promote efficient use of resources within the organization, the Company has sent emails to all employees in the organization to acknowledge and realize the best use of resources.

#### - **Educating and Training the Staffs Regarding Environment/Environmental Standard for 2020**

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. The following courses include basic knowledge of ISO14001:2015 System in Environment, Environmental Aspect and Risk & Opportunity Assessment Course. The contents in the said courses are referred to the international standard requirements. The environmental projects have been communicated within the factory for acknowledgement of the staffs. The Company has focused on the three environmental projects (the paper saving project, the proper recycled

waste sorting campaign project, electric power reduction project in the production), and focused on the proper separation and disposal of the organizational wastes by classifying into three types consisting of Green Bin=For general wastes, Yellow Bin=For recycled wastes (particularly of glass bottle, plastic bottle, and food can), Grey Bin=For hazardous or chemical contaminated wastes.

#### - **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.

#### - **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.

The company continues to develop knowledge on anti-corruption. And continuously create awareness of the organization's personnel After the company Accredited as a Thai Private Sector Collective Action Coalition against Corruption in 2019

▪ **Channel of Communication, Compliant 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. +6665-726-9707
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](mailto: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 2020, 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 2020, 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 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 2020, 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.
  - 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
    - To allow shareholders to submit questions in advance

- Other general information which should be acknowledged by the shareholders
  - Resignation or 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, appointed Investor Relations department and 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 2020, the following executions were carried out.

- Attend the meeting with the analyst by holding total of 26 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.

## 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 2020, 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. Moreover, The Board of Directors monitors and ensures that the Company's strategies are put into practice. The Board of Directors follow up on the management performance and requires with management team that there must be a report on the Company's operation and business performance, especially the performance against financial targets and action plans, to make sure that the established strategies are being accomplished.

- **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 2020, 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.

- **Determination 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.

#### • **Approval Authority of the Board of Directors**

Other than the approval authority of the Board of Directors as prescribed by any other laws, rules, criteria, notifications, and requirements of the related agencies, the Board of Directors has the approval authority to operate the business under the scope of the Company's objectives as per the following summary.

- Approve the policies, directions, strategies, visions, missions, business operation plans, and budget of the Company and its subsidiaries.
- Approve the establishment of the new business, dissolution, and joint venture.
- Approve the investment project, the acquisition and disposal of assets pursuant to the rules of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand regarding the related party transaction and the acquisition of assets.
- Approve the interim dividend payment.
- Approve the organization chart.
- Approve the annual increase in wage and the determination of annual bonus.
- Approve the revision and alteration of the authorities and duties of the Chief Executive Officer.

#### • **Nomination and Appointment Process for the New Directors**

- The Company sets up the Nomination and Remuneration Committee to have duties in considering and selecting the candidate who is qualified in knowledges, experiences,

and expertise, as well as screening and verifying the qualifications of the candidate who will assume the directorship office by taking into account from the nature of business operation, missions, visions, and strategies of the Company. Therefore, the qualifications and rules of the nomination for the director are determined to be suitable and consistent with the Company's business operation, missions, visions, and strategies of the business operations by considering the necessary and appropriate skills and expertise in accompany with the policies, the Board Diversity Matrix in terms of professional skills, special expertise, knowledge, competence, and working experiences as the consideration support for determining the candidates with experiences, knowledge, competence, and appropriateness which are useful for the Company. In the case where the director office is vacant, the Nomination and Remuneration Committee shall nominate and propose the Board of Directors to consider prior to proposing to the Shareholders' Meeting for further consideration.

- U- The Company organizes the orientation of new director and prepares the documents necessary for the duty performance of the director, such as the Company's history, the Company's Certificate, director data, top executive data, Articles of Association, director's remuneration data, details of the organization structure, policies, charter of the Company, and charter of the Sub-Committees, financial statements, and annual report. Moreover, the Company arranges the meeting with the Chairman of the Board of Directors and top executives.



▪ **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 2020, the Board of Directors consisted of 8 directors,

including 5 male directors and 3 female directors. There are amounts that are suitable for the business conditions of the Company. And all directors have work experience or have worked in the top management positions of business units and graduated in Business Administration, Accounting, Finance, Engineering, Marketing and Economics. This makes the composition of the Board of Directors from various professions and covers all aspects appropriately and completely as follows:

	Mr. Pornwut Sarasin	Mr. Pavin Bhirom Bhakdi	Mr. Silparat Wattanakasetr	Mrs. Amarat Puvaveerani	Ast. Prof. Dr. Kasom Chanawongse	Mrs. Sutharug Panya	Mrs. Sunsanee Supatravanij	Mr. Somchai Sirivichayakul
Knowledge and Industrial Experience								
Major Business (Glass and Packaging)	/	/	/	/	/		/	/
Energy	/	/		/		/		/
Knowledge and Specialized Experience								
Law								
Marketing	/	/	/	/	/		/	
Human Resource	/	/	/	/	/		/	/
Accounting				/		/		/
Information Technology		/				/		/
Engineering		/			/		/	/
Management	/	/	/	/	/	/	/	/
Economics			/	/				
Logistic		/	/	/			/	/



	Mr. Pornwut Sarasin	Mr. Pavin Bhirom Bhakdi	Mr. Silparat Wattanakasetr	Mrs. Amarat Puvaveerani	Ast. Prof. Dr. Kasom Chanawongse	Mrs. Sutharug Panya	Mrs. Sunsanee Supatravanij	Mr. Somchai Sirivichayakul
Safety Health and Environment			/				/	/
Taxation				/		/		
Corporate Governance Ability								
Knowledge in Duties of Directors	/	/	/	/	/	/	/	/
Strategy Planning	/	/	/	/	/	/	/	/
Leadership	/	/	/	/	/	/	/	/
Risk Management	/	/	/	/	/	/	/	/
Ethic and Sustainability	/	/	/	/	/	/	/	/
Management of foreign affairs	/	/	/			/	/	

With the following components:

- Independent Director 3 persons or 37.50%
- Non-Executive Director 2 persons or 25.00%
- Executive Director 3 persons or 37.50%

Name and Position as per below details.

Name List	Position	Type of Director
Mr. Pornwut Sarasin	Chairman of the Board of Directors	Non-Executive Director
Mrs. Suttharug Panya	Vice Chairman / Chairman of the Audit Committee/ Head of Independent Director	Independent Director
Mr. Somchai Sirivichayakul	Chairman of Nomination and Remuneration Committee	Independent Director
Mrs. Sunsanee Supatravanij	Chairman of the Corporate Governance Committee	Independent Director
Mr. Pavin Bhirom Bhakdi	Chairman of Executive Committee	Executive Director
Mrs. Amarat Puvaveeranin	Director	Executive Director
Mr. Silparat Watthanakasetr	Chief Executive Officer	Executive Director
Asst. Prof. Dr. Kasom Chanawongse	Director	Non-Executive Director

Each director shall hold his/her director office in not more than 5 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 2020, 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 Chief Executive Officer 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. The Chairman of the Board of Directors has the roles and duties as follows.

1. Preside over the Board of Directors' Meeting and the Shareholders' Meeting.
2. Call the meeting or entrust any person to determine date, time, and venue of the Board of Directors' Meeting, as well as play the role in mutually defining the meeting agenda with the head of the independent directors.
3. Play the role in efficiently controlling the meeting according to the rules and regulations of the Company, support and give the directors of the Company the opportunity to independently comment.

4. Support and promote the Board of Directors to perform his/her duties to the best of his/her ability under the scope of authorities, duties, and responsibilities and pursuant to the Corporate Governance Code.
5. Encourage the collaboration and mutually devote himself/herself for the sustainable organizational success.

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

The Board of Directors has currently appointed 4 sets of the Sub-Committees consisting of the Audit Committee, Executive Board, 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 current the member of Audit Committee consists of 3 persons as follows:

1. Mrs. Suttharug Panya
2. Mr. Somchai Sirivichayakul
3. Mrs. Sunsanee Supatravanij

Such 3 persons have the complete qualifications in the Notification of Capital Market Supervisory Board, and the relevant Notifications of the Stock Exchange of Thailand. There have Mrs. Suttharug Panya is the Chairman of the Audit Committee and Lead of independent director

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 play their 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 2020, 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 members that are 2 independent directors as follows:

1. Mr. Somchai Sirivichayakul  
Independent Director
2. Mrs. Sunsanee Supatravanij  
Independent Director
3. Mr. Pavin Bhirom Bhakdi  
Chairman of Executive Committee

Whereas Mr. Somchai Sirivichayakul, who is Independent Director, as a position of Chairman of Nomination and Remuneration Committee and assigned Mrs. Anocha Loetjaroenwat is the Secretary of the Nomination and Remuneration Committee. There have 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 2020, 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) Corporate Governance Committee

The Corporate Governance Committee consists of 4 members as follows:

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

Whereas Mrs. Sunsanee Supatravanij, who is Independent Director, as a position of Chairman of Corporate Governance Committee, and assigned Mr. Suravich Yingsithisawatt is the Secretary of the Corporate Governance Committee. There have power, main duties and responsibilities as specified in the Charter as follows.

- Determine a guideline and policy for good corporate governance to be appropriate for the Company's business.
- Supervise, monitor, and provide suggestion in duty performance of the director in accordance with the policy for good corporate governance.
- Supervise, monitor, and provide suggestion in duty performance of the Management to conduct the business in accordance with the prescribed Code of Ethics and Code of Business Conduct.
- Supervise minor shareholders to be fully granted for rights and equality as required by law.

In 2020, the Corporate Governance Committee fully performed its duties in accordance with the Charter to govern the holding of the Shareholders' Meeting to ensure the rights and equality have been fully granted, govern the operation and responsibility of the directors, governing the proper, complete, and timely disclosure of information, promote the anti-corruption, promote the business operation with social responsibility, and consider other matters. The Board of Directors was proposed for consent or acknowledgement. However, the review on the Charter and the operation assessment are yearly conducted for the working development and improvement to achieve maximum benefits.

In addition, the Report of the Corporate Governance Committee and the Report of the Company's Corporate Governance were prepared to clarify the details in duty performance and significant operations as disclosed in Annual Report.

### 4) Executive Committee

The Executive Committee consists of the directors and/or executives of the Company 3 members as follows:

1. Mr. Pavin Bhirom Bhakdi
2. Mrs. Amarat Puvaveerananin
3. Mr. Silparat Watthanakasetr

Whereas Mr. Pavin Bhirom Bhakdi as a position of Chairman of Executive Committee, and assigned Mr. Suravich Yingsithisawatt is the Secretary of the Executive Committee. There 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 2020, 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 2020 as the second year of listing the Company in the Stock Exchange of Thailand, three directors consisting of Mrs. Sunsanee Supatravanij, Mrs. Amarat Puvaveeranin, 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 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   | from the director  |
| 3. Role, obligation, and scope of responsibilities and performance of the director | 5. Survey result of the standard directors' remuneration of various agencies |
| 4. Expected benefit acquired by the Company  |  |

However, the directors' and executives' remuneration for 2020 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 Chief Executive Officer)	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. Total budgeting for paying remuneration of the directors and members of the sub-committees is not more than 13,000,000 Baht. |
|---|---|



Table for the Details of Remuneration for Directors and Member of Sub-Committees for 2020

Remuneration	Mr. Pornwut Sarasin	Mrs. Suttharug Panya	Mr. Somchai Sirivichayakul	Mrs. Sunsanee Supatravanij	Mr. Pavin Bhirom Bhakdi	Ass. Prof. Dr. Kasom Chanawongse	Mrs. Amarat Puvaveeranin	Mr. Silparat Wattanakasetr
	Chairman of the Board of Directors	Chairman of the Audit Committee	Chairman of the Nomination and Remuneration	Chairman of the Corporate Governance	Chairman of the Executive Committee	Director	Director	Chief Executive Officer
Monthly remuneration	1,440,000.00	1,200,000.00	960,000.00	960,000.00	960,000.00	960,000.00	960,000.00	
Member of the Audit Committee		180,000.00	120,000.00	120,000.00				
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	650,000.00	625,000.00	597,000.00	597,000.00	597,000.00	597,000.00	597,000.00	
Total	2,090,000.00	2,005,000.00	1,777,000.00	1,777,000.00	1,597,000.00	1,597,000.00	1,557,000.00	40,000.00

#### ▪ Remuneration of the Top Executive

The remuneration of the top executive is individually considered from the performance by yearly defining KPI in advance. KPI consists of the operating performance of the Company in terms of revenue and profit, individual performance based on the responsible line,

and assessment result of the core competence and leadership competence.

In addition, the survey of the market remuneration comparison in the same or similar business group has been conducted to be the remuneration determination data.

Type of Remuneration (Baht)	2019	2020
1 Salary & Bonus	34,551,050	36,815,600
2 Provident Fund (the Portion of the Company's Contribution)	1,604,952	1,710,144
3 Post-Employment Benefit (Retirement)	3,189,184	2,685,763
4 Other Long-Term Benefits (Cost of Gold)	2,288	1,995
Total	39,347,474	41,186,502

#### Policy of the Chief Executive Officer's Remuneration

The rule for the payment of the Chief Executive Officer's remuneration is clearly stipulated both the rate of remuneration in salary increase and bonus payment according to the performance yearly assessed by the Nomination and Remuneration Committee to be consistent with an overview of the payment policy of the remuneration and bonus of the Company's staffs.

#### ▪ 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 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 Director<sup>1</sup> 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 2020, 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	8/8	1/1
Mrs. Suttharug Panya	8/8	1/1
Mr. Somchai Sirivichayakul	8/8	1/1
Mrs. Sunsanee Supatravanij	8/8	1/1
Assist Prof. Dr. Kasom Chanawongse	8/8	1/1
Mr. Pavin Bhirom Bhakdi	7/8	
Mrs. Amarat Puvaveeranin	8/8	
Mr. Silparat Watthanakasetr	8/8	

#### Sub-Committees' Meeting

	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Executive Committee
Mrs. Suttharug Panya	6/6			
Mr. Somchai Sirivichayakul	6/6	2/2	2/2	
Mrs. Sunsanee Supatravanij	6/6	2/2	2/2	
Assist Prof. Dr. 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 2020, the directors attended the seminars and activities of Thai Institute of Directors, which the Company encourages the continuous attendance in seminars on yearly basis.

▪ **Performance Assessment Process and  
Rule for the Whole Board of Directors and  
Individual Director**

**Performance Assessment Process of the Whole  
Board of Directors and Individual Director**

In 2020, the Board of Directors approved the self-assessment form of the whole Board of Directors using the assessment rule and guideline according to the rule of the Stock Exchange of Thailand, update to be appropriate for the business and undertaking environment of the Company. The Company Secretary shall prepare the self-assessment form for the Board of Directors in the ending period of December, and gather the self-assessment form in return within the end of December for processing and reporting the assessment result for acknowledgement of all directors in the Board of Directors' Meeting on 27 February 2020 to further develop and enhance the efficiency of the Board of Directors' duty

performance.

**Performance Assessment Rule for the Whole  
Board of Directors**

In 2020, the Board of Directors arranged the annual performance assessment of the whole Board of Directors under the assessment rule, under the six main assessment topics as follows.

1. Structure and qualification of the Board of Directors
2. Roles, duties, and responsibilities of the Board of Directors
3. The Board of Directors' Meeting
4. Duty performance of the director
5. Management relationship
6. Self-development of the director and development of the executive

**Performance Assessment Rule for the Individual  
Director**

In 2020, the Board of Directors arranged the annual performance assessment of the individual directors of the Board of Directors, under the three main assessment topics as follows.

1. Structure and qualification of the Board of Directors
2. Roles, duties, and responsibilities of the Board of Directors
3. The Board of Directors' Meeting

**Performance Assessment Rule for All of the  
Whole Sub-Committees**

In 2020, the Board of Directors arranged the performance assessment of all four sub-committees consisting of the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Executive Committee of the whole committee and the individual committee member, under the three main assessment topics as follows.

1. Structure and qualification of the Committee
2. Roles, duties, and responsibilities of the Sub-Committee

### 3. The Sub-Committee's Meeting

The assessment result of the Committee for the whole Committee and the individual committee member, and the assessment result of the Sub-Committee of the individual Committee and the individual committee member in 2020 were in good criteria.

#### Performance Assessment for the Chief Executive Officer

The Board of Directors appoints the Chief Executive Officer to be the topmost executive of the organization, and entrusts to be the leader in managing and administering the Company according to the Company's strategies, policies, objectives, and Articles of Association under the scope of authorities, duties, and responsibilities based on the budget approved by the Board of Directors, as well as audits, monitors, and assesses the operating performance of the

Company according to the determined policies, the management operating performance report, and the operating progress to the Audit Committee and the Board of Directors.

However, the performance assessment of the Chief Executive Officer is yearly carried out according to the Corporate Governance Code by the Nomination and Remuneration Committee under the following topics.

1. Targets relating to the finance and implementation of the organizational strategies, for instance, turnover of the Company in terms of sales volume, profit, and Return on Assets
2. Targets not relating to the finance, for instance, supervision of the corporate governance, human resource management, working planning, as well as efficiency of the organizational operations.

# Corporate Social Responsibility

BG Container Glass Public Company Limited or BGC has continuously emphasized the supports on activities for society, communities and environmental. With the intention of Directors and Executives in foreseeing the importance of the improvement on

quality of life in Thai society under the cooperation of government agencies and private sector, in 2020, BGC contented the communities and society and also jointly improved the quality of life with them to strengthen a foundation of sustainable well-being.

## Social Activities

### Project “Helping Hands for Heroes”

BGC has supported the works of healthcare personnel who dedicate and devote their full capability to take care of patients under the outbreak of COVID-19, by donating more than 300 sets of personal protective equipment (PPE) to doctors, nurses and medical personnel in totally 6 public hospitals nearby BGC’s manufacturing plants, including Thammasat University Hospital, Thanyaburi Hospital, Sam Bandit Sub-District Health Promoting Hospital, Chaophraya Abhaibhubejhr Hospital, Khon Kaen Hospital, and Chet Samian Hospital, so that the medical personnel will effectively perform their duties, and be encouraged.





## Project “Being Full of Love” Encourage Thai People to Overcome COVID-19 Crisis

BGC has stayed beside Thai people to overcome the big crisis of the country by taking part in relieving the suffers affecting people due to COVID-19 outbreak, we organized the Project “Being Full with Love” to give cooked and dry food to the competent agencies in order to assist those affected by the COVID-19 crisis or people who are in trouble in the areas nearby BGC’s manufacturing plants, such as Pathumthani Province,

Nakhonnayok Province, Phra Nakhon Si Ayutthaya Province, Nakhonpathom Province, Prachinburi Province, Khon Kaen Province, and Ratchaburi Province.





### Project “Doctors Help Us, We Help Doctors”

Due to the outbreak of COVID-19, it has resulted in the severe shortage of medical masks and medical equipment, BGC supported and provided the effective UVC sterilization incubators through the Project “Doctors Help Us, We Help Doctors”, organized by the ‘SOS to Medical Staff in COVID-19’ Fight, to be provided to hospitals nationwide, for the use in sterilizing medical masks and medical equipment to enable the medical personnel to have adequate equipment and minimize the risk in performing their duties.

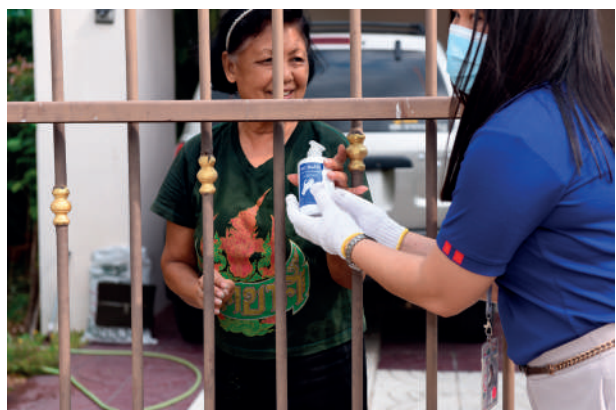


### Project “BGC Sharing Kindness with Alcohol Gel for Communities”

BGC has recognized the importance of preventing the spread of COVID-19, therefore, made a fieldwork to advise the correct handwashing method based on public health principles, and distribute alcohol hand gel to more than 1,300 households in Sathaporn Village, community in Wat Khian Khet Alley, and nearby area, to solve the shortage of hand gel which is essential to prevent the spread of COVID-19 and promote good hygiene in the community.







### Project “BGC Supports Dream of 2020 Children’s Day”

BGC has realized the importance of children and youth who will become the future national force, therefore, supported and gave gifts and prizes to children and youth, such as sport equipment, bicycles, stationery, bags, caps, t-shirts, etc. for the event of National Children’s Day organized by the government agencies and schools in Pathumthani Province, Phra Nakhon Si Ayutthaya Province, and Lampang Pony

Welfare Foundation, Lampang Province. Additionally, we also organized the prize kiosk in recreational activity at Rangsit Babies’ Home Foundation, it is considered as giving happiness forwarding, encouraging and creating the learning through recreational activities for children and youth to become New-Era Thai children who know love, unity and Thai citizenship.







### Project “Volunteers for Merits: Paint Color, Fulfill Dreams for Children”

BGC is committed to improve the quality of society and the good community together by taking volunteer employees to join in the activity “Paint Color, Fulfill Dreams for Children” at the playground in 2-rai garden zone of Sathaporn Rangsit Village, Pathumthani Province, to repair and adjust the landscape surrounding the village's playground where is the recreational area for children and youth in the community, making it clean, safe and ready to use,

this will encourage youth to develop their physical, brain and mental developments as well as promote their good health to grow up in society with quality.







## Educational Activities

### BGC Supporting Scholarships for Students of Wat Khean Khet School

BGC has supported more than 50 scholarships awarded to primary school students of Wat Khean Khet School on the occasion of the 70-anniversary of Phra Dej Phra Khun Phra Dhammarattanaorn, the monk dean of Pathumthani Province, the Abbot of Wat Khean Khet, the Royal Temple, to foster the youths to appreciate and realize the importance of education, and also sustainably increase the human resources with quality and potentials for the country.





## Environmental Activities

### Project “BGC Water for Life”

BGC has realized the importance of water resources as the heart of life and for the production processes of agricultural sector and industrial sector, therefore, organized the Project “BGC Water for Life”, it has been continued for the third consecutive year, the objectives of the project are to promote the conservation and to restore water resources in a concrete way for the communities surrounding the factory areas, it has been cooperated with government agencies, universities and community members, to enhance lifestyles, reduce wastes, and change the degraded landscape around the community’s water supply to be clean and beautiful through the Project “BGC Water for Life” to be held throughout the year as follows:

#### • Activity “Chet Samian Protecting Water”

BGC Ratchaburi Glass Industry donated the solar powered mechanical aerator to Ban Plai community, Khlong Makham, Ratchaburi Province, and also planted over 100 Indian shot trees along the canal to improve the quality of water to be clean and usable as well as to be utilized for agricultural benefits. Additionally, the community members have also cooperated to collect solid waste, improve the landscape of the community along the canal to be tidy and clean, as the usable area for people in the community further.





- Activity “Learn how to do organic farming with The Vegetable Prince”

It is one of activities supporting the Project “BGC Water for Life”, organized at the community in Wat Khean Khet Alley, Pathumthani Province. In 2019, BGC made a fieldwork to improve the quality of water and the scenery of water sources in the community until it becomes cleaner and more beautiful, benefiting community members to make use of water source, BGC invited community members to jointly improve

their houses’ backyard area adjacent to the canal to become a green area, through joint learning of organic farming from the experiences of Mr. Nakorn Limpacuptathavon, known as “The Vegetable Prince”, who has inspired urban people to grow non-chemical vegetables for consumption in household, as well as allowing community people to participate in experiments for applying the knowledge to develop their own areas.





• Activity “Water for Quality of Life”

BGC Glass Solution Company Limited and Ban Wang Hin Community organized the Activity “Water for Quality of Life” at Ban Wang Hin Community, Tha Phra Sub-district, Mueang Khon Kaen District, Khon Kaen Province, to clean up, improve the landscape,

dig drainages and plant Indian shot trees around the community’s water filter plant, so that the community people shall have clean and safe water for using and have a better quality of life.



**Project “Market Loves Earth”**

BGC together with the Division of Public Health and Environment, Bueng Yitho Municipality, organized the Project “Market Loves Earth” at the multipurpose area in front of Tesco Lotus Mall, Khlong Si Branch, Pathumthani, to promote people to bring waste for prize exchange; and BGC will give those recycled wastes to Khun Wichulada Pantharanuwong, the new generation artist, to produce her art works from wastes under the concept of “Trash to Treasured Art”, shown in the exhibition titled “Overflow: from trash to art” at Warin Lab Contemporary, Charoen Krung 36, with the

objective to raise the awareness of audiences in this exhibition, leading to a systematic reuse.





## Sport Activities

### Project “BGC Powerboat Grand Prix 2020”

BGC has supported the BGC Powerboat Grand Prix 2020 at Bueng Nong Khot, Khon Kaen Province. BGC has continued to support this event for the third consecutive year, to allow Khon Kaen people to have a chance for experiencing high-speed water sports

and enhance the high-speed water sport racing in Thailand to be widely known. It also promotes the tourism and stimulates the internal economy of the province, together with the development of athlete potential in order to prepare them for the next international racing.



### Project “Football Clinic for Youth under 12 years old”

BG Pathum United Football Club or BGPU in collaboration with BGC and the Dairy Farming Promotion Organization Of Thailand has organized the Project “Football Clinic for Youth under 12 years old” by inviting coaches of football academy from BGPU to educate football skills for more than 600 youths under 12 years of age who are committed to developing their potentials with the aim to become a professional athlete in the future, in Khon Kaen Province, Chiang Mai Province, Prachuap Khiri Khan Province, and Saraburi Province, this project aims to

give youths the opportunity to participate in learning proper football skills trained by professional coaching team, and to promote their athlete skills, encourage Thai youth to use their free time in a wise manner and keep themselves away from drugs.







### **Project “Thai-Denmark Coaching Coach”**

BG Pathum United Football Club or BGPU in collaboration with BGC and the Dairy Farming Promotion Organization Of Thailand has organized the training course on football coaching skills for more than 30 teachers of physical education course from schools nationwide at Yamaoka Hanasaka Academy (YHA) under the Project “Thai-Denmark Coaching Coach” and professional coach with extensive experience

from BGPU, was invited to be a lecturer giving the intensive knowledge in theory, practice and post-project examinations, so that those teachers participating in the project can apply their knowledge and techniques from the training to continue, drive and develop the potential of youths, leading them to become professional football players for BGPU and Thai football industry in the future.







### Project “Thai-Denmark U15 Football Tournament 2020”

BG Pathum United Football Club or BGPU in collaboration with BGC and the Dairy Farming Promotion Organization Of Thailand has organized the football tournament for the youths under 15 years old under the Project “Thai-Denmark U15 Football Tournament 2020” for the second consecutive year, offering 192 teams of youth football (maximum 15 years old) from

6 regions in Thailand to participate in the competition, with the objective to let them discover their potentials, follow their dream to become a professional football players. The final competition was held at the Leo Stadium, it is considered as the inspiration and valuable experience for the competition on an international standard football stadium.







### Project “Support the Thailand Ladies Golf Association”

BGC has foreseen the potential of professional female golfers in Thailand, who are capable and have outstanding potential equivalent to world class athletes, therefore, has supported the Thailand Ladies Golf Association, in order to promote and develop the potential of Thai women in athlete industry, to be a part of driving and developing the professional female golfers in Thailand, and to support the competition to meet international standards. It aims to make every competition to be held be a platform for Thai professional female golfers of Thailand to develop their skills and reach the regional level and world-class level as follows:



#### • SINGHA-SAT Thai LPGA Championship 2020

BGC has supported the SINGHA-SAT Thai LPGA Championship 2020, the country-level professional female golfer competition, as a platform for golfers to practice, develop their skills, and enhance their experience to be ready to enter the international competition; the trophies in this competition are dominant and valuable with unique style produced by the artists from BGC Glass Studio, the first glass art learning center in Thailand, to be the driving force for encouraging female golfers to reach their dreams of victory.





#### • BGC-SAT Thai LPGA Challenge 2020

BGC has supported the professional female golfer tournament under the BGC-SAT Thai LPGA Challenge 2020 held in 8 places throughout Thailand, to produce quality female golfers for Thailand's golf industry, it aims to develop athlete personnel and build a reputation for the nation as a professional athlete, and give those interested in golf in many provinces the opportunity to experience golf and become more involved in the tournament.



#### • Muang Thai Insurance Thailand LPGA Master

BGC has supported the professional female golfer tournament of Muang Thai Insurance Thailand LPGA Master 2020, the largest event of Thailand LPGA, with 114 female golfers competing, it was held at Watermill Golf Club and Resort, Nakhonnayok Province, it aims to provide Thai female golfers with opportunity to show their talent and develop skills with domestic big competitions before going to the world stage through the competition equivalent to the international standards.





In addition, BGC Glass Studio also designed a trophy for the winner, titled “Fly Me to the Moon” to cheer up and encourages golfers for future competition.



### Project “Watermill Golf Academy”

BGC has believed and foreseen the potential of professional golfers and youth golfers of Thailand who have outstanding talent at the national level and international level, but have not fund and opportunities to join the competitions, therefore, cooperated with Watermill Golf Club and Resort to establish the Watermill Golf Academy so that it will provide golfers with the opportunity to enter national and international competitions, the project will support the expenses for competition, equipment, training places, meals and accommodations during training for 3 youth golfers. In additional to support the golfers to accumulate their experience in competitions, it will stimulate Thailand’s golf industry to alert and produce potential golfers for the Thai professional golf industry and further develop the industry to enter into the international competitions.



# 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 14 February 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 Independent Directors as follows.

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

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 2020, 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 2020, 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 and reward 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 Chief Executive Officer consistency with short-term and long-term strategies and goals of the Company, including obligation, and scope of roles and responsibilities. In 2020, the Chief Executive Officer 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 Chief Executive Officer 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 Chief Executive Officer 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 2020, 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 2020. 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 2020.



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

# / 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. 2/2021 on 18 February 2021, 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 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 performance assessment 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 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 name list of the Audit Committee in 2020:

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 2020, the Audit Committee held 6 meetings with constituted quorum in all meetings, and one meeting with the Auditors which have no the management.

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. In 2020, The Company status had been remained to certify as a member of the Private Sector Collective Action Coalition against Corruption.

**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 2017) 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 at least once a year, 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 additional 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 Ms. Vissuta Jariyathanakorn, Certified Public Accountant No. 3853, or Ms. Manee Rattanabunnakit, Certified Public Accountant No. 5313, of EY 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
<b>BG Group</b>		
1. Bangkok Glass Public Company Limited ("BG")	Holding Company	<ul style="list-style-type: none"> <li>Major shareholder of the Company, holding shares at 72.0% of paid-up registered capital after public offering for sales of ordinary shares</li> <li>There are two common directors including Mr. Pornwut Sarasin and Mr. Pavin Bhirom Bhakdi.</li> </ul>
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"> <li>BG, the Company's major shareholder, holds shares at 92.5% of paid-up registered capital.</li> <li>There are two common directors including Mr. Pavin Bhirom Bhakdi and Mrs. Amarat Puvaveeranin.</li> </ul>
3. Kabinburi Glass Industry Company Limited	Manufacture and sell glass sheets, including glass products and glass for buildings	<ul style="list-style-type: none"> <li>BG, the Company's major shareholder, holds shares at 97.0% of paid-up registered capital.</li> </ul>
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"> <li>BG, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital.</li> <li>There are one common director including Mrs. Amarat Puvaveeranin.</li> </ul>

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"> <li>BG, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital.</li> <li>There are one common director including Mrs. Amarat Puvaveeranin.</li> </ul>
6. BG Sports Company Limited	Sport management business	<ul style="list-style-type: none"> <li>BG, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital.</li> <li>There are one common director including Mr. Pavin Bhirom Bhakdi.</li> </ul>
7. BG Energy Solution Company Limited	Generate and sell electric power	<ul style="list-style-type: none"> <li>BG, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital.</li> <li>There are two common directors including Mr. Pavin Bhirom Bhakdi and Mrs. Amarat Puvaveeranin.</li> </ul>
<b>Other Groups</b>		
8. ThaiNamthip Manufacturing Company Limited	Manufacture and sell soft drinks	<ul style="list-style-type: none"> <li>There is one common director including Mr. Pornwut Sarasin.</li> </ul>
9. Thai Asia Pacific Brewery Company Limited	Manufacture and sell beers	<ul style="list-style-type: none"> <li>There is one common director including Mr. Pornwut Sarasin.</li> </ul>
<b>Boon Rawd Group</b>		
10. Boonrawd Brewery Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> <li>Major shareholder of the Company by indirect shareholding through BG in the proportion of 67.6% of paid-up registered capital</li> </ul>
11. Pathumthani Brewery Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> <li>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.</li> </ul>

Parties with Potential Conflicts	Nature of Business Operation	Nature of Relationship with the Company
12. Chiangmai Beverage Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> <li>Mr. Santi Bhirom Bhakdi and Mr. Piya Bhirom Bhakdi, the major shareholders of Boonrawd Brewery Company Limited, act as directors.</li> <li>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.</li> <li>Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.</li> </ul>
13. Boonrawd Trading International Company Limited	Import and export alcohol and soft drinks	<ul style="list-style-type: none"> <li>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.</li> </ul>
14. Wang Noi Beverage Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> <li>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.</li> <li>Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.</li> </ul>
15. Sam Sen Brewery Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> <li>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.</li> <li>Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.</li> </ul>
16. Suratthani Beverage Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> <li>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.</li> </ul>

Parties with Potential Conflicts	Nature of Business Operation	Nature of Relationship with the Company
		<ul style="list-style-type: none"> <li>Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.</li> </ul>
17. Singha Beverage Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> <li>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.</li> <li>Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.</li> </ul>
18. Boonrawd Trading Company Limited	Distribute alcohol and soft drinks	<ul style="list-style-type: none"> <li>Boonrawd Brewery Company Limited, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital.</li> </ul>
19. Khon Kaen Brewery Company Limited	Manufacture and sell alcohol and soft drinks	<ul style="list-style-type: none"> <li>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.</li> <li>Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.</li> </ul>
20. Leo Links Company Limited	Logistics service	<ul style="list-style-type: none"> <li>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.</li> </ul>
21. Singha Parks Chiangrai Company Limited	Agro-tourism location	<ul style="list-style-type: none"> <li>Boonrawd Brewery Company Limited, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital.</li> <li>Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.</li> </ul>



Parties with Potential Conflicts	Nature of Business Operation	Nature of Relationship with the Company
22. Mahasarakham Beverage Company Limited	Manufacture and sell alcohol and soft drink	<ul style="list-style-type: none"> <li>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.</li> </ul>
23. Hesco Solution Company Limited	Manufacture food	<ul style="list-style-type: none"> <li>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.</li> </ul>
24. Singha Beer Company Limited	Manufacture and sell alcohol drink	<ul style="list-style-type: none"> <li>Mr. Santi Bhirom Bhakdi, the Company's major shareholder, holds shares at 85.0% of paid-up registered capital.</li> <li>Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.</li> </ul>
25. Khao Yai Winery Company Limited	Manufacture and sell alcohol drink	<ul style="list-style-type: none"> <li>Mr. Piya Bhirom Bhakdi, the Company's major shareholder, is the direct and indirect shareholder around 43.3% of paid-up registered capital.</li> <li>Mr. Piya Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.</li> </ul>
26. Santiburi Development and Resort Company Limited	Integrated office management service	<ul style="list-style-type: none"> <li>Mr. Santi Bhirom Bhakdi, the Company's major shareholder, holds shares at 52.0% of paid-up registered capital.</li> <li>Mr. Santi Bhirom Bhakdi, the major shareholder of Boonrawd Brewery Company Limited, acts as director.</li> </ul>
27. Boonrawd Supply Chain Company Limited	Supply chain service and related asset leasing	<ul style="list-style-type: none"> <li>Boonrawd Brewery Company Limited, the Company's major shareholder, holds shares at 100.0% of paid-up registered capital.</li> </ul>
28. BRF Logistics Company Limited	Supply chain service	<ul style="list-style-type: none"> <li>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.</li> </ul>

## 2. Related Party Transactions

The related party transactions of the Group and the parties with potential conflicts in the accounting year ended 31 December 2020 can be summarized as follows.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<b>BG Group</b>					
– Bangkok Visypak Company Limited	1.1 Expenditure for packaging purchase				
	– Cost of sales – Payable	214,728,062.2 21,038,968.2	205,385,586.2 22,972,537.9	– The Group purchased cartons and paper trays from Bangkok Visypak Company Limited for using as packaging materials for the Group's glass packaging products. – Purchase price is comparable with that of the third party by considering on attribute and property of product and usability.	– 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.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– BG	1.2 Administration expenses				
	– Service fee – Payable	56,714,640.0 5,057,055.4	56,364,408.0 6,305,018.7	– The Company has entered into an administrative and general support service agreement with the parent company. The service fee is specified in the contract. The contract is valid for 1 year and can be renewed year-to-year. With the scope of service as follows: 1. Management Service 2. Information Technology and Communication Technology 3. Payroll system service	– 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.

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– BG	1.3 Software System service fee – Service fee – Payable	27,854,244.0 2,483,670.1	27,897,668.8 2,937,030.9	– The Group has entered into a software system service agreement with the parent company. With service rates as stipulated in the contract, the contract is valid for 5 years	– 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.
– Bangkok Visypak Company Limited	1.4 Revenue from commission fee – Revenue – Receivable	2,643,783.1 939,455.9	5,021,554.8 1,013,187.2	– In the past, the company Entered into a sales agent appointment agreement with both of Bangkok Visypak Company Limited and BG Packaging Company Limited in acting as a sales agent and operator, coordinating sales of products for both companies.	– Such transaction supports the Group's normal business with underprice and general commercial condition similar to a transaction entered with a third

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> <li>BG Packaging Company Limited</li> </ul>	<ul style="list-style-type: none"> <li>Revenue</li> <li>Receivable</li> </ul>	3,189,543.2 638,314.2	6,169,090.4 626,463.8	<ul style="list-style-type: none"> <li>Agent's remuneration is at the rate stipulated in the above contract.</li> </ul>	party. Therefore, the said transaction is considered and deemed proper and reasonable.
	1.5 Legal service fee <ul style="list-style-type: none"> <li>Service fee</li> <li>Payable</li> </ul>	- -	3,000,000.0 535,000.0	<ul style="list-style-type: none"> <li>The Company has entered into a legal service agreement with a parent company. With service rates as specified in the contract, the contract is valid for 1 year</li> </ul>	<ul style="list-style-type: none"> <li>Such transaction supports the Group's normal business. Pricing is based on market rate, resulting in non-loss of the Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable.</li> </ul>



Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
- BG Energy Solution Company Limited	1.6 Expenditure for electricity bill	40,833,875.2	54,591,319.2	- The three subsidiaries entered into a power purchase agreement with BG Energy Solutions Co., Ltd., where the electricity cost is the rate specified by the Provincial Electricity Authority, with less the discount specified in the contract, the contract is valid for 3-25 years.	- Such transaction supports the Group's normal business. Therefore, the said transaction is considered and deemed proper and reasonable.
	- Expense - Payable	3,904,228.5	4,912,231.4		
- BG Packaging Company Limited	1.7 Revenue from electricity bill and wastewater treatment fee	48,697,413.4	46,604,870.1	- 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	- 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 - Receivable	4,422,166.4	3,922,379.5		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				<p>Company Limited also used the electricity and wastewater treatment services, therefore, the Group charged BG Packaging Company Limited for such services.</p> <ul style="list-style-type: none"> <li>– Electricity bill and wastewater treatment fee are charged based on actual expenses.</li> </ul>	
<ul style="list-style-type: none"> <li>– BG Sports Company Limited</li> </ul>	1.8 Expenditure for premium cost <ul style="list-style-type: none"> <li>– Expense</li> <li>– Payable</li> </ul>	6,582,985.5 653,887.0	7,340,924.0 167,316.0	<ul style="list-style-type: none"> <li>– The Group purchased premiums from BG Sports Company Limited as CSR activities.</li> <li>– The price of premiums is comparable with the price that BG Sports Company Limited sells to a third party.</li> </ul>	<ul style="list-style-type: none"> <li>– 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.</li> </ul>

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> <li>BG Sports Company Limited</li> </ul>	1.9 Expenditure for premium cost <ul style="list-style-type: none"> <li>Expense</li> <li>Payable</li> </ul>	9,634,677.6 989,963.0	12,809,411.8 1,646,542.4	<ul style="list-style-type: none"> <li>The Group purchased foods and beverages from BG Sports Company Limited as saminar and Staff reception.</li> <li>The price of foods and beverages are comparable with the price that BG Sports Company Limited sells to a third party.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> <li>BG Sports Company Limited</li> </ul>	1.10 Expenditure for Football tickets and accommodation <ul style="list-style-type: none"> <li>Expense</li> <li>Payable</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>-</li> </ul>	2,803,738.3 <ul style="list-style-type: none"> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>The company supports football tickets and accommodation from BGFC Sport Co., Ltd. for use in supporting the customers of the company. And for employees to encourage morale.</li> <li>The price of football tickets and accommodation are comparable with the price that BG Sports Company Limited sells to a third party.</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– BG	1.11 Expenditure for office rental and service fees – Expense – Payable	30,703,236.9 2,860,802.6	34,117,486.5 2,891,858.2	– The Company has entered into lease and service agreements with BG for leasing 1) space of the office project on 38th Fl. at Singha Complex Building of approximate total area of 826.82 Sq.m., 2) an office building area of approximately 2,448.5 Sq.m. in total at Thanyaburi District, Pathum Thani Province, and 3) an Engineering building area of approximately 2,891 Sq.m. in total at Thanyaburi District, Pathum Thani Province from BG to be used as the location of the Company's offices. – 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	– Such transaction is the Company'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.



Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (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 has contract period for 1-3 years	
- BG	1.12 Expenditure for land and building space lease fees - Cost - Payable	22,849,600.0 1,904,133.3	22,849,600.0 1,904,133.3	<p>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 of the SEC. Such land and space lease agreements are entered by the Group and effective from January 1, 2018.</p> <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 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– BG Packaging Company Limited	1.13 Expenditure for land and building space lease fees – Expense – Payable	495,000.0 –	540,000.0 45,000.0	– The Ayudhya Glass Industry Company Limited has entered into a land and building lease agreement. (House building) with BG Packaging Co., Ltd. to use as accommodation for the company's employees. The contract is for a period of 1 year.	– 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.
– BG Energy Solution Company Limited	1.14 Revenue from rooftop rental fee – Revenue – Receivable	2,194,400.0 174,000.0	3,358,400.0 –	– 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	– Such transaction supports the Group's normal business under price and general commercial conditions similar

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
				<p>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.</p> <ul style="list-style-type: none"> <li>Rental fee is based on a market rate.</li> </ul>	<p>to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.</p>
<ul style="list-style-type: none"> <li>BG Packaging Company Limited</li> <li>Bangkok Visypak Company Limited</li> </ul>	<p>1.15 Revenue from pallet rental fee</p> <ul style="list-style-type: none"> <li>Revenue</li> <li>Receivable</li> <li>Revenue</li> <li>Receivable</li> </ul>	<p>578,931.2</p> <p>76,813.4</p> <p>519,790.9</p> <p>116,012.2</p>	<p>513,118.4</p> <p>98,894.0</p> <p>935,941.4</p> <p>102,910.7</p>	<p>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.</p> <ul style="list-style-type: none"> <li>Pallet rental fee is estimated based on actual cost of pallets.</li> </ul>	<ul style="list-style-type: none"> <li>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. Therefore, the said transaction is considered and deemed proper and reasonable.</li> </ul>

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<b>Other Groups</b>					
– ThaiNamthip Manufacturing Company	2.1 Revenue from packaging sales				
	– Revenue	60,760,550.4	44,154,547.2	– 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.	– 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	24,682,588.7	32,742,821.7		
	– Revenue	69,154,930.8	24,235,303.5		
	– Receivable	2,274,452.0	7,058,073.8		
– Thai Asia Pacific Brewery Company					

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<b>Boon Rawd Group</b>					
– Boonrawd Brewery Company Limited	3.1 Revenue from packaging sales				
	– Revenue – Receivable	537,781.0 -	- -	<ul style="list-style-type: none"> <li>– The Group sold glass packaging to Boonrawd Brewery Company Limited as the normal business operation of the Group.</li> <li>– Sale prices are comparable with the prices offered for sale by the Group to the third party.</li> </ul>	<ul style="list-style-type: none"> <li>– 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.</li> </ul>



Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
3.2	Revenue from packaging sales				
– Pathumthani Brewery Company Limited	– Revenue – Receivable	1,629,235,622.6 147,615,017.1	1,513,597,802.5 114,757,838.5	– 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 in accordance with the Group's price policy comparable with other customers.	– Such transaction supports the Group's normal business under the reasonable price and general commercial. Therefore, the said transaction is considered and deemed proper.
– Chiangmai Beverage Company Limited	– Revenue – Receivable	187,041,369.6 16,141,009.9	206,838,658.4 17,129,248.2		
– Wang Noi Beverage Company Limited	– Revenue – Receivable	1,287,666,772.0 112,748,065.7	1,324,447,216.0 89,977,678.2		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– Sam Sen Brewery Company Limited	– Revenue	11,274,854.4	7,376,486.4		
	– Receivable	-	99,435.5		
– Suratthani Beverage Company Limited	– Revenue	288,003,072.0	257,781,366.0		
	– Receivable	22,869,580.8	13,797,350.4		
– Singha Beverage Company Limited	– Revenue	779,315,282.6	756,548,642.5		
	– Receivable	29,724,595.0	107,648,997.8		
– Boonrawd Trading Company Limited	– Revenue	-	-		
	– Receivable	6,800.1	-		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> <li>– Khon Kaen Brewery Company Limited</li> <li>– Mahasarakham Beverage Company</li> </ul>	<ul style="list-style-type: none"> <li>– Revenue</li> <li>– Receivable</li> </ul>	1,652,616,970.6 149,901,156.3	1,612,574,576.5 105,777,831.5		
	<ul style="list-style-type: none"> <li>– Revenue</li> <li>– Receivable</li> </ul>	519,264,813.2 36,259,441.0	506,653,868.0 47,677,237.6		
<ul style="list-style-type: none"> <li>– Pathumthani Brewery Company Limited</li> <li>– Wang Noi Beverage Company Limited</li> </ul>	3.3 Revenue for packaging transportation fee <ul style="list-style-type: none"> <li>– Revenue</li> <li>– Receivable</li> </ul>	27,500,039.9 -	23,943,037.0 -	<ul style="list-style-type: none"> <li>– 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.</li> <li>– Transportation fee is charged at a rate similar to hiring a third party.</li> </ul>	<ul style="list-style-type: none"> <li>– 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.</li> </ul>
	<ul style="list-style-type: none"> <li>– Revenue</li> <li>– Receivable</li> </ul>	- -	60,680.0 -		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
– Sam Sen Brewery Company Limited	– Revenue – Receivable	213,944.0 –	138,744.0 –		
– Singha Beverage Company Limited	– Revenue – Receivable	3,610,664 –	3,987,480.0 –		
– Boonrawd Trading Company Limited	– Revenue – Receivable	– –	– –		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> <li>– BRF Logistics Company Limited</li> </ul>	3.4 Expenditure for packaging transportation fee <ul style="list-style-type: none"> <li>– Cost</li> <li>– Payable</li> </ul>	21,417,978.9 1,191,373.0	5,904,966.8 300,078.2	<ul style="list-style-type: none"> <li>– The Group engaged BRF Logistics Company Limited to transport some of its glass packaging products of the Group to customers.</li> <li>– Transportation fee is a rate similar to hiring a third person for contracting of transporting glass packaging products.</li> </ul>	<ul style="list-style-type: none"> <li>– 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.</li> </ul>



Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
3.5	Revenue from bottle storage service fee				
– Pathumthani Brewery Company Limited	– Revenue	4,423,344.0	2,197,530.0	– 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 conditions similar to a transaction entered with a third party. Therefore, the said transaction is considered and deemed proper and reasonable.
– Khon Kaen Brewery Company Limited	– Receivable	-	-	– The rate of goods storage management fees is comparable with the rate offered for sale by the Group of the Company to the third party.	
	– Revenue	7,228,383.0	350,869.0		
	– Receivable	-	-		

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> <li>Boonrawd Supply Chain Company Limited</li> </ul>	3.6 Supply Chain Management service fee <ul style="list-style-type: none"> <li>Service fee</li> <li>Payable</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>-</li> </ul>	1,600,000.0 -	<ul style="list-style-type: none"> <li>The Company procured a supply chain consultant for the transaction from Boonrawd Supply Chain Company Limited to be an advisor. With service rates as specified in the agreement which is valid for 1 year</li> </ul>	<ul style="list-style-type: none"> <li>This is a normal business support transaction of the Group of Companies. The price is determined according to the cost of service provider with the market price comparison service company. This does not cause the Group to lose any benefit and therefore considers that such transactions are appropriate and reasonable.</li> </ul>

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> <li>Khon Kaen Brewery Company Limited</li> </ul>	3.7 Revenue from steam sales <ul style="list-style-type: none"> <li>Revenue</li> <li>Receivable</li> </ul>	10,490,954.2 964,557.4	7,375,666.1 543,245.2	<ul style="list-style-type: none"> <li>Khon Kaen Glass Industry's factory generates Waste Heat Steam acquired from glass melting in the manufacturing process of glass packaging. The quantity is sufficient for selling to Khon Kaen Brewery Company Limited.</li> <li>Steam price is estimated from the agreed price formula and profit is earned from steam sales.</li> </ul>	<ul style="list-style-type: none"> <li>Such transaction supports the Group's normal business. Pricing is based on the agreed price formula whereas profit is earned from steam sales, resulting in non-loss of the Group's benefit. Therefore, the said transaction is considered and deemed proper and reasonable.</li> </ul>

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> <li>– Khon Kaen Brewery Company Limited</li> </ul>	3.8 Expenditure for water supply bill <ul style="list-style-type: none"> <li>– Expense</li> <li>– Payable</li> </ul>	2,815,734.7 498,160.4	2,624,423.4 239,238.3	<ul style="list-style-type: none"> <li>– 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.</li> <li>– Water supply bill is charged based on a cost plus small operational charge.</li> </ul>	<ul style="list-style-type: none"> <li>– 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.</li> </ul>

Person/Juristic Person with Potential Conflicts	Nature of Related Party Transactions	Transaction Value for the Accounting Year Ended 31 December 2019 (Baht)	Transaction Value for the Accounting Year Ended 31 December 2020 (Baht)	Necessity and Reasonableness of the Transactions	Opinions of the Audit Committee
<ul style="list-style-type: none"> <li>Boonrawd Company</li> </ul>	3.9 Long term service fee for Smart Office Project <ul style="list-style-type: none"> <li>Service fee</li> <li>Payable</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>-</li> </ul>	<ul style="list-style-type: none"> <li>2,933,844.0</li> <li>491,473.9</li> </ul>	<ul style="list-style-type: none"> <li>The Company entered into a long-term service agreement for the Smart Office Project to enhance the software capabilities needed to provide services in the leased area of the Singha Complex Building with service rates as stipulated in the agreement</li> </ul>	<ul style="list-style-type: none"> <li>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.</li> </ul>

### 3. Necessity and Reasonableness of the Related Party Transactions

The Audit Committee's Meeting of the Company No. 1/2021 held on 18 February 2021 considered the information of the related party transactions of the Group for the accounting year ended 31 December 2020 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 31 December 2020 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.

### 4. 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 15 November 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.

## **5. 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 31 December 2020 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:

On 1 April 2020, Khonkaen Glass Industry Co., Ltd. entered into an agreement to transfer the entire business at the net book value of Khonkaen Glass Industry Co., Ltd. as at 30 April 2020 to BGC Glass Solution Co., Ltd., effective from 1 May 2020. Then, on 25 May 2020, Khonkaen Glass Industry Co., Ltd. registered its dissolution with the Ministry of Commerce. It is currently in the process of liquidation.

## 2. Analysis of Performance Results for the accounting years ended 31 December 2019 and 31 December 2020

### 2.1 Income

Income	Consolidated Financial Statement			
	2019		2020	
	Value (Million Baht)	%	Value (Million Baht)	%
Sales	11,251.6	99.4	10,968.0	99.5
Other income <sup>(1)</sup>	66.9	0.6	54.4	0.5
<b>Total Incomes</b>	<b>11,318.5</b>	<b>100.0</b>	<b>11,022.4</b>	<b>100.0</b>

Remark: <sup>(1)</sup> 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 2019 and 31 December 2020, the Company Group's sales revenue were 11,251.6 Million Baht and 10,968.0 Million Baht, decreasing 283.6 Million Baht or 2.5% compared to previous year due to the decrease in sales of beers from both domestic and export. From the impact of the coronavirus disease epidemic situation (COVID-19) in the first half of the year and the fourth quarter, however, in 2020, the Company had revenues from the energy group of 456.1 Million Baht affected to sales fell only 2.5% compared to the previous year.

### 2.2 Cost of Sales

For the accounting years ended 31 December 2019 and 31 December 2020, the Company Group's costs of sales were 9,527.1 Million Baht and 8,918.8 Million Baht, respectively. In 2020, the Company Group's total cost of sales was decreased by 608.3 Million Baht, or decreasing 6.4% due to the energy price were declined according to the World's market prices, causing the change of average variable costs decreased.

### 2.3 Gross Profit and Gross Profit Margin

For the accounting years ended 31 December 2019 and 31 December 2020, the Company Group's gross profits were 1,724.5 Million Baht and 2,049.3 Million Baht, respectively, or representing 15.3% and 18.7% respectively. In 2020, the Company Group's gross profit was increased by 324.8 Million Baht, increasing 18.8% from previous year, mainly due to the cost of raw materials decreases in line with world energy prices. In addition, the energy business had a gross profit of 196.4 Million Baht or a gross profit margin of 43.1%, which resulted in the gross profit of the whole the group increased compared to the previous year. The gross profit from the energy business accounted for 10% of the group.

### 2.4 Sales Expenses

For the accounting years ended 31 December 2019 and 31 December 2020, the Company Group's sales expenses were 300.4 Million Baht and 262.2 Million Baht, respectively. In 2020, the Company Group's

sales expense was decreased by 38.2 Million Baht or 12.7% from previous year due to the marketing activity decreased as the COVID-19 epidemic situation.

## 2.5 Administrative Expenses

For the accounting years ended 31 December 2019 and 31 December 2020, the Company Group's administrative expenses were 677.7 Million Baht and 960.8 Million Baht, respectively. In 2020, the Company Group's administrative expense was increased by 283.2 Million Baht or 41.8% due to the provision for impairment of assets and inventories and service fees for project consultants for investment and restructuring of the Group. Including the increased depreciation from the planned shutdown of the furnace, which recorded in administrative expenses.

## 2.5 Administrative Expenses

For the accounting years ended 31 December 2019 and 31 December 2020, the Company Group's administrative expenses were 677.7 Million Baht and 960.8 Million Baht, respectively. In 2020, the Company Group's administrative expense was increased by 283.1 Million Baht or 41.8% due to the provision for impairment of assets and inventories and service fees for project consultants for investment and restructuring of the Group. Including the increased depreciation from the planned shutdown of the furnace, which recorded in administrative expenses.

## 2.6 Loss on impairment of fixed assets

During the year ended 31 December 2020, the subsidiary company recognized a loss from provision for impairment of equipment amounting to Baht 60.4 Million Baht (2019: 30.1 Million Baht). Most of them are provision for impairment of equipment of the

subsidiary's factory. Because there is no plan to take advantage of the assets.

## 2.7 Financial Expenses

Most of the financial expenses consist of Interest expenses, borrowings and interest expenses on lease liabilities. For the accounting years ended 31 December 2019 and 31 December 2020, the Company Group's financial expenses were 182.8 Million Baht and 258.8 Million Baht, respectively. In 2020, the Company Group's financial expense increased 76.0 Million Baht, or 41.6% due to during the year were affected by the disease COVID-19, which make sales down and inventory increased-short-term borrowing was required in order to operate normally.

## 2.8 Income Tax Expenses

For the accounting years ended 31 December 2019, the Company Group's corporate income tax expenses were 68.0 Million Baht, but the accounting years ended 31 December 2020, the Company Group's corporate income tax revenue were 14.6 Million Baht. Because during the year the group had merger. The deferred income tax has increased from the previous year as a result, the overall picture of the group has reduced tax.

## 2.9 Net Profit and Net Profit Margin

For the accounting years ended 31 December 2019 and 31 December 2020, the Company Group's net profits were 528.4 Million Baht and 584.1 Million Baht, respectively, increasing 55.7 Million Baht or 10.5% from previous year due to the gross profit was higher than the same period of the previous year, which is mainly due to lower energy costs and profit from the energy business.



### 3. Analysis of Financial Position

#### 3.1 Overview of Assets

As of 31 December 2019 and 31 December 2020, the Company Group's total assets were 17,391.7 Million Baht and 17,948.9 Million Baht, respectively, by the end of 2020, the Company Group had total assets increased by 557.2 Million Baht or 3.2% compared to the end of 2019. Significant changes include account receivables and other receivables, inventories, property, plant and equipment, right-of-use assets, other current assets and other non-current assets, as follows:

#### 3.2 Inventories

As of 31 December 2019 and 31 December 2020, the Company Group's net inventories were 1,843.55 Million Baht and 2,177.6 Million Baht, respectively. In 2020, the Company Group's inventory was increased by 334.0 Million Baht or 18.1% compared to previous year, mainly due to the increase of finished goods and raw materials for reserved for COVID-19 situation.

#### 3.3 Other Current Assets

As of 31 December 2019 and 31 December 2020, the Company Group had other current assets equal to 80.9 Million Baht and 128.3 Million Baht respectively. In the year 2020, the Company Group's other current assets were increased by 47.4 Million Baht or 58.6% compared 2019, mainly due to increasing of advance, advance expense and VAT.

#### 3.4 Investment in equity instrument of non-listed company

As of 31 December 2020, the Company Group's has invested in Investment in equity instrument of non-listed company of 7.6 Million Baht, which BGC Glass Solutions Co., Ltd. (subsidiary) invested in ordinary shares of Watermill Golf Resort Company Limited, or a total of 9 Million Baht in such company, with the

share payment and transfer of rights to the shares made in May 2020.

#### 3.5 Property, plant and equipment

As of 31 December 2019 and 31 December 2020, the Company Group's property, plant and equipment were 12,939.9 Million Baht and 11,996.0 Million Baht, respectively. As of 31 December 2020, the Company Group's property, plant and equipment were decreased by 943.9 Million Baht or 7.3% compared to 2019, mainly dropped in depreciation.

#### 3.6 Right-of-use assets and Leasehold right

As of 31 December 2019 and 31 December 2020, the Company Group's right-of-use assets of 1.2 Million Baht and 371.4 Million Baht, increasing by 370.2 Million Baht compared 2019. And as of 31 December 2019, the Company Group's leasehold right of 15.5 Million Baht mainly from the Company and its subsidiaries leasehold contract and cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards (TFRS 16) as at 1 January 2020.

#### 3.7 Deposit for purchase of equipment

As of 31 December 2019 and 31 December 2020, the Company Group's deposits for purchase of equipment were 11.1 Million Baht and 9.7 Million Baht, respectively, decreasing by 1.4 Million Baht or 12.6% compared 2019, since had no import of machine and decreased in import of equipment.

#### 3.8 Other non-current assets

As of 31 December 2019 and 31 December 2020, the Company Group's other non-current assets were 10.8 Million Baht and 15.8 Million Baht, respectively. As of 31 December 2020, the Company Group's other non-current assets were increased by 5.0 Million Baht or

46.3% compared to 2019, mainly due to the increasing of its subsidiaries' deferred tax assets.

### **3.9 Overview of Liabilities**

As of 31 December 2019 and 31 December 2020, the Company Group's total liabilities were 11,990.0 Million Baht and 11,790.5 Million Baht, respectively. As of 31 December 2020, the Company Group's total liabilities were decreased by 199.5 Million Baht or 1.7% compared to 2019, mainly due to the decrease of trade and other payables - unrelated parties, short-term

loans from related parties in the form of promissory notes and are clean loans.

### **3.10 Shareholders' Equity**

As of 31 December 2019 and 31 December 2020, the shareholders' equities of the Company Group were 5,941.8 Million Baht and 6,158.5 Million Baht, respectively. As of 31 December 2020, the shareholders' equity of the Company Group was increased by 216.7 Million Baht or 3.6% compared to previous year, due to the increase of retained earnings.

## **4. Appropriateness of Capital Structure**

As of 31 December 2019 and 31 December 2020, the Company Group's debt to equity ratios (D/E ratio) were 2.0 times and 1.9 times, respectively, due to

the increase of retained earnings, and decrease of repayment of long-term loans.

## **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.

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 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 2019 and 31 December 2020, represented 84.7% and 81.3% of sales revenue, respectively. If the prices of raw materials have increased, the Company Group will have higher

### **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 2019 and 31

December 2020, the average utilization rates of the glass container factory were approximately 86.4% and 88.0%, respectively and the average production efficiency rate of the glass container factory were approximately 85.0% and 84.8%, 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.

## BG Container Glass Public Company Limited and its subsidiaries

# / Independent Auditor's Report

### 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 2020, 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 2020, 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 12.4 to the financial statements. In December 2019, the Group invested in ordinary shares of a subsidiary. The Company completed the measurement of fair value of the identifiable assets acquired and liabilities assumed at the acquired date in December 2020. The Company restated the consolidated statement of financial position as at 31 December 2019 presented herein as comparative information, to reflect the fair value of the identifiable assets acquired and liabilities assumed of a subsidiary as from the acquisition date. 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**

The Group set up controls and continuously monitored sales transactions. However, 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: 18 February 2021

## BG Container Glass Public Company Limited and its subsidiaries

## / Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
			(Restated)		
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	8	211,772,904	262,480,061	32,512,427	64,315,504
Trade and other receivables	7, 9	1,394,629,783	1,379,382,477	940,287,621	865,530,902
Short-term loans to related parties	7	-	-	563,000,000	164,000,000
Inventories	10	2,177,554,693	1,843,510,895	41,635,065	32,083,484
Value added tax refundable		185,645,231	158,427,397	153,655,340	109,893,747
Other current financial assets	11	172,754,866	-	-	-
Other current assets		128,328,848	80,901,488	34,094,016	13,231,762
<b>Total current assets</b>		<b>4,270,686,325</b>	<b>3,724,702,318</b>	<b>1,765,184,469</b>	<b>1,249,055,399</b>
<b>Non-current assets</b>					
Investments in subsidiaries	12	-	-	9,719,683,574	9,586,425,486
Investments in associates	13	144,396,680	130,885,764	145,738,000	135,000,000
Investment in equity instrument of non-listed company	14	7,588,386	-	-	-
Long-term loan to related party	7	-	-	741,682,967	741,682,967
Property, plant and equipment	12.4, 15	11,996,008,575	12,939,868,857	181,134,313	114,869,323
Right-of-use assets	4, 18	371,360,424	1,167,684	174,850,017	-
Rights to generating and distributing electricity	12.4, 16	937,293,111	988,818,033	-	-
Other intangible assets	17	31,530,006	17,829,332	22,935,386	8,868,214
Leasehold right	4, 18	-	15,531,143	-	-
Deposit for purchase of equipment		9,720,915	11,141,828	377,880	-
Deferred tax assets	27	164,549,585	90,952,658	-	-
Other non-current assets		15,780,670	10,819,346	7,996,044	8,624,989
<b>Total non-current assets</b>		<b>13,678,228,352</b>	<b>14,207,014,645</b>	<b>10,994,398,181</b>	<b>10,595,470,979</b>
<b>Total assets</b>		<b>17,948,914,677</b>	<b>17,931,716,963</b>	<b>12,759,582,650</b>	<b>11,844,526,378</b>

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 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
			(Restated)		
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from banks	19	4,631,000,000	3,789,000,000	2,037,000,000	1,973,000,000
Trade and other payables	7, 20	1,116,716,773	1,336,415,534	2,678,263,942	1,887,019,542
Short-term loans from related parties	7	-	300,208,154	621,400,000	428,100,000
Current portion of long-term loans from banks	21	1,784,956,878	1,105,201,535	1,100,000,000	500,000,000
Current portion of lease liabilities	4, 18	79,446,111	-	38,096,737	-
Income tax payable		29,856,364	53,817,514	-	3,417,187
Other current liabilities		58,708,825	65,077,277	19,299,349	12,642,399
<b>Total current liabilities</b>		<b>7,700,684,951</b>	<b>6,649,720,014</b>	<b>6,494,060,028</b>	<b>4,804,179,128</b>
<b>Non-current liabilities</b>					
Long-term loans from banks - net of					
current portion	21	3,118,495,440	4,626,030,134	900,000,000	2,000,000,000
Lease liabilities - net of current portion	4, 18	283,234,080	-	139,187,746	-
Provision for long-term employee benefits	22	597,669,705	618,949,852	214,167,365	207,317,940
Deferred tax liabilities	12.4, 27	88,431,640	88,431,640	-	-
Other non-current liabilities		1,936,812	6,797,376	-	540,900
<b>Total non-current liabilities</b>		<b>4,089,767,677</b>	<b>5,340,209,002</b>	<b>1,253,355,111</b>	<b>2,207,858,840</b>
<b>Total liabilities</b>		<b>11,790,452,628</b>	<b>11,989,929,016</b>	<b>7,747,415,139</b>	<b>7,012,037,968</b>

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 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
			(Restated)		
<b>Shareholders' equity</b>					
Share capital					
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		979,405,939	979,405,939	979,405,939	979,405,939
Retained earnings					
Appropriated - Statutory reserve	23	208,705,634	135,892,776	101,017,355	69,947,800
- General reserve		2,452,590	2,452,590	-	-
		211,158,224	138,345,366	101,017,355	69,947,800
Unappropriated		442,378,044	333,502,200	459,524,217	310,914,671
Other components of shareholders' equity		3,883,968	9,353,328	-	-
<b>Equity attributable to owners of the Company</b>		5,109,046,175	4,932,826,833	5,012,167,511	4,832,488,410
Non-controlling interests of the subsidiaries		1,049,415,874	1,008,961,114	-	-
<b>Total shareholders' equity</b>		6,158,462,049	5,941,787,947	5,012,167,511	4,832,488,410
<b>Total liabilities and shareholders' equity</b>		17,948,914,677	17,931,716,963	12,759,582,650	11,844,526,378

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 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales	28	10,968,018,439	11,251,582,405	4,507,602,875	4,204,845,652
Dividend income	12.2, 13.3	-	-	601,028,882	482,240,000
Management fees	7	-	-	442,561,421	468,339,539
Other income		54,373,800	66,862,045	109,990,949	76,466,570
<b>Total revenues</b>		<b>11,022,392,239</b>	<b>11,318,444,450</b>	<b>5,661,184,127</b>	<b>5,231,891,761</b>
<b>Expenses</b>					
Cost of sales		8,918,758,164	9,527,116,646	4,294,720,878	3,999,445,901
Selling and distribution expenses		262,151,291	300,385,264	218,928,258	217,582,121
Administrative expenses		960,840,459	677,653,679	555,625,109	402,016,248
Loss on impairment of fixed assets	15	60,423,892	30,084,388	-	-
<b>Total expenses</b>		<b>10,202,173,806</b>	<b>10,535,239,977</b>	<b>5,069,274,245</b>	<b>4,619,044,270</b>
<b>Profit from operating activities</b>		<b>820,218,433</b>	<b>783,204,473</b>	<b>591,909,882</b>	<b>612,847,491</b>
Share of profit (loss) from investments in associates	13.3	5,272,916	(4,114,236)	-	-
Finance income	24	2,918,585	53,784	33,867,876	15,292,845
Finance cost	25	(258,837,448)	(182,757,753)	(111,376,649)	(96,665,656)
<b>Profit before income tax revenue (expenses)</b>		<b>569,572,486</b>	<b>596,386,268</b>	<b>514,401,109</b>	<b>531,474,680</b>
Income tax revenue (expenses)	27	14,567,617	(67,986,224)	-	(23,035,524)
<b>Profit for the year</b>		<b>584,140,103</b>	<b>528,400,044</b>	<b>514,401,109</b>	<b>508,439,156</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency - net of income tax		(6,956,062)	-	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(6,956,062)	-	-	-
<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)
Loss on investment in equity designated at fair value through other comprehensive income - net of income tax		(797,931)	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(797,931)	(81,866,048)	-	(35,898,796)
<b>Other comprehensive income for the year</b>		<b>(7,753,993)</b>	<b>(81,866,048)</b>	<b>-</b>	<b>(35,898,796)</b>
<b>Total comprehensive income for the year</b>		<b>576,386,110</b>	<b>446,533,996</b>	<b>514,401,109</b>	<b>472,540,360</b>

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 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
<b>Profit attributable to:</b>					
Equity holders of the Company		516,410,710	511,615,745	514,401,109	508,439,156
Non-controlling interests of the subsidiaries		67,729,393	16,784,299		
		<u>584,140,103</u>	<u>528,400,044</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		510,941,350	430,505,319	514,401,109	472,540,360
Non-controlling interests of the subsidiaries		65,444,760	16,028,677		
		<u>576,386,110</u>	<u>446,533,996</u>		
<b>Earnings per share</b>	29				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.74	0.74	0.74	0.73

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 2020

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Cash flows from operating activities</b>				
Profit before tax	569,572,486	596,386,268	514,401,109	531,474,680
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,699,765,467	1,385,938,635	68,639,242	22,599,864
Reversal of allowance for expected credit losses/ allowance for doubtful accounts	(260,000)	(682,204)	(260,000)	(682,204)
Loss on write-off of withholding tax deducted at source	51,680	-	-	-
Loss on write-off and reduction of inventories to net realisable value (reversal)	109,315,369	65,636,579	686,698	(1,005,892)
Loss (gain) on disposal of equipment	(14,578,006)	5,129,656	(308,908)	(6,295)
Loss on write-off of equipment	20,369,206	3,775,661	48,419	84,937
Loss on write-off of intangible asset	482,175	57	-	-
Allowance for impairment loss on fixed assets	60,423,892	30,084,388	-	-
Share of loss (profit) from investments in associates	(5,272,916)	4,114,236	-	-
Provision for long-term employee benefits	81,665,055	93,589,921	31,783,392	31,842,197
Dividend income	-	-	(601,028,882)	(482,240,000)
Finance income	(2,918,585)	(53,784)	(33,867,876)	(15,292,845)
Finance cost	257,414,609	181,132,914	110,676,457	95,854,459
Profit from operating activities before changes in operating assets and liabilities	2,776,030,432	2,365,052,327	90,769,651	182,628,901
Operating assets (increase) decrease				
Trade and other receivables	(4,578,834)	67,495,231	(26,866,720)	(273,204,536)
Inventories	(430,519,194)	201,149,477	(10,238,278)	(14,975,053)
Other current assets	(56,443,757)	(38,012,761)	(48,761,534)	(58,272,598)
Other non-current assets	(4,961,324)	606,459	628,946	95,009
Operating liabilities increase (decrease)				
Trade and other payables	126,096,895	(102,407,576)	1,003,948,202	(29,964,932)
Other current liabilities	(6,368,453)	9,095,055	6,656,950	1,747,485
Other non-current liabilities	(4,860,565)	(7,672,479)	(540,900)	-
<b>Cash flows from (used in) operating activities</b>	<b>2,394,395,200</b>	<b>2,495,305,733</b>	<b>1,015,596,317</b>	<b>(191,945,724)</b>
Cash received from interest income	2,910,563	73,302	14,011,643	17,460,016
Cash paid for interest expenses	(256,404,760)	(183,758,246)	(106,141,708)	(97,911,238)
Cash paid for long-term employee benefits	(112,337,084)	(21,272,021)	(50,787,763)	(15,523,274)
Cash paid for corporate income tax	(102,280,189)	(61,876,600)	(19,279,500)	(7,849,614)
<b>Net cash flows from (used in) operating activities</b>	<b>1,926,283,730</b>	<b>2,228,472,168</b>	<b>853,398,989</b>	<b>(295,769,834)</b>

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 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<b>Cash flows from investing activities</b>				
Increase in fixed deposits	(172,754,866)	-	-	-
Cash paid for acquisition of investment in subsidiary and received transfer of assigned debts	(322,108,088)	(1,070,150,000)	(322,108,088)	(1,070,150,000)
Proceeds of subsidiaries from acquisition of investment in subsidiary	-	171,887,665	-	-
Cash paid for acquisition of investments in associates	(10,738,000)	(135,000,000)	(10,738,000)	(135,000,000)
Cash paid for investment in equity instrument of non-listed company	(8,585,800)	-	-	-
Cash paid for equipment deposits	(9,117,724)	(11,141,828)	(377,880)	-
Cash paid for acquisition of fixed assets	(713,517,430)	(702,247,363)	(124,709,848)	(44,969,690)
Cash paid for acquisition of intangible assets	(19,783,800)	(9,230,638)	(18,617,476)	(9,198,339)
Proceeds from disposal of equipment	6,597,530	8,331,535	1,153,664	32,914
Proceeds from disposal of intangible assets	-	-	2,874,000	-
Cash paid for short-term loans to related parties	-	-	(1,055,700,000)	(567,200,000)
Cash received from short-term loans to related parties	-	-	656,700,000	1,371,200,000
Cash paid for short-term loans to non-related parties	(49,278,348)	-	(49,278,348)	-
Cash received from short-term loan to non-related parties	50,000,000	-	50,000,000	-
Dividend income	2,500,000	-	601,028,882	482,240,000
<b>Net cash flows from (used in) investing activities</b>	<b>(1,246,786,526)</b>	<b>(1,747,550,629)</b>	<b>(269,773,094)</b>	<b>26,954,885</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from banks	842,000,000	(1,255,000,000)	64,000,000	(536,000,000)
Cash received from short-term loans from related parties	-	-	1,240,000,000	370,000,000
Repayment of short-term loans from related parties	(300,208,154)	-	(1,046,700,000)	(257,900,000)
Cash received from long-term loans from banks	314,799,477	2,200,000,000	-	1,500,000,000
Repayment of long-term loans from banks	(1,126,104,222)	(977,000,000)	(500,000,000)	(500,000,000)
Payment of principal portion of lease liabilities	(78,220,462)	-	(38,006,961)	-
Dividend paid	(334,721,995)	(291,666,480)	(334,722,011)	(291,666,480)
Subsidiary paid dividend to its non-controlling interest	(24,990,000)	(39,690,000)	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>(707,445,356)</b>	<b>(363,356,480)</b>	<b>(615,428,972)</b>	<b>284,433,520</b>
<b>Different in translation adjustments</b>	<b>(22,759,005)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(50,707,157)</b>	<b>117,565,059</b>	<b>(31,803,077)</b>	<b>15,618,571</b>
Cash and cash equivalents at beginning of year	262,480,061	144,915,002	64,315,504	48,696,933
<b>Cash and cash equivalents at end of year (Note 8)</b>	<b>211,772,904</b>	<b>262,480,061</b>	<b>32,512,427</b>	<b>64,315,504</b>

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 2020**

			(Unit: Baht)	
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Non-cash items				
Increase (decrease) in payables for construction	(22,390,094)	3,029,427	(28,190,401)	35,526,218
Transfer deposits for purchase of equipment to fixed assets	10,538,636	31,191,548	-	-
Transfer inventories to fixed assets	-	51,455	-	-
Transfer fixed assets to inventory	12,839,973	-	-	-
Increase in right-of-use assets under lease agreements	35,375,902	-	22,266,157	-
Increase in other receivables from receive transfer provision for long-term employee benefits from related companies	11,122,102	16,257,517	28,495,418	24,503,984
Increase in other payables from transfer provision for long-term employee benefits to related companies	1,730,221	5,748,269	2,641,621	5,393,396
Increase in other payables in respect of payment provision for long-term employee benefits	-	12,182,956	-	599,965
Decrease in other non-current liabilities in respect of payment provision for long-term employee benefits	-	1,751,593	-	177,080

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

## For the year ended 31 December 2020

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 2020**

(Unit: Baht)

**Separate financial statements**

	Issued and paid-up capital	Share premium	Retained earnings		Total
			Statutory reserve	Unappropriated	
<b>Balance as at 1 January 2019</b>	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 32)	-	-	-	(291,666,480)	(291,666,480)
Transfer to statutory reserve	-	-	27,076,800	(27,076,800)	-
<b>Balance as at 31 December 2019</b>	<u>3,472,220,000</u>	<u>979,405,939</u>	<u>69,947,800</u>	<u>310,914,671</u>	<u>4,832,488,410</u>
<b>Balance as at 1 January 2020</b>	3,472,220,000	979,405,939	69,947,800	310,914,671	4,832,488,410
Profit for the year	-	-	-	514,401,109	514,401,109
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	514,401,109	514,401,109
Dividend paid (Note 32)	-	-	-	(334,722,008)	(334,722,008)
Transfer to statutory reserve	-	-	31,069,555	(31,069,555)	-
<b>Balance as at 31 December 2020</b>	<u>3,472,220,000</u>	<u>979,405,939</u>	<u>101,017,355</u>	<u>459,524,217</u>	<u>5,012,167,511</u>

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 2020

### 1. General information

#### 1.1 General information of the Company

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.

#### 1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

### 2. Basis of preparation

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

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

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

## 2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of 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	
			2020	2019
			(%)	(%)
<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)	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) Co., Ltd. (SPM)	Investment in other company	Thailand	100	100
<u>Subsidiary held by a subsidiary (Indirect subsidiary)</u>				
Phu Khanh Solar Power Joint Stock Company (PKS)	Generating and distributing electricity from solar power	Vietnam	67	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 year, the Group has adopted the revised (revised 2019) and new 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. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves 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.

These standards do not have any significant impact on the Group's 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.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption and the comparative information was not restated. The cumulative effect of the change is described in Note 4 to the financial statements.

### **b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021**

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

## **4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards**

As described in Note 3 to the financial statements, during the current year, the Group has adopted financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying this standard is recognised as an adjustment as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows.

(Unit: Thousand Baht)

Consolidated financial statements			
	31 December 2019	The effect of TFRS 16	1 January 2020
<b>Statement of financial position</b>			
<b>Assets</b>			
<b>Non-current assets</b>			
Right-of-use assets	-	417,426	417,426
Leasehold right	15,531	(15,531)	-
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Current portion of lease liabilities	-	69,925	69,925
<b>Non-current liabilities</b>			
Lease liabilities - net of current portion	-	331,970	331,970

(Unit: Thousand Baht)

Separate financial statements			
	31 December 2019	The effect of TFRS 16	1 January 2020
<b>Statement of financial position</b>			
<b>Assets</b>			
<b>Non-current assets</b>			
Right-of-use assets	-	190,186	190,186
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Current portion of lease liabilities	-	33,008	33,008
<b>Non-current liabilities</b>			
Lease liabilities - net of current portion	-	157,178	157,178

## Leases

Upon initial application of TFRS 16 the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.



	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease and service commitments as at 31 December 2019	365,676	98,531
Add: Option to extend lease term	132,600	132,600
Less: Short-term leases and leases of low-value assets	(5,839)	(3,759)
Less: Contracts reassessed as service agreements	(50,737)	(19,489)
Add (less): Others	(248)	18
Less: Deferred interest expenses	(39,557)	(17,715)
Increase in lease liabilities due to TFRS 16 adoption	401,895	190,186
Liabilities under finance lease agreements as at 31 December 2019	-	-
Lease liabilities as at 1 January 2020	401,895	190,186
Weighted average incremental borrowing rate (percent per annum)	2.54	2.79
Comprise of:		
Current lease liabilities	69,925	33,008
Non-current lease liabilities	331,970	157,178
	401,895	190,186

## Financial Instrument

As at 1 January 2020, the Group classified and measured value of financial assets in accordance with TFRS 9 at amortisation cost and did not designate any financial liabilities to be measured at fair value through profit or loss.

## 5. Significant accounting policies

### 5.1 Revenue and expense 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 calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

### *Finance cost*

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

### *Dividends*

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

## **5.2 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.

## **5.3 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.

## **5.4 Investments in subsidiaries and associates**

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost net of allowance for impairment loss (if any).

## 5.5 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.

## **5.6 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 are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

## **5.7 Rights to generating and distributing electricity and amortisation**

Rights to generating and distributing electricity acquired in a business combination were measured initially at their acquisition-date estimated fair values. Subsequent to initial recognition, rights to generating and distributing electricity has been stated at cost less accumulated amortisation and allowance for loss on impairment (if any).

Amortisation of rights to generating and distributing electricity is calculated by reference to cost on a straight-line basis over estimated economic useful life (estimated around 20 years), recognition of amortisation begins from date of business acquisition. The Group reviews assets for impairment whenever events or changes in circumstances indicate that an asset may be impaired, and reviews the amortisation period and the amortisation method used for rights to produce and sell electricity at least every year end. Amortisation is recognised as an expense in profit or loss.

## **5.8 Intangible assets**

Intangible assets are initially 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.

## 5.9 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.

## 5.10 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### **The Group as a lessee**

#### *Accounting policies adopted since 1 January 2020*

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and land improvement	3 - 10 years
Land leasehold right	48 years
Buildings and building improvement	3 - 10 years
Furniture, fixtures and office equipment	4 years
Motor vehicles	3 - 5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.



### Accounting policies adopted before 1 January 2020

Leases of property, plant or 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 or 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.

#### **The Group as a lessor**

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

#### **5.11 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.

#### **5.12 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company'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 are included in determining income.

### **5.13 Impairment of non-financial assets**

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

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), 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.

### **5.14 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.

**5.15 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.

**5.16 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.

## **5.17 Financial instruments**

### **Accounting policies adopted since 1 January 2020**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs.

However, trade receivable, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Impairment of financial assets**

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **Accounting policies adopted before 1 January 2020**

#### **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.

## **5.18 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.



## 6. 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:

### Leases

#### ***Determining the lease term with extension and termination options - The Group as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

#### ***Estimating the incremental borrowing rate - The Group as a lessee***

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

#### ***Lease classification - The Group as lessor***

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

#### ***Allowance for expected credit losses of trade receivables***

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

### **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.

### **Goodwill and rights to generating and distributing electricity**

The initial recognition and measurement of goodwill, rights to generating and distributing electricity and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

### **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 benefits**

The obligation under the defined benefit plans and other long-term employee benefit plans 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.

## **7. 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		
	financial statements		financial statements		Transfer pricing policy
	2020	2019	2020	2019	
<b>Transactions with parent company</b>					
Other income	-	87	-	-	Close to market price
Service expenses	88,642	85,949	49,511	36,303	Cost of parent company average by sales of the Group and cost of parent company close to market price
Dividend paid	241,000	210,000	241,000	210,000	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	-	19,566	Market price
Purchases of other assets	2,289	15,728	1,784	15,643	At cost
Rental expenses	59,189	58,010	38,775	38,152	Market price
Other expenses	4,966	1,637	2,349	1,372	Cost of parent company
<b>Transactions with subsidiary companies</b>					
(eliminated from the consolidated financial statements)					
Transportation income	-	-	21,080	21,305	At cost
Interest income	-	-	33,126	15,266	2.35% - 2.85% per annum (2019: 2.85% - 3.00% per annum)
Management fee income	-	-	442,561	468,340	Percent of sales and at cost
Rental income	-	-	73,628	52,297	At cost compare market price
Other income	-	-	8,587	10,396	Close to market price
Dividend income	-	-	598,529	482,240	As declared by subsidiaries
Purchases of goods	-	-	4,039,464	3,910,080	Cost plus margin
Interest expenses	-	-	6,875	6,867	1.35% - 1.60% per annum (2019: 1.60% - 2.16% per annum)
Seminar expenses	-	-	2,688	979	Comparable price as to other customers of subsidiary
<b>Transactions with associated companies</b>					
Dividend income	-	-	2,500	-	As declared by associates
Purchases of raw materials	1,604,965	276,433	-	-	Market price
Service expenses	287	346	-	-	Market price
Transportation expenses	40	-	-	-	Market price
<b>Transactions with related parties</b>					
Sales of goods	7,399,826	7,836,394	1,861,586	1,551,930	Cost plus margin
Transportation income	39,430	49,152	20,731	15,255	At cost and cost plus margin
Commission income	11,191	5,834	11,191	5,834	As stipulated in agreement
Other income	5,978	8,766	2,572	5,984	At cost, cost plus margin and market price
Transportation expense	5,910	21,426	4,350	6,891	Close to rate that Group hires third parties
Purchase of raw materials and parking materials	208,615	1,152,578	11,086	3,943	Market price
Purchases of finished goods	7,017	7,142	3,455	2,968	Cost plus margin
Service expenses	2,074	2,201	-	-	At cost
Electricity expenses	54,591	40,834	-	-	Electricity rate as declared by Provincial Electricity Authority less discount as stipulated in the agreement
Other expenses	6,234	-	10	-	Close to market price
Interest expenses	6,455	230	-	-	7% per annum

The balances of the accounts as at 31 December 2020 and 2019 between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Trade and other receivables (Note 9)</b>				
<u>Trade receivables - related parties</u>				
Related parties	609,691	565,506	162,221	145,260
Total	609,691	565,506	162,221	145,260
<u>Other receivables - related parties</u>				
Parent company	512	4,756	368	4,542
Subsidiaries	-	-	122,854	106,034
Related parties	8,657	10,699	3,793	4,886
Total	9,169	15,455	127,015	115,462
<b>Trade and other payables (Note 20)</b>				
<u>Trade and other payables - related parties</u>				
Parent company	18,868	19,838	13,310	14,418
Subsidiaries	-	-	2,377,260	1,537,283
Associated companies	57,833	66,460	-	-
Related parties	30,983	44,960	5,407	4,346
Total	107,684	131,258	2,395,977	1,556,047
<u>Payables for construction - related parties</u>				
Parent company	-	25,902	-	25,902
Related party	13,702	26,796	-	-
Total	13,702	52,698	-	25,902
<b>Lease liabilities (Note 18)</b>				
<u>Lease liabilities - related party</u>				
Parent company	309,448	-	157,231	-
Related parties	2,160	-	-	-
Total	311,608	-	157,231	-

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 2020 and 2019, 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		Balance as at
	31 December	Decrease	31 December
	2019	during the year	2020
<b>Short-term loans from related party</b>			
Communication & System Solution Plc.	300,208	(300,208)	-
Total	300,208	(300,208)	-

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at			Balance as at
	31 December	Increase	Decrease	31 December
	2019	during the year	during the year	2020
<b>Short-term loans to related parties</b>				
<u>Subsidiaries</u>				
BGC Glass Solution Co., Ltd.	-	452,700	(452,700)	-
Ayutthaya Glass Industry Co., Ltd.	-	150,000	(150,000)	-
Ratchaburi Glass Industry Co., Ltd.	164,000	383,000	(24,000)	523,000
Solar Power Management (Thailand) Co., Ltd.	-	70,000	(30,000)	40,000
Total	164,000	1,055,700	(656,700)	563,000

**Long-term loans to related party**Subsidiary

Solar Power Management (Thailand) Co., Ltd.	741,683	-	-	741,683
Total	741,683	-	-	741,683

**Short-term loans from related parties**Subsidiaries

BGC Glass Solution Co., Ltd.	301,000	756,000	(634,600)	422,400
Prachinburi Glass Industry Co., Ltd.	127,100	484,000	(412,100)	199,000
Total	428,100	1,240,000	(1,046,700)	621,400

### Directors and management's benefits

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Short-term employee benefits	60,354	58,474	57,493	55,391
Post-employment benefits	5,718	8,421	5,718	8,421
Other long-term benefits	2	6	2	6
Total	66,074	66,901	63,213	63,818

### 8. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Cash	660	933	265	713
Bank deposits	211,113	261,547	32,247	63,603
Total	211,773	262,480	32,512	64,316

As at 31 December 2020, bank deposits carried interests at the rate of 0.05% per annum for Baht savings deposits, 0.01% - 0.05% per annum for USD savings deposits and 0.10% - 0.20% per annum for VND savings deposits (2019: 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).

### 9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	516,917	465,986	132,776	116,177
Past due up to 3 months	92,774	99,520	29,445	29,083
Total trade receivables - related parties	609,691	565,506	162,221	145,260



(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	544,166	614,493	457,629	485,169
Past due				
Up to 3 months	174,010	146,278	142,391	117,661
3 - 6 months	-	525	-	525
6 - 12 months	-	50	-	50
Over 12 months	17,809	18,070	17,809	18,070
Total	735,985	779,416	617,829	621,475
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(17,809)	(18,070)	(17,809)	(18,070)
Total trade receivables - unrelated parties, net	718,176	761,346	600,020	603,405
Total trade receivables - net	1,327,867	1,326,852	762,241	748,665
<u>Other receivables</u>				
Other receivables - related parties	9,169	15,455	127,015	115,462
Others	57,904	37,385	51,032	1,404
Total	67,073	52,840	178,047	116,866
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(310)	(310)	-	-
Total other receivables - net	66,763	52,530	178,047	116,866
Total trade and other receivables - net	1,394,630	1,379,382	940,288	865,531

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
As at 1 January 2020	18,380	18,070
Amount recovered	(261)	(261)
As at 31 December 2020	18,119	17,809

## 10. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	1,160,666	932,452	(90,153)	(80,076)	1,070,513	852,376
Work in process	34,077	33,674	-	-	34,077	33,674
Raw materials	450,294	331,230	-	-	450,294	331,230
Goods in transit	16,202	9,389	-	-	16,202	9,389
Spare parts and factory supplies	691,419	671,254	(119,471)	(94,240)	571,948	577,014
Packing materials	34,521	39,828	-	-	34,521	39,828
Total	<u>2,387,179</u>	<u>2,017,827</u>	<u>(209,624)</u>	<u>(174,316)</u>	<u>2,177,555</u>	<u>1,843,511</u>

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2020	2019	2020	2019	2020	2019
Finished goods	21,774	19,244	(1,758)	(3,115)	20,016	16,129
Work in process	13,413	12,505	-	-	13,413	12,505
Goods in transit	7,283	2,013	-	-	7,283	2,013
Spare parts and factory supplies	923	1,042	-	-	923	1,042
Packing materials	-	394	-	-	-	394
Total	<u>43,393</u>	<u>35,198</u>	<u>(1,758)</u>	<u>(3,115)</u>	<u>41,635</u>	<u>32,083</u>

During the current year, the Group reduced cost of inventories by Baht 109 million (2019: Baht 66 million) (The Company only: Baht 1 million, 2019: Nil), 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 due to write-off by Baht 74 million (2019: Baht 29 million) (The Company only: Baht 2 million, 2019: Baht 2 million).

## 11. Other current financial assets

The balance of other current financial assets as at 31 December 2020 represented the indirect subsidiary's investment in fixed deposit with an original maturity of one year at Bank for Investment and Development of Vietnam (BIDV), carrying interest at the rate of 3.6% - 5.0% per annum.

## 12. Investments in subsidiaries

12.1 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	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
			(%)	(%)						
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.	525,000	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	1,190,353	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	20,000	100	100	650,575	517,317	-	-	650,575	517,317
Total					9,755,208	9,621,950	(35,525)	(35,525)	9,719,683	9,586,425

(Unit: Thousand Baht)

12.2 During the years ended 31 December 2020 and 2019, the Company received dividend from its subsidiaries as presented in separate financial statements as below.

	(Unit: Thousand Baht)	
Company's name	2020	2019
Prachinburi Glass Industry Co., Ltd.	26,010	41,310
Ayutthaya Glass Industry Co., Ltd.	280,000	287,700
Khonkaen Glass Industry Co., Ltd.	-	141,840
Pathumthani Glass Industry Co., Ltd.	-	11,390
BGC Glass Solution Co., Ltd.	292,519	-
Total	598,529	482,240

12.3 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.

12.4 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 Eternity Power Public Co., Ltd. (formerly known as "Eastern Power Group Public Co., Ltd.") ("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. Subsequently, in April 2020 the Company made full payment for the remaining balance. In addition, in December 2020 the company made final installment payment under the share purchase agreement amounting to Baht 133 million in accordance with the conditions in respect of the calculation of the difference between the purchase price and the value of the subsidiary as of the purchase date.

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 Business Combinations. The Company has prepared the measurement of the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date. The measurement was completed in December 2020, which is within a period of 1 year from the acquisition date in accordance with the Thai Financial Reporting Standard No. 3 Business Combinations. The fair values of the net assets of the SPM Group as at the acquisition date is amounting to Baht 1,319 million which comprised of fixed assets and rights to generating and distributing electricity amounting to Baht 2,781 million and Baht 989 million, respectively. The Group recognised the depreciation and amortisation of fixed assets and rights to generating and distributing electricity based on the estimated useful lives of fixed assets and according to the term of the power purchase agreement, i.e., 20 years, respectively. The fair values of the net assets of the SPM Group as at the acquisition date are summarised below.

(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	2,781,307
Rights to generating and distributing electricity	988,818
Leasehold rights	16,703
<b>Total assets</b>	<b>4,095,176</b>

(Unit: Thousand Baht)

**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
Deferred tax liabilities	88,432
Other current liabilities	4,332
Long-term loans from banks	1,566,732
Total liabilities	<u>2,775,737</u>
Net assets from business acquisition	1,319,439
Less: Proportion of non-controlling interest of indirect subsidiary	<u>(668,864)</u>
Fair value of net asset investment in subsidiary	650,575
Shareholding percentage (%)	<u>100</u>
Different between acquisition costs and the attributable net book value from business acquisition	<u>650,575</u>

The consideration paid for the business acquisition is as follows:

(Unit: Thousand Baht)

The consideration paid for the business acquisition	1,392,258
Less: The value of rights in debts transferred to the Company from the Acquiree	<u>(741,683)</u>
The consideration paid for the business acquisition - net	<u>650,575</u>

The Group restated the consolidated statement of financial position as at 31 December 2019, presented herein as comparative information, to reflect the fair value of the identifiable assets acquired and liabilities assumed of the SPM Group as from the acquisition date. The amounts of the adjustments affecting the consolidated statement of financial position as at 31 December 2019 are summarised below.



(Unit: Thousand Baht)

	Amount
Decreased in estimated amount by which costs of the acquisition of investment in the subsidiary exceed identifiable net assets of the acquiree	(505,654)
Increased in fixed assets	52,135
Increased in rights to generating and distributing electricity	988,818
Increased in right-of-use assets	1,168
Increased in trade payable and other payable	133,258
Increased in deferred tax liability	88,432
Increased in non-controlling interests of the subsidiaries	314,778

12.5 On 3 January 2020, BGC Glass Solution Co., Ltd., (BGCG) completed the registration of the aforementioned reduction of the registered capital with the Ministry of Commerce from Baht 2,100 million to Baht 525 million, or a total decrease of Baht 1,575 million. In addition, the Company reduced its paid-up capital from Baht 2,008.5 million to Baht 525 million, or a total decrease of Baht 1,483.5 million by reducing the ordinary shares of the company from the number of 21 million shares to 5.25 million shares to eliminate its deficit. This did not affect the par value of shares.

12.6 On 1 April 2020, Khonkaen Glass Industry Co., Ltd. (KGI) entered into an agreement to transfer the entire business at the net book value of KGI as at 30 April 2020 to BGC Glass Solution Co., Ltd. (BGCG). The transfer of the business was the transfer of assets, liabilities, employees of KGI, including certain rights, effective from 1 May 2020. KGI agreed to receive the payment in the form of transfer of 9.9 million newly issued shares of BGCG with a par value of Baht 100 each, or a total of Baht 990 million. The compensation for the entire business transfer will be adjusted according to the difference between the net book value of KGI and the value of shares to be issued by BGCG once again.

On 25 May 2020, KGI registered its dissolution with the Ministry of Commerce. It is currently in the process of liquidation.

12.7 Details of investments in subsidiary and indirect subsidiary that have material non-controlling interests

(Unit: Million Baht)								
Company's Name	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	
	2020	2019	2020	2019	2020	2019	2020	2019
	(%)	(%)	(Restate)					
Prachinburi Glass Industry Co., Ltd.	49	49	353	340	37	17	25	40
Phu Khanh Solar Power Joint Stock Company	33	33	696	669	31	-	-	-

12.8 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 2020 and 2019.

	(Unit: Million Baht)			
	Prachinburi Glass Industry Co., Ltd.		Phu Khanh Solar Power Joint Stock Company	
	2020	2019	2020	2019
Current assets	365	253	375	264
Non-current assets	434	508	3,612	3,785
Current liabilities	66	57	188	458
Non-current liabilities	11	8	1,687	1,564

Summarised information about comprehensive income for the years ended 31 December 2020 and 2019.

	(Unit: Million Baht)			
	Prachinburi Glass Industry Co., Ltd.		Phu Khanh Solar Power Joint Stock Company	
	2020	2019	20120	2019
Revenue	764	719	456	3
Profit	76	34	93	-
Total comprehensive income	76	34	93	-

Summarised information about cash flows for the year ended 31 December 2020 and 2019.

	(Unit: Million Baht)			
	Prachinburi Glass Industry Co., Ltd.		Phu Khanh Solar Power Joint Stock Company	
	2020	2019	2020	2019
Cash flows from (used in) operating activities	165	200	93	(21)
Cash flows used in investing activities	(111)	(36)	(154)	-
Cash flows used in financing activities	(53)	(167)	(76)	-
Net increase (decrease) in cash and cash equivalents	1	(3)	(137)	(21)

### 13. Investments in associates

#### 13.1 Details of associates

(Unit: Thousand Baht)								
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Consolidated		Separate	
					financial statements		financial statements	
			Carrying amounts		based on equity method		Cost of investment	
			2020	2019	2020	2019	2020	2019
			%	%				
BS Glass Recycling Co., Ltd. <sup>(a)</sup>	Trading glass cullet	Thailand	26	26	43,729	32,831	45,738	35,000
Taweessup (Jew Ja Heng) Co., Ltd. <sup>(a)</sup>	Trading and sorting glass cullet, paper scrap and metal scrap	Thailand	25	25	100,668	98,055	100,000	100,000
					144,397	130,886	145,738	135,000

<sup>(a)</sup> No fair value since share of such company were not traded on the Stock Exchange of Thailand.

#### 1) 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 for the shares and received the rights to all shares in October 2019.

Subsequently, 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.

The Company arranged for the fair value measurement of the identifiable assets acquired and liabilities assumed as at the acquisition date. The measurement was completed in June 2020, which is within a period of 1 year from the acquisition date in accordance with the Thai Financial Reporting Standard No. 3 Business Combinations. The difference between the fair value of identifiable assets and acquired liabilities at acquisition date and the consideration transferred for the acquisition was recorded as goodwill as follows:

(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 financial institutions	51,600
Trade and other payables	7,295
Short-term loans from related parties	20,500
Other current liabilities	282
Long-term loans from banks	12,881
Total liabilities	92,558
Net assets from business acquisition	49,210
Shareholding percentage (%)	26
Net assets in proportion of the Company	12,795
Cash paid for business acquisition	35,000
Goodwill from business acquisition	22,205

**2) 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.

The Company arranged for the fair value measurement of the identifiable assets acquired and liabilities assumed as at the acquisition date. The measurement was completed in June 2020, which is within a period of 1 year from the acquisition date in accordance with the Thai Financial Reporting Standard No. 3 Business Combinations. The difference between the fair value of identifiable assets and acquired liabilities at acquisition date and the consideration transferred for the acquisition was recorded as goodwill as follows:

(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 deposits	328
Building and equipment	95,907
Other non-current assets	35
Total assets	<u>357,873</u>

**Liabilities**

Bank overdrafts and short-term loans from financial institutions	162,000
Trade and other payables	38,084
Income tax payable	801
Revenues department payables	5,935
Liabilities under lease agreements	1,981
Provision for long-term employee benefits	9,814
Other non-current liabilities	308
Total liabilities	<u>218,923</u>
Net assets from business acquisition	138,950
Shareholding percentage (%)	25
Net assets in proportion of the Company	34,738
Cash paid for business acquisition	<u>100,000</u>
Goodwill from business acquisition	<u>65,262</u>

**13.2 Goodwill**

The Company has determined the recoverable amounts of its cash-generating units based on value in use using cash flow projections from financial estimation approved by management covering a 5 year period.

Key assumptions used in value in use calculations are as follows:

	(Unit: percent per annum)
	Glass group
Discount rate	9.0
Growth rate	1.0

Management considers growth rate based on past performance and uses the discount rate that reflects the risks specific to each cash-generating unit. Management has considered the above and believes that there is no occurrence of impairment of goodwill. In addition, management believes that any change that may occur due to key assumptions used by management to determine recoverable value of a group of asset units will not cause the book value of a group of asset units to exceed the recoverable value.

### 13.3 Share of comprehensive income and dividend income

During the year, the Company recognised its share of gain (loss) from investments in associates in the consolidated financial statements calculated based on the financial statements for the year ended 31 December 2020 and 2019 and recognised dividend income from associates in the separate financial statement as follows.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
Company's name	Share of profit (loss) from investments in associates		Dividend received from associates	
	2020	2019	2020	2019
BS Glass Recycling Co., Ltd.	160	(2,169)	-	-
Taweesup (Jew Ja Heng) Co., Ltd.	5,113	(1,945)	2,500	-
Total	5,273	(4,114)	2,500	-



#### 14. Investment in equity instrument of non-listed company

(Unit: Thousand Baht)

31 December 2020

Consolidated  
financial statements

##### Equity instruments designated at FVOCI

Watermill Golf Resort Co., Ltd.

7,588

Total equity instruments designated at FVOCI

7,588

Equity instruments designated at FVOCI include non-listed equity investment which the Group considers this investment to be strategic in nature.

On 25 May 2020, BGC Glass Solutions Co., Ltd. (subsidiary) invested in 85,858 ordinary shares of Watermill Golf Resort Company Limited, representing 17% shareholding, or a total of Baht 9 million in such company, with the share payment and transfer of rights to the shares made in May 2020.

## 15. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land and land improvement	Buildings and building improvement	Machinery, equipment and other factory equipment	Motor vehicles	Furniture, fixtures, equipment and other operating equipment	Assets under installation and construction
<b>Cost</b>						<b>Total</b>
1 January 2019	1,342,534	5,458,774	14,548,217	100,797	300,194	22,112,407
Additions	5,595	38,738	204,426	4,822	39,495	705,277
Capitalised interest	-	-	-	-	-	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)	(952,380)
Transfers in (out)	21,587	238,562	265,648	-	21,959	31,243
31 December 2019- as previously reported	1,369,716	6,085,935	16,445,807	104,984	454,698	24,711,845
Adjustment from allocated cost of business combination (Note 12.4)	-	12,939	37,205	-	1,991	52,135
31 December 2019 - restated	1,369,716	6,098,874	16,483,012	104,984	456,689	24,763,980
Additions	1,674	16,488	205,116	44,318	23,793	691,128
Capitalised interest	-	-	-	-	-	611
Disposals/write-off	-	(13,596)	(135,587)	(15,352)	(9,598)	(193,533)
Transfers in (out)	11,387	88,182	162,510	-	13,076	(2,302)
Difference in translation adjustments	-	37,178	(44,210)	90	(198)	(7,005)
31 December 2020	1,382,777	6,227,126	16,670,841	134,040	483,762	25,252,879
<b>Accumulated depreciation</b>						
1 January 2019	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
Depreciation for the year	10,093	279,738	1,207,827	11,798	50,574	1,560,030
Depreciation on disposals/write-off	-	(13,302)	(125,706)	(12,477)	(9,021)	(160,506)
Difference in translation adjustments	-	(2,331)	(4,011)	3	(211)	(6,550)
31 December 2020	28,084	2,255,848	10,457,520	75,305	284,941	13,101,698

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Land and land improvement	Buildings and building improvement	Machinery, equipment and other factory equipment	Motor vehicles	Furniture, fixtures, equipment and other operating equipment	Assets under installation and construction
<b>Allowance for impairment loss</b>						
1 January 2019	-	165,182	42,732	-	-	231,335
Increase (decrease) during the year	-	(133,351)	5,417	-	-	(115,948)
31 December 2019	-	31,831	48,149	-	-	115,387
Increase (decrease) during the year	-	3,664	29,291	-	-	39,786
31 December 2020	-	35,495	77,440	-	-	155,173
<b>Net book value</b>						
31 December 2019 - as previously reported	1,351,725	4,062,361	7,018,248	29,003	211,099	12,887,734
31 December 2019 - restated	1,351,725	4,075,300	7,055,453	29,003	213,090	12,939,869
31 December 2020	1,354,693	3,935,783	6,135,881	58,735	198,821	11,996,008
<b>Depreciation for the year</b>						
2019 (Baht 1,350 million included in manufacturing cost, and the balance in administrative expenses)						1,382,318
2020 (Baht 1,489 million included in manufacturing cost, and the balance in administrative expenses)						1,560,030

(Unit: Thousand Baht)

	Separate financial statements						Total
	Land and land improvement	Building and Building improvement	Machinery, equipment and other factory equipment	Motor vehicles	Furniture, fixtures, equipment and other operating equipment	Assets under installation and construction	
<b>Cost</b>							
1 January 2019	-	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
Additions	-	392	30,479	18,261	10,433	36,954	96,519
Disposals/write-off	-	-	(11,834)	(2,390)	(96)	-	(14,320)
Transfer in (out)	454	9,058	8,943	-	8,623	(27,078)	-
31 December 2020	454	47,877	126,179	22,203	55,165	17,826	269,704
<b>Accumulated depreciation</b>							
1 January 2019	-	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
Depreciation for the year	23	2,535	12,527	2,697	11,579	-	29,361
Depreciation on disposals/write-off	-	-	(11,830)	(1,545)	(52)	-	(13,427)
31 December 2020	23	3,425	61,754	3,911	19,457	-	88,570
<b>Net book value</b>							
31 December 2019	-	37,537	37,534	3,573	28,275	7,950	114,869
31 December 2020	431	44,452	64,425	18,292	35,708	17,826	181,134
<b>Depreciation for the year</b>							
2019 (the balance included in administrative expenses)							21,401
2020 (the balance included in administrative expenses)							29,361

During the years 2020 and 2019, 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 0.6 million and Baht 0.4 million, respectively, were capitalised as costs of assets, which were calculated based on capitalisation rates of 1.57% to 2.36% and 2.47% to 2.51%, respectively.

During the year ended 31 December 2020, the subsidiaries recognised losses on impairment of equipment amounting to Baht 60 million (2019: Baht 30 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 2020, 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 4,282 million (2019: Baht 3,801 million) (The Company only: Baht 206 million, 2019: Baht 216 million).

An indirect subsidiary has mortgaged its property, plant and equipment amounting to approximately Baht 2,601 million (2019: Baht 2,724 million) as collateral against credit facilities received from financial institutions following in disclosure in Note 21.

#### 16. Rights to generating and distributing electricity

The net book value of rights to generating and distributing electricity as at 31 December 2020 and 2019 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2020	2019
		(Restated)
Cost	988,818	988,818
Less: Accumulated amortisation	(51,525)	-
Net book value	937,293	988,818

A reconciliation of the net book value of rights to generating and distributing electricity for the year 2020 and 2019 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2020	2019
		(Restated)
Net book value at beginning of year	988,818	-
Additions from business combination (Note 12.4)	-	988,818
Amortisation	(51,525)	-
Net book value at end of year	937,293	988,818

## 17. Other intangible assets

The net book value of other intangible assets as at 31 December 2020 and 2019 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Computer software	Computer software under installation	Total
As at 31 December 2020			
Cost	28,283	14,998	43,281
Less: Accumulated amortisation	(11,751)	-	(11,751)
Net book value	16,532	14,998	31,530
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

(Unit: Thousand Baht)

	Separate financial statements		
	Computer software	Computer software under installation	Total
As at 31 December 2020			
Cost	11,400	14,998	26,398
Less: Accumulated amortisation	(3,463)	-	(3,463)
Net book value	7,937	14,998	22,935
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

A reconciliation of the net book value of intangible assets for the years 2020 and 2019 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net book value at beginning of year	17,829	12,216	8,868	869
Additions during the year - cost	19,784	9,230	18,617	9,198
Disposal/write-off during the year - net book value at disposal/write-off date	(482)	-	(2,874)	-
Amortisation	(5,601)	(3,617)	(1,676)	(1,199)
Net book value at end of year	31,530	17,829	22,935	8,868



## 18. Leases

### 18.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 3 - 10 years except for land leasehold right of an indirect subsidiary with a term of 48 years.

#### a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land and land improvement	Buildings and building improvement	Furniture, fixtures and office equipment	Motor vehicles	Total
1 January 2020	164,094	173,532	504	79,296	417,426
Additions	3,961	2,515	-	30,067	36,543
Depreciation for the year	(19,875)	(30,870)	(216)	(31,648)	(82,609)
31 December 2020	148,180	145,177	288	77,715	371,360

(Unit: Thousand Baht)

	Separate financial statements				
	Land and land improvement	Buildings and building improvement	Furniture, fixtures and office equipment	Motor vehicles	Total
1 January 2020	-	173,532	504	16,150	190,186
Additions	-	-	-	22,266	22,266
Depreciation for the year	-	(30,367)	(216)	(7,019)	(37,602)
31 December 2020	-	143,165	288	31,397	174,850

#### b) Lease liabilities

(Unit: Thousand Baht)

	31 December 2020	
	Consolidated financial statements	Separate financial statements
Lease payments	393,533	191,087
Less: Deferred interest expenses	(30,853)	(13,802)
Total	362,680	177,285
Less: Portion due within one year	(79,446)	(38,097)
Lease liabilities - net of current portion	283,234	139,188

A maturity analysis of lease payments is disclosed in Note 35.1 under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)	
	For the year ended 31 December 2020	
	Consolidated	Separate
	financial statements	financial statements
Depreciation expense of right-of-use assets	82,609	37,602
Interest expense on lease liabilities	11,171	5,601
Expense relating to short-term leases	41,593	7,917
Expense relating to leases of low-value assets	83	-

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 120 million, including the cash outflow related to short-term lease, and leases of low-value assets. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 37 million.

**18.2 Group as a lessor**

The Group has entered into operating leases for its building (see Note 7) of the lease terms are between 3 - 25 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2020 and 2019 as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2020	2019
Within 1 year	3,207	2,628
Over 1 and up to 5 years	7,328	7,471
Over 5 years	32,316	33,924
Total	42,851	44,023

## 19. Short-term loans from banks

Short-term loans from banks are clean and denominated in Baht.

## 20. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	(Restated)			
Trade and other payables - related parties	107,684	131,258	2,395,977	1,556,047
Trade and other payables - unrelated parties	708,153	945,793	141,828	235,183
Payables for construction - related parties	13,702	52,698	-	25,902
Payables for construction - unrelated parties	52,607	36,000	7,336	9,624
Accrued expenses	234,571	170,667	133,123	60,264
Total trade and other payables	<u>1,116,717</u>	<u>1,336,416</u>	<u>2,678,264</u>	<u>1,887,020</u>

## 21. Long-term loans from banks

			(Unit: Thousand Baht)			
			Consolidated financial statements		Separate financial statements	
Loans	Interest rate	Repayment schedule	2020	2019	2020	2019
<u>The Company</u>						
1	Fixed rate	Every 3 months, at Baht 125 million per installment, as from February 2018	500,000	1,000,000	500,000	1,000,000
2	Fixed rate	Every 3 months, at Baht 150 million per installment, as from March 2021	1,500,000	1,500,000	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	-	-
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	30,000	142,000	-	-
5	Fixed rate	Every 3 months, installment period 1 <sup>st</sup> -8 <sup>th</sup> at Baht 60 million per installment, 9 <sup>th</sup> -12 <sup>th</sup> at baht 70 million per installment and 13 <sup>th</sup> -15 <sup>th</sup> at Baht 80 million, as from February 2019	520,000	760,000	-	-

			(Unit: Thousand Baht)			
			Consolidated financial		Separate financial	
			statements		statements	
Loans	Interest rate	Repayment schedule	2020	2019	2020	2019
Ratchaburi Glass Industry Co., Ltd.						
6	Fixed rate	Every 3 months, no installment for the installment 1 <sup>st</sup> -4 <sup>th</sup> , installment 5 <sup>th</sup> -8 <sup>th</sup> at Baht 50 million per installment, 9 <sup>th</sup> -12 <sup>th</sup> at Baht 60 million and 13 <sup>th</sup> -16 <sup>th</sup> at Baht 65 million, as from September 2019	600,000	700,000	-	-
<u>Indirect subsidiary</u>						
Phu Khanh Solar Power Joint Stock Company						
7	LIBOR 6M +2.2% and LIBOR 6M +3.0%	Every 3 months, for installment 1 <sup>st</sup> -19 <sup>th</sup> at USD 1,000,000 per installment, 20 <sup>th</sup> -55 <sup>th</sup> at USD 1,245,000 per installment and for the last installment for the remaining, as from June 2020	-	1,566,732	-	-
8	Fixed rate	Every 3 months, for the installment 1 <sup>st</sup> -47 <sup>th</sup> , at USD 1,286,000 per installment and for the last installment for the remaining, as from September 2020	1,752,543	-	-	-
9	Saving rate + 1.5%	The earlier of: - The date being 12 years from the drawdown date or; - The date being the final maturity date	909	-	-	-
Total			4,903,452	5,731,232	2,000,000	2,500,000
Less: Current portion			(1,784,957)	(1,105,202)	(1,100,000)	(500,000)
Long-term loans, net of current portion			3,118,495	4,626,030	900,000	2,000,000

Movements of the long-term loans account for the years ended 31 December 2020 and 2019 are summarised below.

			(Unit: Thousand Baht)	
			Consolidated financial statements	Separate financial statements
Balance as at 1 January 2019			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
Add: Additional borrowings during the year			314,799	-
Difference in translation adjustments			(16,475)	-
Less: Repayment during the year			(1,126,104)	(500,000)
Balance as at 31 December 2020			4,903,452	2,000,000

Long-term loans from banks are clean and carrying interest at fixed rates. However, the loan obtained by an indirect subsidiary has been secured by the mortgage of its property, plant and equipment and carrying fixed interest rate (2019: LIBOR 6M +2.2% and LIBOR 6M +3.0% per annum).

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 2020, the Group did not have any long-term credit facilities not drawn down under loan agreements (2019: USD 10 million).

## 22. 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
<b>Provision for long-term employee benefits</b>			
<b>as at 1 January 2019</b>	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)
<b>Provision for long-term employee benefits</b>			
<b>as at 31 December 2019</b>	600,024	18,926	618,950
Included in profit or loss:			
Current service cost	63,339	595	63,934
Interest cost	17,477	255	17,732
Transfer from related parties	10,257	865	11,122
Transfer to related parties	(1,688)	(43)	(1,731)
Benefit paid during the year	(109,539)	(2,798)	(112,337)
<b>Provision for long-term employee benefits</b>			
<b>as at 31 December 2020</b>	579,870	17,800	597,670

(Unit: Thousand Baht)

	Separate financial statements		
	Provision for	Provision for	Total
	post-employment benefits	other long-term employee benefits	
<b>Provision for long-term employee benefits</b>			
<b>as at 1 January 2019</b>	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)
<b>Provision for long-term employee benefits</b>			
<b>as at 31 December 2019</b>	204,112	3,206	207,318
Included in profit or loss:			
Current service cost	25,872	206	26,078
Interest cost	5,626	79	5,705
Transfer from related parties	26,940	1,555	28,495
Transfer to related parties	(2,565)	(77)	(2,642)
Benefit paid during the year	(50,215)	(572)	(50,787)
<b>Provision for long-term employee benefits</b>			
<b>as at 31 December 2020</b>	209,770	4,397	214,167

The Group expects to pay Baht 49 million (2019: Baht 36 million) of long-term employee benefits during the next year (The Company only: Baht 21 million 2019: Baht 12 million).

As at 31 December 2020, the weighted average duration of the liabilities for long-term employee benefit is 15 years (2019: 15 years) (The Company only: 15 years 2019: 15 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Discount rate	1.90	1.90	1.90	1.90
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 2020 and 2019 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	2020		2019	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(47,447)	55,071	(45,272)	52,443
Salary increase rate	53,076	(46,738)	50,503	(44,554)

	(Unit: Thousand Baht)			
	Separate financial statements			
	2020		2019	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(15,281)	17,728	(14,576)	16,896
Salary increase rate	17,077	(15,043)	16,268	(14,341)

## 23. 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.



## 24. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Interest income on bank deposits	2,160	8	3	8
Interest income on loans	759	46	33,865	15,285
<b>Total</b>	<b>2,919</b>	<b>54</b>	<b>33,868</b>	<b>15,293</b>

## 25. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Interest expenses on borrowings	247,666	182,758	105,776	96,666
Interest expenses on lease liabilities	11,171	-	5,601	-
<b>Total</b>	<b>258,837</b>	<b>182,758</b>	<b>111,377</b>	<b>96,666</b>

## 26. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Salaries and wages and other employee benefits	1,666,727	1,762,568	193,129	169,841
Depreciation	1,642,639	1,382,318	66,963	21,401
Amortisation expenses	57,126	3,621	1,676	1,199
Loss on impairment of fixed assets	60,424	30,084	-	-
Loss on exchange	-	6,887	-	10,347
Rental expenses from operating lease agreements	58,641	115,424	5,319	43,610
Raw materials and consumables used	5,318,794	5,842,525	-	-
Purchases of goods	256,495	98,839	4,290,878	3,987,432
Changes in inventories of finished goods and work in progress	(228,617)	158,919	(3,438)	(11,281)
Loss on reduction of cost of inventories to net realisable value	109,315	65,637	687	-
Transportation expenses	224,546	255,645	176,937	163,699
Insurance expenses	22,265	17,170	3,336	1,530

## 27. Income tax

Income tax expenses (revenues) for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Current income tax:</b>				
Current income tax charge	58,829	86,404	-	23,036
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(73,397)	(18,418)	-	-
<b>Income tax expense (revenue) reported in profit or loss</b>	<b>(14,568)</b>	<b>67,986</b>	<b>-</b>	<b>23,036</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Deferred tax on exchange differences from translation foreign currency financial statements	1,739	-	-	-
Deferred tax assets on actuarial loss	-	11,383	-	-
Deferred tax on gain from the change in value of financial assets measured at FVOCI	200	-	-	-
<b>Total</b>	<b>1,939</b>	<b>11,383</b>	<b>-</b>	<b>-</b>

The reconciliation between accounting profit and income tax expenses (revenues) is shown below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2020	2019	2020	2019
Accounting profit before tax	569,572	596,386	514,401	531,475
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	113,914	119,277	102,880	106,295
Effects of eliminated transactions	125,688	96,847	-	-
Temporary differences and tax loss utilised during the year for which deferred tax assets were not previously recognised	(96,229)	(30,055)	(5,040)	(1,470)
Tax losses for the year for which deferred tax assets were not recognised	14,078	550	9,025	-
Temporary differences for the year for which deferred tax assets were not recognised	12,449	24,848	6,785	6,031
Effects of:				
Promotional privileges (Note 28)	(91,432)	(80,806)	-	-
Exempt revenues and non-deductible expenses	(92,438)	(62,273)	(113,136)	(87,448)
Additional expense deductions allowed	(598)	(402)	(514)	(372)
Total	(184,468)	(143,481)	(113,650)	(87,820)
Income tax expenses reported in profit or loss	(14,568)	67,986	-	23,036

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2020	2019
		(Restated)
<b>Deferred tax assets</b>		
Allowance for diminution in value of inventories	20,513	18,795
Allowance for assets impairment	15,146	9,268
Provision for long-term employee benefits	59,599	62,001
Unrealised fair value loss on investment	200	-
Unused tax loss	67,759	-
Others	1,333	889
Total	164,550	90,953

(Unit: Thousand Baht)

## Consolidated financial statements

	2020	2019
		(Restated)
<b>Deferred tax liabilities</b>		
The fair value of the acquired assets and liabilities		
- Building and equipment	4,419	4,419
- Right to generating and distributing electricity and amortisation	83,833	83,833
- Unrealised fair value gain on investments	180	180
<b>Total</b>	<b>88,432</b>	<b>88,432</b>

As at 31 December 2020, the Group have deductible temporary differences and unused tax losses totaling Baht 1,052 million (2019: Baht 1,208 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 1,124 million (2019: Baht 1,053 million) will expire by 2025 (2019: within 2024).

## 28. 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 2020, 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
<b>BGC Glass Solution Co., Ltd.</b>				
Generating electricity from solar rooftop	63-1373-0-00-2-2	Expired	8 years	31 July 2014
Modifying of machine for increase efficiency of glass production or glass products	63-1414-1-05-1-2	9 August 2021	3 years	1 January 2019
<b>Ayutthaya Glass Industry Co., Ltd.</b>				
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
<b>Ratchaburi Glass Industry Co., Ltd.</b>				
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	2 December 2021	7 years	Not yet utilised
<b>Prachinburi Glass Industry Co. Ltd.</b>				
Improvement of production efficiency for energy saving	63-1388-1-04-1-0	23 December 2023	3 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 2020, 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 2020 and 2019, 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	
	2020	2019	2020	2019	2020	2019	2020	2019
Sales								
Domestic sales	2,665,458	5,242,490	456,078	3,335	6,907,214	4,850,894	10,028,750	10,096,719
Export sales	-	-	-	-	939,268	1,154,863	939,268	1,154,863
Total sales	<u>2,665,458</u>	<u>5,242,490</u>	<u>456,078</u>	<u>3,335</u>	<u>7,846,482</u>	<u>6,005,757</u>	<u>10,968,018</u>	<u>11,251,582</u>

## 29. 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.

### 30. 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.

For management purposes, the Group is organised into business units based on its products and services and has 2 reportable segments as follows:

- The manufacture and distribution of glass bottles
- The generating and distributing electricity from solar power

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group operating segments for the years ended 31 December 2020 and 2019.

(Unit: Million Baht)

	For the year ended 31 December							
	Manufacture and distribution of glass bottles		Generating and distributing electricity from solar power		Eliminations		Consolidated financial statements	
	2020	2019	2020	2019	2020	2019	2020	2019
Revenues from external customers	10,512	11,248	456	3	-	-	10,968	11,251
Cost of sales	(8,659)	(9,525)	(260)	(2)	-	-	(8,919)	(9,527)
Gross profit	1,853	1,723	196	1	-	-	2,049	1,724
Other income	54	67	-	-	-	-	54	67
Operating expenses	(1,253)	(1,008)	(30)	-	-	-	(1,283)	(1,008)
Operating profit	654	782	166	1	-	-	820	783
Share of profit (loss) from investments in associates	5	(4)	-	-	-	-	5	(4)
Finance income	20	-	2	-	(19)	-	3	-
Finance cost	(176)	(182)	(102)	(1)	19	-	(259)	(183)
Income tax revenues (expenses)	15	(68)	-	-	-	-	15	(68)
Profit for the period	518	528	66	-	-	-	584	528
Depreciation and amortisation	1,478	1,384	222	2	-	-	1,700	1,386

Revenue from external customers is based on locations of the customers.

	(Unit: Million Baht)	
	For the year ended	
	31 December	
	2020	2019
Revenue from external customers		
Thailand	9,529	10,093
Vietnam	601	179
Others	838	979
Total	10,968	11,251

	(Unit: Million Baht)	
	As at 31 December	
	2020	2019
Non-current assets (other than deferred tax assets)		
Thailand	9,902	10,331
Vietnam	3,612	3,785
Total	13,514	14,116

Revenue from major customers

	(Unit: Million Baht)	
	For the year ended	
	31 December	
	2020	2019
A customer group	6,222	6,397
A major customer	1,217	1,489
Total	7,439	7,886

All revenues of the group are recognised at a point in time.

### 31. 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 2020 and 2019 of the Group amounting to approximately Baht 36 million and Baht 33 million, respectively (The Company only: Baht 16 million and Baht 13 million, respectively) were recognised as expenses.



## 32. Dividends

The Company declared dividends during the year ended 31 December 2020 and 2019 as follows.

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2019	The Company's Board of Directors' Meeting on 23 April 2020	98,611	0.14
Interim dividends for 2020	The Company's Board of Directors' Meeting on 12 May 2020	83,333	0.12
Interim dividends for 2020	The Company's Board of Directors' Meeting on 13 August 2020	62,500	0.09
Interim dividends for 2020	The Company's Board of Directors' Meeting on 12 November 2020	90,278	0.13
Total dividends for 2020		<u>334,722</u>	
Final dividends for 2018	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>	

## 33. Commitment and contingent liabilities

### 33.1 Capital commitments

As at 31 December 2020, the Group had capital commitments amounting to Baht 167 million and EUR 0.2 million (2019: Baht 38 million and EUR 1 million) and the Company only amounting to Baht 25 million (2019: Baht 7 million and EUR 0.1 million), related to the construction of warehouses, building renovation, acquisition of machinery and develop system.

### **33.2 Commitments of service contracts**

33.2.1 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 2020, the Company paid service expenses amounting to Baht 59 million (2019: Baht 57 million).

33.2.2 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 2020, the Group had service expenses amounting to Baht 28 million (2019: Baht 28 million).

### **33.3 Long-term purchase commitments**

33.3.1 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 20 and 5 years with two unrelated companies. 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, 30 June 2033 and 31 December 2024, respectively.

33.3.2 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 2 years, valid until 30 September 2022, 30 June 2028 and 30 June 2022, respectively. In addition, three subsidiaries had commitments under agreements to purchase electricity from a related company. The term of the agreements ranged between 3 and 25 years.

### **33.4 Commitments in respect of electricity plant agreements**

33.4.1 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.

33.4.2 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. The agreement has extended for 1 year, with a total contract value of VND 862 million, and is effective until 31 March 2021.

33.4.3 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 2021.

33.3.4 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.

### 33.5 Guarantees

As at 31 December 2020 and 2019, the Group had outstanding bank guarantees of approximately Baht 188 million and Baht 101 million, respectively (The Company only: Baht 2 million and Nil, respectively). 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, waste water treatment and building rental.

## 34. Fair value hierarchy

As at 31 December 2020 and 2019, the Group had the assets that were measured at fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVOCI				
Investment in equity instrument of non-listed company	-	-	8	8

During the year, there were no transfers within the fair value hierarchy.

## 35. Financial instruments

### 35.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, loans, investments, 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, deposits with banks and financial institutions and other financial instruments. The Group's maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

### ***Trade receivables***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, outstanding trade receivables are regularly monitored and any shipments to major customers are generally confirmed sales and outstanding receivables in every month.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks and coverage by letters of credit and other forms of credit insurance. The Group does not hold collateral as security. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

### ***Financial instruments and cash deposits***

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

### **Market risk**

There are three types of market risk comprising currency risk, interest rate risk and commodity price risk. The Group might enter into a variety of derivatives to manage its risk exposure, including:

- foreign exchange forward contracts to hedge the foreign currency risk arising on the export or import of goods;
- commodity option to mitigate the price risk of purchased inventory.

### ***Foreign currency risk***

The Group's exposure to the foreign currency risk relates primarily to its trading transactions, machine import and borrowings that are denominated in foreign currencies.

As at 31 December 2020 and 2019, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2020	2019	2020	2019	2020	2019
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	10.0	12.2	59.0	62.1	30.04	30.15
Euro	0.3	0.4	0.8	0.9	36.88	33.73
Vietnamese dong	95,113.0	98,786.8	19,682.7	37,914.6	0.001	0.001

As at 31 December 2020 and 2019, the Group has no outstanding foreign exchange forward contracts.

### ***Foreign currency sensitivity***

Pre-tax income of the Group is not materially impacted by changes in the fair value of monetary assets and liabilities that may arise from changes in exchange rates of foreign currency assets and liabilities.

### ***Interest rate risk***

The Group's exposure to interest rate risk relates primarily to its cash at banks, loan receivables and borrowings. Most of the Group's financial assets and liabilities bear fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by having fixed and variable rate borrowings by considering current money market situation and the future expectations.

As at 31 December 2020 and 2019, 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 2020						
	Fixed interest rates		Floating	Non-interest		Effective
	Within	1-5	Floating	Non-interest		Effective
	1 year	years	interest rate	bearing	Total	interest rate
						(% per annum)
<u>Financial assets</u>						
Cash and cash equivalents	-	-	79.1	132.7	211.8	0.05, USD 0.01 - 0.05 VND 0.10 - 0.20
Trade and other receivables	-	-	-	1,394.6	1,394.6	-
Other current financial assets	172.7	-	-	-	172.7	VND 3.60 - 5.00
	172.7	-	79.1	1,527.3	1,779.1	
<u>Financial liabilities</u>						
Short-term loans from banks	4,631.0	-	-	-	4,631.0	1.05 - 1.28
Trade and other payables	-	-	-	1,116.7	1,116.7	-
Lease liabilities	79.4	283.2	-	-	362.6	1.10 - 3.08
Long-term loans from banks	1,630.0	1,520.0	1,753.5	-	4,903.5	2.80 - 7.50
	6,340.4	1,803.2	1,753.5	1,116.7	11,013.8	

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2019						
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years				
<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	-	-	-	1,336.4	1,336.4	-
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	-	1,336.4	11,156.8	

(Unit: Million Baht)

## Separate financial statements

As at 31 December 2020

	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years				
<u>Financial assets</u>						
Cash and cash equivalents	-	-	10.9	21.6	32.5	USD 0.05
Trade and other receivables	-	-	-	940.3	940.3	-
Short-term loans to related parties	563.0	-	-	-	563.0	2.35 - 2.85
Long-term loans to related party	-	741.7	-	-	741.7	2.35 - 2.85
	563.0	741.7	10.9	961.9	2,277.5	
<u>Financial liabilities</u>						
Short-term loans from banks	2,037.0	-	-	-	2,037.0	1.05 - 1.28
Trade and other payables	-	-	-	2,678.3	2,678.3	-
Lease liabilities	38.1	139.2	-	-	177.3	1.60 - 3.08
Short-term loans from related parties	621.4	-	-	-	621.4	1.35 - 1.60
Long-term loans from banks	1,100.0	900.0	-	-	2,000.0	2.95 - 3.12
	3,796.5	1,039.2	-	2,678.3	7,514.0	

(Unit: Million Baht)

## Separate financial statements

As at 31 December 2019

	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years				
<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 - 3.00
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 - 2.10
Trade and other payables	-	-	-	1,887.0	1,887.0	-
Short-term loans from related parties	428.1	-	-	-	428.1	1.60 - 2.16
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	



### Interest rate sensitivity

Pre-tax income of the Group is not materially impacted by interest rates for long-term borrowings that fluctuate according to market rates.

### Liquidity risk

The Group has closely monitored liquidity risks, especially with respect to repayments of short-term and long-term loans. Although the Group's liabilities primarily consist of short-term liabilities, the Group has access to a sufficient variety of sources of funding. Therefore, the Group is able to manage liquidity risk regularly.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
Short-term loans from banks	3,531,933	1,100,154	-	-	4,632,087
Trade and other payables	-	1,113,430	3,287	-	1,116,717
Lease liabilities	-	89,013	240,681	63,839	393,533
Long-term loans	-	1,917,343	2,521,512	917,437	5,356,292
<b>Total non-derivatives</b>	<b>3,531,933</b>	<b>4,219,940</b>	<b>2,765,480</b>	<b>981,276</b>	<b>11,498,629</b>

(Unit: Thousand Baht)

	Separate financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
Short-term loans from banks	1,737,398	300,042	-	-	2,037,440
Trade and other payables	-	1,983,098	695,166	-	2,678,264
Lease liabilities	-	42,945	130,530	17,612	191,087
Long-term loans	-	1,149,195	924,490	-	2,073,685
<b>Total non-derivatives</b>	<b>1,737,398</b>	<b>3,475,280</b>	<b>1,750,186</b>	<b>17,612</b>	<b>6,980,476</b>

## 35.2 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 close 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.

## 35.3 Reconciliation of recurring fair value measurements of assets, categorised within Level 3 of the fair value hierarchy.

	(Unit: Thousand Baht)
	Consolidated financial statements
	Investment in equity instrument of non-listed company
<b>Balance as of 1 January 2020</b>	-
Acquired during the year	8,586
Net loss recognised into other comprehensive income	(998)
<b>Balance as of 31 December 2020</b>	<b>7,588</b>

## 36. 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 2020, the Group's debt-to-equity ratio was 1.91:1 (2019: 2.02:1) and the Company's was 1.55:1 (2019: 1.45:1).

## 37. Events after the reporting period

37.1 On 9 February 2021, the Extraordinary General Meeting of the Shareholders of Solar Power Management (Thailand) Company Limited approved the increase in registered capital of the company amounting to Baht 480 million from Baht 20 million to Baht 500 million, through issuance of 48 million new ordinary shares, with the par value of Baht 100 per share.

37.2 On 18 February 2021, a meeting of the Company's Board of Directors approved key resolutions as follows:

37.2.1 To establish a new company named BGC Packaging Company Limited ("BGCP") with the registered capital amounting to Baht 20 million, consisting of 200,000 shares with the par value of Baht 100 per share. BGCP is to be the holding company of companies engaged in packaging business.

37.2.2 The Group is to acquire ordinary shares in two related companies from Bangkok Glass Public Company Limited through the following:

- a) The acquisition of 699,997 ordinary shares in Bangkok Visypak Company Limited shares, representing 100% shareholding, with the par value of Baht 100 per share for the total share payment of approximately Baht 500 million;
- b) The acquisition of 3,399,998 ordinary shares in BG Packaging Company Limited, representing 100% shareholding, with the par value of Baht 100 per share, for the total share payment of approximately Baht 1,150 million

37.2.3 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 2020. Since the Company's Board of Directors previously approved an interim dividend amounting to Baht 236 million from the operating results of 2020, the remaining dividend payment of 694.44 million ordinary shares at the rate of Baht 0.12 per share, amounting to Baht 83 million. The Company's Board of Directors will propose the dividend payment for approval by the 2020 Annual General Meeting of the Company's Shareholders in April 2021.

### **38. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 18 February 2021.

# / General Information of the Company and Reference

## 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

### Head Office

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#### Company Secretary

Telephone +66 (0) 2834 7110

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#### Investor Relations

Telephone +66 (0) 2834 7004

E-mail IR-BGC@bgc.co.th

Website www.bgc.co.th

## 2. Information of Reference

#### Securities Registrar

Address Thailand Securities Depository Co., Ltd.  
93, 14<sup>th</sup> 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 Ms. Vissuta Jariyathanakorn,  
Certified Public Accountant No. 3853

Mrs. Ponnard Paocharoen,  
Certified Public Accountant No. 5238

or Ms. Manee Rattanakit,  
Certified Public Accountant No. 5313

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# Invent to Inspire

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