

**ROJUKISS**  
INTERNATIONAL

# ONE REPORT 2023

ROJUKISS INTERNATIONAL PUBLIC COMPANY LIMITED





 **ROJUKISS**  
세럼 전문

**BEST KOREA**  
베스트 코리아

 **PhD**  
K-DERMA

**Sis2Sis**  
비스투시스

 **VAILL**  
**COVITRAP™**



# VISION

To be Asia's Health & Beauty  
for Future

# MISSION

To make the best convenience Health & Beauty  
Innovation that inspires Thai and Asian consumers  
and their needs sustainably

# CONTENS

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## OVERVIEW

Vision Mission	02
Message from Chairman and CEO	04

## Part I

### BUSINESS OVERVIEW AND PERFORMANCE

---

<b>01 Business Overview and Performance</b>	<b>14</b>
• Overview of Policy and Business	14
• Business Structure and Operations	24
• Shareholding Structure of the Company	40
• Registered and Paid up Capital	43
• Other Securities	43
• Dividend Payment Policy	43
<b>02 Risk Management</b>	<b>45</b>
• Risk Management Policy and Plan	45
• Risk Factors for the Company's Operations	47
<b>03 Business Sustainability Development</b>	<b>60</b>
• Sustainability Management Policy and Goals	60
• Managing impact on stakeholders in the business value chain	61
• Environment Dimension of Sustainable Management	67
• Sustainability management in social dimensions	67
<b>04 Management Discussion &amp; Analysis (MD&amp;A)</b>	<b>70</b>
• Analysis of operations and financial position	75
<b>05 General and Other Information</b>	<b>76</b>
• General Information	76
• Legal Disputes	77

## Part 2

### CORPORATE GOVERNANCE

---

<b>06 Corporate Governance Policy</b>	<b>80</b>
• Overview of Corporate Governance Policies and Practices	80
• Business Ethics	90
<b>07 Management Structure</b>	<b>94</b>
• Corporate Governance Structure	94
• The Board of Directors	95
• Sub-Committees	100
• The Executive Committee	103
• Company Secretary	106
<b>08 Report on Corporate Governance</b>	<b>114</b>
• Performance Summary of the Board of Directors for the Previous Year	114
• Performance Summary of the Sub-Committee for the Previous Year	120
<b>09 Internal Control and Connected Transactions</b>	<b>122</b>
• The Board of Directors Opinions on Internal Control	122
• Related Party Transactions	125



## Part 3

### FINANCIAL STATEMENTS AND AUDITOR'S REPORT

---

<b>10 Financial Statements and Auditor's Report</b>	<b>130</b>
• Responsibility of the Board of Directors to the Financial Statements	132
• Audit Committee's Report	133
• Independent Auditor's Report	136

## Part 4

### APPENDIX

---

<b>Appendix</b>	<b>192</b>
• Appendix 1 : Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, and Corporate Secretary	194
• Appendix 2 : Details of Directors of a Subsidiary	210
• Appendix 3 : Details of Internal Auditor	211
• Appendix 4 : Charters of the Board of Directors and Sub-Committees	212





# MESSAGE FROM CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

## To Shareholders

For the business and the Thai beauty industry, 2023 is anticipated to be another difficult year. Even though the COVID-19 outbreak crisis was resolved in a much better way, there are indications that Thailand's economy and the global economy are recovering. Nonetheless, several economic concerns, including inflation, the trend of rising interest rates, and the likelihood or existence of conflict in several nations, continue to cast doubt on the recovery. The organization places a high value on the necessity of constantly monitoring changes and their possible effects on the business. Changes are frequently made in order to mitigate negative consequences and allow rapid business growth. We contemplate increasing the potential of online channels to assist consumers based on their current lifestyles, which includes upping our game while looking for opportunities to develop our business in the future and prioritizing risk control and long-term organizational viability.

Furthermore, the company places an elevated value on sustainable growth. Business activities can expand in a balanced manner through monitoring economic, social, and environmental (ESG) issues and considering business operations and management. Transparency in corporate governance would be crucial in this situation. Following the rules and regulations is one aspect of the system in place to monitor and balance risk management.

In 2024, the company will continue to pursue our objectives of fostering corporate expansion to reaffirm our position as an innovator in both health and beauty products. We are prepared to look for business opportunities related to new product innovation both domestically and internationally to enhance customer pleasure and provide products that help achieve the objective of achieving sustainable growth. The company will continue to employ technology in tandem in order to stay up to date with the digital world.

Lastly, a sincere thank you to everyone who has consistently helped the company run its operations, especially the investors who have placed their faith in it. Every customer chooses our brands and services. Our business partner and a collection of financial institutions foster the expansion of businesses. We express our gratitude to the management team, board of directors, and employees for their support and belief in the company's continued functioning. This motivates us to continue advancing in a way that is sustainable and advantageous to all parties involved, including clients, shareholders, and society at large.

**Dr. Lackana Leelayuthyothin**  
Chairman

**Mrs. Worrawan Chaikamnerd**  
Chief Executive Officer

# BOARD OF DIRECTORS

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**Mrs. Worrawan Chaikamnerd**  
Chief Executive Officer



**Ms. Wipaporn Niamla-ong**  
Chief Financial Officer



**Mr. Thanayus Leeraphan**  
Chief Strategy Officer



**Ms. Naruemol Sukkamolwatana**  
Chief Operating Officer



**Ms. Nutthinee Jenwattanavech**  
Chief Marketing Officer



**Mr. Jirawat Nunthiphatprueksa**  
Chief Commercial Officer

# BOARD OF DIRECTORS

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**Dr. Lackana  
Leelayouthayotin**

- Chairman
- Independent Director



**Mrs. Pratana  
Mongkolkul**

- Vice Chairman
- Chairman of the Audit Committee
- Independent Director



**Dr. Anuphan  
Kitnitchiwa**

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



**Dr. Chatrchai  
Tuongratanaphan**

- Chairman of the Nomination and Remuneration Committee
- Member of the Audit Committee
- Independent Director



**Ms. Pornchanok  
Tansakul**

- Member of the Audit Committee
- Independent Director







**Mrs. Yayus  
Sulyanni Mak**

- Member of the Corporate Governance Committee
- Independent Director



**Ms. Piyawadee  
Sonsingh**

- Member of the Corporate Governance Committee
- Authorized Director as per the Company's Affidavit



**Mr. Anotai Adulbhan**

- Member of the Nomination and Remuneration Committee
- Authorized Director as per the Company's Affidavit

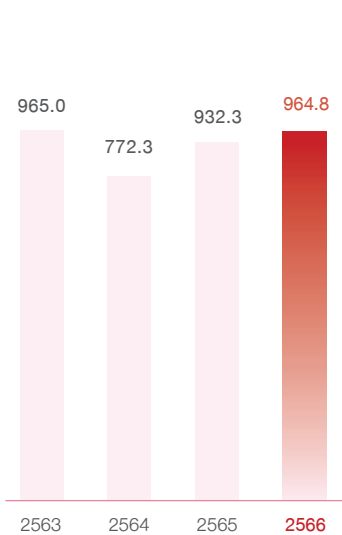


**Mrs. Worrawan  
Chaikamnerd**

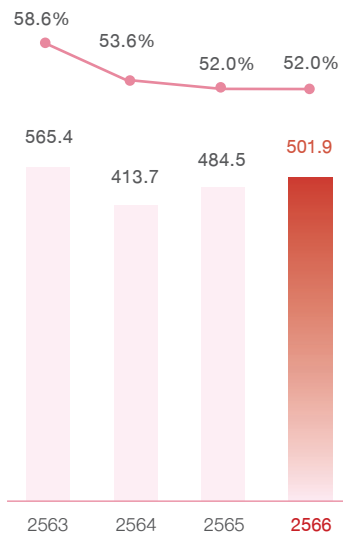
- Chairman
- Independent Director
- Chairman of the Executive Committee
- Chairman of the Risk Management Committee
- Chief Executive Officer
- Authorized Director as per the Company's Affidavit



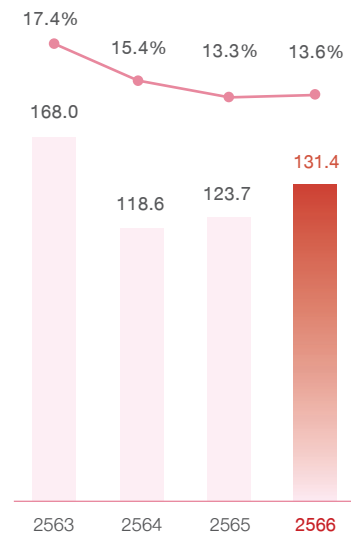
# IMPORTANT FINANCIAL INFORMATION



**Revenue from  
sales and services**  
(Million Baht)



**Profit for the year**  
(Million Baht)



**Gross Profit**  
(Million Baht)



## Operating Income



**965**

(Million Baht)

## Net Profit



**131**

(Million Baht)



### Net Profit Margin



**13.6%**

### Total Assets



**1,403**

(Million Baht)

# Part I

## BUSINESS OVERVIEW AND PERFORMANCE

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Other Securities	43
Dividend Payment Policy	43
<b>02 Risk Management</b>	<b>45</b>
Risk Management Policy and Plan	45
Risk Factors for the Company's Operations	47
<b>03 Business Sustainability Development</b>	<b>60</b>
Sustainability Management Policy and Goals	60
Managing impact on stakeholders in the business value chain	61
Environment Dimension of Sustainable Management	67
Sustainability management in social dimensions	67
<b>04 Management Discussion &amp; Analysis (MD&amp;A)</b>	<b>70</b>
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<b>05 General and Other Information</b>	<b>76</b>
General Information	76
Legal Disputes	77





# BUSINESS OVERVIEW AND PERFORMANCE

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**An overview of the company's procedures and policies**

**The company's vision, mission, goals, business overview, and business strategy**

## VISION

To be Asia's Health & Beauty  
for Future

## MISSION

To make the best convenience Health & Beauty  
Innovation that inspires Thai and Asian consumers  
and their needs sustainably



## An overview of a company's operations

Established on March 2, 2007, Rojukiss International Public Company Limited was listed on the Stock Exchange of Thailand on February 19, 2021. The company's purpose is to develop, produce, and distribute beauty and health products under a variety of brands, such as "Rojukiss," "Best Korea," "PhD" for facial skin care Products, "Sis2Sis," and "Beauti Cute" for makeup, with a total of more than 200 SKUs. All the products were developed and manufactured by the company working with contract manufacturers, and they were distributed both domestically and internationally. Through marketing, the company grows and creates a range of attractive and long-lasting brands in addition to innovative products that meet consumers' ever-changing needs and are available to the public. Some product types and sizes are easy to decide on and make the most of because they are reasonably priced, as well as improving existing products that consumers already like to be able to better respond to consumer needs. The company's current operations involve developing, contracting for production, and distributing three product groups: skincare, color cosmetics, and hair color. These products are sold in Thailand as well as a number of other ASEAN nations, such as Indonesia, Vietnam, Laos, Cambodia, Myanmar, etc. In line with its mission and vision to become the leader in future beauty and health, the company made investments in 2022 in businesses that were involved in the production, packaging, and distribution of pharmaceuticals, medical supplies, and medical equipment to enter the health sector.

## Business goals:

The company aspires to set the standard for future health and beauty innovations. The subsequent goals are as follows:

1. Expand the market and increase the variety of wellness and beauty products (health and beauty). Consumers, particularly in the aftermath of the COVID-19 pandemic, are growing increasingly self-conscious about their appearance and health. The business caters to a wide range of customers and is dedicated to growing to include various associations with health and desirable beauty products.
2. Be a leader in beauty and health innovation that answers the need for convenience (Convenience Health & Beauty) with innovative products that are accessible to consumers, convenient, good value, and accessible prices. The key to the company's success has been developing innovative new products that satisfy the demands and tastes of customers looking for high-quality, reasonably priced, and easily navigable goods. In particular, the simplicity with which we can utilize the internet to look for anything we want has led to the broad use of digital devices in our daily lives. This is the primary cause of the growing trend of customers choosing to purchase online.
3. Expand the channels of distribution to encompass traditional and internet media. Although the company has been successful in positioning "Rojukiss" as its primary brand, consumer preferences for makeup are always shifting. It is necessary to open new channels to reach out to potential clients. The company launched additional social media commerce platforms in 2023, including TikTok Shop.
4. To pursue the business leadership position in this region through reliable business partners in both local and international markets.

## Business strategies:

The company is committed to operating as a true health and beauty company. It takes inspiration from the world's leading beauty and wellness firms, who constantly and sustainably identify and develop the potential of the beauty and wellness industry with the ultimate goal of being the leading beauty and wellness company in Asia. The company aims to generate 40-45% of the overall revenue in the country from skin care goods, 15-20% from health products, 15-20% from cosmetics, and hair care products, and 20-25% from overseas sales. The company's ability to carry out its growth plans will determine whether or not this target is achieved in the future, which include: (1) Rojukiss skincare products becoming a brand with **1,000 million baht** in sales by 2024; (2) broadening and expanding the range of health and beauty products for every sales channel in order to attract a significant customer base; (3) business growth through the company's global brand extension and ; (4) business expansion.

The management team is able to support and adjust the company's growth objectives in response to shifting market conditions because of their expertise in the beauty business. We are a light-asset, flexible, and agile organization. The foundation of the company's growth strategy is its strengths, which are intended to develop a strong, broad brand group (multi-category brand portfolio) and a range of package types (multi-format packaging), as well as the ability to produce excellent products and offer innovative concepts that are accessible to all clients and advantageous in every manner (Health & Beauty Convenience).

### **(1) Promote Rojukiss into a “One-billion-baht brand” by the year 2024.**

The company's main brand, Rojukiss, provides unique items with a strong selling point that make it stand out in the marketplace. This product, which uses South Korean skincare knowledge, works exceptionally well as a face serum, and could handle a range of difficult skin conditions. The skincare brand Rojukiss aims to transform

into a full-service beauty brand by 2024, with revenues of one billion baht. The “Rojukiss” brand is estimated to have risen at a pace of up to 26% in Thailand's facial skin care products market by 2023 compared to a year earlier, while the skin market growth rate was at 15%, according to the study conducted by The Nielsen Company (Thailand) Co., Ltd. (“Nielsen”) \*. The report places emphasis on increasing sales across all channels, including convenience stores, health and beauty, and modern trade channels

\*Includes the collection of data on sales for the mass market, encompassing both traditional retail channels and general stores. It does not include the luxury market, which consists of products offered through department store counters.

### **(2) Increase sales on both retail and online channels.**

Rojukiss Official Shop's stores on the Shopee and Lazada platforms, which are distributed via e-commerce platforms closed at 113% increase in sales. As an alternative, customers can also buy products from its online store at [www.rojukiss.com](http://www.rojukiss.com) or via social commerce platforms like [www.facebook.com/rojukissthailand](https://www.facebook.com/rojukissthailand), @rojukiss online official accounts, and @rojukissth.official on TikTok. They may pose inquiries or receive advice on specifics of new products. The company supports the concept of maintaining equilibrium by offering general assistance to its physical stores, which serve as its main sales channel. Our two objectives are to drive growth through new channels that may strengthen relationships with clients and to offer an approach for long-term business success that fulfills the changing and more diverse needs of our target consumer.

### **(3) Expand business abroad**

The company supports the concept of maintaining equilibrium by offering general assistance to its physical stores, which serve as its main sales channel. Our two objectives are to drive growth through new channels that may strengthen relationships with clients and to offer an approach for long-term business success that fulfills the



changing and more diverse needs of our target consumer. In 2023, the company experimented with selling products in China using online platforms. Consequently, the company has now sold products in the following countries: Indonesia, Vietnam, Laos, Myanmar, and China.

## Background and important developments

### An overview of a company's operations

Rojukiss International Public Company Limited (the "Company") was founded and established on March 2, 2007, formerly known as "Asiance Company Limited." The company's business is to develop, produce, and distribute beauty and health goods under a range of company brands. These consist of over 200 SKUs of skin care products under the brands "Rojukiss," "Best Korea," and "PhD," as well as cosmetic items under the brands "Sis2Sis" and "Beauti Cute."

All these products were designed and developed by the company in association with contract manufacturers and distributed both domestically and internationally. The company is growing quickly in the direction of

consumer-accessible items, pushing beyond typical marketing to create distinctive products that support its several brands and serve a wide range of customer needs. When features are added to popular items to better satisfy the needs of the consumer base, product formats and sizes are easy to use and choose from deliver the most value. We keep improving our favorite products to better respond to consumer needs. Our focus is on creating concepts that set our products apart from those of competitors in the market. The company's continual process of developing new goods is founded on consumer demands and market research findings, which we regularly monitor and analyze to generate new innovations or even innovations that solve unmet needs in the market. The launches of new items every year since market research and client expectations are being analyzed so swiftly. Our ability to develop and distribute new items quickly and flexibly is an advantage. In general, the business product development to market distribution process takes nine to twelve months, though this could vary depending on the product.

In 2023, the company debuted new products under its own brand, which is equivalent to 34% of the annual sales across 107 SKUs.



## Major Developments

Year	Major Developments
2007	<p>The company was established to operate the business of importing and marketing skincare products under the trademark Rojukiss from the trademark owner in South Korea to distribute products in Thailand</p> <ul style="list-style-type: none"> <li>- On March 2, 2007, Khun Piyawadee Sonsigh, a pharmacist, founded a company to import and promote Rojukiss skin care goods from the South Korean trademark owner, as well as distribute them in Thailand.</li> <li>- The “Rojukiss” product firstly was first imported and sold in the health and beauty store at Watsons was the first distribution channel.</li> </ul>
2008	<p><b>Expand product distribution channels to convenience stores.</b></p> <ul style="list-style-type: none"> <li>- The company has expanded distribution channels for products under the Rojukiss brand to convenience stores, including 7-Eleven and Family Mart, and has expanded distribution channels for products from health and beauty stores to Boots.</li> </ul>
2009	<p><b>Expand the distribution network of products to Moderna Trade channel</b></p> <ul style="list-style-type: none"> <li>- To reach more consumers via Tops, the firm expanded its distribution channel to modern trade retailers</li> </ul>
2011	<p><b>Rename the company and expanding the goods distribution network with contemporary retail channels</b></p> <ul style="list-style-type: none"> <li>- Name changed from I.X. Company Limited to AISANCE Company Limited.</li> <li>- Rojukiss has embraced Tesco as a new open channel.</li> </ul>
2014 - 2016	<p><b>Launch new products under the brands “Best Korea” and “Beauti Cute” and expand product distribution channels in convenience stores.</b></p> <ul style="list-style-type: none"> <li>- The company has introduced a new brand, “Best Korea” that offers facial skin care items in convenience stores around the country. Customers had more access to the company’s services, and it was easier for them to check out new goods as a result.</li> <li>- This year, there was also a new cosmetic line called “BeautiCute” It was largely distributed through health and beauty stores, as well as other channels, to provide consumers with additional options for testing new items.</li> <li>- In addition to 7-Eleven and Family Mart, the company has expanded its distribution network to include convenience outlets such as Tesco Express, eXta, and Jiffy.</li> </ul>



Year	Major Developments
2016	<p>The company acquired the trademark Rojukiss from the original owner in South Korea.</p> <ul style="list-style-type: none"><li>- PhD International Limited (“PhD”) is an AISANCE subsidiary that purchased the Rojukiss trademark from the original owner in South Korea, anticipating the opportunity to grow South Korean skin care products in Thailand and other markets because the company has foreseen the opportunity to grow skin care products from South Korea, as well as the opportunity to develop the brand and develop various products to better meet the needs of consumers.</li><li>- PhD is a corporation that was formed to possess all trademark rights and to be the exclusive user of such rights. “PhD” was formed in Hong Kong to help the company’s trademark gain a more global image. This will help extend the firm internationally in the future.</li></ul>
2017	<p>Issued ordinary shares and increased the Company’s registered capital by allocating existing and newly issued ordinary shares to Aurora Asia Holding Pte Limited (“AAH”)</p> <ul style="list-style-type: none"><li>- The Company issued ordinary shares and increased its registered capital to THB 173.33 million by allocating existing ordinary shares and newly issued ordinary shares to AAH that is a juristic person incorporated to hold shares of the Company for Lakeshore Capital I LP (“LC1LP”) and LC1 Aurora Co-investment LP (“LC1AC”) (collectively referred to as “Lakeshore Group”), both of which are private equity funds. (Please see additional information in Section 1.3 on the topic of shareholding structure of the Group of Companies)</li><li>- The Company hired a professional management team with extensive experience in the consumer goods industry, to manage the Company and grow it quickly.</li></ul>
2018	<p>Launched new cosmetic brand, “Sis2Sis”</p> <ul style="list-style-type: none"><li>- The firm has launched a new brand called Sis2Sis, which was sold at the most well-known convenience stores, making items simpler, portable, and easier to use for consumers, as well as making it easier for customers who want to try new products.</li></ul>

Year	Major Developments
2019	<p><b>Manufacturers and distributors in Indonesia have been awarded a license to use the Sis2Sis trademark, and the company provides business operations and marketing consulting services for the sale of products under the company's brand in Indonesia.</b></p> <ul style="list-style-type: none"> <li>- The company has signed a license agreement with a manufacturer and distributor in Indonesia for the use of the Sis2Sis trademark, as well as a business consulting service agreement and a strategic sales and marketing planning service agreement with a partner for the distribution of products under the Sis2Sis brand through an Indonesian convenience shop network that stretches the length and breadth of the country</li> </ul> <p><b>Guts and Good was formed by the company's management to handle the company's shares.</b></p> <ul style="list-style-type: none"> <li>- 2017-2019 The Lakeshore Group sold 12.60 percent of WWV's total shares to AAH's management and employees to create incentives for personnel to generate favorable results for the company. Following that, the company's management and employees transferred their indirect shareholding to Guts and Good, a Singapore-based company that holds shares for executives and employees.</li> </ul>
2020	<p><b>Launched new skin beauty supplement under "Rojukiss"</b></p> <ul style="list-style-type: none"> <li>- Rojukiss has created skincare supplements under the Rojukiss label to widen the Rojukiss brand from a beauty to a beauty and health brand.</li> </ul> <p><b>Signed with the distributor of the company's products in Indonesia and the Philippines.</b></p> <ul style="list-style-type: none"> <li>- On January 31, 2020, and March 31, 2020, the Company entered into distribution agreements in the Philippines and Indonesia, respectively, to increase the sale of the company's products through dealer partners in these two countries.</li> </ul> <p><b>Registered as a public company: Increase registered capital to prepare for an IPO and expand business continuously.</b></p> <ul style="list-style-type: none"> <li>- The Extraordinary General Meeting of Shareholders No. 1/2020 on May 9, 2020 resolved to 1) approve the payment of dividends from operating profits for the year 2019 to shareholders at the rate of 6.2 baht per share, amounting to total 107,407,731.27 baht and 2) increase the registered capital from 173 million baht to 270 million baht and allocate not more than 9,666,667 new ordinary shares with a par value of 10 baht per share to offer to the existing shareholders.</li> <li>- The Extraordinary General Meeting of Shareholders No.2/2020 on July 14, 2020, passed a resolution 1) to change the par value from the original par value of 10 baht per share to a par value of 0.50 baht per share. 2) to register as a public company and changed its name to Rojukiss International Public Company Limited. 3) to increase the registered capital from 270 million baht to 309 million baht to support the stock exchange listing 4) to allocate not more than 60 million newly issued ordinary shares with a par value of 0.50 baht per share for the public offering (IPO) and not exceed 18 million shares to support the exercise of warrants to purchase the company's shares, warrants to the management and employees of the company ("KISS ESOP"). 5) to issue and offer warrants to purchase the company's shares to the management and employees of the company Under the KISS ESOP.</li> </ul>





Year	Major Developments
2021	<p><b>Established a joint venture, O2 Kiss Company Limited, and the acquisition of the company's shares by GMM Grammy Public Company Limited</b></p> <ul style="list-style-type: none"> <li>- On January 5, 2021, the meeting of the Board of Directors No. 1/2021 resolved to approve the company's investment in ordinary shares of O2 Kiss Company Limited ("O2KISS"), a newly established company, by investing in 2,000,000 ordinary shares, representing a value of 20,000,000 Baht with proportion of 40% of total shares. In this regard, the company has joint control through a contract between the shareholders and O Shopping Company Limited ("O Shopping" is a subsidiary of GMM Grammy Public Company Limited ("GMM")). O2KISS was registered with the Department of Business Development on March 25, 2021.</li> <li>- On January 15, 2021, AAH and Ms. Piyawadee Sonsingh signed a Letter of Intent to grant GMM the conditional rights to purchase up to 40,459,500 shares and up to 19,480,500 shares of the company from AAH and Ms. Piyawadee respectively, totaling up to 59,940,000 shares or up to 9.9% of the company's total shares after the IPO at the IPO price.</li> </ul> <p><b>Launched skin care products under the name of the joint venture O2KISS.</b></p> <ul style="list-style-type: none"> <li>- March 2021, PHD K-Derma Anti Spot and Melasma Brightening Program, the skincare product was launched under joint venture of the company and O Shopping, O2KISS through O Shopping channel.</li> </ul> <p><b>Release new products to export for sale to Indonesia.</b></p> <ul style="list-style-type: none"> <li>- Rojukiss Facial Serum began selling in sachets in Indonesia in April 2021.</li> </ul> <p><b>The dietary supplement was launched under the name of joint venture O2KISS</b></p> <ul style="list-style-type: none"> <li>- In November 2021, O2KISS launched dietary supplement Qi (Shi) Cordyceps Gingseng Lingzhi and exclusively distributed through O Shopping channel.</li> </ul> <p><b>Release new products to export for sale to Vietnam.</b></p> <ul style="list-style-type: none"> <li>- In December 2021, 4 SKUs of Facial Mask were launched in Vietnam.</li> </ul>

Year	Major Developments
2022	<p><b>Investment in Hibiocy Company Limited to expand its business into Health Products innovations.</b></p> <ul style="list-style-type: none"> <li>- On 28 January 2022, the Board of Directors' Meeting No. 1/2022 has passed a resolution to approve the Company to Invest in Hibiocy Company Limited ("HIB"). The Company signed Letter of intent to invest in HIB on 1 February, 2022. The Company will invest in the purchase of new shares in HIB with the amount of 5,200,000 baht to get a proportion of more than 50%, which is the total registered capital of HIB after the Company joined in investment representing a total amount of 10,210,000 baht, consisting of 102,100 common shares with a par value of 100 baht per share. For this investment, the company will use the source of funds from the company's working capital. To operate a business related to the production and packaging of drugs and medical supplies, and medical equipment and medical devices. HIB is the sole holder of the rights to receive the transfer of SARS-CoV-2 antibody technology to develop, research, produce, and sell nasal spray products. This is for the protection of or to inhibit the COVID-19 virus (according to the preliminary memorandum of understanding in the technology transfer contract) both domestically and abroad. A team of leading Thai doctors and researchers from Chulalongkorn University researched and developed this technology. The Company, therefore, views that this investment will help increase the Company's potential and capabilities. Go to another level, especially health innovations, which is consistent with the vision and mission of the Company, which wants to be a leader in developing innovative products for health and beauty. In addition, the Company also sees the importance of being a part of driving technology or innovation that is invented and developed by a team of Thai researchers and experts. It will begin earning income from selling such products in 3Q/2022.</li> </ul>
2023	<p><b>The company sells Rojukiss products in the Clinical Grade range as another option for consumers. These facial skincare products contain high-quality, key ingredients with dermatologically tested by clinics for irritated skin to be safe for consumers.</b></p> <ul style="list-style-type: none"> <li>- Expand sales channels through the online platform TikTok Shop, which is one of the most popular marketplaces today. The company has adjusted its sales strategy to meet consumer purchasing trends through the official account of rojukiss.official.</li> <li>- Expand new markets to China through online channels in TMall and Douyin store channels to increase growth opportunities abroad and increase product and brand awareness.</li> </ul>

## Spending report on IPO fundraising

Rojukiss International Public Company Limited (the “Company”) has offered to sell additional common shares to the public for the first time (Initial Public Offering: IPO), with the offering period on February 5th and 8-9, 2021, 60 million shares at an offering price of 9.00 baht per share, totaling 540 million baht.

The company received net money (after deducting expenses for offering securities) in the amount of 512.42 million baht and must outline how it spent the additional capital obtained as of December 31, 2023, as follows.

(Unit: Millions Baht)

The purpose of spending the money	Estimated Amount	Amount spent to December 31, 2023.	Remaining amount as of December 31, 2023
1) Working capital for developing and introducing new items and brands in Thailand.	100.0	100.0	-
2) Develop innovative products to broaden the consumer base and direct sales channels to consumers. (Direct-to-consumer)	100.0	20.0	80.0
3) Expand business abroad	50.0	-	50.0
4) Investment and development in technology and digital	50.0	-	50.0
5) Repay short-term loans	212.4	212.4	-
<b>Total spending</b>	<b>512.4</b>	<b>332.4</b>	<b>180.0</b>

## Obligations to the Registration Statement

The Company submitted the registration statement and the prospectus to the Securities and Exchange Commission (SEC) on 24 July 2020, effective from 3 February 2021. As the submission of such form was in full compliance with SEC’s criteria, therefore, there was no obligation or condition for the permission request from SEC.

# BUSINESS STRUCTURE AND OPERATIONS

## Product information

### Product features

#### Rojukiss

Being the first Korean brand, Rojukiss has been a successful seller in Thailand for more than 17 years since its 2007 inception. The company acquired the “Rojukiss” brand from its previous South Korean proprietor. The brand’s flagship product is a sophisticated skin care item called a “facial serum.” Later, the company used facial serum technology to create a line of skincare products. In addition to “facial serum,” which is an excellent product that has garnered positive feedback from customers, “Rojukiss” offers a variety of skin care products in various forms that aid in resolving challenging skin issues. Other well-liked products on the market include “facial moisturizer,” “facial mask products,” and “Eye for Face Cream.”

In 2023, Rojukiss introduced a range of Clinical Grade products. These products contain essential ingredients that are beneficial for facial care, and they have undergone testing to ensure their safety and non-irritating properties.

#### Rojukiss White Poreless Skin Reset Ampoule Serum

The Korean serum ampoule was created and manufactured with consideration for the hot climate and skin types of Thai consumers. Amazing components like 12 PEPTIDES and 8 HYALURONS, plus a unique, juicy ampoule jelly texture, are included. The ampoule gives off a light, airy feeling when used. It absorbs quickly, dissolves, and penetrates the skin to deliver powerful ingredients. Furthermore, the skin becomes quickly clean and white five days after treatment, lightening the dark areas and giving it the appearance of glass skin. The extraordinary emphasis on outcomes goes right up to the CLINICAL GRADE.



## Rojukiss Acne Biome Serum



The robust serum was developed specifically for nourishing skin that was prone to acne and oiliness. It aids in managing pimples and relieves red, dark spots brought on by acne. Its light-textured serum absorbs rapidly and doesn't leave a sticky residue, making it ideal for oily skin types. The product was investigated through a dermatological test. Including necessary elements such as SEBOCLEARTM-MP aids in reestablishing the skin's biological equilibrium. It keeps the skin's oiliness continuously under control and aids in the reduction of bacterial accumulation that leads to acne. It lessens acne obstruction and irritation. B-Cylic, unique to Rojukiss, helps exfoliate skin cells and deeply penetrates the skin to treat acne. This technique will minimize the spread of bacteria and help decrease red and black stains from past acne. Make your skin tone look clean, uniform, and devoid of alcohol, artificial coloring, and fragrance.

## Rojukiss Vit C 17% Anti-Oxidant Power Serum

Vitamin C serum 17% replenishes maximal vitamin C strength. Adjust the skin to be brighter and whiter. Give it the feeling of bouncy and fluffy skin. Vit C serum also helps combat wrinkles, diminishes acne scars, and firms and tightens the skin. Pure Vitamin C, 17% concentrated, with Vitamin E, a potent antioxidant. It helps vitamin C work





more efficiently while moisturizing the skin. FERULIC ACID is another potent antioxidant that can help minimize dark circles and black spots, while HYALURON enhances and retains moisture in the skin, making it plump, fresh, and shining. Experts devised the formula, which was clinically evaluated.

## Rojukiss Face-Eye-Neck Serum



ROJUKISS  
세럼 전문

ตึง..ทั้งหน้าตาคอ

99%  
ลดเลือนริ้วรอยลึก

88%  
ยกกระชับกรอบหน้า

FACE EYE NECK  
SPF 50+  
PA++++  
ANTI-AGING

ANTI-GRAVITY  
FACE EYE NECK SERUM

ANTI-GRAVITY  
FACE EYE NECK CREAM

www.rojukiss.com 24 ชม. โทร. 60-87 0 11618 Rojukiss Face Eye Neck Cream & Serum  
For Sponsor: Asia Co., Ltd. 11/11/2019 - 11/11/2020

Rojukiss has unveiled their next innovation. Introducing the concentrated serum shot to rejuvenate the skin rapidly, lift, and tighten the facial frame, as well as the entire face, around the eyes, and neck, using PDRN, a potent ingredient obtained from PDRN that is used in beauty clinics for immediate skin rejuvenation treatments. Formulated with collagen 30 times, it improves skin suppleness, reduces signs of aging, and adds moisture to the skin, making it appear moisturized, resulting in a youthful and healthy complexion. Clinically tested. Free of parabens, alcohol, and perfume.

## Rojukiss Reju-PDRN Treatment Ampoule Serum



ROJUKISS  
세럼 전문

รีจูฟิว  
สุดฮิต

ฮิลฟิวเร่งด่วน

ฟื้นฟิวใส ดูอ่อนวัย

ให้ฟิวกระจก

ฟิวฟูฉ่ำวาว

ฟิวเรียบเนียน

REJU-PDRN 0.5%  
REJU-PDRN TREATMENT  
AMPOULE SERUM

MADE IN KOREA

มีจำหน่ายที่

W d S Lazada



The most widely used skin-rejuvenation technique is available right now in Thailand and Korea. Rojukiss has created a novel concentrated ampoule treatment that rapidly aids in skin healing. Salmon DNA, identical to human DNA, is mixed with hyaluron, niacinamide, and collagen to dramatically enhance skin. Feel the tightness of your pores and the firmness and smoothness of your skin. Mitigate the visibility of wrinkles to get a gorgeous, radiant, and glass-like complexion. It is free of alcohol, parabens, and fragrances and leaves skin looking youthful and healthy. conducted the test for skin irritation.

There are currently 150 SKUs under the “Rojukiss” brand, divided into three product categories: skincare, lip care, and hair care.

## Best Korea

In 2015, “Best Korea” a pocket-sized line of premium Korean facial skin care products was launched with the goal of offering popular and unique ingredients in products that are as efficient as counter brand products while remaining reasonably priced and easily obtainable.

The target audience for the brand is those who are willing to explore new things. Products from convenience stores typically cost 50 Baht each, which makes decision-making easier and removes the need to purchase expensive items in large quantities. The major objective of Best Korea is to identify innovative and effective treatments. Best Korea will provide consumers with skin that is like that of Korean girls and offer the product’s texture to accommodate consumers with specific skin types and Thailand’s weather conditions.

Best Korea, which has embraced the popular Korean skin care trend of Rejuran, which derives its main ingredients from salmon DNA found in natural waters, will offer high-performing products in 2023. Human DNA and salmon DNA are 98% similar. It directly injects into the skin to efficiently revive it when administered. It can help reduce wrinkles and assist in the maintenance of healthy skin. For just 49 baht, you can have the Best Korea Reju-DNA Salmon Ampoule, which can quickly make your skin look brighter and more radiant.



## Sis2Sis

Sis2Sis is a handy, innovative makeup product that comes with built-in brushes. It was first made available in Thailand in the third quarter of 2018. Sis2Sis has applied for a small-scale patent on the packaging design in Thailand and many other countries in an effort to stop imitation. The Sis2Sis product was created through behavior analysis and a deep understanding of what consumers wanted in a tiny, weight- and size-compact cosmetic. It is sold in convenience stores at a reasonable price of 49 Baht apiece. It is a product that is simple to use anywhere and whenever you choose. In terms of the quality, Sis2Sis cosmetics have the ability to match or even outperform department store cosmetics, with over thirty uses per pack. In keeping with South Korean fashion, it offers a wide range of fashionable colors. Consumers no longer have to worry about the cost or the possibility that they won't utilize them all when purchasing any kind of product or lipstick shade.

Consumers' reactions to Sis2Sis have been positive. The company also produced large-size products in 2023 to meet the demands of cosmetics enthusiasts and to coincide with their comeback to the market for regular makeup after the COVID-19 epidemic from going about their daily lives, such as going to work or hanging out with friends.



## Vaill CoviTRAP™ Anti-CoV Nasal Spray

A useful alternative to COVID-19 inhibition and trapping that can be sprayed straight into the nasal cavity is Vail Covitrap Anti-Cov Nasal Spray. Five of the leading institutions in the country the Government Pharmaceutical Organization, the Health Systems Research Institute, Silpakorn University, Chulalongkorn University's Faculty of Medicine, and HIBIOCY Company Limited researched and developed physical technology prior to its development into a medical device with FDA approval in accordance with Section 17 of the Medical Device Act. There are two ways in which it operates: 1) Trapping: HPMC is applied to the nasal cavity's surface to reduce the virus's ability to stick there. 2) Inhibition: Human monoclonal antibodies physically stop COVID-19 from entering the body once it enters the nasal cavity. It has been shown to act immediately upon spraying and to cover continuously for a minimum of six hours. Having Covitrap nasal spray on hand makes it easy to improve confidence in day-to-day activities.



## New Product Development Policy

The company's primary purpose is to design and manufacture unique items. However, this did not imply that we would only give the greatest cutting-edge products available to fulfill our target market; rather, we intended to highlight cutting-edge products that consumers could readily access and afford. Every year, the firm intends to improve existing products or create new ones. There are items with features, formats, packaging, and prices that meet the needs of customers in each period, as well as innovations that differentiate themselves from other products on the market by leveraging market research findings and consumer demand data. It is critical to use research and careful monitoring to develop new creative products or fulfill new consumer desires (Consumer's Unmet Need). Conducting market research and understanding consumer preferences on a regular basis allows the business to design and release new products on time and efficiently. This is a company advantage; on average, product development takes 12 - 18 months to reach the market, although this may vary depending on the rules and work practices indicated below.

1. **Understanding the needs of consumers and market landscape** - The marketing and product development teams are constantly researching, evaluating, and comprehending how different consumer groups'

needs are changing, how the market and sales channels are changing, competitors' movements both directly and indirectly, and how various products are trending both domestically and globally. The information was gathered this way: (1) Use ACNielsen and/or Euromonitor's market databases for various product groups. (2) Create and hire external specialists to conduct market research to better understand consumer behavior and demands, using qualitative (qualitative research) methods such as interviews about consumers' unmet needs (focus group discussion) and quantitative (quantitative research) techniques such as performing customer surveys; and (3) international trips to learn about new market and technological trends. This enables the working team to establish criteria for generating new products, new brands, and new product concepts in response to or creation of demand trends in Thailand and the region.

2. **Evaluating new product ideas** - Marketing and product development teams create new product concepts by researching consumer demands and market trends. This concept includes all product characteristics and qualities, particularly those that are unique and distinguishable from other things on the market. It also incorporates the product's main features, such as texture, color, scent, application,

packaging, size, and pricing. Then, put the fresh idea to the test, both subjectively (qualitative research) and quantitatively (quantitative research). The information acquired from the examination of these strategies will be used to pinpoint suppliers and provide details about the attributes and characteristics of upcoming products.

3. **Sourcing for product manufacturers** – After creating a product proposal that fits the needs of customers, the process of finding a factory to manufacture this new product has started. By recruiting businesses with domestic and international product development experience. The manufacturer will compete by presenting and designing items based on the company's product concept, which will be reviewed by the marketing, product development, and purchasing teams. The working team will evaluate and select manufacturers based on a variety of criteria. The proposal covers the product's attributes, properties, and quality, and they will determine production techniques and product cost pricing. The marketing and product development teams will collaborate closely with the manufacturer's R&D department or research laboratory to oversee the product formula or use of specified key ingredients (active ingredients).

As of December 31, 2023, the company had 11 contract manufacturers, both in Thailand and abroad, producing products under our trademarks. Purchasing contract with three foreign enterprises, accounting for 69% of the total purchase amount. When recruiting for manufacturing positions, the company evaluates the knowledge and production skills of manufacturers capable of meeting the demands of the company's products. That possesses desirable, specific characteristics, such as the ability to respond fast and effectively to the needs of the company.

4. **Evaluating products before the market launch** – The marketing and product development teams will

use external specialists to conduct a range of tests on the sample items they have generated, including pre-launch product evaluations. The chosen tools are included:

- Clinical tests are used to assess specific qualities and attributes. This addressed the safety of consumers. The test is administered to a sample group under observation, and the clinical consequences will be evaluated.
- Consumer satisfaction with the product's concept and application is measured by the Product Concept & Usage Test, which involves using prototype products with a sample of target consumers.
- Size and price testing (Pricing Test) for use as a guideline in determining recommended pricing that provides consumers with a sense of value till they buy and return to buy again.

Various techniques will be employed to test or assess this before the company makes the decision to launch the product. As an alternative, make necessary improvements to the product based on the test results before releasing it onto the market to maximize its chances of success and customer acceptability.

**When the organization creates and designs innovative products, the following important factors are considered:**

- 1) **New product development must address consumer desires.** It must be a product that is innovative and distinctive. The marketing and product development team oversees surveying and analyzing overall market data, domestic and international competitors, competitor products, and information about technology or advancements from the manufacturer. It is a continuous search for information and analysis to look for chances to build solutions that can help realize unmet consumer demands or respond to consumer needs that change based on new behaviors. In each period, the company

strives to be a leader in bringing new advancements to consumers.

**2) New products must provide improved performance.**

**Giving demonstrable outcomes and safety to consumers is vital.** The company prioritizes quality, product performance, and safety. So that customers are satisfied with the product and return to buy and use it again, this will help to build loyalty to the brand and products, resulting in the company's long-term, sustainable success. As a result, the marketing and product development teams must assess the product's performance to ensure that it delivers the claimed benefits while also being more efficient than competitors on the market. As a result, the company focuses on selecting manufacturers who fulfill worldwide quality and safety requirements, such as those certified by ISO 22716 and ASEAN Cosmetic GMP, among others.

**3) A new product must provide value to customers. The size and price are adequate for the target customers.**

In addition to the need to create new products that meet market demands and are excellent in terms of features and performance, the company's new products must be worthwhile in terms of both size and price for the target consumer group. This is a critical strategy for the company's success. The appropriate size and pricing will make it simple for consumers to obtain and purchase items to try. Once the trial is done, they will be satisfied and have a sense of the value of the product, leading them to buy again and become loyal to the brand.

## Pricing Policy

The marketing and product development departments will determine the appropriate suggested retail price based on the product's image and qualities. By obtaining various data to assess and decide on prices and/or changes to product prices while keeping the following major concerns in mind:

- 1) Pricing is based on the brand's market position.  
Given that the company offers products under multiple brands, particularly in the facial skin care product category, the company needs to decide product prices in accordance with product features and the brand's pricing policy. The pricing must be suitable for the purchasing power of the target customer group, suitable to the brand's market position, as well as when compared to other brands of the company and competing brands in the market.
- 2) Pricing is based on the cost of goods.  
Another important factor to consider when setting prices is production expenses. Product development, marketing, and purchasing work together to establish product costs, labor costs, and other expenses. To use such data as a variable in computing product prices based on the company's gross profit requirements for each brand. The company has no cost-cutting philosophy if it means sacrificing product quality and performance.
- 3) Pricing is determined by comparing it to similar products on the market.  
One of the key elements that affects pricing is market competition. The product development and marketing divisions will examine the costs of comparable products on the market and utilize them as a benchmark for the company's offerings. The company gains a competitive edge in the market by considering product pricing in comparison with the company's rivals.
- 4) Pricing is based on extra economic factors.  
Product development and marketing teams are informed about other economic factors, such as foreign exchange rates. To be used in determining costs when purchasing things from abroad or calculating the selling price when distributing goods to international distributors.



## Marketing and Competition




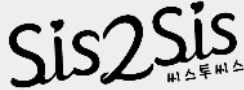
### Marketing Strategy:

The company continues to expand by creating creative, efficient products. There are several brands and ongoing marketing efforts to fulfill consumer wants and stay current with their ever-changing behavior. The company's success factors originate from its marketing policy and competitive strategy, which are summarized as follows:

- The company intends to build a distinct and strong identity to be memorable as well as appealing to customers.
- The company has developed a number of brands under several trademarks to meet the needs of various consumer groups.
- The company has consistently and quickly generated new items that are unique. This is for responding to the requirements of different and continually changing consumers' behaviors or to develop new consumer wants.
- The company sells high-quality goods that, when utilized, produce safe and transparent results, enticing customers to continue with the product or brand. After purchasing, repurposing, and distributing, continue to develop new products while maintaining the quality of those already on the market.
- The company has a marketing and communication strategy in place that is based on a thorough grasp of the target audience. The communication plan is to raise knowledge of brand familiarity and product attributes that spark widespread conversation.
- The company chooses to use many communication channels precisely to reach each brand's intended audience.

### Consumer Target Group

The company has considered the different and unique needs of its clients. As a result, we designed and developed brands to meet the needs of diverse consumer groups.

Brand	Target Group	Description
	Premium/Mass Skincare & Haircare	Consumers with medium to high purchasing power. Have skin problems that are tough to address and require effective technologies.
	Derma Skincare	A group of customers with significant purchasing power. Have sensitive skin but still need effective solutions with visible results that are safe.
	Modern Skincare	Young consumers are constantly seeking fresh and inventive products. They favor value and convenience.
	Convenient Beauty Mass	Young consumers are always looking for new and innovative products. They prioritize cost-effectiveness and convenience.

## Distribution Channel:

The company's sales and distribution networks for the fiscal years ending December 31, 2022, and 2023 are listed below.

(Unit : Millions Baht)

Income by Distribution Channel <sup>(1)</sup>	2023	%	YoY%	2022	%	YoY%
Domestic revenue	971.3	92.5	16.5	833.5	83.8	18.5
Oversea revenue	78.8	7.5	(51.2)	161.5	16.2	30.6
<b>Total revenue from sales of products and services</b>	<b>1,050.1</b>	<b>100.0</b>	<b>5.5</b>	<b>995.0</b>	<b>100.0</b>	<b>22.6</b>

Note <sup>(1)</sup> Displays revenue before deducting trade discounts and accounting estimations.

## Company's product distribution in Thailand

### 1) Modern Trade

#### 1.1 Convenience Store

A small retail store having locations throughout the neighborhood. The emphasis is on modern management and easily accessible store locations. The things sold are mostly everyday items, with an emphasis on 24-hour availability. Examples of convenience stores include 7-Eleven, Family Mart, CJ Express, and Took Dee. This accounted for about 31.5% of total income from product sales before adjustments for projected product returns and trade discounts for the period ending December 31, 2023.

#### 1.2 Health & Beauty Store

A store that sells skin care and cosmetics, with a vast assortment of products. The store personnel is available to offer guidance and support. The branches are primarily located in big cities, as well as retail businesses. Watsons, Boots, EVEANDBOY, and so on are some examples.

### 1.3 Super & Hyper Market

A huge store that sells a wide range of consumer items, including fresh food, vegetables, and fruit, as well as having outside renting space. In addition to the sales area, there are supermarkets, hypermarkets, and big wholesale stores. Large retailers include Lotus, Big C, Tops, and Makro.

### 2) General Trade

General stores are extensively scattered throughout Thailand, allowing customers to find what they need quickly. This is because general stores like this are commonly found in residential areas or well-known tourist destinations. There are both retail and wholesale options, such as local cosmetics boutiques, local supermarkets near convenience stores, local drugstores that offer local consumer items, and local department stores in larger cities. Examples are Top World, Win Cosmetics, Dara Cosmetics.

### 3) E-Commerce

The company delivers through internet channels to meet the needs of increasingly picky consumers and make it easy for clients to order things whenever and wherever they want.



These are (1) online stores where the company's products have been traded through channels such as online markets (marketplace), including Rojukiss official stores in Lazada/Shopee and Konvy (2) in the company's e-commerce channels at [www.rojukiss.com](http://www.rojukiss.com), and (3) brand social media channels where the company manages products, prices, and marketing strategies. [www.facebook.com/rojukissthailand](https://www.facebook.com/rojukissthailand), Line Official Account: @Rojukiss, and Tiktok shop are examples of direct business operations with consumers.

#### 4) Earnings from subsidiaries and joint partnerships

The earnings are from 1) O2KISS Company Limited ("O2KISS"), which, on June 30, 2022, changed from a joint venture to a subsidiary and holds 100% of the shares in a sales form both offline and online. The company owns 46.6% of its total paid-up capital through its subsidiary, Hi Bioscience Company Limited ("HIB").

### Product distribution in international markets

#### 1. Cross Border Distributor

The company sells its items to wholesalers in Thailand, who then ship them to stores in Laos, Cambodia, and Myanmar. The distributors bear the responsibility of transferring merchandise from their Thai warehouses to their overseas warehouses and/or retail locations. It first arrived in Laos and Cambodia in 2021, followed by Myanmar in 2022.

#### 2. Foreign Distributor

The company gives a high value in choosing professional business partners. To guarantee that the company's brand and/or products succeed in each country, the company not only has the know-

how and potential to distribute products and market in those nations, but it also has the adaptability to change product formulas and styles to suit the demands and popularity of local customers in each nation. For the time being, the company sells and distributes goods to Indonesia under the labels Rojukiss and Sis2Sis. Indonesian customers have given these items positive reviews, and they hope to eventually offer product lines that include cleansers, serums, and masks for skin care. Additionally, in December 2021, we began distributing Rojukiss brand goods to Vietnam, beginning with skin care masks.

### Market circumstances and competitions:

#### • Cosmetics and beauty industry situation<sup>[1]</sup>

The COVID-19 epidemic has had an impact on the cosmetics business during the last two to three years, and the global cosmetics market obviously declined in value at the time of the crisis. However, in 2020, the value of the cosmetics market contracted by roughly 10 to 20 percent from the year before. Nonetheless, the cosmetics sector has rapidly rebounded following the COVID-19 crisis, largely due to consumer beliefs that emphasize the importance of beauty in boosting self-confidence.

Cosmetics have made these processes easier and faster. It becomes a part of the consumer's everyday routine. There is also a wide range of varieties, features, quality, and pricing to fulfill the diverse needs of consumers. All these elements contribute to the cosmetics market's potential for future growth.

Over the next 1-2 years, the overall value of the global cosmetics market has a clear opportunity to recover as various countries around the world open

<sup>[1]</sup> Cosmetics and beauty products include facial skin care, makeup, deodorants, shampoo, and perfume.

Marketeer Team's article titled "Looking at the cosmetics market, bright direction, Clean Beauty group is hot" was published on April 28, 2023.

after the COVID-19 outbreak situation has ended, resulting in a positive impact on the global tourism sector, including people's lifestyles and economic activities returning to a more normal state. This is consistent with the findings of Kline & Company's "The Professional Skin Care Consumer: Attitudes and Behaviors Survey." Given that in 2023, 96 percent of consumers still plan to spend on skin care products, and 54 percent plan to spend more on skincare items.

### Competition Situation:

As for the competitive trend in the skincare and cosmetics industry once the country has opened and economic activities have begun to revive as they did during the coronavirus epidemic (Covid-19), it is fierce both online and offline. Many entrepreneurs are rising since it is simple to start a business. Because the initial investment is significant, and there are existing distribution methods in E-commerce/social media that reach consumers rapidly and easily. However, long-term commercial viability depends on potential in a variety of ways. The features include (1) developing a memorable product and brand identity for consumers, (2) building a devoted customer base, (3) leveraging distribution channels, and (4) integrating meeting criteria for making safe products, which will necessitate significant expenditure. Furthermore, the decision to purchase a well-known brand is more likely to occur because there is a sense of confidence and safety.

The company's marketing strategy continues to prioritize the presentation of "Skin care products that use essential ingredients in goods that are "Innovation" in the field of cosmetics and beauty industries, which has always been the company's strength. Meanwhile, the corporation maintains the pricing so that consumers can afford it or may easily trial and make purchasing decisions based on the company's goals. The company is still capable of delivering the predicted profit rate.

The company continues to develop goods that are great in terms of modern innovation, suit consumer needs at a reasonable price, and retain quality in the Rojukiss style. In 2023, the company released more than 50 new product (NPD) SKUs, which is considered a large number. This is meant to support the company's operational plan as the overall economic situation begins to improve again.

- Expand new product lines based on the success of existing bestsellers, such as the Rojukiss 10X Treatment Mask.
- Adjust communication tactics, promotional operations, or public relations plans through various media, both offline, such as television ads, to market new items. Engage well-known brand ambassadors to keep the brand in consumers' minds and compete with rival skin care and beauty product businesses. Use online media, such as KOL product reviews, as well as social media platforms such as Facebook, Tiktok, Instagram, and Twitter, to reach target audiences who already use these platforms.

## Operating Assets

### Fixed Assets

As at 31 December 2023, the Company and its subsidiary have operating assets after deduction of depreciation as depicted in the Company's consolidated financial statement amounting to Baht 40.1 million with details as followed:

Type	Objectives of Ownership	Net Book Value As at 31 December 2023 (Million Baht)	Obligations
1. Office apartments and building improvements	Office buildings and warehouses	29.9	None
2. Furniture and office equipment	Used in business operations	8.2	None
3. Computers and gadgets	Used in business operations	1.4	None
4. Construction in progress	Used in business operations	0.6	None
Total		40.1	

### Summary of Long-term lease

#### 1. Phase 1 warehouse and office building lease agreements

Lease parties	The Company ("Lessee") PHETMAHAWORRALARP Co.,Ltd ("Lessor")
Date of agreement	1 March 2023
Duration of agreement	3 years (1 March 2023 - 28 February 2026)
Objectives	The lessor is the owner of a warehouse building No. 41 (Building P19, containing warehouse space of 2,160 square meters and a two-story office building - 36 square meters on the first floor and 72 square meters on the second floor), located on Phatthana Chonnabot 4 Road, Khwaeng Khlong Song Ton Nun, Khet Lat Krabang, Bangkok, 10250. The lessor agrees to lease the lessee the aforementioned building and land for the purpose of storing inventory as part of conducting business.
Agreement value	Rental fee : 120,000 baht per month, not including withholding tax at the rate of 5% Service fee : 140,000 baht per month, not including value added tax (VAT)

Crucial conditions	<ul style="list-style-type: none"> <li>The lessee will pay rental fee to the lessor in advance within the 10th day of each month.</li> <li>The lessee will deduct withholding tax at the rate of 5% of the rental fee, and at the rate of 3% of service fee.</li> <li>The lessee agrees to pay for property tax, which the lessor will charge according to the actual cost.</li> <li>The lessee will make a security deposit of 360,000 baht to the lessor per the agreement, which will be returned to the lessee once the agreement expired.</li> </ul>
Agreement termination	<ul style="list-style-type: none"> <li>The parties can make a joint decision to terminate the agreement and inform each other in writing within no less than 90 days before the date of agreement termination.</li> <li>If any party wishes to renew the agreement after the expiration date of this agreement, both parties must make a joint decision and renew the agreement no less than 60 days before the expiration date.</li> </ul>

## 2. Phase 2 warehouse and office building lease agreements

Lease parties	The Company ("Lessee") PHETMAHAWORRALARP Co.,Ltd ("Lessor")
Date of agreement	1 March 2023
Duration of agreement	3 Years (1 March 2023 — 28 February 2026)
Objectives	The lessor is the owner of a warehouse building No. 41/1 (Building P18, containing warehouse space of 2,160 square meters and a two-story office building - 36 square meters on the first floor and 72 square meters on the second floor), located on Phatthana Chonnabot 4 Road, Khwaeng Khlong Song Ton Nun, Khet Lat Krabang, Bangkok, 10250. The lessor agrees to lease the lessee the aforementioned building and land for the purpose of storing goods as part of conducting business.
Agreement value	Rental fee : 120,000 baht per month, not including withholding tax at the rate of 5% Service fee: 140,000 baht per month, not including value added tax (VAT)
Crucial conditions	<ul style="list-style-type: none"> <li>The lessee will pay rental fee to the lessor in advance within the 10th day of each month.</li> <li>The lessee will deduct withholding tax at the rate of 5% of the rental fee, and at the rate of 3% of service fee.</li> <li>The lessee agrees to pay for property tax, which the lessor will charge according to the actual cost.</li> <li>The lessee will make a security deposit of 360,000 baht to the lessor per the agreement, which will be returned to the lessee once the agreement expired.</li> </ul>
Agreement termination	<ul style="list-style-type: none"> <li>The parties can make a joint decision to terminate the agreement and inform each other in writing within no less than 90 days before the date of agreement termination.</li> <li>If any party wishes to renew the agreement after the expiration date of this agreement, both parties must make a joint decision and renew the agreement no less than 60 days before the expiration date.</li> </ul>

## Intangible Assets

As at 31 December 2023, the Company's intangible assets had the net book value of Baht 18.1 million with details as followed:

Type	Net Book Value as at 31 December 2023 (million THB)
Trademark	4.4
Computer Software	9.5
Other intangible assets	4.2
<b>Total</b>	<b>18.1</b>

## Investments in Subsidiaries and Joint Ventures

As of 31 December 2023, the Company has invested in subsidiary and joint venture, with details as followed:

Company	Type of Business	Country	% Ownership	Investment at Cost Method (Baht)	Investment at Equity Method (Baht)
PhD International Limited	Own trademarks of Skincare and Cosmetics Products	Hong Kong	100.0	44,793	-
O2 Kiss Co., Ltd.	Distribution of skincare and food supplement products	Thailand	100.0	25,000,000	-
Hibiocy Co., Ltd.	Develops, outsources production of and distributes medical devices, medicine and medical supplies	Thailand	46.6	5,228,750	-



## Policies on Investments in Subsidiaries and Associates

The Company is managed in accordance with the Corporate Governance Code for registered companies. Therefore, any company decision to invest in businesses is made by taking into consideration the return on investment for stakeholders. The Company also places importance on conducting businesses in accordance with the Corporate Governance Code as defined by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). Consequently, the Company has formulated these policies on investments in subsidiaries and associates per the notice by the Capital Market Supervisory Board on the topic of requesting and receiving permission to sell initial public offering (IPO) stocks, as well as the guidelines provided by SET's Corporate Governance Code. The details are as followed:

The Company has a policy to invest in subsidiaries or associates that support the business direction of the Company, as well as investments in enterprises which align with the Company's goals, visions, and growing strategies. This will allow the Company to increase turnover and profits or invest in businesses with corporate synergy to increase the Company's competitiveness and achieve the goal of becoming a leading entrepreneur in the Company's main business. Accordingly, subsidiaries and associates may consider investing in other enterprises that showed potential for growing or expanding the business, which could generate a good return on investment. The Company therefore requires a mechanism to manage and be responsible for business conducts of subsidiaries as if they are among the Company's own agencies, including implementing measures to track and formulate an appropriate and

sufficiently concise internal control system for subsidiaries to protect the interests in the Company's investments per the defined standards. The Company believes this will be a mutually beneficial way to create new ways to generate revenue and increase the Company's capacity to generate profit. Thus, the Company must take into consideration the investment ratio, expected profits, possible risks, and the Company's financial status, with appropriate investment analyzing process before making the decision to invest in any project. The decision to invest must be considered and approved by the SEC, the Capital Market Supervisory Board, and SET. Moreover, the Company shall appoint a Company representative who possesses the qualification and experience to join the Board of Directors in the Company with regard to the shareholding ratio to define important policies and manage business conducts of the aforementioned subsidiaries and associates.

Furthermore, the Company has a policy of tracking business management of subsidiaries and associates to protect interests in the Company's investments. Subsidiaries and associates have a responsibility to present monthly performance results and financial statements which are inspected or reviewed by certified auditors per installments involved, as well as any data used to formulate subsidiaries and associates' financial statements for the Company. This includes granting permission for the Company to use the aforementioned data to formulate a consolidated financial statement or the Company's annual turnover per installments involved. In addition, subsidiaries and associates have a responsibility to review and report any significant financial issues when found or requested to by the Company, including transactions between the Companies and involved individuals, asset acquisition and disposition, or any other transactions made by the Companies accurately and thoroughly.

# THE COMPANY'S SHAREHOLDING STRUCTURE

## Shareholding structure

As of December 31, 2023, the company's shareholding structure in subsidiaries and associated entities is as follows:



Order	Company name	Nature of Business	Country of registration	Paid-up Capital	Shareholder's stake (Percentage)	Office Address
1	PHD International Ltd.	Owns all trademarks and grants the corporation exclusive use of such rights.	Hong Kong	10,000 Hong Kong Dollars	100.0	23/F., Tower 2, Enterprise Square Five, 38 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong
2	O2KISS Co.,Ltd.	Selling skin care products and dietary supplements under several trademarks.	Thailand	50,000,000 Baht	100.0	100/8, 100/51-54 Vongvanich Complex B 12 <sup>th</sup> , 19 <sup>th</sup> Floor Rama 9, Huaykwang, Huaykwang, Bangkok 10310



Order	Company name	Nature of Business	Country of registration	Paid-up Capital	Shareholder's stake (Percentage)	Office Address
3	Hibiocy Co.,Ltd.	develops, produces, and distributes medical devices, medication, and medical supplies.	Thailand	10,508,750 Baht	46.6	100/8, 100/51-54 Vongvanich Complex B, 12 <sup>th</sup> , 19 <sup>th</sup> Floor Rama 9, Huaykwang, Huaykwang, Bangkok 10310

### Persons who may have conflicts of interest have stakes in subsidiary or associate companies that exceed 10%.

- None-

### Shareholders

The list of the top ten stockholders as of January 5, 2024, the latest registration book closure date, is as follows:

	Stockholder's Name	Number of Shares(Share)	Shareholder's stake (%)
1	AURORA ASIA HOLDINGS PTE., LTD. <sup>(1)</sup>	173,891,598	28.98
2	MS. PIYAWADEE SONSINGH	108,219,460	18.04
3	GMM GRAMMY PUBLIC COMPANY LIMITED	59,940,000	9.99
4	GUTS & GOOD PTE., LTD. <sup>(6)</sup>	47,908,480	7.98
5	MR. PEERANAT CHOKWATTANA	5,626,000	0.94
6	MRS. SUDARAT LAOHASIRIWONGSE	5,278,500	0.88
7	BANGKOK LIFE ASSURANCE (PUBLIC) CO., LTD.BY BANGKOK CAPITAL ASSET MANAGEMENT COMPANY LIMITED	5,219,400	0.87
8	MUANG THAI LIFE ASSURANCE PUBLIC COMPANY LIMITED	4,510,200	0.75
9	MR. MONCHAI LEESIRIKUL	3,300,000	0.55
10	MR. CHAICHAT WANICHPAK	3,100,000	0.52
11	OTHER SHAREHOLDERS	172,146,527	30.50
	<b>TOTAL</b>	<b>600,010,000</b>	<b>100.00</b>

**Notes:** <sup>(1)</sup> Aurora Asia Holding Pte Ltd. ("AAH") is a legal person constituted under Singaporean law. It invests in a range of firms (Holding Company), with WorldWideVac Limited ("WWV") <sup>(2)</sup> holding a 100% stake in AAH.

<sup>(2)</sup> WWV is a legal entity formed under the laws of the Cayman Islands. It conducts an investment business in AAH, with two shareholders: Henderson Capital Asia <sup>(3)</sup> ("Henderson") and Lakeshore Capital I - Aurora Co-investment LP <sup>(4)</sup> ("LC1AC")

holding shares in WWV. The proportions were 75.42 and 24.58%, respectively.

- <sup>(3)</sup> Henderson Capital Asia is a legal corporation incorporated in the Cayman Islands. It invests in numerous firms with potential in Asia, with Lakeshore Capital I LP <sup>(5)</sup> ("LC1LP") being a shareholder in Henderson at a ratio of 100.00 percent. Henderson has committed to the company. The commitment letter dated September 14, 2020, states the following: <sup>(1)</sup> No limited partners are substantial owners, directors, executives, or controlling persons of the company, as defined in the Securities and Exchange Commission's Notification No. 17/2008 regarding the definitions for the issue and offering of securities. <sup>(2)</sup> Henderson will not invest in firms that compete with the company in Thailand as long as he owns more than 10% of the company, either directly or indirectly, and <sup>(3)</sup> If the Ultimate General Partners or Limited Partners change, Henderson and LC1AC, represented by Mr. Anothai Adulphan, will notify the company and request that the new Ultimate General Partners and Limited Partners comply with the regulations of the Securities and Exchange Commission's office and the letter of commitment to the company dated September 14, 2020.
- <sup>(4,5)</sup> LC1LP and LC1AC are exempted limited partnerships formed under Cayman Islands law. It invests in various Asian firms with potential, using the closed-end private equity fund model with international characteristics and management. LC1LP's investors are limited partners, whereas Lakeshore Capital I GP LP is a general partner with managerial control. Institutional investors are among the other LC1LP and LC1AC investors. There are 5 institutional investors with a combined investment proportion of more than 80 percent, as well as 41 major investors (high net worth), both local and international, investing in a proportion of no more than 20 percent with no potential conflicts of interest. The company's direct or indirect investments exceed 5% of its overall investment. LC1LP and LC1AC are comprised of Lakeshore Capital I GP LP, an Exempted Limited Partnership established under the laws of the Cayman Islands, and Lakeshore Capital I Ultimate GP Limited, an Exempted Company incorporated under the same regulations. Lakeshore Capital is a General Partner investment under management control. LC1LP and LC1AC are comprised of Lakeshore Capital I GP LP, an Exempted Limited Partnership established under the laws of the Cayman Islands, and Lakeshore Capital I Ultimate GP Limited, an Exempted Company incorporated under the same regulations. Lakeshore Capital is a General Partner investment under management control. The founders and shareholders of Lakeshore Capital I Ultimate GP Limited are: 1. Mr. Anothai Adulphan 2. Panyakorn Chatikawanich; 3. Supawat Likitthanawong. LC1LP's investment term has expired as of June 2020, and LC1AC was founded solely for corporation investment; therefore, the investment period has also ended.
- <sup>(6)</sup> Guts and Good Pte. Ltd. (G&G) is a Singaporean-registered legal entity. There are a total of nine stockholders, of which four currently occupy positions as executives of the company, namely: 1) Mrs. Worawan Chaikamnerd. 2) Mr. Thanayus Leeraphan 3) Miss Narumon Sukkamonwattana. 4) Miss Wipaporn Niamla-ong and five other stockholders are employees of the company. Ms. Worawan Chaikamnerd portrays the controlling figure in Guts & Good and Acting in Concert with G&G. Furthermore, G&G has agreed not to sell the shares it holds for three years after their listing on the stock exchange (Voluntary Share Lock-up), with the exception of the sale of shares by executives in the case of a tender offer that results in a change in the management structure that results in the executive holding the position for less than three years and in cases where the law and related rules require it.

## Shareholding Agreement

The company has no agreement among the key shareholders on matters concerning the business's management or the issuance and offering of the company's securities.

## Relationship with the business group of the main shareholder

As of December 31, 2023, the company's principal shareholders are Aurora Asia Holdings Pte. Ltd. ("AAH") and Ms. Piyawadee Sonsingh, who own 29.0 percent and 18.0 percent of the company's shares, respectively. In 2023, there will be no business operations or promotional interactions with the two major stockholders.

As of September 14, 2020, Henderson and other Henderson-related firms included 1) Hudson Asia Holdings, 2) Darlex Limited, 3) New Diamond Holdings, and 4) WorldWideVac (collectively, the "Henderson Group"). Ms. Piyawadee Sonsingh promised the company that they would not invest in businesses that compete with the company with similar products and services during the time that Henderson and Ms. Piyawadee Sonsingh still owned shares of the company in a proportion that resulted in Henderson and Ms. Piyawadee Sonsingh directly or indirectly owning more than 10% of the company's shares.

## Number of Paid-up Capital

As of December 31, 2023, the business has registered capital of 309,000,000 baht, split into 618,000,000 common shares with a par value of 0.50 baht per share, of which 300,005,000 baht is paid-up capital, divided into 600,010,000 common shares with the par value maintained at 0.50 baht per share.

At the Extraordinary General Meeting of Shareholders No. 2/2020 on July 14, 2020, it was decided to authorize the allocation of additional common shares of the Company, totaling 18,000,000 shares, having a par value of 0.50 baht per share, to support the exercise of rights under the warrants. Express the right to purchase the Company's shares (Warrant) issued and offered for sale to executives and employees ("KISS ESOP") in an amount no greater than 18,000,000 units.

The warrant is valid for five years, beginning on February 19, 2021, when it was issued. The exercise price per share for KISS ESOP is 7.20 baht, with an exercise ratio of one warrant for every ordinary share. The rights can be exercised for the first time after 24 months from the date the warrant is granted in an amount that does not exceed 10% of the total rights and may exercise additional rights not surpassing 30%, for a total of not more than 40% at the end of 36 months and 30% not exceeding 70% at the end of 48 months, with the remaining rights exercisable at the conclusion of the 60-month period.

On March 11, 2023, certain individuals disclosed their intention to exercise their rights to purchase 10,000 units of the company's common stock at an exercise price of 7.20 baht per unit, for a total of 72,000 baht. The firm received complete payment and registered the capital increase with the Ministry of Commerce on April 5, 2023, resulting in a current paid-up capital of 300,005,000 baht divided into 600,010,000 common shares with a par value of 0.50 baht per share.

## Issuance of other securities

-None-

## Dividend payment policy

The company's policy is to pay dividends at a rate of at least 50% of net earnings after deducting corporate income tax and different reserves, as shown in the separate financial statements. All sorts are determined by the law and the company's annual policy. The dividend payment rate may differ from that indicated. This is dependent on the operating results, financial status, liquidity, investment needs, business expansion, and setting aside money to repay loans or as working capital within the company's conditions and limitations as specified in the loan contract. Included are other factors related to administration as determined by the committee and/or the shareholders of the company that deem it appropriate. When the Board of Directors votes to approve the payment of annual dividends. This must be presented for approval at the company's shareholder meeting, unless it is an interim dividend payment. The Board of Directors has the authority to authorize dividends and report them to shareholders at the next meeting.



Information for dividend payments and legal reserve allocations in 2023

Dividen	Approved by	Amount (Million Baht)	Dividends paid per share (Baht)
Dividends for 2022	Annual General Meeting of Shareholders on April 25, 2023	48.00	0.08
Interim dividend 2023	Board of Directors Meeting No. 3/2023 on 15 August 2023	36.00	0.06
<b>Total</b>		<b>84.00</b>	<b>0.14</b>

According to the company's operating results for the year 2022, the company has a net profit from the separate budget of 84,956,669 baht because as of the end of the accounting period ending on December 31, 2022, the company has registered capital of 309,000,000 baht and a legal reserve of 30,900,000 baht, or equivalent to a hundred baht. 10 each of the registered capital of the company, which has reached the full amount according to the company's regulations. As a result, the company is not required to set aside net income from 2022 as further reserves.

# RISK MANAGEMENT

## Risk Management Policy and Plan

Rojukiss International Public Company Limited gives importance to risk management which is a part of good corporate governance and is an important foundation that helps the company achieve its objectives. Risk Identification and management helps the Company make better decisions, spot opportunities, and develop plans to mitigate the impact of major risk events such as the recent COVID-19 pandemic.

### Practice guidelines

1. Promote and encourage risk management as part of the organization's culture. The Company has appointed a continuity management working group to monitor the risks and follow testing plans to ensure the evaluation and adjustment of continuity management plans according to the situation or the prevention before a crisis occurs. The Risk
2. The Risk Management Office acts as a center for communicating the progress of the organization's risk management and following up on the results. There is a quarterly progress report from the continuity management working group to the Risk Management Committee.
3. The Risk Management Office also coordinates directly with the officials who are appointed to oversee and coordinate risk issues. The progress of risk management, including training, will be informed to risk coordinators for further communication with relevant units.

### Roles and duties of the Risk Management Committee and the Continuity Management Working Group

Board of Directors	The Board of Directors considers and approves the Company's main risks, as well as supervising and recommending guidelines, including the follow-up and evaluation, to ensure proper risk management.
Risk Management Committee	<p>The Risk Management Committee, chaired by the Chairman of the Risk Management Committee, performs their duties as follows:</p> <ul style="list-style-type: none"><li>• Set strategies and guidelines for risk management according to the risk management policy, which can be assessed and followed.</li><li>• Ensure the organization's risk level is appropriate. Supervise and track the adherence to risk management policy under guidelines and policies approved by the Board of Directors.</li><li>• Establish risk measurement criteria and risk ceilings as acceptable to the Company.</li><li>• Set measures for risk management as appropriate to the circumstances.</li><li>• Review the adequacy of the overall risk management policy and system by considering the effectiveness and compliance with specified policies.</li><li>• Consider, approve, and agree on the preparation of risk factors or causes by data collection.</li></ul>

Continuity Management Working Group	Identify risk factors or causes, as well as analyze the relationship of risk factors to present for approval from the Risk Management Committee, while coordinating with the Company's unit heads of each department, including the officials appointed to closely oversee and coordinate risks in a bid to ensure that risk management and internal risk control activities are operated systematically and efficiently.
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## Corporate Risk Assessment

The Company has put in place risk management system and process throughout the organization which is in line with business strategies and goals. The Company assigns responsibilities for risk control and review the risk measures annually by setting guidelines that cover the assessment in the following main topics:

1. Strategy & Brand and Image Risk - It is a risk that affects the organization's direction or main mission or the achievement of organization's objectives due to political and economic changes, external situations, or errors of the strategic decision-making process.
2. Operational & Supply Chain Risk - It is a risk due to the impact of processes, personnel, and data adequacy on the Company's operations.
3. Financial & Liquidity Risk - It is a risk related to financial status and operations. For instance, the budget not being used as planned. It affects the Company's operations toward the achievement of its mission goals due to the lack of data provision, analysis, and planning.
4. Information Technology Risk - It is a risk related to the ability of risk management on information technology, threats from operations in the work process, internal personnel, third parties, or those with ill-intentions, programs, data, etc. This also includes any risks that occur naturally such as errors

or accidents, or events that may occur. For instance, a leak of important data, disruption of information systems, thefts or loss of information resources, violation of rules and regulations, and inappropriate use of information resources.

5. Compliance Risk - It is a risk from violations or non-compliance with rules, regulations, contracts, and laws related to the Company's operations

**the company's operations In managing risks, there are management guidelines as follows.**

- Consider the risk appetite, costs incurred and the benefits to be received: Risk responses may be chosen from one or a combination of methods to reduce the probability of an event and the severity of its impact. The risk mitigation methods include avoiding, sharing/transferring, reducing, and accepting.
- Assign responsible persons for each department under the Business Continuity Management Team as a working group to apply policies and operational procedures to control or comply with the guidelines set by the Company. Representatives of each department working in the Business Continuity Management Team will be the liaison body to ensure that all company executives and employees understand and are aware of their roles in controlling, avoiding, or minimizing the possible impacts of risks, which vary according to the nature of work of each department.

- Follow and review the results of risk management
  - The Continuity Management Committee will report to the Risk Management Committee every quarter so that the Risk Management Committee acknowledges the situations and can provide guidelines for risk management (if any) as appropriate and promptly.

## Risk Factors for the Company's Operations

### 1. Risks related to the Company's business.

#### The risks of relying solely on a few key manufacturers

Originally, the Company relies mainly on manufacturers from South Korea. In order to manage and diversify risks from having few manufacturers, the Company has selected additional manufacturers both in South Korea and Thailand in order to increase the variety of production sources both domestically and internationally and also reduce the risk that may arise from a shortage of raw materials. The selection will be from the manufacturers with high production standards according to international standards with stability and sustainability in business operations including labor. For the main and popular products with a high proportion of sales, the Company has arranged for the recruitment of additional manufacturers in parallel with the main manufacturers by having goals to improve quality to be equivalent or better than existing manufacturers.

#### Product imitation or use of the company's trademark is a risk.

Because the company's trademark is so well-known, counterfeit products with comparable appearances and concepts in the presentation of the company's products may exist. Some customers may wrongly believe it is the company's product because of this. If the counterfeit goods do not meet the standard or have a worse quality than the original product, it may mislead customers and

cause them to have bad thoughts about the brand and the company. The company manages the risks in this matter as follows:

- The Company has entered into contracts with all manufacturers who know the production formula of the Company's products. The manufacturers agree not to disclose or disseminate the production formula or ingredients of the product including the production process to others and will not produce products that the Company sells either in the country of production or exports to foreign countries. This undertaking also has a continuous effect for a period of 1-3 years after the Company terminates the manufacturing contracts with such manufacturer.
- The company has trademark registrations in several countries, both inside and outside the country where it initially enters the market, as well as countries where it has or may have intentions to grow into new markets in the future. Additionally, the company's packaging or products have a patent registration (patent), which is considered an invention both at home and abroad, to prevent and restrict the risk of copying the company's trademarks and inventions.
- A marketing budget is set aside by the corporation to increase brand recognition and loyalty. This would encourage customers to trust and buy genuine products exclusively from reputable distribution channels such as company-affiliated stores, the company's official store on the e-marketplace channel, and so on.
- The company continues to allocate and use its funds for research and development of new and difficult-to-copy things. It increases competitive advantage while reducing the likelihood of being copied by the product.

### **The health and beauty product industry faces intense competition.**

The beauty business is highly competitive due to the high demand for beauty products in the market. Many entrepreneurs, both from Thailand and abroad, offer beauty products with similar properties as potential choices for consumers. In addition, consumer behaviors change rapidly according to trends, attitudes, and new information. The intense competition can affect the Company's business operations and financial position. However, the Company is aware of this risk and has established a framework for management, in line with creating opportunities for competition and success as follows:

- Develop a recognizable brand identity and trademark, as well as continue to invest in marketing to raise awareness. This will help customers recall the company's brand, distinctive qualities, and product features.
- Focus on product research and development to continuously improve its products by using consumer trends to determine new product launches to keep up with the changing trends and situations. The Company has flexibility in terms of manufacturing from R&D centers run by manufacturers who are business partners of the Company. This has fostered an image of being a leader in beauty innovation from a consumer perspective. International manufacturing standards contribute the consumer confidence in the reliability and safety of the Company's products when consumers try and see real results. This includes (1) adjusting the formula of all facial skin care products of the Company to be clinical grade to enhance consumer confidence that the products are safe, (2) adjusting the product formulation to be free from chemical ingredients such as parabens, synthetic fragrances and sulfates (SLS and SLES).

- Provide the consumers with complete and convenient access to a range of distribution channels around the country, and it is a trusted and acknowledged distribution channel.

### **Risk from changes in consumer behavior.**

After the COVID-19 epidemic situation has subsided, consumer behavior has changed according to the improving situation. However, the impact on the economy in terms of finance and society still exists with interesting consumer trends as follows:

- Consumers turn to what is meaningful to them and do their shopping more carefully. Amidst the economic crisis, consumers prefer to make their spending decisions wisely, without any effects to their quality of life. Also, they increasingly focus on durability, flexibility, and long-lasting usability to reduce their spending and choose products that last a long time while serving a variety of purposes. In the meantime, the Company has launched its new Rojukiss Serum product at a great price, with higher efficiency in caring for various skin problems of consumers. Sales began in 7-Eleven and other leading stores in December 2023.
- Healthcare trends especially avoiding the infection with COVID-19 virus: Although COVID-19 became a disease to be monitored, the infection with COVID-19 still costs patients healthcare expenses and self-quarantine, affecting their life and work. The Company continues to produce and sell the Vaill Covitrap nasal spray, the only spray with specific antibodies against the COVID-19 virus. It is effective in physically trapping and inhibiting the COVID-19 virus. The product continues to receive good responses from consumers.



### **Risk from the reliance on modern trade as the main sales channel especially convenience stores**

For the accounting period ending 31 December 2022 and 31 December 2023. The Company's sales through convenience store channels represented 24 percent and 26 percent of total sales, respectively. Before adjusting for product return estimates and trade discounts Because cream packet goods are sold through these channels, the Company seeks to lessen the risk of depending exclusively on business in the retail channel by:

### **Risk from reliance on a particular brand that contributes more than 30% of the total sales revenue of the Company**

Rojukiss products remain the key revenue contributor of the Company, accounting for 66.9% of total revenue before the adjustments of the estimate of product return and trade discount. Almost all of the revenue came from the skincare product category which is under high competition while consumers are more sensitive in considering and choosing products. To mitigate potential risks from a negative image to the brand Rojukiss, the Company carefully operated and continuously adhered to work principles for the past 15 years the Company never compromises on manufacturing standards, and all products are dermatologically tested to lessen worries of consumers. Hence, the Company is firmly confident in the product quality and safety. To minimize the risk from heavy reliance on only facial care products, the Company launched hair color serum shampoo under the brand Rojukiss to be distributed to consumers so that they can do hair coloring on their own during the COVID-19 crisis when hair and beauty salons were forced to close temporarily. In addition, the Company built on the success of Rojukiss sheet masks to premier Korean style colored lipstick treatment to help take care of dry, chapped, colorless or dark lips. At the same time, the Company has a plan to diversify risks by strengthening other brands such as Best Korea (skincare products in sachets), Sis2Sis (color cosmetics products in sachets that come with brushes).

### **Risk from New Product Launch**

New product development means the improvement of existing products as well as the development of new products. Each new product launch requires a relatively high budget for advertising, public relations, and sales promotion to make the product known in the market and get a good response from consumers by generating sales according to the set targets. The Company may face investment risks if new products are not well received or liked by consumers, especially in the highly competitive business environment when a lot of new products are launched by many competitors.

The Company is aware of such risks and has focused on preparing for the launch of new products to reduce the risk of new product launch failures as follows:

- Revise the e-commerce channel plans. Despite the COVID-19 outbreak, online product sales continue to grow significantly. To improve the distribution of products through the Company's online channel and enhance our ability to compete with other market players, the Company has recruited and appointed distributors for the e-Distribution Service channel instead of dealing with each e-marketplace on its own. In 2023, the Company appointed two e-Distribution Service agencies to manage e-marketplace channels such as Shopee and Lazada. Additionally, one agency was designated to distribute products specifically through the TikTok channel. In 2023, the TikTok channel in Thailand became a prominent e-commerce market, attracting significant consumer attention. Approximately 80% of those who consume media on TikTok order the products in the top three categories as follows: 1) Fashion and accessories, 2) skin care and cosmetics, and 3) foods and beverages, leading the Company's sales via e-commerce in 2023 to increase by 113%.

- Foreign markets are considered another sales channel that can deliver growth for the Company especially sales revenue earned from skincare products sold in Indonesia, Vietnam, Laos, Cambodia and Myanmar. For the accounting period ending 31 December 2023, the Company registered sales revenue from export to foreign countries of 8% of total sales revenue of the Company.

Risk Factor	Risk Management Plan
1. Organization Structure	Set up a Product Development Department that is directly responsible for developing new products step by step including developing, designing, testing, and selecting new products to meet the needs of target groups. The Product Development Department works closely with manufacturers in South Korea to study product trends in the beauty industry and plan product releases in line with the analysis of business opportunities and marketing strategy which is responsible for the Marketing Department.
2. Support from Management	Set up a process that allows the Product Development and Marketing Departments to present their new product plans for approval by the management and the Sales Department. These involved parties can help select products that can be distributed both domestically and internationally as well as help design the size and packages of products that are suitable for distribution in each channel. Track the success rate in a bid to use success/risk to calculate the improvement of marketing plans to ensure their effectiveness and ability to generate income for the Company according to the specified marketing objectives
3. Manufacturing Risk	The Product Development and Purchasing Departments will work together to select the right supplier based on the performance evaluation of the manufacturing company to ensure that the Company will receive quality products at prices as agreed upon. Before receiving the products, the Product Development Department will randomly check those products before accepting the delivery of products to the warehouse.
4. Marketing Risk	The Marketing Department is responsible for conducting research, analyzing consumer behavior, and planning the introduction of products into the market. This Division also takes care of advertising and organizing marketing activities to drive targeted customer awareness and purchases to try new products and repeat purchases to ensure that the investment in new product launches has a satisfactory success rate. The Marketing Department also adjusts its plans accordingly if it finds that trends or responses from consumers are not as expected. To reduce investment risks from new product launches.

Risk Factor	Risk Management Plan
5. Legal Risk	Appoint a responsible person to coordinate with FDA officials (Food and Drug Administration), Such a responsible person has knowledge and understanding of compliance with rules and prohibitions and has responsibility for following the steps required by law until the new products are approved by the relevant authorities. Afterwards, the Product Development Department will ask the Purchasing Department to notify the manufacturers to start production.

### Inventory depreciation risk

Skincare products and cosmetics are products that are always sold according to trends. To maintain sufficient quantities of inventory for the marketing plan, the company needs to plan so that the inventory is kept in sufficient quantity and is able to cover all distribution channels thoroughly. In 2022 and 2023, the corporation kept an average Inventory outstanding ratio between 124 and 127 days To reduce this risk, the company has set up a plan to review storage and a policy for managing safety stock to be appropriate for the product type. Including managing products to be suitable for the age range regularly, for example, when there is a small amount of product remaining, or the inventory is moving slowly due to less demand from consumers. We will consider organizing promotional programs to increase the acceleration of product sales, including regular consideration to control the reduction of the number. It also stops the production of additional products and cancels sales of certain products that generate little sales, are likely to be obsolete, etc.

### The risk of consumer harm and the reason for the product recall

Skin care and cosmetics are products applied directly to the face, which is a sensitive area. If there is any dissatisfaction after using the products, there may be claims, anger, or lawsuits against the Company for

compensation of damages, leading to a significantly negative impact on the Company's image and trademarks. Thus, efforts must be made to limit consumer dissatisfaction and promptly stop any possible damages. The Company therefore has a plan to reduce the risk of any damages to consumers from using the Company's products as follows:

1. The organization places a high value on product quality as a top priority. Quality control procedures are in place throughout the entire process, from formulation and manufacturing to product inspection before storage and transportation to the point of sale. Each production lot must have a quality certificate from the manufacturer to ensure that the products supplied will satisfy customers in terms of quality and are safe to use.
2. To support the case of litigation and proof that the consumer has been sued, the firm has chosen a manufacturer that has product liability insurance for products that are contracted to be created for the company. When the product's components or raw materials are employed and create damage or a production procedure that fails to satisfy the defined standards, the insurance company and the manufacturer will cover the costs.

3. An assigned crew handles product complaints about quality and packaging, as well as product damage. This demonstrates that the company reacted quickly to the customer's unhappiness. The consumer will not get the sense that the company is avoiding or ignoring its obligations. In accordance with the company's product complaints policy, the consumer must submit the required information. Within 24 hours, the responsible person will contact the consumer to provide an update on the matter. A new product replacement will be delivered to the consumer within 3—7 days. This complaint, however, does not address whether customers would be satisfied after using the product or whether they will experience allergic responses. In the case of allergic reactions to products, consumers must follow the company's procedures so that it can be proven that there is a genuine allergy as a result of using the product (e.g., a medical certificate from a reputable medical institution), so that an accurate and fair conclusion can be reached for both the consumer and the company. In 2023, there were two consumer complaints arising from product dissatisfaction. The Company has already compensated and alleviated the consumers' dissatisfaction within the specified time frame.

### **Risk of Exchange Rate**

The company imports and exports products from overseas. So, the company may be exposed to the risk of foreign exchange rate fluctuations resulting from both the payment of goods and the receipt of funds in foreign currency. In addition, the company has investment in foreign subsidiary that use foreign currency. There will be a risk of foreign exchange losses if the baht depreciates. However, the company has managed its risks by executing forward contracts to mitigate the risk from exchange rate fluctuations to a certain extent, as appropriate.

### **Risks related to information security, operating systems, and cyber threats.**

In 2023, the company will take steps to manage Information security risks, Operating systems and Cyber threats continuously and have an Action Plan to maintain such security under the guidance of the Internal Auditor (and the External Auditor closely, covering Processes to help keep data security Operating systems and reducing the number of cyber threats include:

**Cloud System Security:** The Company has moved data from the local server to be stored on the Cloud Server by choosing a service provider that has the best security standards in the market and has been verified by both Internal & External Audit in terms of creditability.

**Network Security:** The Company has provided software for user name verification and generating OTP code to verify the identity of employees before connecting to the Company's network instead of allowing an automatic connection. The Company also requires that only registered devices (laptops, mobile phones, etc.) are allowed to connect to the Company's network to accommodate work-from-home and work-anywhere mode in case of emergencies and pandemics that may arise again in the future.

**Endpoint Security:** The Company limits the use of external devices to connect to the Company's devices such as USB and external hard drives. Only registered devices can be connected to prevent importing viruses or malware that may be hidden in other files that are not related to work.

The Company has its website as a communication channel for consumers and investors to communicate about product information, and company information as well as a channel for submitting complaints about products and fraud per the requirements of the Stock Exchange of Thailand. Thus, to ensure that the Company's website is secure with the capability to prevent

cyberattacks, the Company has put in place two more processes as follows:

**Vulnerability Assessment/Penetration Testing:** The website may be a channel for attackers to use Artificial Intelligence (AI) to attack the website. The Company therefore requires website developers to do the Vulnerable Assessment in order to prepare a plan and procedures to prevent attacks.

**Internet Security:** The website has an authentication step before entering the website in place to screen between AI or real users.

In addition to the above processes to reduce the risk of cyber-attacks as much as possible,

- The IT Department provides staff training to educate the procedures for employees both at the office and warehouse in case employees suspect that they have received any phishing mail or malware. The IT Department also educates employees on how to observe email messages that may lead to ransomware as well as educate employees on cyber-attack updates on an annual basis. For the new employees, there will be a training session on Cyber Security on the first day at work to ensure that employees understand and are aware of the cyber threats that can cause damage to the Company.
- The IT Department runs data recovery tests according to the annual business continuity plan. This can ensure that stored backups are up to date and that in the event of an emergency, they can be retrieved within a specified time.
- The IT department and related departments, such as the sales department and finance department which apply IT systems to sell products, e.g. payment transfer via internet banking, will participate in the Stock Exchange of Thailand's online seminar on

topics related to cybersecurity or quarterly online transactions. This is so that relevant personnel can receive information and apply the knowledge in their jobs and responsibilities. In 2023, the IT department attended all of four seminars. Meanwhile, the sales department attended one online seminar.

### **The risk of failure to comply with the conditions of various licenses, including all relevant laws and regulations.**

A company's operations are governed by several legal rules and regulations issued by various government agencies. The necessitates for the approval of several government agencies and permits could not be missed and it could pose the following operational risks:

- The danger of failing to comply with the licensing terms or requirements of the relevant government bodies due to force majeure or other factors. Government monitoring may consider suspending or canceling the license before the company faces legal consequences.
- The risk of not being able to always comply with all applicable laws and regulations. This could result in the operation being halted or incurring costs to mitigate the impact.

To ensure that the company can decrease this risk and comply with the rules and regulations as a reputable business operator, the company has established the following risk-reduction guidelines:

1. Have a dedicated team to study and monitor changes in legal regulations, as well as act as an inspector to assist relevant parties such as product development departments and marketing departments with all product and packaging design to ensure that everyone follows the law; terms related to product claims and advertising words, and so on. According

to the company, this will prevent errors and the risk of fines, cancellations, sales bans, or recalls.

2. When an organization believes there is a substantial legal concern or that existing staff lacks appropriate understanding, it must consider engaging external legal advice to prevent such threats from occurring.

### **Non-compliance risk with the Personal Data Protection Act (PDPA)**

As the Personal Data Protection Act 2019 in Thailand became effective in June 2022, all companies who use personal data are required to set out governance policies to ensure personal data protection for shareholders, customers, employees, and all stakeholders to comply with the new personal data protection law. Given the recent enforcement, the full understanding of the rules might not be achieved and this can incur risks that can cause mistakes. The Company is aware of this risk and formulated work plans to ensure compliance with the personal data protection law per following.

- The Board of the Company appointed The Risk Management Committee to be the Company's Personal Data Protection Committee on November 14, 2022. As a result, the business continuity management working group must take on additional responsibilities by acting as a Personal Data Protection Officer (DPO) to achieve continuity and convenience in operations related to the protection of personal data in each department by the Personal Data Protection Act B.E. 2562.
- The Board of Directors has approved the engagement of independent legal experts with expertise in this area to ensure that the personal information of shareholders, customers, employees, and stakeholders is correctly and strictly managed by the parties involved. Including attending training

courses on personal data protection policies that law firms often organize to educate. Notify the progress of relevant regulations. to ensure that the Company's personnel Understand and be able to follow the requirements or apply to use in the company.

- Provide quarterly updates on the implementation of each department's personal data control policy by the Continuity Management working team notifies the Chairman and the Risk Management Committee. For example, the marketing department has started updating data on those who purchase products at [www.rojukiss.com](http://www.rojukiss.com) If there is personal information of the customer that has not been moved for more than 6 months, The company will delete information from the system to prevent personal information from being stored longer than necessary by updating the personal information storage policy changes on the website in September 2023.

### **Risk from epidemics**

The spread of the COVID-19 virus in Thailand since the beginning of 2020 has had a significant impact on the overall economy and businesses, including the health safety and security of employees. The Company has to adjust new ways of working operations to accommodate this crisis. In 2023, the Company planned for its employees to return to work at the office instead of working from home. However, this was dependent on the Continuity Management Committee and the Human Resources Department to determine procedures for isolating employees infected with COVID-19 and those who may become "People at high risk" due to members of the household being infected with COVID-19. This is by the Business Contingency Plan of the Company. There were quarterly updates about infected people and high-risk people to the Risk Management Committee throughout 2023. According to the updated information, there were no more than 10 employees infected with COVID-19 in the head office and warehouse. In some quarters, there are no employees infected with COVID-19.



## 2. Additional risks of conducting business in the international markets

**Doing business in international markets involves a variety of political, economic, and legal considerations.**

Since conducting business overseas in 2023, The company also plans to continuously expand its business in Indonesia and Vietnam. Follow these guidelines to reduce the dangers of expanding the company's business internationally: (1) obey the law; (2) select a reliable and well-known partner in that country with significant market knowledge, talent, and competence; and (3) delegate to a team member the responsibility of researching and monitoring changes in applicable laws and regulations. If the market procedure will result in complex legal concerns, the company may consider getting legal advice from a third party.

## 3. Risks in Management

**Risk of having a group of big shareholders with a voting stake of more than 25.0 percent influencing the company's shareholders' meeting.**

Aurora Asia Holding Pte. Ltd. ("AAH") holds 29.4 percent of the company's total paid-up capital as of December 31, 2023. AAH becomes a major shareholder, with the ability to exert control over the company and influence votes at its annual shareholder meeting. This includes the ability to vote against a special resolution of the shareholders' meeting that requires three-fourths of the votes of the shareholders present and voting, as well as the power to nominate a person to be appointed as a director and the nomination of persons to be appointed as executives by the Board of Directors. As a result, other shareholders of the corporation may be unable to gather votes to balance the issues that AAH has presented to the shareholders' meeting for consideration. However, the company's management structure includes six committees in total, each with a clearly defined scope of

powers and responsibilities, ensuring that the company's management is.

- Board of Directors
- Audit Committee
- Nomination and Remuneration Committee
- Corporate Governance Committee
- Risk Management Committee
- Executive Committee

The Board of Directors has nine members, five of whom are independent directors, and three of whom serve as audit committees to conduct an inspection, weigh options, and seek approval of various issues before submitting them to the shareholders' meeting.

Directors, major shareholder controllers, and associated parties, including those with possible conflicts, would not have had voting rights to approve the deal if they were involved in connected activities. In the case of a public offering of securities that affects shareholders, retail investors could vote against it with merely 10% of the votes cast at the meeting. In addition, the transaction must be approved by the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand's guidelines. ("SET").

**Risk from potential conflicts of interest with the Company and other shareholders in the future as the ultimate beneficial investor is AAH, a private equity firm.**

The ultimate beneficial investor of the Company, AAH, is a private equity firm that engages in a business to invest in various businesses and conduct general business operations. Companies that the private equity funds invest in might be prone to a conflict of interest with other shareholders of the Company. Additionally, the funds can be used to invest in other businesses related to the Company's business that may impact the Company's opportunity to invest in that particular

business to further enhance the Company's performance in the best interests of the Company and other shareholders.

On 21 July 2020, AAH issued a confirmation letter to the Company to agree that AAH will not invest in any business that competes with the Company in the same market (considering properties, prices and purposes of use of products and services). For the past recent period, AAH has been the major shareholder of the Company and in case that it is proven that damage is done to the Company or our shareholders from the fact that AAH deliberately invests in a business that competes with the Company in the same market as specified in the confirmation letter while AAH is still the major shareholder of the Company, AAH shall compensate for any damage incurred to the Company and shareholders according to the laws.

**The risk from the restructuring of the organization and the recruitment of knowledgeable personnel to support the growth and change of the Company's business.**

Business growth, overseas business expansion as well as changing business models to respond to the changing needs of customers may pose a risk that employees' knowledge and skills are inconsistent with such changes. Another potential risk can be an insufficient number of personnel to run operations promptly. This may cause an impact on business operations performance, financial position, and image of the Company. The Company has therefore improved its human resource management guidelines to ensure that its people have the skills and abilities to work in line with the business direction.

- Recruiting personnel with knowledge and capability, creativity and ability to adapt to the rapid changes in the environment and the Company's business.

- Internal Recruitment: This is to create opportunities and motivate existing employees by having career advancement for employees to keep them motivated.
- External Recruitment: This is to provide opportunities for new people with new ideas and perspectives to join the Company. This may cause the Company to adapt, solve problems, welcome new things more easily, and bring in useful experiences from other companies to be adapted to the Company.
- Recruiting Mid-Career employees with skills, knowledge, and abilities to join the Company. These new people can leverage their useful skills here at the Company by helping the Company enhance the potential of employees under their supervision more efficiently.
- Developing an employee development plan that is in line with changes: The head of each department closely supervises the development of employees to ensure that the Company has retained talented and skilled personnel to ensure smooth and efficient business operations.

**The risks of relying on a business-savvy leadership team.**

The company recognizes that the management team's ability to have knowledge, abilities, expertise, and experience in the beauty and health industry, starting with product development, product and supply chain management, marketing, and sales, both domestically and internationally. Personnel in the company's management team currently have business expertise, knowledge, and understanding, as well as a positive attitude toward working in a highly competitive industry that necessitates swift adjustments to suit changing market and consumer expectations. If the organization

is unable to keep management and staff with expertise, ability, and a positive attitude, or recruit workers to replace them promptly, it may have a negative influence on business operations, operating results, and the financial position of the Company significantly.

Nevertheless, the Company realizes that risk can emerge from the reliance on the management team and the Company ensures that for each function we make sure that the personnel are ready to succeed top executives to mitigate this risk. For example, the Company searches for professionals to help manage the business as well as conducts succession planning for key positions including all chief-level positions by selecting and identifying successors to be approved by the Nomination and Remuneration Committee while the Nomination and Remuneration Committee is directly responsible for finding the Chief Executive Officer. Besides, the Company reviews and monitors the progress of the succession planning regularly as well as fostering relationship building between mid-level management and officers at operational levels to prepare the next generations of executives.

- The Company put in place the following retention plan for capable employees who will be the key mechanism in conducting business for the Company. Determine the management of employee pay and remuneration by industry standards. Use data from top recruiting organizations such as Korn Ferry, Manpower, and Adecco, which will be presented to the Nomination and Remuneration Committee. This is to verify that the firm's remuneration has been assigned to management and staff by their obligations, and to ensure that the company can compete with leading companies in the same or similar industries.

- The 1st Extraordinary General Meeting of Shareholders, held on July 14, 2020, approved the issuance and offering of warrants to purchase shares of the company issued to management and employees (ESOP Warrants) in the amount of not more than 18 million shares with a par value of 0.5 baht per share, accounting for not more than 2.9 percent of the company's paid-up capital. To keep employees motivated and prevent them from leaving the organization, employees will be able to gradually exercise their rights to purchase ESOP Warrants on the ordinary shares at a price of 7.20 baht per share, with an exercise ratio of 1 warrant per 1 ordinary share, after 24 months from the date of issuance of the warrants, at the date set for the initial public offering on February 19, 2021, until the maturity of 60 months.

#### 4. Risks associated with securities offerings.

##### **The risk of issuing underlying shares for the issuance and offering of warrants for the company's shares to management and employees (ESOP Warrant).**

After the initial public offering (IPO) on 19 February 2021, the number of issued and paid-up shares of the Company increased by 60 million shares at a par value of 0.50 baht per share. After the exercise of the rights to subscribe for underlying shares of the issuance and offering of warrants to executives and employees under the Employee Stock Option Program (ESOP Warrant) according to the resolution of the Extraordinary General Meeting of Shareholders No.1 on 14 July 2020 was complete for the whole amount, issued and paid-up shares will increase by no more than 18 million shares at a par value of 0.50 baht per share from the original number of 600 million shares to be no more than 618 million shares or equivalent to less than 2.9% of paid-up capital of the Company. The mentioned share offering will cause different ratios that use equity or number of shares to compare to adjust downward as the equity and the number of shares used for the calculations increase

(dilution effect) such as earnings per share and return to equity.

In case executives and employees of the Company exercise their rights for the first time according to their warrants of the Company's ordinary shares for the whole amount (18 million units that they can subscribe for 18 million shares of the Company within 5 years with the first-time exercise in the 2nd year at 10%, the 3rd year at 40%, the 4th year at 70% and the 5th year at 100% of the total allocated warrants), this will decrease earnings per share (Earnings Per Share Dilution) and voting rights of shareholders (Control Dilution) at a rate of 2.9% of profit shares or existing voting rights as calculated using the total number of distributed shares of the Company of 600,000,000 shares (paid-up shares after the Company conducted the IPO).

To allocate warrants of the Company's shares at a rate of 1 share per 1 unit for executives and employees (ESOP warrant) for the whole amount of 18,000,000 units at the price based on the fair value, it is required that the price not be lower than 80% of the price of the initial public offering (IPO) of the Company which was at 7.20 baht per share which may lead to price dilution. If the impact of the decrease in price per share is to be calculated with the price of the initial public offering (IPO) of 9.00 baht per share compared with the exercise price of the warrants of the Company's shares for executives and employees, price dilution on a fully diluted basis will equal to 0.6. Note that according to the International Financial Reporting Standard 2 (IFRS2) on Share Based Payment, the Company is required to conduct a valuation of the fair value of ordinary shares from the exercise of rights of the warrants for executives and employees under ESOP warrant while the difference between the fair value of ordinary shares and offering price must be recorded as expenses in the income statement. The Company must record share-based payment of 32.4 million baht calculated from the subscription rights for the Company's ordinary shares as assessed by the independent valuers

at 9.0 baht per share and to accrue the share-based payment on a quarterly basis starting from the 1st quarter of 2021 with an approximate amount of 2.3 million baht until the 4th quarter of 2025 with an approximate amount of 0.5 million baht.

Sales of those shares to executives and employees may affect the trading price of the Company's shares and it is impossible to predict the impact (if any) in case of the future sales of shares or the holding of shares for sale whether it will negatively affect the price of the Company's securities in the stock market. Nevertheless, the offering of warrants of the Company's shares to executives and employees help incentivize them to perform their duties more efficiently to maximize benefits to the Company and shareholders in the future as well as retaining competent employees with knowledge and skills to work for the Company in the long run thanks to the promotion of ownership that aligns objectives with shareholders while delivering benefits to the Company.

**The equity of the corporation is being sold by AAH, and Ms. Piyawadee Sonsingh, or Guts & Good in future, are among the significant investors, which would have a negative impact on the market price of the offered shares, whether at the same time or several times.**

AAH, Ms. Piyawadee Sonsingh, and Guts & Good each held about 29.4 percent, 18.0 percent, and 8.0 percent of the company's total paid-up shares on December 31, 2023. If there are transactions which involve the sale of a significant number of shares by AAH, Ms. Piyawadee Sonsingh or Guts & Good or the anticipation of such transactions, it may adversely impact the share price of the Company. The Company cannot predict any future share sales or their impact on the share price at each relevant period. If transactions involving sales of a significant amount of shares on the SET take place after the IPO on February 19, 2021, or if such an event is anticipated, the share sales may adversely impact the share price of the Company.

However, after the IPO, the shareholders' agreement between AAH and Ms.Piyawadee Sonsingh will come into effect in which Ms.Piyawadee agrees with AAH that she will not offer to sell, sell, dispose of, or otherwise transfer shares of the Company to other parties, except for the immediate share sales after the IPO that counterparties have agreed upon. Also, as long as AAH remains a major shareholder of the Company, Ms. Piyawadee Sornsingh agrees not to sell or transfer any shares to other third parties without consent from AAH. All sales and transfers must comply with the laws on securities and exchange. The share sales of each party must be proportionate to their respective shareholding of the Company.

Also, the SET imposes a silent period requirement to prohibit strategic shareholders from selling shares up to 55% of the paid-up capital for one year after the IPO. They are permitted to sell 25% of the locked-up shares after six months from the first day of share trading on the SET. The remainder can be sold after 12 months have passed since the first day of share trading on the SET.

**Investors residing outside Thailand may be restricted from offering shares to the company's existing shareholders on a proportional basis (rights offering) in the future.**

The company may issue new securities in the future by a proportional offering of shares to current shareholders (rights offering) or in a similar instance, which must be followed for the acquisition of such rights. If granting such rights to the business's shareholders outside of Thailand would result in the firm having obligations under foreign law, the corporation may choose not to do so. As a result, such an offering may result in some groups of investors losing their right to receive shares from the company's current shareholders in proportion to the rights offered, and such a reason may result in a change in the shareholding proportion by which existing stockholders' stakes in the company shrink. Furthermore, when the company plans to offer shares in the future, it has no obligations and does not expect to register its securities in any secondary market other than the SET for foreign investors to have the right to subscribe to shares offered to existing shareholders in proportion to their rights offering.

# DRIVING BUSINESS FOR SUSTAINABILITY

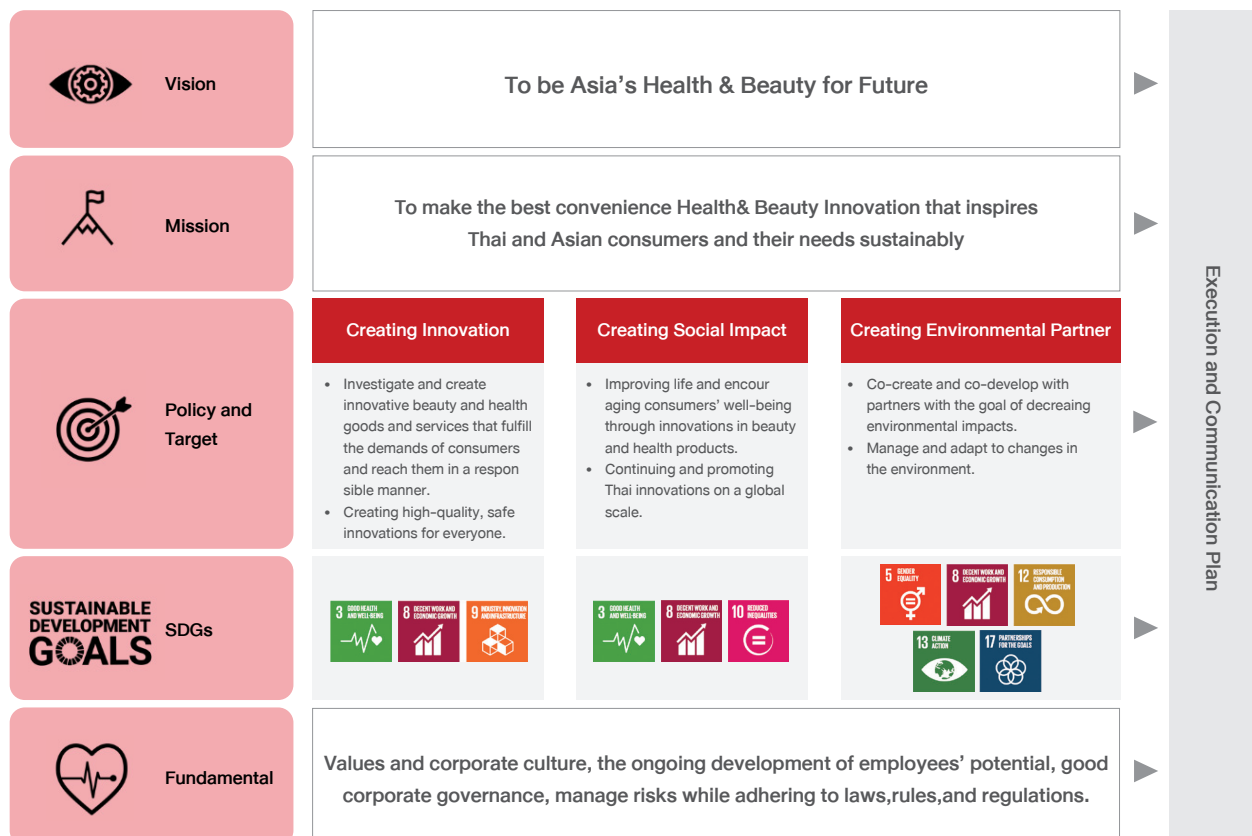
The organization appreciates the value of consistent long-term growth. We understand that stable growth is sustainable growth because it creates success and value for stakeholders in all sectors. This includes a strong understanding of environmental and social implications, which is regarded as the foundation of effective corporate governance in our company operations.

As a result, the company appreciates and is committed to promoting sustainable development as the foundation of our business operations by implementing ESG (Environment, Social, and Governance) principles, which encompass the environmental, social, and governance elements. Sustainability policy guidelines have been developed, and they will play an important role in pushing change.

The organization's strategy for conducting business that creates positive impacts on society and encouraging the organization to be a part of supporting the United Nations Sustainable Development Goals (United Nations Sustainable Development Goals: SDGs) results in the organization moving towards its vision of being the leader in beauty and health of the future.

## Sustainability management policies and objectives

In conducting business through corporate strategy, the company analyzed every area of ESG from an ESG viewpoint, with the goal of driving sustainability management and governance that is appropriate and compatible with the company's strategic sustainability framework. It has three primary pillars, which are that the





mission focuses on developing innovation (developing innovation), creating value for society (creating social impact), and creating environmental partners (creating environmental partners). This will aid in the development of the most innovative beauty and wellness products that are accessible to all and capable of driving client demand and inspiring them in a sustainable manner.

The company will integrate ESG perspectives into its operations by linking experiences and creating value for consumers through innovative products and services, as well as presenting new Marketing activities that are highly aware of social and environmental responsibility for long-term stability and sustainability in accordance with the United Nations Sustainable Development Goals (SDGs).

## Managing the impact on stakeholders across the firm value chain.

When managing long-term stability and sustainability, the business considers both efficiency and value

generation to ensure continued benefit and effectiveness. It also prompted the organization to try to urge all departments to stay in continual communication with stakeholders across the whole business value chain. Every year, the organization will include stakeholder suggestions and opinions into the evaluation to improve management and the process of developing innovation value for sustainability.

To ensure that the company's operations have actually added value and benefited the economy and society. According to the principles of practice under the sustainability policy, the company has analyzed and evaluated the organization's activities with six groups of stakeholders: shareholders and investors, employees, consumers, business partners, and regulatory authorities.

In 2023, the company investigated both direct and indirect stakeholders, as well as those within and beyond the firm, which is viewed as an important milestone. This will increase the company's long-term confidence, stability, and competitiveness. This means treating each stakeholder group with transparency and respect.

### Shareholders and investors

Interaction pattern/ quantity/frequency	<ul style="list-style-type: none"> <li>Annual shareholder meeting to announce quarterly performance.</li> <li>Organize a roadshow or conference to meet shareholders and investors.</li> <li>Meetings with investors or financial analyst groups.</li> <li>The investor relations webpage is regularly updated.</li> <li>Contacting investor relations by phone or email every business day.</li> </ul>
Expectations and Concerns	<ul style="list-style-type: none"> <li>Treating all shareholders equally.</li> <li>Ensures accurate and timely disclosure of information across numerous channels.</li> <li>Consistently improves operating results.</li> <li>Create earnings for shareholders and pay out suitable dividends.</li> </ul>
Action Plans	<ul style="list-style-type: none"> <li>Follow the norms and regulations set by the Thailand Stock Exchange and the Securities and Exchange Commission.</li> <li>Follow good governance and social responsibility norms.</li> <li>Investments are made to generate growth.</li> <li>Pay dividends in accordance with policy.</li> <li>Provide several ways to disclose information and communicate with shareholders and investors.</li> </ul>

## Shareholders and investors

<b>Action Plans</b>	<ul style="list-style-type: none"> <li>• Plan and participate in various activities.</li> <li>• Follow relevant agendas, such as roadshows or conferences, to engage with investors both domestically and internationally on a constant basis.</li> </ul>
<b>Achievements</b>	<ul style="list-style-type: none"> <li>• Organize the 2022 Annual General Meeting of Shareholders on April 25, 2022.</li> <li>• Schedule roadshow meetings with fund groups.</li> <li>• Plan Opportunity Day investor meetings, securities analyst meetings, and retail roadshow events.</li> <li>• Improve and expand investor relations efforts to provide greater flexibility and access to shareholders and investors.</li> </ul>

## Employee

<b>Interaction pattern/ quantity/frequency</b>	<ul style="list-style-type: none"> <li>• Activities that aim to create relationships within the organization. The events are suited to various major festivals, depending on the program and occasion.</li> <li>• Be willing to share ideas and listen to operational guidelines and operating outcomes in each quarter via employee townhall meetings and other channels with the working team/function to which they belong.</li> <li>• Report and update information on daily situation reporting, critical events, and COVID-19 outbreak response measures via email and working group channels in the LINE application.</li> <li>• Organize internal staff training through two projects: IT Cyber Security Training and PDPA Corporate, as well as external training in accordance with each department's annual training plan. Courses are tied to duties and responsibilities in order to improve knowledge and build employees' potential for today's world, and they may be implemented in real life.</li> </ul>
<b>Expectations and Concerns</b>	<ul style="list-style-type: none"> <li>• Clarity in business management standards and corporate scenario, as well as ways to deal with the COVID-19 outbreak situation.</li> <li>• Change management.</li> <li>• Developing potential talents and abilities required for future job and advancement.</li> <li>• An efficient and fair performance evaluation method.</li> <li>• Compensation, welfare, and employee safety</li> </ul>
<b>Action Plans</b>	<ul style="list-style-type: none"> <li>• Communicate company goals, strategy, and results to employees at all levels.</li> <li>• Promote employee progression and build morale for committed and long-serving employees through the Long Service Year Award program.</li> <li>• Establish policies, plans, and procedures for assessing employee remuneration and benefits in a systematic manner while complying with the legal framework and being able to compete in the market.</li> <li>• Provide fair and timely compensation for employees.</li> <li>• Adhere to health, welfare, safety, and environmental policies.</li> </ul>

## Employee

### Achievements

- defining the business situation and having ongoing interactions with employees allows them to comprehend operations and work even when they need to work from home.
- Design and adjust compensation for employees who are devoted to the organization and have provided continuous service (Long Service Year Award) to be current and appropriate for the situation.
- Deliver the KISS Box gift set to all employees to express care and desire to underline the importance of employee welfare and health as important.
- Arrange for an ATK inspection after returning from long vacations such as New Year's Day and Songkran Day and keep track of the status of all staff in all operational sectors. This is to protect the safety of all personnel in all areas by rigorously adhering to the policies and regulations issued by the Ministry of Public Health.
- Organized a project called "Live Stream Competition" as an after-work activity to provide employees the opportunity to attempt selling the company's products via various Live Streaming channels, with sales incentives given to those who apply. We also offer a variety of programs to enhance employee morale and encourage them, as well as to assist them improve their communication and expression abilities for future uses.





## Consumers

### Interaction pattern/ quantity/frequency

- Increase distribution through online and Media Commerce channels to make it easier for people to buy the company's products and services.
- Open channels for customers to reach us with their inquiries and suggestions, including the call center, email, Line group (Official Line Account), and Facebook Messenger.
- Provide continual updates to the company's website so that customers can search for product-related information on their own.

### Expectations and Concerns

- Providing uninterrupted service and access to products and services, even throughout the COVID-19 viral outbreak.
- Offer quality products and service by company representatives.
- Continuous product development with variety to suit needs in terms of quality, price, and distribution through multiple channels.
- Put safety measures in place to ensure that customer personal data is secure and that it is not violated.

### Action Plans

- follow business policies to give fair and equal service to customers.
- consistently service customers and expand product distribution in both general shops and online channels, such as by extending product lists in convenience stores, Watsons, and other top online markets.
- Continuously develop and enhance methods and channels for delivering services to customers. Prepare to listen to consumer feedback in order to improve the design of future products and services.
- Organize training and ensure that everyone understands the policy for protecting consumer personal information. The procedures are stated in accordance with legal requirements and are only used in operating or commercial activities with the consumer's permission.

### Achievements

- Customer satisfaction with products and services; positive feedback about the company's products and services. Product innovations continue to garner a positive response.
- Customers' complaints are handled within 24 hours.
- Provide satisfactory service to consumers and address difficulties for them in a timely manner.



## Business Partners

<b>Interaction pattern/ quantity/frequency</b>	<ul style="list-style-type: none"> <li>• Develop and extend product distribution channels to change the company's customer service strategy. Manage distribution efficiently via online channels in response to the business circumstances caused by the propagation of the COVID-19 virus.</li> <li>• Working with business partners that are raw material producers and importers, we can assess production quality and raw material allocation that meets standards while also taking into account social and environmental risks for continuing and significant production.</li> <li>• Attend quarterly meetings with OEM contracting partners to examine and assess production risks' consequences on society and the environment.</li> <li>• Participate in conversations and seek new trading partners for future business expansion that is consistent with the company's mission.</li> </ul>
<b>Expectations and</b>	<ul style="list-style-type: none"> <li>• Manage and provide clarity on guidance and assistance throughout the COVID-19 viral outbreak.</li> <li>• Treating all business partners fairly and equally.</li> <li>• The procurement process is open, fair, and verifiable. When dealing with secret trade information, maintain respect and professionalism.</li> <li>• Implement corporate principles that encourage social, community, and environmental obligations, including safety, occupational health, and labor requirements, as well as anti-corruption initiatives.</li> </ul>
<b>Action Plans</b>	<ul style="list-style-type: none"> <li>• Willingly listen and share with business partners via online meetings, which include numerous assessments, in order to comply with operating requirements and aid one another during the COVID-19 viral outbreak crisis.</li> <li>• Follow the policy in dealing with partner companies or trading partners fairly and evenly.</li> <li>• Procurement is completed in writing. The contract should be simple to read and standardized, with no prejudice, with the goal of instilling confidence in the selection process. The specifics must be carefully explained.</li> <li>• Operate with respect for our partners' and others' intellectual property rights. It is our policy to avoid infringing on the intellectual property rights of others, in accordance with the organization's good governance principles.</li> <li>• Exchange information with OEM partners to verify international production standards (ISO) that are approved in terms of society, the environment, and safety.</li> </ul>



## Business Partners

<b>Achievements</b>	<ul style="list-style-type: none"> <li>• Monthly meetings with diverse partner groups to exchange information assist in setting a clear direction for dealing with the severe circumstances of the COVID-19 virus epidemic.</li> <li>• Business partners or OEMs adhere to international standards for environmental, safety, and community impact management. This aspect could include meeting international industry standards and having a history of contract production for world-class firms' products or brands.</li> <li>• No corruption or practices that conflict with the code of conduct or are against the law were detected, nor was there any lack of openness or contradictory to corporate governance.</li> </ul>
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## Regulatory Authorities

<b>Interaction pattern/ quantity/frequency</b>	<ul style="list-style-type: none"> <li>• Attend meetings and seek advice while exchanging perspectives to develop operational standards to comply with regulations or practices that do not violate the law, such as those imposed by the Food and Drug Administration (FDA) and the Securities and Exchange Commission (SEC).</li> <li>• Fully cooperate with government and regulatory agencies.</li> <li>• Participate in the regulatory criteria issuance process or make ideas by attending group meetings and listening to public opinion.</li> </ul>
<b>Expectations and Concerns</b>	<ul style="list-style-type: none"> <li>• Conduct business strictly in accordance with regulatory compliance guidelines.</li> <li>• Provide information and engage in continuous talks with appropriate agencies on a regular basis, reporting and providing new information as needed.</li> <li>• Encourage and support entrepreneurial activity or request cooperation in a variety of disciplines.</li> </ul>
<b>Action Plans</b>	<ul style="list-style-type: none"> <li>• Follow the policies of regulatory and other government entities consistently and carefully.</li> <li>• Collaborate and assist monitoring and other efforts with relevant government agencies on a continual and regular basis.</li> </ul>
<b>Achievements</b>	<ul style="list-style-type: none"> <li>• Compliance with government and regulatory policies is ensured.</li> <li>• Regulatory authorities provide ongoing help and guidance.</li> </ul>



## Sustainability management in the environmental dimension (Policies and guidelines Environmental performance)

The company has realized the importance of the environment to human life by giving importance to the following agendas: pollution prevention, the efficient use of resources, the way of using energy economically and in accordance with international principles and being aware of the impact on changing weather conditions, whether it's air pollution or production factors that may affect global warming.

Since 2020, the company has been working with contract manufacturing partners to reduce the amount of plastic. However, in 2023, the plastic quantity may not be lowered from the previous year due to a decrease in sales volume of the company's beauty products, which has been impacted by the diminishing beauty market condition caused by Covid-19. This resulted in a decline in production, but this does not diminish the importance of the objective to reduce plastic use. The corporation will continue to prioritize production that considers the impact on the environment and will work closely with partners.

However, the company recognizes the value of the environment and its impact on society and communities. There has been discussion and joint risk assessment with all business partners and contract manufacturing companies about production measures and processes that meet internationally accepted standards, such as being certified by leading institutions such as ISO14001 or ISO 26000 or having experience producing products sold both domestically and internationally.

## Sustainability management in the social dimension (Policies and guidelines social performance)

In terms of social sustainability, the company prioritizes creating value through business operations and providing benefits to stakeholders. Through operating guidelines and numerous programs, priority is placed on promoting human rights and extending Thai innovation to the international level.

Regarding human rights, the company provides support in accordance with announcements used in many countries, such as the UN Guiding Principles on Business Human Rights, the OECD Guidelines for Multinational Enterprises, Children's Rights and Business Principles, and various United Nations Human Rights Declarations and Conventions. Throughout the period preceding this one, the company has offered knowledge to employees and manufacturing partners on human rights issues related to work using the following common practices:

- The company will not hire employees under the legal age restriction, whether for regular employment (permanent) or a contract (fixed Term).
- The company condemns the use of forced labor or employees who must work to repay debts. Every employee has the right and freedom to resign independently, after notifying the employer within the prescribed term.
- The company respects employees' rights to organize groups and bargain collectively, and it allows them to choose representatives who have the potential to preserve their rights and welfare.

- The company does not discriminate against reps or any employee. However, it will follow the proper procedure, be official and transparent, and not break the law.
- Work hours and public holidays will be set in accordance with labor laws.
- We will support and provide opportunities for exceptional employees from all backgrounds, promote employee respect, and ensure equal opportunities regardless of sexual orientation or gender identity.

The organization has made equality a cornerstone of its employment and resource management practices. The recruitment and employment process must be transparent, not discriminatory, and provide equal opportunity to all applicants. The organization has made equality a cornerstone of its employment and resource management practices. The recruitment and employment process must be transparent, not discriminatory, and provide equal opportunity to all applicants. If a job post is vacant, it must be filled from both internal and external sources. The recruitment process must be transparent and prioritize the company's benefits by selecting applicants based on work experience and abilities, as well as attitudes and qualities that align with the organization's values, mission, and objectives. Every employee must have equal opportunity for growth and advancement, as well as fair performance assessments.

The company has carried out the following operations to care for its employees:

#### **1) Occupational safety and welfare.**

In 2023, the company continues to follow the standards announced by the Ministry of Public Health. When a COVID patient is discovered in the workplace, the company will isolate sick personnel to work from home and treat the symptoms in accordance with the doctor's directions until they are safe for the public. The corporation continues to supply nasal spray, a company product, for employees and their families to use as protection and/or to lessen the risk of becoming ill with COVID-19. For health and safety, the company promotes a good quality of life along with work by replacing quality office chairs to avoid the risk of office syndrome.

#### **2) Providing care to employees during the spread of the COVID-19 virus and/or PM 2.5 dust.**

The organization also cares for its personnel by having them tested for infection before working or beginning significant meetings with a big group of people, as well as enforcing infection-prevention policies. The yearly Big Cleaning Day cleans the entire workplace area and ensures that the air conditioning system is always clean and safe.

#### **3) Checking on employees' preparedness to work when they are obliged to work in the office.**

The company prioritizes employee welfare and safety by arranging for infection testing before returning from long vacations during various festivals, as well as checking the history of at-risk groups and strictly enforcing infection-prevention practices while on the job.



9:40 10:08 10:34 11:29 11:46 12:05 12:58

EUR / USD

Open at  
Market Price + Lots



2,5386

3,7762

2,3574

MARGIN 59.25 USD

BUY  
3,6538

SELL  
4,5762

Order  
18.73

volume  
9.52

TOTAL

0.00%

February

March April May June July August

148%

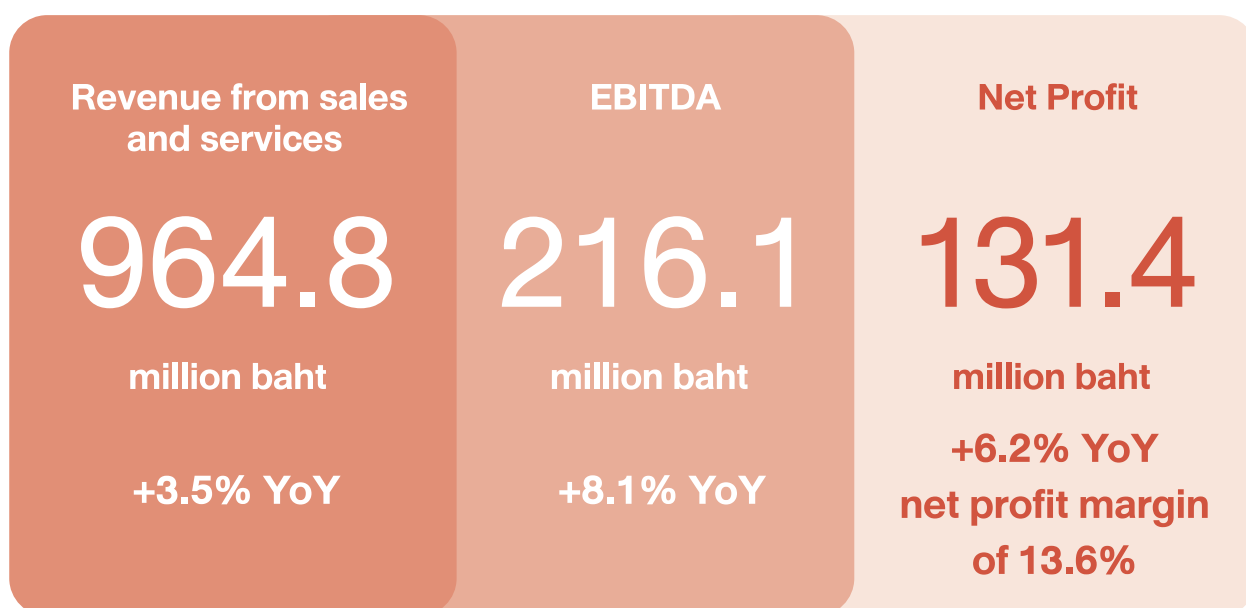
7%

18%

95%

# MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

## Key Performance for 2023



- Revenue from sales and services was 964.8 million baht, +3.5% YoY
- EBITDA was 216.1 million baht, +8.1% YoY
- Net Profit was 131.4 million baht, +6.2% YoY with net profit margin of 13.6%

Key Financial Performance (Million Baht)	2023	%	2022	%	%YoY
Revenue from sales and services	964.8	100.0	932.3	100.0	3.5
Cost of goods sold	(462.8)	(48.0)	(447.8)	(48.0)	3.4
Gross profit	501.9	52.0	484.5	52.0	3.6
EBITDA	216.1	22.4	200.0	21.4	8.1
Net Profit — Owners of the parent	131.4	13.6	123.7	13.3	6.2
Earnings per share (Baht)	0.22		0.21		



## Executive Summary

**FY 2023**

Revenue from sales  
and services

**964.8** million baht

Increase by 3.5% YoY

- In FY 2023, The revenue from sales and services was 964.8 million baht, an increase of 3.5% from the previous quarter, with the details as follows;
  - Revenue from Domestic increased by 25.7% compared to the previous year. Which is growing across all channels, including online and offline, particularly in Modern Trade from Convenience stores and Health & Beauty stores. The growth primarily resulted from the successful launches of new products (NPDs) and marketing activities for domestic, both online and offline, that increased brand and product awareness throughout the year, according to research data from the NielsenIQ Retail Measurement 2023 report. The sell-out of the Rojukiss brand experienced a growth rate of 25.8% compared to the previous year, outpacing the total market's modest growth rate of 15.3% in the prior year.
  - Revenue from Overseas decreased by 51.2% compared to the previous year due to intense pricing competition in Indonesia. However, the company extended its international presence to China through online channels in TMall and Douyin.
- Despite the revenue from healthcare decreasing by 20.2% compared to the previous year due to the Covid-19 situation unraveling, there is continuous demand, especially from Drug stores and Health & Beauty channels.
- EBITDA was 216.1 million baht, an increase of 8.1% from the previous year, while Net Profit was 131.4 million baht, an increase of 6.2%. The net profit margin was 13.6% (2022: 13.3%) From existing and new product sales. Furthermore, a marketing strategy that can reach, build awareness and stimulate product sales, as well as the expansion of distribution channels and effective management of costs and expenses in sales and administration.

### Economic Overview and Outlook in 2024

In 2023, the Thai economy experienced a slower recovery than expected. Economic growth is still facing many challenges from internal and external factors. This has affected private investment, which has been able to grow gradually. At the same time, tourism is the key driver of Thailand's economic revival. Thailand's personal care and beauty products have experienced a growth rate of 8% (data: Statista market insight). This growth rate has been applied by the company in setting strategies and improving the development of new products. Expanding the product portfolio, distribution channels, and increasing business opportunities for 2024 can be summarized as follows.

- Domestic Business.** The company's main focus is on sales from domestic expansion. The growth includes two primary brands, Rojukiss and Sis2Sis. The Rojukiss brand is still a strong and continuously growing brand of the company this includes focusing on marketing that reaches and serves the demands of the intended consumer. In 2024, the company has a goal of building Rojukiss brand to reach a 1,000-million-baht brand, reinforcing its brand identification. Leading products that meet the needs of consumers to become a Top of Mind brand by offering innovative products at affordable prices. Together with expanding distribution for color cosmetic products under the Sis2Sis brand, which was previously sold in sachets and mainly focused in convenience stores (CVS). To have more coverage with the "New Size" product line to expand the customer base and distribution channels simultaneously.
- Overseas Business.** The company continues to develop strategies and an appropriate model for business to accelerate growth and improve competitiveness in overseas markets. Currently, the Company has secured 5 distributorships in overseas markets which are Indonesia, Vietnam, Laos, Myanmar, and China. The company plans to expand to new countries in Southeast Asia in 2024.





## Financial Performance

**Table 1 : Statement of Comprehensive Income for fiscal year**

(Unit : Million Baht)

Consolidated Financial Statement for fiscal year period	2023	%	2022	%	%YoY
Revenue from sales and services	964.8	100.0	932.3	100.0	3.5
Cost of sales and services	(462.8)	(48.0)	(447.8)	(48.0)	3.4
<b>Gross Profit</b>	<b>501.9</b>	<b>52.0</b>	<b>484.5</b>	<b>52.0</b>	<b>3.6</b>
Other Income	4.0	0.4	7.7	0.8	(48.8)
Selling expenses	(196.0)	(20.3)	(158.0)	(16.9)	24.0
Administrative expenses	(114.1)	(11.8)	(159.1)	(17.1)	(28.2)
Gain (loss) from foreign exchange rate	1.5	0.2	3.9	0.4	(60.6)
Loss sharing from Joint Venture	-	-	(5.1)	(0.6)	N/A
Profit from step up acquisition	-	-	9.1	1.0	N/A
<b>Total expenses and other income</b>	<b>(304.6)</b>	<b>(31.6)</b>	<b>(310.6)</b>	<b>(33.3)</b>	<b>1.0</b>
<b>Profit before finance costs and tax expense</b>	<b>197.3</b>	<b>20.5</b>	<b>183.1</b>	<b>19.6</b>	<b>7.8</b>
Finance costs	(3.5)	(0.4)	(2.0)	(0.2)	77.8
<b>Profit before income tax expenses</b>	<b>193.8</b>	<b>20.1</b>	<b>181.1</b>	<b>19.4</b>	<b>7.0</b>
Income tax expense	(40.9)	(4.2)	(33.2)	(3.6)	23.2
<b>Profit before deducting non-controlling interests</b>	<b>152.9</b>	<b>15.9</b>	<b>147.9</b>	<b>15.9</b>	<b>3.4</b>
Non-controlling interests	21.5	2.2	24.2	2.6	(11.0)
<b>Net Profit Attributable to the Company</b>	<b>131.4</b>	<b>13.6</b>	<b>123.7</b>	<b>13.3</b>	<b>6.2</b>

## Performance Summary for FY 2023

- Revenue from sales and services** s was 964.8 million baht, an increase of 3.5% from the previous year. The growth was mainly from a core brand led by Rojukiss Skincare under the concept of Clinical Grade and Sis2Sis Color Cosmetic with new full-size products, along with expanding distribution channels and improving in-store product visibility. Furthermore, KISS is shifting its online approach and selling more through E-Commerce, such as Shopee, Lazada, and TikTok.
- Cost of sales and Gross profit** The gross profit margin was 52.0%, maintaining its profitability level even though the USD exchange rate remains volatile.
- Selling and administrative expenses**
- Total selling expenses were 196.0 million baht, an increase of 24.0%, mainly from investment in marketing expenditures. For example, promotional products through both online and offline channels,

the release of presenters, and new product launch activities. This is one of the plans for 2023 that aims to raise recognition of the brand and eventually support sales for long term. However, the Company still put best effort to control the expense tightly in appropriate level.

While total administrative expenses were 114.1 million baht, a decrease of 28.2% from the same period last year due to the record of allowance for doubtful accounts of consulting services for the

Sis2Sis brand in Indonesia, totaling 24.8 million in 2022. However, the Company received partial payments from this account receivable amounting to 8 million baht in Q1/2023

**Net Profit** was 131.4 million baht, an increase of 6.2% from the previous year, while a net profit from Non-controlling interests decreased by 11.0% from the drop in healthcare revenue, in line with the circumstances of the spread of the COVID-19 virus that has eased up in 2023.

## Financial Performance

**Table 2 : Statement of Comprehensive Income for 3 months period**

(Unit : Million Baht)

Consolidated Financial Statement for 3 months period	Q4 2023	%	Q4 2022	%	% YoY	Q3 2023	%	% QoQ
Revenue from sales and services	280.2	100.0	336.5	100.0	(16.7)	239.0	100.0	17.2
Cost of sales and services	(140.6)	(50.2)	(161.2)	(47.9)	(12.8)	(116.4)	(48.7)	20.7
<b>Gross Profit</b>	<b>139.6</b>	<b>49.8</b>	<b>175.3</b>	<b>52.1</b>	<b>(20.4)</b>	<b>122.6</b>	<b>51.3</b>	<b>13.9</b>
Other Income	2.1	0.7	2.3	0.7	(8.9)	0.4	0.2	374.2
Selling expenses	(57.0)	(20.3)	(55.1)	(16.4)	3.4	(36.1)	(15.1)	58.0
Administrative expenses	(20.4)	(7.3)	(45.7)	(13.6)	(55.4)	(46.3)	(19.4)	(56.0)
Gain (loss) from foreign exchange rate	1.3	0.5	(0.4)	(0.1)	(413.7)	1.4	0.6	(7.1)
<b>Total expenses and other income</b>	<b>(74.0)</b>	<b>(26.4)</b>	<b>(99.0)</b>	<b>(29.4)</b>	<b>(25.3)</b>	<b>(80.5)</b>	<b>(33.7)</b>	<b>(8.1)</b>
<b>Profit before finance costs and tax expense</b>	<b>65.6</b>	<b>23.4</b>	<b>76.3</b>	<b>22.7</b>	<b>(14.0)</b>	<b>42.0</b>	<b>17.6</b>	<b>56.1</b>
Finance costs	(1.1)	(0.4)	(0.5)	(0.2)	105.3	(0.8)	(0.4)	26.4
<b>Profit before income tax expenses</b>	<b>64.5</b>	<b>23.0</b>	<b>75.8</b>	<b>22.5</b>	<b>(14.8)</b>	<b>41.2</b>	<b>17.2</b>	<b>56.7</b>
Income tax expense	(15.9)	(5.7)	(14.7)	(4.4)	8.4	(9.0)	(3.8)	76.3
Profit before deducting non-controlling interests	48.6	17.4	61.1	18.1	(20.4)	32.2	13.5	51.2
<b>Non-controlling interests</b>	<b>1.8</b>	<b>0.6</b>	<b>22.0</b>	<b>6.5</b>	<b>(91.8)</b>	<b>1.9</b>	<b>0.8</b>	<b>(6.7)</b>
<b>Net Profit Attributable to the Company</b>	<b>46.8</b>	<b>16.7</b>	<b>39.1</b>	<b>11.6</b>	<b>19.8</b>	<b>30.2</b>	<b>12.6</b>	<b>54.9</b>

## Performance Summary for Q4 2023

- **Revenue from sales and services** was 280.2 million baht, a decrease of 16.7% from the previous year due to the recognition of revenue from healthcare products, which included Vail Covitrap nasal spray, which experienced a significant sales surge in the last year as it was a first quarter of sales and significant Covid-19 spread during that time. Compared to the previous quarter, revenue from sales and services increased by 17.2%, mainly from Rojukiss skincare, which continued to grow by 31.0%, including sales through Cross border channels, while revenue from Foreign Distributor in Indonesia started to improve as local distributor inventory showed improvement.
- **Cost of sales and Gross profit** The gross profit margin was 49.8% from price promotions to support sales at the end of the year. However, the company still aims to maintain an average gross profit level of 50-55%.
- **Selling and administrative expenses**  
Total selling expenses were 57.0 million baht, an increase of 3.4% from last year and 58.0% from the previous quarter from promotional and marketing activities mainly on digital platforms.  
  
While total administrative expenses were 20.4 million baht, a decrease of 55.4% from last year and 56.0% from the previous quarter from the subsidiary's one-time expenditures in Q3 2023, while Q4 2023, the Company received partial payments from the accounts receivable from trial product in new market.
- **Net Profit** was 46.8 million baht, an increase of 19.8% from the previous year and 54.9% from the previous quarter due to the drop in selling and administrative expenses.

## Statement of Financial Position

### Total Assets

As of 31 December 2023, the Company had total assets of 1,402.6 million baht, an increase of 105.5 million baht compared to the previous year with the details as below:

- Trade, other receivable, and Contract assets increased by 72.3 million baht from higher sales.
- Inventories increased by 57.3 million baht due to increased promotional products and ordering new products at the end of the quarter.
- Cash and cash equivalents decreased by 33.6 million baht after payments of dividends to shareholders 2 times, totaling 84 million baht. The increase in cash was mainly from operating cash flow.

### Total Liabilities

As of 31 December 2023, the Company has total liabilities of 310.0 million baht, increased by 31.4 million baht compared to the last year with the details as below:

- Trust receipts increased by 82.1 million baht from the inventory purchase.
- Long-term loan from related party decreased by 30.5 million baht from settlement.
- Trade and other payable decreased by 21.7 million baht from the payment according to the normal payment cycle.

### Shareholder's Equity

As of 31 December 2023, shareholder's equity increased by 74.1 million baht from operating profit.

# GENERAL AND OTHER INFORMATION

## General Information

Company Name	Rojukiss International Public Company Limited
Security's Symbol	KISS
Nature of Business	Develops, outsources production of and distributes skincare, color cosmetics and food supplements products
Company Registration Number	0107563000185
Address	100/8, 100/51-54 Vongvanij Complex B Tower 12th, 19th Floor, Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok 10310
Telephone	02-645-1155
Registered Capital	Baht 309,000,000 Total 618,000,000 ordinary shares with par value of Baht 0.50 per share
Paid-up Capital	Baht 300,000,000 Total 600,000,000 ordinary shares with par value of Baht 0.50 per share
Website	<a href="http://www.rojukissinternational.com">http://www.rojukissinternational.com</a>
Investor Relations	<a href="mailto:ir@rojukiss.com">ir@rojukiss.com</a>

## Share Registrar

Company Name	Thailand Securities Depository Company Limited
Address	93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400
Telephone	02-009-9000
Fax	02-009-9991
TSD Call Center	02-009-9999

## Auditor

Company Name	PricewaterhouseCoopers ABAS Ltd.
Address	15 <sup>th</sup> Floor Bangkok City Tower, 179/74-80 South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120
Telephone	02-844-1000
Fax	02-286-5050

## Internal Auditor

Company Name	IA Signature Company Limited
Address	324/10 Verve Phetchkasem 81, Macharoen Road, Nong Khang Phlu, Nong Khaem, Bangkok, 10160
Telephone	02-079-5499



## Information of Subsidiary and Affiliate

Company Name	PhD International Limited
Nature of Business	Own trademarks of skincare, color cosmetics and food supplement products
Address	23/F., Tower 2, Enterprise Square Five, 38 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong
Registered and Paid-up Capital	HKD 10,000 Total 10,000 ordinary shares with par value of HKD 1 per share
Proportion of Shares (%)	100

Company Name	O2 Kiss Company Limited
Nature of Business	Distributes skincare and food supplement products
Address	100/8, 100/51-54 Vongvanij Complex B Tower 12th, 19th Floor, Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok 10310
Registered and Paid-up Capital	Baht 50,000,000 Total 5,000,000 ordinary shares with par value of Baht 10 per share
Proportion of Shares (%)	100

Company Name	Hibiocy Company Limited
Nature of Business	Develops, outsources production of and distributes medical devices, medicine and medical supplies
Address	100/8, 100/51-54 Vongvanij Complex B Tower 12th, 19th Floor, Rama 9 Road, Huai Khwang, Huai Khwang, Bangkok 10310
Registered Capital	Baht 11,405,000 102,000 ordinary shares with par value of Baht 100 per share 12,050 preferred shares with par value of Baht 100 per share
Paid-up Capital	Baht 10,508,750 102,000 ordinary shares with par value of Baht 100 per share 100 preferred shares with par value of Baht 100 per share 11,950 preferred shares with par value of Baht 100 per share and paid-up Baht 25 per share
Proportion of Shares (%)	46.6

## Legal Disputes

The Company and its subsidiaries have no legal case or dispute that is still ongoing, which may have a negative impact on the assets of the Company or its subsidiaries in the tune of over 5% of shareholders' equity based on the Company's consolidated financial statement for the year ended 31 December 2023 or which may significantly impact the business operation of the Company or its subsidiaries, or which may stem from the normal business operation of the Company or its subsidiaries. However, the Company or its subsidiaries may occasionally face legal proceedings or become a litigant in legal cases stemming from normal business operations of the Company or its subsidiaries.

## Part 2

# CORPORATE GOVERNANCE

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<b>06</b>	<b>Corporate Governance Policy</b>	<b>80</b>
	Overview of Corporate Governance Policies and Practices	80
	Business Ethics	90
<b>07</b>	<b>Management Structure</b>	<b>94</b>
	Corporate Governance Structure	94
	The Board of Directors	95
	Sub-Committees	100
	The Executive Committee	103
	Company Secretary	106
<b>08</b>	<b>Report on Corporate Governance</b>	<b>114</b>
	Performance Summary of the Board of Directors for the Previous Year	114
	Performance Summary of the Sub-Committee for the Previous Year	120
<b>09</b>	<b>Internal Control and Connected Transactions</b>	<b>122</b>
	The Board of Directors Opinions on Internal Control	122
	Related Party Transactions	125







# CORPORATE GOVERNANCE POLICY

## An Overview of Corporate Governance Policies and Practices

The Board of Directors has approved the company's solid corporate governance policy. It follows the SEC's and the Thai Stock Exchange's corporate governance requirements. For long-term economic success and transparency, the corporation acknowledged the importance of running a business and upgrading current corporate governance. This strategy is designed to build confidence among shareholders, investors, and other stakeholders. It can also bring benefits and favorable business outcomes to the organization, as well as overall advantages for its competitiveness and long-term success.

In addition, the company continues to value shareholder rights and duties to other stakeholders, as well as shareholder equality, stakeholder roles, and information disclosure and openness. The Board of Directors feels that a better corporate governance strategy is essential to increase the confidence of shareholders, investors, and other interested parties. It covers the principles of the Board of Directors' structure, positions, responsibilities, and roles, as well as the visible, explicit, and auditable management concepts of senior leaders. Using the Securities and Exchange Commission's (the "SEC") standards and guidelines for strong corporate governance for listed firms in 2017 as a reference for managing the organization to develop confidence. It is critical that any company operation be fair and considers the best interests of shareholders and other stakeholders. The following are the eight principles of practice that make up the policy's core:

Code of Conduct 1	The Board of Directors' Roles and Responsibilities as Organization Leaders Who Create Long-Term Value for the Business
Code of Conduct 2	Determine the company's goals and objectives to secure its sustainability
Code of Conduct 3	Strengthen the board of directors of the company to be productive
Code of Conduct 4	Recruitment and development of senior management, as well as personnel management.
Code of Conduct 5	Encourage good business practices and innovations
Code of Conduct 6	Manage risks properly with the implemented internal control method
Code of Conduct 7	Maintain financial trustworthiness and transparency
Code of Conduct 8	Encourage shareholder participation and communication



## **Code of Conduct 1 : The Board of Directors' Roles and Responsibilities as Organization Leaders Who Create Long-Term Value for the Business**

- 1.1 The Board of Directors recognizes and understands their roles and responsibilities as leaders in overseeing the organization's management, which includes setting objectives and goals, strategy, operating policy, allocating key resources to meet objectives and goals, monitoring, evaluating, and overseeing performance reporting.
- 1.2 The Board of Directors has established a few policies, including corporate governance and social responsibility. The company's mission is to develop sustainable business values through ethical business operations, respect the rights and responsibilities of shareholders and stakeholders, drive business success and benefit society while also developing or reducing the company's environmental impact, and adapt to changing factors.
- 1.3 The Board of Directors is responsible for overseeing the directors and executives to ensure that they carry out their responsibilities in a responsible, accountable, and responsible manner. They would follow the legislation, objectives, rules, board of directors' meeting decisions, and shareholder meeting resolutions, as well as the board's policies and guidelines, to fulfill their duty of care and commitment to the company's best interests. The appropriate mechanisms to control that company's operations are in compliance with applicable laws, objectives, regulations, Board of Directors meeting resolutions, shareholder meeting resolutions, and various company policies, such as the Related Party Transaction Policy, Anti-Corruption Policy, Delegation of Authority, and so on. A formal approval process for investments and transactions that have a

substantial impact on the firm, conducting transactions with linked persons on property acquisition or disposition, dividend payment, etc., is also required.

- 1.4 The Board of Directors fully knows its position, scope of duties, and obligations, as well as the scope of delegation of duties and responsibilities to sub-committees and management and evaluates and oversees the performance of those duties as assigned. The numerous charters of the Board of Directors and sub-committees are laid out in writing, and it is agreed that the charters will be reviewed at least once a year to ensure that they are in line with the company's direction.

## **Code of Conduct 2 : Determine the company's goals and objectives to secure its sustainability**

- 2.1 The Board of Directors places a high priority on determining the organization's business objectives and primary aims in order for it to grow in a sustainable way with society. A corporation's ability to create value can benefit the company, its customers, partners, employees, shareholders, stakeholders, and society at large.
- 2.2 The yearly and long-term objectives, goals, and business strategies must all be consistent with the entity's core aims and goals, the environment, and factors and risks that may influence all stakeholders with the appropriate and safe application of innovation and technology. These aims and goals must be conscious of the risks of targeting, which can lead to illegal or immoral behavior. A procedure for tracking the transmission of objectives and goals throughout the business and organization via strategies and plans should be in place.

### **Code of Conduct 3 : Strengthen the board of directors of the company to be productive**

3.1 The Board of Directors consists of a minimum of 5 and a maximum of 12 members, each of whom has tasks and responsibilities in deciding and reviewing the structure of the Board of Directors. The Independent Director Ratio should be appropriate as necessary to meet the aims and key goals set out in terms of both components and knowledge, experience, and number of directors fit for the firm. The following are the key guidelines:

3.1.1 The shareholders' meeting decides on the company's directors and appoints them. Each office has a three-year tenure. The shareholders' meeting can re-elect directors who are retiring due to rotation.

3.1.2 Company directors must be qualified and free of any forbidden qualities, according to the legislation.

3.1.3 A board of directors must have at least half of the total number of independent directors, but no fewer than three. Independent directors must be unaffiliated with big shareholders and have no role or interest in financial or administrative matters. Furthermore, they meet all of the criteria for independent director qualifications set forth in the Notification of the Capital Market Supervisory Board in connection with the application for and authorization to sell newly issued shares. They should be assigned roles and responsibilities based on applicable laws, announcements, rules, and regulations.

3.1.4 The company's directors and senior management must report information about their positions to the company in accordance with the rules and procedures prescribed by the Board of Directors if they have authority in any other company or another public limited company, or if they have a position in an ordinary partnership or a limited liability partnership.

3.1.5 The Board of Directors' powers and responsibilities have been defined by the Board of Directors. The composition, qualifications, appointment, length of office, and retirement of the Board of Directors shall be as provided in the charter.

3.1.6 The Board of Directors shall disclose the policy for determining board diversity, which includes information about directors such as age, educational background, experience, shareholding percentage, number of years as a director, and position as a director in other publicly traded companies in the annual report and on the company's website.

3.1.7 The Board of Directors will appoint a company secretary to perform various legal and other functions as the Board of Directors deems necessary.

3.2 The Board of Directors will appoint a suitable Chairman of the Board and ensure that the composition and operations of the Board of Directors support independent decision-making. The Board of Directors will choose an independent director to help determine the board meeting's agenda. This is in conformity with the principles of good corporate governance for listed businesses and is used to regulate the balance of power between the board and management. The company





has segregated roles and responsibilities between the Board of Directors and management to ensure clarity in the performance of each position's duties and to maintain a power balance that allows the company's management to be efficient and transparent, as follows:

- 3.2.1 Board of Directors:** The Board of Directors is responsible for setting the direction, policies, and strategies of business operations to generate a return on investment and maximum benefits for shareholders, as well as supervising and monitoring management's operations to ensure compliance with the policies and strategies, as well as the company's law, objectives, and regulations, and shareholder resolutions.
- 3.2.2 Management:** The Management team responsible for managing the firm to achieve success and in compliance with the Board of Directors' direction, policy, and business plan, as well as keeping the company's day-to-day operations and business in order.
- 3.2.3 Chairman:** As the Board's leader, the Chairman of the Board is responsible for overseeing and supporting the Board's performance in accordance with the law, corporate governance, and other factors indicated in item 1.
- 3.2.4 Chairman of The Board :** has the authority to oversee operations in accordance with the Executive Committee's policies, as well as the Board of Directors' and shareholders' meeting resolutions, within the framework of the law, objectives, and the Company's Articles of Association.
- 3.2.5 Chief Executive Officer:** is the head and leader of the company's management team, which the Board of Directors has delegated to undertake duties connected to the company's normal business operations. By managing the work in strict honesty and integrity in accordance with the plan and budget approved by the Board of Directors, and in the best interests of the company and shareholders, including not doing anything that has interests or benefits in a way that conflicts with the company and subsidiary.
- 3.3** The Board of Directors shall oversee the nomination and selection of each committee, using a transparent and unambiguous method to qualify the board of directors and sub-committees who meet the required requirements.
- 3.4** The shareholders' meeting has the authority to review and approve the salary of the directors. The Board of Directors will examine the structure and rate of remuneration to be acceptable, suitable, and responsible in order to ensure that the Board of Directors is inspired to lead the company to achieve both short- and long-term objectives.
- 3.5** The Board of Directors will oversee all directors to ensure that they are accountable for their responsibilities and that they are given adequate time.
- 3.6** The Board of Directors has created a structure and procedure for overseeing policies and the company's operation at the appropriate level for each business, including subsidiaries and linked businesses, as well as subsidiaries and linked firms that are correctly recognized.

3.7 The Board of Directors has a policy of evaluating the board of directors, subcommittees, and other committees of individual directors on an annual basis. Use as a framework for analyzing the Board of Directors' performance of their tasks, whether they performed in line with good practices or not, to enhance the Board of Directors' performance and to examine the difficulties and obstacles that happened in the previous year. The assessment's findings will be used to improve performance in the future.

3.7.1 The company has produced a board self-assessment form in compliance with the Stock Exchange of Thailand's requirements, which has been adjusted to meet the nature of the business and the Board of Directors' structure. It is divided into two parts:

3.7.1.1 Board of Directors and board sub-series performance evaluation form (individual board)

3.7.1.2 Performance evaluation form for individual directors (self-assessment)

3.7.2 The following main topics are covered by the Assessment Criteria:

3.7.2.1 Board of Directors and Sub-Committees Structure and Qualifications

3.7.2.2 Meeting of the Board of Directors

3.7.2.3 Board of Directors and sub-committees' roles, tasks, and responsibilities

3.7.2.4 Relationships with management, director and executive self-development, and other issues

3.7.3 The assessment topic score is divided into 5 levels as follows:

0 = strongly disagree or take no action on the subject

1 = disagree or take no action on the subject

2 = agree or have taken appropriate steps in that regard

3 = completely agree, or there is effective action in this area

4 = strongly agree or have done a fantastic job in this area

Assessment Process:

The performance appraisal form for the Board of Directors must be approved and reviewed by the Nomination and Remuneration Committee. The assessment form will then be delivered to all directors at the end of the year by the company secretary, who will bring it to the Board of Directors for approval. After that, it will be analyzed, and a summary report of the evaluation results will be generated and delivered to the Nomination and Remuneration Committee. The outcome is used to determine annual director salary and to communicate the evaluation results to the Board of Directors for acknowledgement, as well as to propose parameters for future development.

3.8 The Board of Directors will oversee each director to ensure that they are aware of their roles and responsibilities, as well as the nature of business and laws governing business operations, and to encourage all directors to receive skills and knowledge in order to perform their duties on a regular basis.





3.9 The Board of Directors will ensure that its operations are carried out appropriately, that it has access to the relevant information, and that a company secretary with the requisite knowledge and experience to support the Board of Directors' operations is appointed.

3.10 From the board of directors, a number of directors will be appointed. Special responsibilities as a member of the sub-committees include enhancing the effectiveness of the Board of Directors through each subcommittee. The period of office is the same as that of the Board of Directors, and the tasks are as follows:

#### 3.10.1 Audit Committee

Audit committee assist the Board of Directors with numerous responsibilities. As outlined in the Audit Committee Charter, this includes responsibility for Financial Report Review and ensuring that the internal control system is in conformity with the law, as well as auditor selection, disclosure of corporate information, and the drafting of the Audit Committee's report.

#### 3.10.2 Board of Directors

as instructed by the Board of Directors, perform out certain tasks This includes management duties for day-to-day operations and management of the company. They examine policies, business plans, budgets, management structures, and the company's management power, establishing rules for doing business in accordance with economic conditions to be proposed to the Board of Directors' meeting for consideration and approval, as well as inspecting and following up on the company's performance in accordance with the Board of Directors'

policy, and so on, in accordance with the Executive Committee Charter.

#### 3.10.3 Committee on Nominations and Remuneration (or working group or a person assigned by the Board of Directors in the case of the establishment of the Nomination and Remuneration Committee)

This board carries out a variety of responsibilities in accordance with the Board of Directors' directives This entails identifying who is deserving of being nominated as a new director or a high-ranking executive, as well as those with management authority, using criteria or strategies for recruiting and selecting with criteria and transparency. The information will be presented for consideration and approval at a Board of Directors meeting and/or a shareholders meeting. The Nomination and Remuneration Committee Charter lays out the principles or processes for calculating fair and reasonable remuneration that will be offered for approval to the Board of Directors and/or shareholders.

#### 3.10.4 Committee on Risk Management (or working group or a person assigned by the Board of Directors in the event that the Risk Management Committee is in the process of setting up)

Risk Management committee carry out a variety of responsibilities in accordance with the Board of Directors' directives This entails developing policy and submitting a management plan and risk management framework to the Board of Directors. Follow up to ensure that risks and impacts are

examined, and that risk management at the organizational level of the corporation is competent and current, as demonstrated by the Risk Management Committee Charter.

#### 3.10.5 The Committee on Good Corporate Governance (or working group or the person assigned by the Board of Directors in case of the establishment of the Good Corporate Governance Committee)

The Board of Directors will delegate some tasks to the good corporate governance staff. Designing corporate governance rules and procedures, which include the vital operations as well as those connected to strong corporate governance, a conflict of interest, and long-term development of the company's operations, are among their tasks. As defined in the Good Corporate Governance Committee Charter, the company's corporate governance system must match worldwide standards in order to achieve effective outcomes and update the corporate governance system.

The Board will ensure that the Board of Directors' and sub-committees' tasks and responsibilities are made public. The number of meetings held in the preceding year, as well as the number of times each director attended, were all recorded, as were reports on the performance of all sub-committees.

### **Code of Conduct 4 : Recruitment and development of senior management, as well as personnel management.**

4.1 The Board of Directors will ensure that the chairman, executive directors, and senior executives have the knowledge, abilities, experience, and traits necessary to guide the business toward its objectives are nominated and developed.

4.2 The Board of Directors has a policy of understanding the structure and relationships of shareholders that may affect the management of the business and has the authority to control the management of the business so as not to obstruct the Board of Directors' performance of their duties and will ensure that information that may affect the company's control is properly disclosed.

4.3 The Board of Directors will oversee personnel management and development to ensure that employees possess the necessary knowledge, skills, experience, and motivation.

### **Code of Conduct 5 : Encourage good business practices and innovations**

5.1 The Board of Directors is enthusiastic about the creation of new concepts that benefit all stakeholders while also adding value to the business. The corporation's social and environmental responsibilities will also motivate operations to create value in response to constantly changing environmental factors. Developing a corporate strategy, thinking about product design and development, evaluating and refining manufacturing and work processes, and working with partners are all examples.



5.2 The Board of Directors will oversee and ensure that management conducts business in a socially and ecologically responsible manner, which will be reflected in the operational strategy to guarantee that all parties within the company are working towards the same goals. The business's major aims and strategic plans (strategies) take into account the roles of stakeholders (roles of stakeholders). The company's Board of Directors must establish a mechanism to ensure that it acts ethically. Social and environmental responsibility do not infringe on stakeholder rights. This will act as a road map for all areas of the corporation to follow in order to achieve the organization's long-term objectives and primary goals. In this regard, the Board of Directors has established guidelines for various stakeholders as part of the Corporate Social Responsibility (CSR) policy and Code of Conduct, and will disclose important, relevant, and necessary information to those stakeholders with adequate, reliable, and timely acknowledgment.

#### **Code of Conduct 6 : Manage risks properly with the implemented internal control method**

6.1 The Board of Directors will oversee and ensure that the company has a risk management and internal control system in place to efficiently achieve the company's goals while also complying with applicable laws and regulations.

6.2 The Board of Directors has appointed at least three audit committee members, all of whom must be independent directors with no prohibited characteristics under applicable law, as well as possessing credentials and responsibilities in accordance with SEC and SET guidelines. They must be capable of successfully and independently carrying out their obligations. The responsibility to review financial reports, the compliance of the

internal control system with the law, the independence of the Internal Audit Department, auditor selection, disclosure of company information, and the preparation of the Audit Committee's report are all stated in the Audit Committee Charter.

6.3 The Board of Directors monitors and manages any conflicts of interest that may arise between the company and its management board of directors or shareholders, including preventing the inappropriate use of assets, company information, opportunities, and transactions with those who have a relationship with the company, including establishing guidelines in the Charter, Code of Conduct, and internal information policy in writing.

6.4 The Board of Directors has a clear anti-corruption policy that it communicates to all levels of the organization as well as external partners in order to put it into practice. To support the efforts, the Board of Directors shall establish anti-corruption standards and encourage all workers to follow all applicable laws and regulations.

6.5 The Board of Directors controlled a mechanism for gathering complaints and taking action when clues were uncovered, as well as setting explicit standards for fraud and malfeasance in the complaint processing policy (Whistle Blower). The company's complaint channels will be made public on its website or in its annual report.

#### **Code of Conduct 7 : Maintain financial trustworthiness and transparency**

7.1 The Board of Directors is in charge of ensuring that the financial reporting and disclosure system is accurate, adequate, timely, and compliant with all applicable laws, regulations, and guidelines.

7.2 The Board of Directors will oversee and monitor the company to ensure enough financial liquidity and loan repayment ability.

7.3 If the company is experiencing or is expected to have financial difficulties, the Board of Directors will ensure that the company has a plan in place to address the problem or has other procedures in place to address the problem. However, the rights of stakeholders and rationality must be considered.

7.4 The Board of Directors has made it a policy to prepare a sustainability report whenever it is necessary. In the section under “Disclosure of Compliance with Laws,” The Charter Code of Conduct and Anti-Corruption Policy are being followed. Employees and stakeholders are treated fairly. Fair treatment and respect for human rights, as well as social and environmental responsibilities, are all part of this. Such material, on the other hand, may be included in the annual report or compiled into a separate book, which the corporation will consider sharing if necessary.

7.5 The Board of Directors shall oversee management's creation of an investor relations unit to convey and promote information that is helpful to shareholders, investors, analysts, and other associated parties in a fair, timely, and appropriate manner.

7.6 The Board of Directors supports the use of information technology to distribute information. The Board of Directors shall arrange for information disclosure in both Thai and English through alternative channels, such as the company's website, and will offer current information, in addition to disseminating information in accordance with established rules and through SET channels.

7.7 The Board of Directors decided that transparent disclosure of information is a requirement of the company's charter and code of conduct.

### **Code of Conduct 8 : Encourage shareholder participation and communication**

The Board of Directors places a high priority on the company's stockholders. The corporation ensures that all shareholders are treated fairly and have full access to their fundamental shareholder rights as follows: (1) the right to buy, sell, or transfer shares; (2) the right to share in the company's profits; (3) the right to receive sufficient relevant information through the company's website or the Stock Exchange of Thailand's website, or by any other means; (4) the right to attend the meeting to exercise the right to vote at the shareholders' meeting independently to appoint or remove directors; the right to consider directors' remuneration; the appointment of auditors, increase in dividend payment capital, and the issuance of new shares. This includes including the ability to ask the Board of Directors questions about the Board of Directors' reports and any other topics brought up for discussion and approval at the meeting. The right to suggest an agenda ahead of time and nominate candidates for election as company directors, as well as involvement in critical company decision-making. Each share has one vote, and all shareholders have the ability to vote based on the number of shares they own.

Furthermore, the Board of Directors must recognize and value the rights of shareholders. There is no action that infringes on or deprives shareholders of their rights. The Board of Directors promotes and establishes policies in human resources. Shareholders have the following rights:

8.1 The Board of Directors will ensure that shareholders are involved in making decisions on important matters of the company, including



- 8.1.1 will guarantee that shareholders are involved in key company decisions, such as protecting and respecting shareholders' fundamental rights, such as the right to buy, sell, or transfer stock. The right to a share of the company's profits as well as proper business information; the right to attend a shareholders' meeting to appoint or remove directors, appoint, or remove an auditor, determine dividend allocation, or alter regulations or the memorandum of association. Capital reduction or increase, as well as approval of specific items, are all possible options.
- 8.1.2 will encourage and assist shareholders to exercise their rights in various matters at the annual general meeting of shareholders, such as the right to propose agendas for the shareholders' meeting in advance of the meeting; the right to nominate a person to be elected as a director; the right to submit questions to the meeting in advance of the meeting; the right to express opinions and ask questions at the meeting, etc. as well as assisting minority shareholders in nominating individuals to serve as the company's directors by presenting the nominee's profile and consent letter to the Chairman of the Board of Directors in accordance with the Company's rules, regulations, and procedures.
- 8.1.3 will ensure that the notice of the shareholders' meeting, together with relevant documents, will be sent to the company's website at least 28 days prior to the date of the shareholders' meeting and prepare the invitation letter for the shareholders' meeting in both Thai and English.
- 8.1.4 will encourage shareholders to use the proxy form to set voting instructions; agree, disagree, or abstain. The proxy forms, both Form A, Form B, and Form C (a specific proxy form for the custodian) have been prepared for shareholders. as well as facilitate the shareholders who are unable to attend the meeting in person but wish to exercise the right to vote by proxy by offering independent directors to attend the meeting and vote on behalf of the shareholders. For shareholders' convenience, they can exercise their right to choose any independent director to act as a proxy on behalf of the shareholder.
- 8.1.5 will not take any action that violates, restricts, or denies shareholders' right to access and attend the shareholders' meeting by denying them access to and attendance at the company's information to be disclosed in accordance with the requirements, or by violating, restricting, or denying them access to and attendance at the company's information to be disclosed in accordance with the requirements. For instance, suddenly providing documents with new critical information, failing to add meeting agendas, or changing vital information without notifying shareholders.
- 8.1.6 will facilitate the shareholders to exercise their rights; for example, by providing up-to-date information on the company's website.
- 8.2 The Board of Directors will ensure that the operations on the date of the shareholders' meeting are done in a neat, transparent, and efficient manner, enabling shareholders to exercise their rights, including

- 8.2.1 will make it easier for shareholders to exercise their rights to attend and vote at shareholder meetings and will refrain from taking any action that might limit the number of shareholders who can participate. If shareholders are unable to attend the meeting in person, the corporation allows them to select independent directors or anyone else to represent them at the meeting able to represent him/her at the conference
- 8.2.2 In the invitation to the meeting and on the day of the meeting, shareholders will be notified of the rules and procedures for attending the shareholders' meeting. The meeting moderator will notify the rules and voting procedures for the acknowledgement of shareholders at the shareholders' meeting and will record notification of the rules and voting process for such resolutions in the report of every shareholder meeting.
- 8.2.3 will schedule the meeting appropriately and provide shareholders with an opportunity to ask questions about the meeting topic or the company. At the meeting, the chairman of the board will query about each item on the agenda. In addition, questions about the meeting agenda, the firm, and the opinions of the shareholders are documented in the minutes of the meeting shareholders every time, including clarifications from the Board of Directors and/or executives.
- 8.2.4 The meeting will follow the agenda set forth in the invitation letter. The company's officers, who are also shareholders, will not discuss any other matters during the meeting, particularly the agenda, which shareholders must examine thoroughly first.
- 8.2.5 It will encourage and support the use of technology in the shareholders' meeting, such as barcodes, ballot cards, and so on. It is possible to conduct meetings swiftly, accurately, transparently, and verifiably by registering shareholders, counting scores, and showing the outcomes. The results of the vote, as well as the votes of agreeing, disapproving, and abstaining from voting on each agenda item, will be published in the minutes of the shareholders' meeting.
- 8.2.6 An independent person, such as the company's auditor or legal advisor, will witness the vote counting or the person who counts or checks the votes in the meeting, and will disclose the results of the vote counting or verification to the meeting for acknowledgement and record them in the meeting minutes.
- 8.2.7 Recognizing the significance of conducting an annual general meeting of shareholders and upholding shareholders' rights. Attendance at the shareholders' meeting is encouraged for all directors.
- 8.3 The Board of Directors will ensure that the resolutions of the shareholders meeting and the minutes of the shareholders' meeting, as well as the disclosure of the resolutions and minutes of the shareholders' meeting, are correct and thorough.
- 8.3.1 It will ensure that shareholders receive sufficient and timely information on the date, time, location, and agenda of each shareholders' meeting, as well as all information about items to be decided at the meeting, along with explanations and reasons for the agenda. The company has a policy of allowing shareholders to study





information on the company's website before to the meeting date, which provides the same information as the documents presented to shareholders.

- 8.3.2 The meeting content is compiled, including agenda details, a list of directors both present and absent, meeting resolutions, voting, and shareholder questions and opinions, to prepare the "Minutes of the Shareholders' Meeting" for dissemination on the company's website and to send them to SET and/or related agencies within 14 days of the meeting date. This is in accordance with SEC and Stock Exchange of Thailand regulations, which require the company to disclose to the public the meeting resolutions and voting results for each item on the meeting's agenda within the timeframe required by law and in accordance with the SEC and Stock Exchange of Thailand's requirements.
- 8.3.3 will facilitate rather than hinder the use of shareholders' rights by providing information disclosure on the company's website in advance. The corporation will not give documents with additional crucial information during the shareholders' meeting, nor will it add agendas or change critical material without providing shareholders advance notice.
- 8.3.4 make sure that shareholders have regular access to information and up-to-date information on the company's website.

## Business Ethics

Stakeholders are valued by the organization, and they are treated with respect. In terms of corporate operations, it has a code of ethics. The following rules for working as a corporate representative will handle all stakeholders, including shareholders, workers, shareholders, customers, trading partners, the public, and society at large, in a transparent, appropriate, equitable, and fair manner:

### Stockholders, Investors, and analysts

The company treats all shareholders and investors fairly, and the Board of Directors, management, and all workers are expected to carry out their duties honestly and operate in an open and transparent manner. Maintain a focus on the company's stockholders' best interests. There will be no actions taken that could lead to a conflict of interest; no insider information will be used to gain an advantage for insiders and associates, and sensitive information will not be disclosed to third parties. Furthermore, the corporation respects and acknowledges the rights of all shareholders, including investors and analysts. To collect complete and consistent information about the company's operating results, the firm will convey the operating results and necessary information through the company's and related departments' operations.

### Employees

The company's most significant resource is its employees. The company places a high value on rigorous adherence to labor regulations and social welfare and seeks to encourage all employees to have a positive attitude, a sense of duty and responsibility, pride in and belief in the organization, and a focus on teamwork. In addition, the company encourages employees to take part in training on topics that are both relevant and useful to their jobs. All employees receive annual health examinations, and the organization promotes safety and a pleasant working environment. The corporation provides adequate and

suitable welfare in exchange for pay. Employee remuneration will be determined based on each employee's fair performance and compared to the company's performance in the short and long term in comparison to the same industry as well as allowing employees to register complaints in the event of unjust treatment through numerous routes, such as an opinion box or the Human Resources department receiving the complaint, etc. The company is responsible for ensuring that the workplace is safe, sanitary, and conducive to productive work.

## Customer

Customers hold the company accountable for maintaining product quality and standards, as well as reacting to customers' needs as clearly and comprehensively as possible, in order to focus on long-term customer happiness and providing channels for the company's customers. The company is interested in hearing from customers who have a problem with a damaged product or a reason for dissatisfaction after using it. Customers will receive constant high-quality service from the business. Customers' rights should be explained to them, and the customers' interests should be protected.

## Creditor

Build connections and treat creditors fairly by following to the principles of honesty, mutual trust, and trust, as well as being accountable for paying attention to and prioritizing the circumstances that have resulted in the best possible arrangement with creditors.

## Business Partners

Treat the business partners with integrity and on an equal footing. This is to guarantee that the company's business operations are suitable, fair, and beneficial to both parties, as well as to ensure that the company's business operations are sustainable and that it is a long-term partner with the firm. The organization will select business partners based on a variety of factors, including price, quality, control, environmental protection, technical knowledge, legal compliance, trustworthiness, and a commitment to doing what is right. Furthermore, the organization must maintain ethical relationships with its partners and conduct business with them. Contracts, agreements, and business commitments must all be strictly adhered to. Maintain the privacy of the trading partners' information and do not use it for personal gain without their agreement.

## Community, Society and Environment

The corporation is conscious of its social responsibilities and takes them seriously. As a result, the company operates on the premise of fostering shared values between business and society, with a focus on environmental protection through the promotion of resource efficiency and maximum benefit to help reduce energy consumption and prevent the company's operations from harming society, the community, and the environment. The company and its employees are committed to conducting business responsibly and in the best interests of society and community, as well as behaving in a friendly manner towards the communities in which they operate, helping and supporting the development of the community's well-being, and being accountable for the company's business operations in a fair and equitable manner to promote sustainable development.



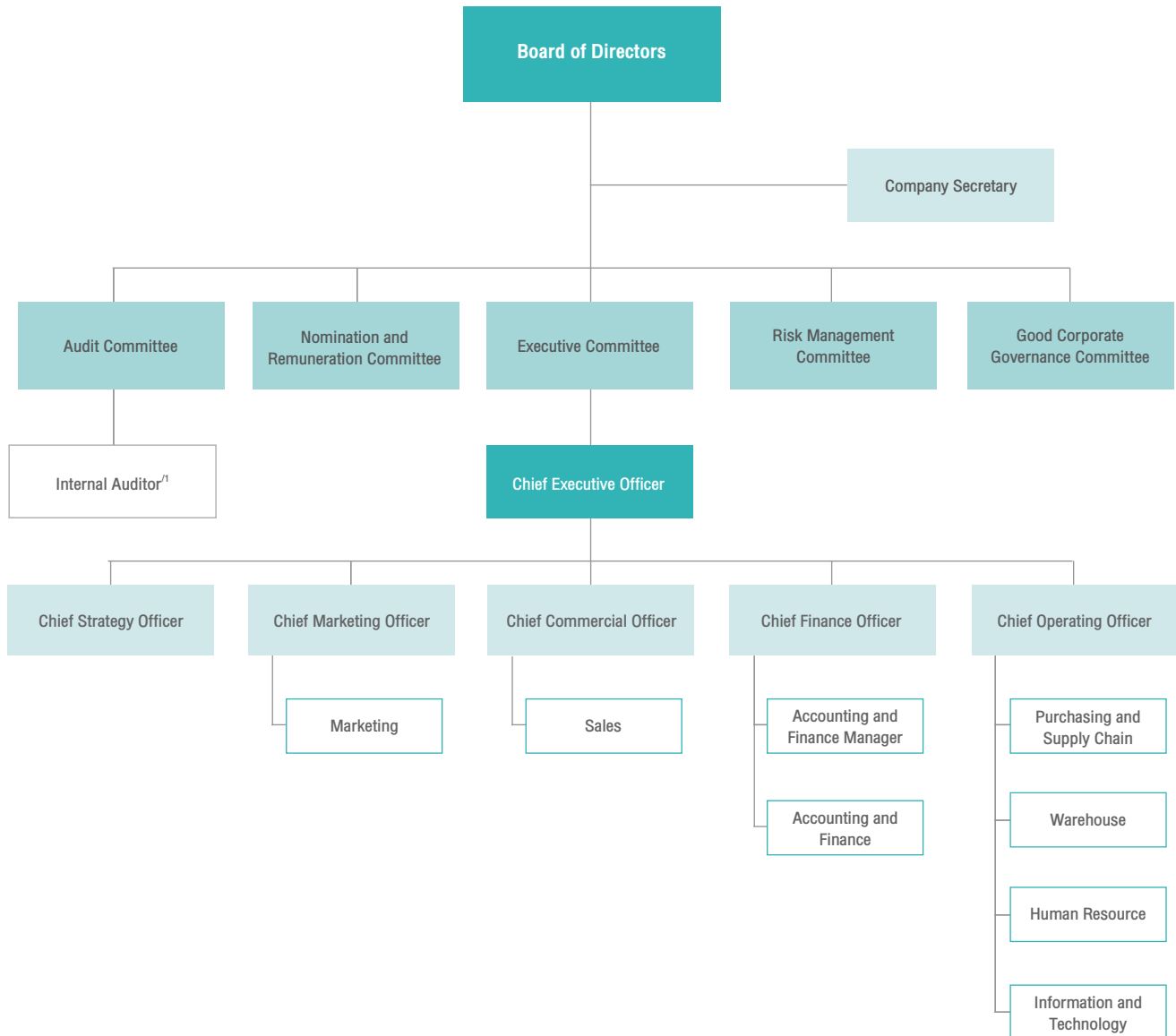
## Government and/or related government agencies

Manage the company's affairs to comply with all applicable rules and regulations, as well as assist government agencies with their various tasks as needed. Furthermore, the company is committed to providing high-quality goods while adhering to the law, which includes the duty to treat the government and other government agencies with political neutrality as outlined in the Charter, Code of Conduct, and Anti-Corruption Policy. In addition, there will be a route for receiving

complaints and/or comments via postal mail to the company's headquarters, and it will provide for whistleblower protection by not revealing but keeping whistleblower information confidential. The Internal Audit Department will first construct a summary of the situation and offer it to the Audit Committee for review and approval. If material that has an impact on the organization is discovered, it must be given to the Board of Directors for further consideration.

# MANAGEMENT STRUCTURE

Management Structure as at 31 December 2023 is as follows:



**Remark:** <sup>1</sup> The Company hired IA Signature Company Limited as an internal auditor until 2023 under the current contract.



The Company's management structure comprise of the Board of Directors and 5 Sub-Committees which are (1) Audit Committee, (2) Nomination and Remuneration Committee, (3) Executive Committee, (4) Risk Management Committee and (5) Good Corporate Governance Committee.

## 1. The Board of Directors

The Company's Board of Directors consist of experts who are valuable to the Company of which 5 directors are independent directors (55.6% of total members) and 8 directors are non-executive directors (88.9% of total members).

As at 31 December 2023, the Board of Directors consisted of:

	Name	Position
1	Dr. Lackana Leelayouthayotin	Chairman / Independent Director
2	Mrs. Pratana Mongkolkul	Vice Chairman / Independent Director / Chairman of Audit Committee
3	Dr. Chatrchai Tuongratanaphan	Independent Director / Chairman of Nomination and Remuneration Committee / Member of Audit Committee
4	Dr. Anuphan Kitnitchiva	Director / Member Good Corporate Governance Committee / Member of Nomination and Remuneration Committee
5	Miss Pornchanok Tanskul <sup>(1)</sup>	Independent Director / Member of Audit Committee / Member of Nomination and Remuneration Committee
6	Mrs. Yayus Sulyanni Mak <sup>(2)</sup>	Independent Director / Chairman of Good Corporate Governance Committee
7	Miss Piyawadee Sonsingh	Director / Member of Good Corporate Governance Committee
8	Mr. Anotai Adulbhan	Director / Member of Nomination and Remuneration Committee
9	Mrs. Worrawan Chaikamnerd	Director / Chairman of Executive Committee / Chairman of Risk Management Committee

**Remark:** <sup>(1)</sup> Miss Pornchanok Tanskul appointed as a member of the Nomination and Remuneration Committee effective from January 20, 2023

<sup>(2)</sup> Mrs. Yayus Sulyanni Mak appointed as a Chairman of Good Corporate Governance Committee effective from January 20, 2023

Miss Nirunchara Yongyuth is a Company Secretary. The appointment was resolved from the Board of Directors' meeting No. 1/2024 on January 9, 2023.

Independent directors are qualified in accordance with the charter of the board of directors and related regulations and notifications. The details of directors described in Appendix 1 (Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, and Corporate Secretary).

### Authorized Directors of the Company

Authorized directors of the Company are "Mr. Anotai Adulbhan or Mrs. Worrawan Chaikamnerd or Miss Piyawadee Sonsingh, two out of the three mentioned directors jointly sign and affixed with the Company's seal"

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

1. Perform duties with responsibility, prudence and integrity for the best interest of the Company, its subsidiaries and all shareholders in undertaking the Company and its subsidiaries' operations in accordance with laws, objectives, the article of association and the resolution of the shareholders' meeting. Ensure that the Company and its subsidiaries fully comply with applicable laws related to its business as well as anti-bribery and anti-corruption law.
2. Ensure that the Company and its subsidiaries implement appropriate and efficient accounting system, financial reporting and auditing and put in place adequate and effective internal control and internal audit systems with regular evaluation of the internal control systems.
3. Provide a financial statement of the companies at the end of each accounting period in order to show financial status and performance in the previous year that is accurate and completed according to the generally accepted accounting standards and audited by the Company's auditor before proposing to the annual general shareholders meeting for consideration and approval.
4. Consider to nominate and appoint independent auditor and determine reasonable remuneration as proposed by the Audit Committee before proposing to the annual general shareholders meeting for consideration and approval.
5. Review and approve business policies, operational targets, direction, business strategies, and annual budget of the Company and its subsidiaries as proposed by the management at least once a year to adapt for economics, market, and changing competitive environment.
6. Continuously monitor the operating results of the Company and its subsidiaries to ensure alignment with goal, direction, policies, business plan, and budget. Evaluate performance of the management regularly including define remuneration and review succession plan at least once a year.
7. Define risk management policy throughout the organization and oversee processes and system to manage risks with proper measures to minimize the impact on the business.
8. Establish supervision mechanic to control and monitor operation of the Company's subsidiaries as part of the Company, also set up the procedures to follow up subsidiaries' management in order to safeguard the Company's interest according to the Capital Market Supervisory Board Announcement on requesting permission or allowing to offer the new stock issued.
9. Ensure that corporate governance policy under good governance principles of the Company and its subsidiaries is put in place in writing and communicated efficiently throughout the Company such as anti-corruption policy, whistleblowing policy and insider information policy to affirm accountability and fairness to all stakeholders.
10. Consider to approve operating expenses of the Company and its subsidiaries as well as delegation of authority table.
11. Provide a written code of conduct and ethics as a standard procedures for all directors, executives and employees. The Board of Directors shall keep monitoring to ensure that code of conduct and ethics are strictly followed.
12. Appoint qualified individuals who does not have any prohibited characteristics as defined in the Public Company Act and the Securities and Exchange Act





including notifications, rules and regulations or procedures related to the appointment in case that a director position is vacant due to other causes apart from an official end of term as a replacement in the following meeting except the remaining term is less than 2 months according to the recommendation from the Nomination and Remuneration Committee.

13. Define the management structure and appoint the Executive Committee, Chief Executive Office and other sub-committees as appropriate, and determine the scope of authority and remuneration of the appointed Executive Committee, Chief Executive Office and other sub-committees.
14. Authorize any director or a group of director or others to perform any act on behalf of the Board of Directors or delegate such stated person the authority as the Board of Directors properly consider within the specified period. The Board of Directors may consider to cancel, revoke, change or amend any authority granted if needed. The delegation of authority, duty and responsibility shall not have any characteristics that enable the authorized person to approve the connected transaction of himself/herself or related person which may have a conflict of interest with the Company or its subsidiaries (as defined in the notifications of the Securities and Exchange Commission, the Capital Market Supervisory Board and/or other related organization) except the transactions that are normal business operation and in general commercial terms with third parties (Arm's Length).
15. Determine and make amendment on the list of authorized directors who can sign to legally bind the Company.
16. Appoint directors of the subsidiaries at least in proportion of the shareholding by such companies. Determine the remunerations, scope of authority, duties and responsibilities of the appointed directors and executives and also determine voting power in

the Board of Directors meeting of the subsidiaries for the significant matter which is required to have approval from the Board of Directors of the Company. Monitor management and administrations of the subsidiaries to operate in accordance with action plan and policy of the Company and supervise to ensure all transactions are conform with the law and related regulations as well as disclosure of financial position and operating results, connected transactions and significant acquisition or disposition of assets correctly. Monitor directors and executives of the subsidiaries to perform such duties in accordance with duties and responsibilities defined by law.

17. Consider and propose the directors' remuneration as recommended by the Nomination and Remuneration Committee to the shareholders' meeting for approval by taking into account all factors such as the Company's strategy and long-term goals, experiences, duties and responsibilities including the expected benefits from each director.

The Company shall not pay any money or assets to the directors unless the remuneration is paid in accordance with the article of association of the Company. In case that it is not mentioned in the article of association, the remuneration payment must be paid in accordance with the approval of the shareholders' meeting by not less than two-third of total votes authorized by shareholders present.

18. Arrange at least six (6) meetings of the Board of Directors per year. All members of the Board of Directors shall attend the meeting to approve all significant transactions unless there is any unavoidable necessity.

The significant transactions as mentioned above including the transactions defined by law which required the resolution of the Board of Directors such as acquisition or disposition of assets of the Company or its subsidiaries which affecting the

Company or its subsidiaries significantly, expansion in investment project, consideration and approval of connected transactions as per criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand, determination of level of authority, establishment of financial management and risk management policy of the Company and its subsidiaries.

19. Appoint the corporate secretary and define duties and responsibilities of such person to operate in the name of the Company or the Board of Directors such as preparing and safekeeping the registration of the directors, invitation letter of the board or shareholders and minutes of such meeting together with recording the report of conflicts of interests, etc.
20. Consider and approve the acquisition or disposition of assets of the Company or its subsidiaries, new business investment and any other operations in accordance with laws, notifications, regulations and/or applicable regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand including other related regulations.
21. Consider and/or give a comment on connected transactions between the Company, its subsidiaries or the related parties as defined by the Securities and Exchange Act including notifications, regulations and/or regulations relevant to Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand. Consider and approve trade agreement principles which are general trading condition of such transactions between the Company and its subsidiaries, associated companies with directors, executives or its related person in order to determine the operating framework of the Board of Directors and administrative department with authority to make such transactions under scope of law and related regulations. Consider and/or give a comment on the

company's other transactions (otherwise value of the transaction is not in the condition required an approval from the shareholders meeting) in order to comply with the law, announcement, regulations and other related regulations

22. Monitor, control and prevent conflict of interests among the stakeholders of the Company and its subsidiaries. Nevertheless, solve the conflict of interests along with the wrongfully use of the Company and its subsidiaries' assets and incorrect acts in the transaction between related party which connected to the Company and/or its subsidiaries.
23. Arrange the Annual General Meeting of Shareholders within 4 months after the Company's accounting period ends.
24. Disclose information which appropriate to the stakeholders, the person who has conflict of interests and any related parties including the significant information to the shareholders in the form of financial statement and other reports prepared for the shareholders appropriately. Such information must be firstly published in the Stock Exchange of Thailand system and may also be published through the Company's website. Appoint a person to take responsibilities in providing information to investors. In addition, the Board of Directors must publish information accurately, completely, appropriately and timely.
25. Prepare annual reports of the Board of Directors and be responsible for preparation and disclosure of financial statements to present financial position and performance of the Company during the past year and propose to the shareholders' meeting for approval.
26. Seek for independent opinions from professional advisors as needed with the Company or its subsidiaries' expenses which comply with the Company or its subsidiaries' procedures.

27. Consider and approve interim dividend for the shareholders when the Company has enough profit and report the payment of such dividend to the following shareholders' meeting.

### **Duties and Responsibilities of the Chairman of the Board of Directors and Chief Executive Officer**

To ensure checks and balances between the Board of Directors and the management, the Company prescribes that the Chairman of the Board and the Chief Executive Officer are not the same person. The Chairman of the Board acts as the head of the Board of Directors in supporting the management's operation, but is not involved in daily operation which is the duty of the Chief Executive Officer. The authority and duties of both positions are segregated as follows:

### **Duties and Responsibilities of the Chairman of the Board of Directors**

1. Control the meeting to be effective in accordance with the regulations, Articles of Association, support and allow directors to ask questions and express their opinions independently. Take control of the discussions and summarize the resolution of the meeting.
2. The Chairman of the Board or the person assigned by the Chairman of the Board has the duty to call the meeting of the Board of Directors by sending the meeting invitation letter not less than 7 days prior to the meeting so that the directors have enough time to study, consider, and make the right decisions in various matters at the Board meeting.
3. Support and promote the Board of Directors to perform their duties to the best of their abilities according to the scope of duties and responsibilities and in accordance with good corporate governance principles.

4. Oversee and monitor the operation of the Board of Directors and sub-committees to achieve the objectives.
5. In the event that the votes are tied, the presiding Chairman is entitled to the casting vote.

### **Duties and Responsibilities of Chief Executive Officer**

1. Monitor, manage, operate and conduct the regular business including oversee and control overall operation in accordance with the Company's objectives and Articles of Association, regulations, policies, plans and budget approved by the Board of Directors and/or the shareholders' meeting under the related laws and scopes defined by the Board of Directors.
2. Follow up, verify and evaluate the performances of the Company and its subsidiaries to ensure the good performances according to the goals set and report to the Board of Directors on a regular basis.
3. Determine visions, policies, business directions, strategies, business plans and budget of the Company and its subsidiaries to the Executive Committee and the Board of Directors.
4. Develop the organization's good performance and operating results with consistent improvement for the sustainable growth.
5. Issue internal orders, announcements, and memorandums for the Company's operation to be in line with the policy of the Board of Directors and for the benefits of the Company. Oversee the performance of the employees in accordance with the policies, rules, and regulations under the good governance principles.
6. Determine the organization structure, set up the procedures for recruiting, training, hiring, appointing,

transferring and terminating employees. Determine the scope of duties and appropriate remuneration for employees in all levels and have duty to evaluate performance of top management level and lower. Chief Executive Officer has duty to present this organization structure to the Board of Directors for approval and take actions according to the approval by the Board.

7. Determine the trade agreement principles for the benefits of the Company. Consider, negotiate and approve any agreement and/or general business operation related within authorization and the amount set in Table of Authority.

8. Consider investment opportunity and/or new business investment, dissolution or joint investment thorough technical and financial studies appropriately and completely to support the decision making and to present and seek for approval from the Board of Directors.
9. Conduct other duties assigned by the Board of Directors and/or sub-committees and have authority to take necessary actions for the duties.
10. Sub-authorize and/or authorize other person to take action on behalf of the Chief Executive Officer within the scope of authority specified in the power of attorney and/or rules, regulations or resolutions of the Board of Directors and/or sub-committee and/or the Company guidelines for flexibility.

## 2. Sub-Committees

### Audit Committee

As at 31 December 2023, the Audit Committee of the Company consisted of 3 independent directors with complete qualifications according to the notification of the Capital Market Advisory Board and the Stock Exchange of Thailand as listed below.

	Name	Position
1	Mrs. Pratana Mongkolkul	Chairman of Audit Committee
2	Dr. Chatrchai Tuongratanaphan	Member of Audit Committee
3	Ms. Pornchanok Tanskul	Member of Audit Committee

Mrs. Pratana Mongkolkul has enough knowledge and experience to review the reliability of the financial statements and Ms. Pornchanok Tanskul is the secretary of the Audit Committee.

### Duties and Responsibilities of the Audit Committee

1. Review the accuracy and adequacy of the Company's financial reporting by working with external auditors and executives who are responsible for preparing

quarterly and annual financial reports. The Audit Committee may advise the auditors to review or examine any transaction that is considered significant and necessary during the accounting audit period of the Company.

2. Review the significant extraordinary transactions in the past year (if any) by considering transactions' reasonableness and the impact to the financial position and performance as well as the accuracy and completeness of information disclosure.



3. Review the Company's internal control and internal audit systems to ensure they are appropriate and effective.
4. Consider the independence of the internal audit as well as consider to approve the appointment, transfer and termination of the head of the internal audit department or any other unit in charge of internal audit.
5. Consider and give consent on annual budget, headcount and necessary resources in the operation of the internal audit department, approve annual audit plan and its significant revision, monitor the performance of the internal audit department which should be in accordance with the approved annual audit plan as well as the international professional auditing standards, evaluate the performance of the internal audit every year and engage the external independent agency to assess the internal audit work at least every 5 years. Moreover, the Audit Committee shall meet with the head of internal audit, without the presence of management, at least once a year to discuss on significant matters.
6. Ensure the Company's compliance to the laws on securities and exchange, regulations, announcements and/or related regulations of Securities and Exchange Commission (SEC), the Capital Market Supervisory Board and the Stock Exchange of Thailand and/or any laws related to the Company and its subsidiaries' business. Review the subsidiaries and associated companies to ensure that they are operating in accordance with regulations and corporate governance policies, as well as the management of the subsidiary/associated companies that operate on the main business.
7. Consider, nominate and propose the appointment of the independent person as the Company's external auditor and propose the remuneration of the auditor. Attend the meeting with auditors without the presence of management at least once a year to acknowledge the result of quarterly review and annually audit and also to discuss on any problem or issue that the auditor might have during performing audit.
8. Review connected transactions or transactions with possible conflict of interest, including consideration of requirements and termination of transactions that differ significantly from the terms of the termination considered prior to the transaction. Review the acquisition or disposition of the Company and its subsidiaries to comply with the laws, announcements, regulations and/or regulations relevant to Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand to ensure that the aforementioned transaction is reasonable and maximizes the company's benefit. If the Audit Committee lack of expertise to consider connected transactions that may occur or such transactions, the Company will arrange for independent experts or the Company's auditors to provide opinions on such transactions for consideration or decision-making by the Audit Committee.
9. Review and monitor risk management as well as evaluate performance to manage risk by the Risk Management Committee.
10. Request information from various departments of the Company and its subsidiaries for further consideration, invite relevant person such as the directors, management, executives, the Company's lawyer, the external lawyer, or employees of the Company and/or other related persons to attend the meeting to discuss and clarify information, deliver and provide relevant information under the scope of duties assigned by the Board of Directors.
11. Perform other duties as required by laws or additionally prescribed in the future or assigned by the Board of Directors with the agreement of the Audit Committee.

## The Nomination and Remuneration Committee

As at 31 December 2023, the Nomination and Remuneration Committee consisted of 4 members as following:

	Name	Position
1	Dr. Chatrchai Tuongratanaphan	Chairman of Nomination and Remuneration Committee
2	Dr. Anuphan Kitnitchiva	Member of Nomination and Remuneration Committee
3	Mr. Anotai Adulbhan	Member of Nomination and Remuneration Committee
4	Miss Pornchanok Tanskul <sup>(1)</sup>	Member of Nomination and Remuneration Committee

**Remark** <sup>(1)</sup> Miss Pornchanok Tanskul appointed as a member of the Nomination and Remuneration Committee effective from January 20, 2023

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

1. Define the criteria and policy for recruiting the Company's directors and sub-committee members by considering number, structure and composition of the committee and determine the qualifications of the directors that are appropriate for the size, type and complexity of the business including adjustment to align with the changing environment then to propose to the Board of Directors and/or shareholders' meeting (case by case).
2. Determine qualifications and criteria to recruit persons who are qualified with the regulations and relevant laws then propose to the Board of Directors and/or the shareholders' meeting to consider appointment in such positions such as the Company's directors, sub-committee members who are delegated duties and responsibilities directly from the Board of Directors and chief level or higher. The consideration and recruitment must be conducted openly, transparent and without prejudice.
3. Consider the independency and qualifications of each independent director to ensure the person is qualified and meets criteria of regulations and/or relevant laws.
4. Prepare the development plan for directors to enhance and develop their knowledge and skills to understand their roles and responsibilities, business, economic condition, technology, relevant laws and regulations.
5. Prepare a succession plan for chief level to ensure continuity of work, smooth replacement and disclose the policy and detail of recruitment process.
6. Consider the necessary and appropriate remuneration determination both monetary and non-monetary of the Company's directors, members of the sub-committee and chief level individually including other benefits. The remuneration of the Board of Directors is based on duties and responsibilities, performance, and compared with the compensation of other companies in the same industry and expected benefits from directors. Then, propose to the Board of Directors to consider and approve and/or propose to the shareholders' meeting for approval.
7. Establish guidelines to evaluate performance of the Company's directors, members of the sub-committee and chief level or higher to consider annual





compensation adjustment with consideration of responsibilities and risks involved as well as increasing of long-term value of shareholders' equity.

8. Disclose remuneration policy and all compensations including a report of remuneration determination which at least has detail of goal, operation and

opinion of the Nomination and Remuneration Committee in the annual report of the Company.

9. Conduct other duties assigned by the Board of Directors and agreed by the Nomination and Remuneration Committee.

## The Executive Committee

As at 31 December 2023, the Executive Committee consisted of 5 members as following:

	Name	Position
1	Mrs. Worrawan Chaikamnerd	Chairman of Executive Committee
2	Miss Naruemol Sukkamolwatana	Executive Committee
3	Miss Wipaporn Niamla-ong	Executive Committee
4	Mr. Jirawat Nunthiphatprueksa <sup>(1)</sup>	Executive Committee
5	Miss. Nutthinee Jenwattanavech <sup>(2)</sup>	Executive Committee

**Remark** <sup>(1)</sup> Mr. Jirawat Nunthiphatprueksa appointed as a member of Executive Committee effective from April 26, 2023

<sup>(2)</sup> Miss. Nutthinee Jenwattanavech appointed as a member of Executive Committee effective from Dec 21, 2023

## Duties and Responsibilities of the Executive Committee

1. Manage the Company and its subsidiaries' business according to the objectives, requirements, policies, rules, regulations, commands and resolutions of the Board of Directors' meeting.
2. Propose goals, policies, business plan including business strategy direction, financial targets and annual budget to the Board of Directors to consider and approve. Supervise, validate and control the business operations of the Company and its subsidiaries in accordance with defined goals, policies and business plans. Control the Company's expenditure as per approved budget and report to the Board of Directors every quarter.
3. Assess possibility and evaluate any opportunity for investment in new projects or new businesses by conducting a proper and completely technical and financial study to support for consideration to invest or divest then propose to the Board of Directors. Monitor the performance and progress of the investment project and report the results including the problem or issue occurred with the solution to the Board of Directors for acknowledgement.
4. Define procedures and transactions between the Company or its subsidiaries and the major shareholders, directors and management of the Company and those related to such persons

appropriately to prevent the benefit transferred, then propose to the Board of Directors to approve in principles and ensure compliance of principles and requirements approved by the Board of Directors.

5. Provide necessary information of the Company and present to the Board of Directors and shareholders for consideration and also prepare reliable financial reports as per transparent standard.
6. Consider to propose the Board of Directors to approve the entering into any financial transactions with financial institutions for opening account, loans, withdrawing money from all accounts of the Company and utilizing the credit and using the Company's

securities as collateral for such loans whether registered or unregistered for business purpose. In addition to entering legal contract, submission, contact and take action with the government agency to obtain any rights of the Company and/or proceed on related matters within the approved limit and/or in accordance with the Delegation of Authority table determined by the Board of Directors and/or relevant laws and regulations and/or the article of association of the Company.

7. Review risk management and internal control system of the Company.
8. Perform other duties as assigned by the Board of Directors.

## The Risk Management Committee

As at 31 December 2023, the Risk Management Committee consisted of 5 members as following:

	Name	Position
1	Mrs. Worrawan Chaikamnerd	Chairman of Risk Management Committee
2	Miss Naruemol Sukkamolwatana	Risk Management Committee
3	Miss Wipaporn Niamla-ong	Risk Management Committee
4	Mr. Jirawat Nunthiphatprueksa <sup>(1)</sup>	Risk Management Committee
5	Miss. Nutthinee Jenwattanavech <sup>(2)</sup>	Risk Management Committee

**Remark** <sup>(1)</sup> Mr. Jirawat Nunthiphatprueksa appointed as a member of Risk Management Committee effective from May 31, 2023

<sup>(2)</sup> Miss. Nutthinee Jenwattanavech appointed as a member of Risk Management Committee effective from Dec 6, 2023

## Duties and Responsibilities of the Risk Management Committee

1. Scrutinize, consider, review and identify significant risks of the Company's business operations that may arise from either internal or external environments. Determine prevention methods and risk management policies and propose to the Board of Directors by providing assessment, monitoring, and overseeing the risk level to be at appropriate level.
2. Coordinate with the Audit Committee in providing information on significant risks and internal control

so that the Audit Committee can deliberate and approve the internal audit plan to ensure with reasonable assurance that the Company has the internal control system which is suitable for risk management also including the implementation of the risk management system appropriately and encouraging sustainable behavior change across organization.

3. Continuously report the risk assessment and operation results to minimize risk to the Board of Directors. In case that there is an essential circumstance that affected the financial position and the Company's performance, the Risk Management Committee ought to report to the Board of Directors for consideration at the earliest convenience
4. Provide insights, and consistently instilling risk management to the executives, along with employees in the Company and its subsidiaries.

## The Corporate Governance Committee

As at 31 December 2023, the Corporate Governance Committee consisted of 3 members as following:

	Name	Position
1	Mrs. Yayus Sulyanni Mak <sup>(1)</sup>	Chairman of Good Corporate Governance Committee
2	Dr. Anuphan Kitnitchiva	Member of Good Corporate Governance Committee
3	Miss. Piyawadee Sonsingh	Member of Good Corporate Governance Committee

**Remark** <sup>(1)</sup> Mrs.Yayus Sulyanni Mak appointed as a Chairman of Good Corporate Governance Committee effective from January 20, 2023

## Duties and Responsibilities of the Corporate Governance Committee

1. Establish corporate governance policies and guidelines. including key operating procedures related to good corporate governance, social and environmental responsibility, and sustainability development in accordance with the Company's principles, standards, and guidelines for corporate governance, as well as the good corporate governance principles of the Securities and Exchange Commission's and the Stock Exchange of Thailand.
2. Supervise, advise, monitor and evaluate corporate governance, social and environmental responsibility, and sustainability development performance for efficiency and also raising the Company's corporate governance system to international standards.
3. Raise the Board of Directors' awareness of roles and responsibilities and promote a culture of good governance and social and environmental responsibility as well as participation of the Board of Directors. Executives and employees at all levels.

### 3. The Executive Committee

As at 31 December 2023, the Executive Committee consisted of 7 members as following:

	Name	Position
1	Mrs. Worrawan Chaikamnerd	Chief Executive Officer / Acting Chief Commercial Officer
2	Mr. Thanayus Leeraphan	Chief Marketing Officer
3	Miss Naruemol Sukkamolwatana	Chief Operating Officer
4	Miss Wipaporn Niamla-ong	Chief Financial Officer
5	Mr. Jirawat Nunthiphatprueksa <sup>(1)</sup>	Chief Commercial Officer
6	Miss. Nutthinee Jenwattanavech <sup>(2)</sup>	Chief Marketing Office
7	Miss Wilaiporn Wongpokhom <sup>(3)</sup>	Senior Accounting & Finance Manager

**Remark** <sup>(1)</sup> Mr. Jirawat Nunthiphatprueksa appointed as a Chief Commercial Officer effective from March 17, 2023

<sup>(2)</sup> Miss. Nutthinee Jenwattanavech appointed as a Chief Marketing Office from October 2, 2023

<sup>(3)</sup> Miss Wilaiporn Wongpokhom appointed as a Senior Accounting & Finance Manager from March 17, 2023

The details of directors described in Appendix 1 (Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, and Corporate Secretary).

### 4. Company Secretary

The Board of Directors Meeting No. 1/2024 on 9 January 2024 has resolution to appoint Miss Nirunchara Yongyuth as Company Secretary. Pursuant to the Securities and Exchange Act B.E. 2535 in section 89/15 and 89/16. Scope of duties and responsibilities of the Company Secretary are specified below.

1. Manage and keep the Company's documents:
  - (a) Director registration record,
  - (b) Invitation letter and minutes of the Board of Directors' Meeting
  - (c) The Company's annual report
  - (d) Invitation letter and minutes of the Shareholders' Meeting
2. Keep reports of interests on directors and executives or other reports in accordance with the laws, rules, charters or internal policies.



3. Submit copied reports of interests on directors and executives to Chairman of the Board of Directors and Chairman of the Audit Committee within 7 days after receiving the reports.
4. Provide information and supervise the Board of Directors and executives in accordance with the laws and the Company's rules and regulations and follow up on a regular basis to ensure that all are complied with the laws and related rules and regulations correctly. Inform directors and executives of any changes in regulations related to them.
5. Arrange shareholders' meetings and the Board of Directors' meetings in accordance with the laws, the Article of Association and related practices to ensure compliance with good corporate governance.
6. Record minutes of shareholders' meetings and the Board of Directors' meetings as well as ensure that all resolutions have been implemented.
7. Provide advisors or expertise from external to supervise the Board of Directors and provide support for all directors and executives to attend training courses in their relevant areas.
8. Supervise the Board of Directors in accordance with good corporate governance principles and evaluate the performances.
9. Ensure all information and report disclosed to related parties correctly.
10. Communicate to shareholders to ensure they receive information related to their rights and all news update and coordinate between shareholders, the Board of Directors and executives.
11. Ensure all policies and strategies are communicated and implemented.
12. Ensure effective evaluations for the Board of Directors' performance and report to the Board of Directors accordingly.
13. Perform other duties as assigned by the Board of Directors or other duties in accordance to laws, related rules and regulations and/or announced by the Capital Market Advisory Board.

## 5. Meeting Attendance and Remuneration of Directors

### Meeting Attendance of the Board of Directors and Sub-Committees in 2023

Directors		Position in the Board of Directors and Sub-Committees	Meetings						
			Shareholders' Meeting	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Executive Committee	Risk Management Committee
1	Dr. Lackana Leelayouthayotin	Chairman / Independent Director	1/1	4/4	-	-	-	-	-
2	Mrs. Pratana Mongkolkul	Vice Chairman / Independent Director / Chairman of Audit Committee	1/1	4/4	4/4	-	-	-	-
3	Dr. Chatrchai Tuongratanaphan	Independent Director / Chairman of Nomination and Remuneration Committee / Member of Audit Committee	1/1	4/4	3/4	2/2	-	-	-
4	Dr. Anuphan Kitnitchiva	Independent Director / Member of Good Corporate Governance Committee / Member of Nomination and Remuneration Committee	1/1	4/4	-	2/2	-	-	-
5	Miss Pornchanok Tanskul	Independent Director / Member of Audit Committee / Member of Nomination and Remuneration Committee	1/1	4/4	4/4	-	-	-	-
6	Mrs. Yayus Sulyanni Mak	Independent Director / Chairman of Good Corporate Governance Committee	1/1	4/4	-	-	-	-	-
7	Miss Piyawadee Sonsingh	Director / Member of Good Corporate Governance Committee	1/1	4/4	-	-	-	-	-
8	Mr. Anotai Adulbhan	Director / Member of Nomination and Remuneration Committee	1/1	4/4	-	2/2	-	-	-
9	Mrs. Worrawan Chaikamnerd	Director / Chairman of Executive Committee / Chairman of Risk Management Committee	1/1	4/4	-	-	-	8/8	4/4





Directors		Position in the Board of Directors and Sub-Committees	Meetings						
			Shareholders' Meeting	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Executive Committee	Risk Management Committee
10	Miss Naruemol Sukkamolwatana	Member of Executive Committee / Member of Risk Management Committee	1/1	-	-	-	-	8/8	4/4
11	Miss Wipaporn Niamla-ong	Member of Executive Committee / Member of Risk Management Committee / Company Secretary	1/1	-	-	-	-	8/8	4/4
12	Mr Jirawat Nunthiphatprueksa	Member of Executive Committee / Member of Risk Management Committee						5/8	3/4
13	Miss Nutthinee Jenwattanavech	Member of Executive Committee / Member of Risk Management Committee						1/8	1/4

## Remuneration for Directors

The Board of Directors has established a Nomination and Remuneration Committee to nominate persons with appropriate qualifications to be directors, sub-committee members, Chief Executive Officer, and senior executives of the Company as well as consider the types and criteria for payment of remuneration to directors, sub-committee members in the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, Chief Executive Officer, and senior executives as deemed appropriate for their duties and responsibilities, work achievements linking with operating results and

other related factors and benchmarking with other companies in the same or similar industry to propose its opinions to the Board of Directors and/or to the shareholders meeting for consideration and approval.

### (1) Monetary Remuneration

The Annual General Meeting of Shareholders 2023 on 25 April 2023 has passed a resolution to determine remuneration for the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee and the Corporate Governance Committee as follow:

Directors	Remuneration <sup>(1)</sup>	
	Chairman	Directors
Monthly Remuneration	15,000	10,000
Meeting Allowance (per time) <sup>(2)</sup>		
- The Board of Directors	17,500	12,500
- The Audit Committee	15,000	10,000
- The Nomination and Remuneration Committee	12,000	7,000
- The Corporate Governance Committee	12,000	7,000

**Remark** <sup>(1)</sup> Meeting allowances for directors and sub-committee members were paid based on actual attendance

Those who are executive directors will not be entitled to such monthly remuneration and meeting allowances because they already are remunerated in their capacity as employees.

For the year-ended 31 December 2023, the Company paid remuneration to 8 directors with the amount of Baht 1,829,500 as monthly remuneration and meeting allowances as per below details:

Directors		Position in the Board of Directors and Sub-Committees	Total Remunerations as of 31 December 2023		Total
			Monthly Remuneration	Meeting Allowances	
1	Dr. Lackana Leelayouthayotin	Chairman / Independent Director	180,000	105,000	285,000
2	Mrs. Pratana Mongkolkul	Vice Chairman / Independent Director / Chairman of Audit Committee	120,000	135,000	255,000
3	Dr. Chatrchai Tuongratanaphan	Independent Director / Chairman of Nomination and Remuneration Committee / Member of Audit Committee	120,000	126,500	246,500
4	Dr. Anuphan Kitnitchiva	Independent Director / Chairman of Good Corporate Governance Committee / Member of Nomination and Remuneration Committee	120,000	89,000	209,000



Directors		Position in the Board of Directors and Sub-Committees	Total Remunerations as of 31 December 2023		Total
			Monthly Remuneration	Meeting Allowances	
5	Miss Pornchanok Tanskul	Independent Director / Member of Audit Committee	120,000	115,000	235,000
6	Mrs. Yayus Sulyanni Mak	Independent Director / Member of Good Corporate Governance Committee	120,000	75,000	195,000
7	Miss Piyawadee Sonsingh	Director / Member of Good Corporate Governance Committee	120,000	75,000	195,000
8	Mr. Anotai Adulbhan	Director / Member of Nomination and Remuneration Committee	120,000	89,000	209,000
9	Mrs. Worrawan Chaikamnerd <sup>(1)</sup>	Director / Chairman of Executive Committee / Chairman of Risk Management Committee	-	-	-
Total			1,020,000	8,095,000	1,829,500

Remark <sup>(1)</sup> Executive director is not entitled to directors' remuneration as she already is remunerated in her capacity as employee.

## (2) Other remuneration

- None -

## 6. Remuneration for Executives

### (1) Monetary Remuneration

The Company paid remuneration for 6 Executives (exclude Accounting and Finance Manager) for the year-ended 31 December 2023 at the amount of Baht 26.86 million. The remunerations consist of salary, bonuses, car allowances and contributions to provident fund.

### (2) Other remuneration

The Company issued and offered its executives and employees 18,000,000 units of ESOP warrants under KISS ESOP program with the exercise price of Baht 7.20

per share according to the resolution of the Extraordinary General Shareholders' Meeting 2/2020, on 14 July 2020 in order to motivate and reward its executives and employees to create value of the Company and the shareholders. The number of warrants allocated may be varied depends on position, experiences, year of service, performance, potential and value created for the Company. ESOP warrants are valid for 5 years and the warrant holder can purchase the ordinary share of the Company at the exercise ratio of 1 unit of warrant to 1 ordinary.

KISS ESOP is allocated to 5 executives, totaling 51% of total warrants issued. All warrant holders can exercise the ESOP warrants amount to 0%, 10%, 40%, 70% and 100% during year 1-5 respectively. The Company has registered ESOP warrant transfer limitation already.

## 7. Employees

### Number of Employees

As of 31 December 2023, the Company had total number of 145 employees, details as shown below.

No.	Department	Number of Employees as at 31 December 2023
1	Executives	6
2	Accounting and Finance	16
3	Marketing and New Product Development	19
4	Sales	28
5	Human Resources	5
6	Information Technology	1
7	Supply Chain	7
8	Distribution	8
9	Warehouse	10
10	Logistics	7
11	QC&QA	7
12	Packing Planning	5
13	Daily Packing	26
Total		145

### Remuneration for the Employees

The Company paid remuneration for employees (exclude 6 Executives) for the year-ended 31 December 2023 at the amount of Baht 67.1 million. The remunerations consist of salary, bonuses, overtime, allowances, contributions to provident fund and employee benefits such as phone and travelling allowances.

### Provident Fund

The Company supports the Provident Fund Committee in selecting a fund manager who abides by the Investment Governance Code (“I Code”) and manages investments with responsibility by taking into account the environmental, social, and governance (“ESG”) dimensions, which will lead to efficient investment management with consideration



on returns and utmost benefits of the members of the Company's provident fund in the long run. The Company appointed SCB Asset Management Co., Ltd. as fund manager for the provident fund of the Company under the fund name SCB Master Fund. As at 31 December 2023, there were 55 employees joined provident fund program, accounted for 53.2% of total employee of the Company.

## People Development Policy

The Company has people development policy to develop all employees competency, knowledge, skills and abilities appropriated to their jobs. The Company places a significance on developing its employees to grow and develop together by supporting all training and seminar both in house and with external organization suited for employees' needs and expertise.

## Other Important Information

### Persons in Charge

- Person in charge of finance and accounting  
Ms. Wipaporn Niamal-ong Chief Financial Officer  
(Details as in Appendix 1)
- Person in charge of company secretary  
Ms. Nirunchara Yongyuth Company Secretary  
(Details as in Appendix 1)

- Person in charge of accounting  
Ms. Wilaiporn Wongpokhom Senior Accounting and Finance Manager (Details as in Appendix 1)
- Internal Auditor  
The Company hired Mr. Sutee Tanwanichkul of IA Signature Company Limited as internal auditor until year 2023.
- Investor Relation  
Ms. Kitiya Chalernpakittinun Investors Relation Assistant Manager  
Contact Investor Relation -  
E-Mail : IR@rojukiss.com Tel. 02-6451155

### Compensation for the Auditor

- **Audit Fee**  
The Company paid audit fee to PricewaterhouseCoopers ABAS Limited for the past year totaling of Baht 3,190,000 (include subsidiaries) excluded other expenses.
- **Non-Audit Fee**  
The Company has no other services apart from audit fee.

# REPORT ON CORPORATE GOVERNANCE

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## Performance Summary of the Board of Directors for the Previous Year

The Board of Directors has reviewed and set vision and mission of the Company in order to have them consistent and appropriate to the business operation in the future along with the good corporate governance guidelines. The Board of Directors has appointed sub-committees to increase competitiveness, create organizational culture and values, enhance the efficiency of internal control system and organizational risk management. In addition, the performance evaluation of the Board of Directors and the sub-committees has also been organized in the previous year to reflect the transparent operation in accordance with the duties and responsibilities. The evaluation form was assessed by the Nomination and Remuneration Committee based on the example of the Board of Directors' Self-Evaluation Form recommended by the Stock Exchange of Thailand.

## Nomination, Development and Performance Evaluation of the Board of Directors

### Nomination of Directors

To nominate directors, the Nomination and Remuneration Committee, which consists of 2 independent directors out of 3 members of the Nomination and Remuneration Committee, will consider persons with qualifications stipulated in the Board of Directors Charter pursuant to the law and the Company's skill matrix as in line with its business strategy in different areas as follows:

- 1) Business understanding and knowledge in related areas such as beauty and cosmetics product, health product, retail business and international business
- 2) Marketing and business administration
- 3) Technology
- 4) Accounting and finance
- 5) Laws and regulations
- 6) Economics and government policy
- 7) Knowledge in money market and capital market
- 8) Corporate governance

After careful consideration, the Nomination and Remuneration Committee will propose the names of those persons to the Board of Directors meeting for consideration. The Board of Directors will at its discretion consider and screen those names to ensure that the director nominees have qualifications that are suitable for the Company's business to be proposed to the shareholders' meeting for further consideration and selection with the following rules and procedures:

- 1) Each shareholder has a vote equal to 1 share per 1 vote.
- 2) The shareholders may exercise their votes to select only one person or many persons to be director (s) but not greater than the total number of directors being elected at that time. In the event the shareholders exercise their votes to select more than one person to be directors, allocation of votes in favor for a specific person is not allowed.





- 3) The persons obtaining the highest votes in descending order shall be elected as directors, but total number of directors shall not exceed the total number of directors required at that time, otherwise the Chairman of the meeting shall cast the vote to determine the total number.

### Nomination of Independent Directors

The Company has defined the composition of the Board of Directors to include independent directors at least one-third of the total numbers of directors. In the nomination of independent directors, the Company considers the person with qualifications as follows:

- 1) Not holding more than 1% of the total outstanding voting shares of the Company, subsidiary, associated company, major shareholders or controlling person including shares held by related persons of the independent directors.
- 2) Neither being nor having been an executive director, officer, employee, advisor who receives a salary of the Company or controlling person of the Company, subsidiary, associated company, a same level subsidiary, major shareholder or controlling person, unless the foregoing status ended not less than 2 years prior to the date of appointment.
- 3) Not being a person related by blood or registration under law, such as a father, mother, spouse, sibling, or child, including spouses of children of directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives or controlling persons of the Company or its subsidiaries.
- 4) Not having nor having had a business relationship with the Company, its subsidiary, associated company, major shareholder or controlling person, in a manner which may interfere with his or her independent judgment, and neither being nor having

been a substantial shareholder or controlling person of any entity having business relationship with the Company, subsidiary, associated company, major shareholder or controlling person, unless the foregoing status ended not less than 2 years prior to the date of appointment.

The term “business relationship” as aforementioned includes any normal business transaction, rental or lease of immovable properties, transaction relating to assets or services, or grant or receipt of financial support through receiving or extending loans, guarantee, providing assets as collateral including any other similar action of which value more than 3% of the net tangible assets or exceeds Baht 20 million, whichever is lower. The value of each transaction is based on the calculation method for the values of related party transactions under the Announcement of the Thai Capital Market Supervisory Board regarding the related party transactions. Under the regulation, all transactions occurring within 1 year of preceding transactions must be included in such calculation.

- 5) Neither being nor having been an auditor of the Company, its subsidiary, associated company, major shareholder or controlling person nor being a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its subsidiary, associated company, major shareholder or controlling person, unless the foregoing relationship ended not less than 2 years from the date of appointment.
- 6) Neither being nor having been any kind of professional advisor including a legal advisor or financial advisor who receives an annual service fee exceeding Baht 2 million from the Company, its subsidiary, associated company, major shareholder or controlling person and neither being nor having been a substantial shareholder, controlling person or partner of the professional advisor, unless the

foregoing relationship ended not less than 2 years from the date of appointment.

- 7) Not being a director who has been appointed as representative of the Company's directors, major shareholders, or shareholders who are related to the major shareholders.
- 8) Not conducting any businesses which have the same nature as or are in competition with the Company's or its subsidiaries or neither being significant partner in a partnership, executive director, employee, officer, or consultant who receives regular salary, shareholder holding more than 1% of the voting shares of business which have the same nature as or in competition with the Company or its subsidiaries.
- 9) Not having any characteristics that could prevent him/her from giving independent opinions concerning the Company's operation.

In the past fiscal year, none of independent directors have business relationship or provide any professional advisory service with the annual fee exceeding Baht 2 million from the Company.

### Nomination of High-level Executives

The Board of Directors has considered and assigned the Nomination and Remuneration Committee to consider the criteria and methods for recruiting qualified persons to be high-level executives and nominate persons who deem appropriate together with reasons for the Board of Directors to consider and appoint them. In reviewing selection criteria, knowledge, skills, experiences that are beneficial to the Company, understanding of the Company's business and ability to manage the work to achieve the goals set by the Board of Directors shall be considered.

## Performance Evaluation of the Board of Directors and High-level Executive

### Evaluation of the Board of Directors' Performance

As the Company has defined in the charter of the Board of Directors and sub-committee that the Board of Directors and the sub-committee shall evaluate its performance on an annual basis. The result of the assessment shall be presented to the Nomination and Remuneration Committee and then to the Board of Directors for acknowledgement and the recommendations from the performance evaluation will be used to improve the performance of the Board of Directors to be the most effective. For the year 2023, the performance evaluation was done by a collective performance evaluation, individual performance evaluation and a sub-committee performance evaluation as follows:

#### 1) Collective Performance Evaluation

The collective performance evaluation consists of 4 topics: (1) Structure and qualifications of the Board of Directors (2) The meetings of the Board of Directors (3) The roles and responsibilities of the Board of Directors and (4) Relationship with the executives. The results of the Board of Directors' collective performance evaluation for the year 2023 showed an average score of 85.4%.

#### 2) Individual Performance Evaluation

The individual performance evaluation consists of 3 topics: (1) Structure and qualifications of the Board of Directors (2) The meetings of the Board of Directors and (3) The roles and responsibilities of the Board of Directors. The results of the Board of Directors' individual performance evaluation for the year 2023 showed an average score of 85.4%.

#### 3) Sub-committee Performance Evaluation

The sub-committee performance evaluation consists of 3 topics: (1) Structure and qualifications of the sub-committee (2) The meetings of the sub-

committee and (3) The roles and responsibilities of the sub-committee. The results of the sub-committee performance evaluation for the year 2023 of the Audit Committee, the Corporate Governance Committee and the Nomination and Remuneration Committee showed an average score of 93.6%, 81.0% and 87.3% respectively.

### High-level Executive Evaluation

The Board of Directors evaluates the performance of the Chief Executive Officer in order to monitor whether the performances of the Chief Executive Officer are in accordance with the Company's short and long-term goals. The evaluation helps to determine remuneration of the Chief Executive Officer to be transparent and suitable for each individual performance and strengthen the corporate governance of the Company. The recommendations from the performance evaluation will be used further to improve efficiency of work.

### Supervision and Governance of Subsidiaries and Associated Companies

The Company has set rules that the nomination and appointment of representatives to be directors in its subsidiaries and associated companies must be approved by the Board of Directors. The representatives appointed as directors in subsidiaries and associated companies are responsible for the best interests of those subsidiaries and associated companies. The representatives appointed as directors must be approved by the Board of Directors prior to voting or exercise the right to vote on important matters at the same level as requiring the approval of the Board of Directors if it is operated by the Company itself. The nomination of representatives in subsidiaries and associated companies is in proportion to the Company's shareholding.

In addition, in the case of subsidiaries, the Company has established regulations that representatives appointed by the Company must supervise the subsidiaries to have regulations on connected transactions, acquisition or

disposition of assets or any other important transactions of the subsidiaries to be complete, correct and apply the rules relating to the disclosure of information and the above transactions in the same manner as the Company's criteria. These include the need to supervise the data collection and accounting records of subsidiaries for the Company to be able to audit and prepare the consolidated financial statements on a timely basis.

### Monitoring Compliance with the Corporate Governance Policy and Practices

#### 1) Prevention of Conflict of Interest

The Company has in place a policy to prevent conflict of interest based on prudence, honesty, rationale and independence within the ethical framework for the Company's interests. The policy stipulates that a person who may have conflict of interest and/or a connected person as well as related parties involving in a transaction who discloses the information on the interests of his/her own and related parties to the Company for acknowledgement and have no authority to approve the transaction in which he/she has interests.

The Company prescribes in the Board of Directors charter that the Board of Directors shall be responsible for ensuring non-conflict of interest between stakeholders of the Company and subsidiaries. In case that any director having conflict of interest in any transaction conducted with the Company or changes in his/her shareholding percentage, such director shall notify the Company immediately. Moreover, the assignment of authority, duties and responsibilities to any person shall not be characterized by the delegation of authority that allows the attorney to be able to approve the transaction that he/she or a person who may have conflict of interest may have interests or receive interests in any forms or have any other conflict of interest with the Company or subsidiaries, except for the approval of transactions which are conducted in accordance with the policy and the criteria approved by the shareholders' meeting or Board of Directors.

The Company has a policy on connected transactions and transactions having conflict of interests as in accordance with the laws and regulations of SEC, Capital Market Supervisory Board, and SET which will also be disclosed in Form 56-1 One Report.

## **2) Supervision of the Use of Inside Information**

The Company conducts business under the principles of good corporate governance of the Stock Exchange of Thailand and places emphasis on the supervision of the use of inside information to be in accordance with the principles of good corporate governance. By adhering to these principles and ensuring the confidence of investors to receive equitable, timely and reliable information, the Company has established a policy of confidentiality, data protection and the use of inside information that all personnel shall be informed and follow procedures of confidential information protection. To prevent the disclosure of information and to identify the type of confidential information, the confidential documents and information must be managed and protected with specific methods accessible by both data creators and users.

In addition, the Company places great emphasis on safeguard of customer and business information to be confidential. It is prohibited to disclose such confidential information of customers to employees and outsiders. In case that is necessary to disclose confidential information to the public, approval must be obtained from Chief Executive Officer. This prohibition shall include trading, transfer or acceptance of transfer of the Company's securities by using confidential information and/or inside information and/or enter into any other juristic acts using confidential information / or inside information of the Company which causes damage to the Company either directly or indirectly.

The Company's directors, management and employees who receive inside information shall be prohibited from trading of the Company's securities in a specific period, which has been complied since the year ended 2020

which is the first reporting period since the Company was listed in the Stock Exchange of Thailand. The Company Secretary and the Human Resource department shall notify those directors, management, and employees receiving inside information in advance to be aware of such prohibition period for trading of the Company's securities. This shall include the prohibition of trading of the Company's securities by oneself, spouses, minor children, whether it is direct or indirect trading (such as nominee or holding of securities through private funds) during the period when the Company is about to disclose significant information that may affect the Company's share price such as 1 month prior to the date of disclosure of financial statements or operating results until 1 day after the date that the Company has disclosed financial statements or operating results to the Stock Exchange of Thailand to ensure that such information be disclosed to the public first. With this regard, the Company has established disciplinary penalty for those seeking benefits from the use of disclosure of the inside information causing damages to the Company, which may be penalized as required by law or by the Company through verbal warning, warning letter, probation, or termination of employment.

Simultaneously, the Company has monitored and studied rules, regulations and relevant laws and informed the changes (if any) to its directors and management to strictly perform duties in accordance with changing rules, regulations, and relevant laws.

## **3) Anti-Corruption**

The Company recognizes the importance of anti-corruption and is committed to operating business ethically within the good corporate governance framework by adhering to good governance principles and Code of Conduct as well as responsibility for the society, the environment, and the stakeholders by ensuring business operations based on transparency, fairness, and accountability. The Company then developed a written anti-corruption policy which prescribes clear practice

guidelines for operating business and transforming the organization into a sustainable organization. The policy was approved by the Board of Directors Meeting No. 3/2020 held on 22 June 2020, which can be summarized as follows:

- Not taking any action in all forms of corruption, giving, or accepting bribery to government agencies and private sectors or stakeholders of the Company in order to gain competitive advantage or for own benefit and other related persons' interests including requesting or giving bribery for any inappropriate benefits.
- Not neglecting or ignoring when seeing actions that are considered a corruption in relation to the Company. Employees must notify the supervisor or the person in charge and cooperate in the investigation of various facts.
- The Company will provide fairness and protection for employees who refuse or report a corruption cases to the Company in accordance with the policy established.
- Person who commits corruption are against the Company's code of ethics. He/she must be therefore considered for disciplinary action in accordance with the regulations set by the Company and may be punished by law if his/her act is illegal.
- The Company recognizes the importance of disseminating and educating people to ensure they understand on their duties for the Company or possibly affecting the Company in matters of compliance with the anti-corruption policy. Human Resource Department is responsible for communication, education and ensure those people understand clearly on this matter.

- The Company ensures appropriate and efficient auditing and internal control processes are put in place both financial and accounting system, keeping record and others. Also ensures that there is a risk management system to prevent corruption.
- The Company set up communication channels to publish the anti-corruption policy to employees of the Company and its subsidiaries and external parties such as director and new employee orientation, posts on the Company's publicity signs, corporate website, annual report etc. to ensure all related parties understand all kind of corruption, risk of having relation to corruption and how to report corruption case.

In order to clarify the operation in matters that have a high risk corruption, directors, executives and employees in all level of the Company have to operate with cautious in these following topics:

### 3.1 Political Support

The Company is politically independent and conducts its business without engaging in politics in any case. Therefore, the Company has no policy in supporting politics either directly or indirectly using money or any assets of the Company. However, the Company does not forbid directors, executives, and employees from participating in political activities undertaken under the constitution, but the participation must be on personal behalf without any negative association with the Company.

### 3.2 Charitable Donation and Financial Support

The Company can do charitable donation in the form of financial support or other forms such as sharing knowledge etc. and be a part of social return activities and do not request any benefit in return from donator and do not expect return on business. In order to give support in any form either money or assets to any activity or project, the Company has to proceed with transparent

and follow the laws and based on the approval process as per company's policy. The objective of the support must be for public relation, support business, the Company's image and not for bribery.

The charitable donation and financial support need a clear and reliable evidence to ensure that the donation and financial support is not an excuse for corruption.

### 3.3 Gifts and Entertainment

The Company allows directors, executives and employees to accept and pay money for gifts and entertainment that are unambiguous and are considered as normal business conduct or traditions or festive without impact to business operation or being a potential channel for corruption. The act must be in accordance with the Company's regulations without violation of related laws and notifications or with the purpose to gain any advantage through a misconduct or to be an outright on hidden exchange to seek benefits in any form. Moreover, type and value of gifts must be reasonable and appropriate.

Chief Executive Officer or the Audit Committee has duty to receive complaints, gather information, investigate and report to the Board of Directors for consideration and defining disciplinary action as appropriate. If such act is illegal, the person may be legally penalized. The decision of Chief Executive Officer or the Audit Committee is considered final.

## 4) Whistleblowing

In case of suspected any act of corruption or breached any rules, regulations, or code of conduct, complainants must provide details of complaints along with their names, addresses, and contact telephone numbers to e-mail AC@Rojukiss.com or by post to:

Chairman of the Board of Directors or Chairman of the Audit Committee

Rojukiss International Public Company Limited  
100/8, 100/51-54 Vongvanich Complex B Tower,  
12<sup>th</sup>, 19<sup>th</sup> floor Rama 9 Road, Huai Khwang,  
Huai Khwang, Bangkok 10310

## Performance Summary of the Sub-Committee for the Previous Year

### Performance Report of the Audit Committee

In 2023, the Audit Committee held 4 meetings and consistently reported its performance to the Board of Directors for acknowledgement after each meeting. The Audit Committee has the main duties and responsibilities to support the Board of Directors in overseeing the matters relating to the preparation and disclosure of information in financial reports, the effectiveness of risk management and internal control systems, the compliance with relevant laws, rules, and regulations, the monitoring of qualifications, expertise and adequacy of working team and independence of both internal auditor and external auditor of the Company as well as the evaluation on the effectiveness of performance of internal auditor. The Audit Committee reports its performance as well as recommendations to the Board of Directors whenever the Audit Committee has any queries or opinions that there should be improvements regards to internal control, financial reports or other matters found. The Audit Committee will promptly report any queries or recommendations in various matters to the Board of Directors. The Audit Committee's performance of duties can be concluded as follows:

- 1) Review the accuracy of financial reports and the adequacy of the disclosure of the Company's information
- 2) Review connected transactions or transactions that may have conflict of interest
- 3) Review the internal control system
- 4) Supervise the internal audit



- 5) Consider the appointment of auditors and communication of significant matters between the Audit Committee and the auditors
- 6) Review legal compliance

In addition, the Audit Committee performed its duties in accordance with the Charter assigned by the Board of Directors completely and independently to ensure that the Company has executed the efficient and adequate corporate governance, operations for the utmost benefits to the shareholders with fair and equal without any conflict of interest, and internal control system were adequate and appropriate.

### **Performance Report of the Nomination and Remuneration Committee**

In 2023, the Nomination and Remuneration Committee held 2 meetings and reported its performance to the Board of Directors consistently for acknowledgement, summarized as follows:

- 1) Considered the structure of the Board of Directors and the sub-committees, in terms of the composition and the number of directors deemed as appropriate for the size, type and complexity of business as well as compared it with other companies in the same or similar industry and acknowledged the 2023 Board diversity, comprising the information on the number of independent directors, their gender and Board Skill Matrix to be used for the consideration of appointment of suitable directors with qualifications, knowledge, and capabilities that are diverse and beneficial to the Company's business operation.
- 2) Considered nominating suitable persons with qualifications, knowledge, experience, and expertise to be directors and proposed them to the Board of Directors and the 2023 Annual General Meeting of Shareholders. The Committee proposed the re-appointment of directors retiring by rotation in 2023 for another term, while the shareholders' meeting

resolved to approve the appointment of all directors as proposed.

- 3) Considered the structure and determined the 2023 remuneration for the Board of Directors and the sub-committees, comprising of the Audit Committee, the Nomination and Remuneration Committee, and the Corporate Governance Committee, and then submitted to the Board of Directors and the shareholders' meeting for consideration and approval, by taking into account their responsibilities and performance related to operating results and other relevant factors. The remuneration rate was compared with those of other companies in the same or similar industry and approved by the shareholders' meeting.
- 4) Considered and reviewed succession plans for Chief Executive Officer and senior executive positions to ensure the Company's continued business operations, with CEO's involvement in the review and data presentation.
- 5) Considered the assessment criteria for the 2023 performance of the CEO and senior executive positions and submitted them to the Board of Directors for approval.
- 6) Acknowledged the results and considered the 2023 self-assessment of the Board of Directors and sub-committees to be used for enhancing the performance of duties of the committees according to the good corporate governance principles.

The Committee performed its duties with prudence and honesty, based on the responsibilities specified in the Charter while adhering to the good corporate governance principles adequately and suitably for the balanced and sustainable benefits of all stakeholders.

# INTERNAL CONTROL AND CONNECTED TRANSACTIONS

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## The Board of Directors' Opinions on Internal Control

The Board of Directors is aware of the importance of having good internal control systems. It is an important duty to ensure that the Company has appropriate and sufficient internal control systems to efficiently oversee the operations to meet the goals, objectives, laws and relevant requirements, to be able to protect assets from any fraud and damage, and to do accounting and financial report with accuracy and reliability that is disclosed completely and adequately in a timely manner.

There is also the Audit Committee which currently consists of 3 independent directors. The Audit Committee has the duties and responsibilities of auditing financial statements, disclosure of the financial reports and related transactions or any matters with conflicts of interest to be accurate, complete, reliable and coordinate with the Internal Audit Department, auditors and management of the Company to review the internal control system and ensuring compliance with the relevant laws and regulations, as well as, to consider and approve an audit plan, performance evaluation and compensation of the Internal Audit Department, including selection and appointment of the auditor and audit fee. The Audit Committee shall also perform other duties as assigned by the Board of Directors, and conduct self-assessment to evaluate their performance to ensure that the Audit Committee has performed their duties effectively and completely.

In the meeting of the Board of Directors No. 2/2024 held on 27 February 2024 with 3 Audit Committee members in attendance, the Board's meeting assessed the adequacy of the Company's internal audit in 2023 in line with the guidelines prescribed by the Committee of Sponsoring Organizations of the Treadway Commission: COSO ("the Assessment") which comprised of:

### 1) Control Environment

The Company deploys a good internal control environment that is suitable and enough by using the dissemination of ethics as an organizational culture. Below are a clear management structure and job assignments.

- The Company has prepared good corporate governance policy and Code of Conduct, and the guidelines in writing and circulate them to directors, management, and employees.
- The roles and responsibilities of the Board of Directors are visibly sectioned off from those of the management. An organizational structure, the lines of command and the authority are devised in line with evolving business landscape.
- Human resource management policies such as recruitment, training, remuneration is stated in writing.



## 2) Risk Assessment

The Company values the importance of risk management and has, thus, appointed a risk management team to determine the risk management policies and framework of the Company. It is tasked with reviewing key risks related to the Company's operation, such as management, finance, data security, law and regulations. It works to offer preventive measures and how to curb risk levels to an acceptable degree. The unit follows up, evaluates and continually overhauls the operation plans to cope with risks and are suitable for business landscapes.

## 3) Control Activities

In an attempt to ensure the Company's efficient operation, the Company determines appropriate preventive schemes and risk management. So, the Company implements significant control measures e.g. the control and supervision policies of subsidiaries and associates, the table of authority, the Charter of committees and top management etc. so that they serve as a framework for directors, management and employees.

The Company has collected information on strategic shareholders, directors, management including connected persons, in order to follow and review connected transactions or transactions that may cause conflicts of interest. The Company has installed technological control measures by overseeing the infrastructure of the technological system to ensure suitability and controlling the security of the technological systems in terms of data access, data transmission, importing data into the system etc. As for each certain level, there is a restriction of the rights to those assigned to access the data.

## 4) Information & Communication

The Company offers efficient and effective information systems and communication channels, both internal and external, which can be listed as follows:

- **Internal Communication:** The management and employees receive news via the e-mail. In addition, employees are allowed to publicize activities relating to the Company at visible areas at the office and at the warehouse. These aim to ensure that information and public relation activities can be communicated through various channels, for the purpose of maximum communication success.
- **External Communication:** The Company frequently provides all stakeholders with information. The information published is true, accurate, complete and sufficient on a timely manner through channels that can be accessed thoroughly and equally, for example, the Stock Exchange of Thailand's website and the Company's website. Investor relation department are assigned to communicate information to external stakeholders.
- The Company provides a special communication channel for employees to provide information about legal or behavioral guideline offences. They are stated in writing as the guidelines for receiving complaints and protection.

## 5) Monitoring Activities

The Company comply with the internal control audit on a quarterly basis which is performed by internal audit team who is appointed by the Audit Committee and reported directly to the Audit Committee.

The Audit Committee does not offer different or contradictory opinions against the Board of Directors.

## Head of Internal Audit

The Audit Committee's meeting No. 3/2018 on 27 November 2018 appointed IA Signature Company Limited ("IA Signature") which is external party (outsourcing) to oversee the operations of the internal audit and report directly to the Audit Committee. IA Signature Company Limited has appointed Mr. Sutee Tanwanichkul, Managing Director of IA Signature Company Limited as a Head of Internal Audit. The Audit Committee has the opinion that Mr. Sutee is qualified and has experiences in performing internal audit for the Company. In addition, he has experiences in internal auditing for companies listed on the Stock Exchange of Thailand. The background of the internal auditor is shown in the attachment 3: Details of Internal Auditor.

The internal auditor inspected the internal control system according to the plan approved by the Audit Committee to evaluate the sufficiency and appropriateness of the internal control system of the Company and audited whether or not the Company fully complied with the internal control system. In the meeting of the Audit Committee in 2023, the internal auditor from IA Signature attended every meeting with the Audit Committee to report the results of the internal control system audit of the Company. The internal auditor summarized the audit

results and issues found during the audit, along with providing recommendations and a report of follow-up of the internal control system improvement of the previous quarter to the meeting. When these points were acknowledged at the Audit Committee meeting, the management was assigned to resolve the issues as suggested by the internal auditor completely.

In addition, according to the Charter of the Audit Committee, the Audit Committee has the duty to approve the appointment, transfer, and dismissal of the head of the internal audit department or any other department responsible for internal auditing.

## Summary of Issues and Recommendations based on the Opinion of the Auditor

At the Audit Committee meeting No. 1/2023 held on 21 February 2024, PricewaterhouseCoopers ABAS Ltd. ("Auditor") who is the auditor of the Company attended the meeting with the Audit Committee to summarize accounting issues and recommendations. From the audited financial statement of the Company for the year ended 31 December 2022, it was concluded that the Company prepared the financial statements that were duly and appropriately in accordance with the financial reporting standards.



# RELATED PARTY TRANSACTIONS

## Person or juristic person in a potential conflict of interest

Details on related party transactions with person or juristic person in a potential conflict of interest for the year ended 31 December 2022 and 2023, as follow:

No.	Person or Juristic Person in a Potential Conflict of Interest	Nature of Business	Relationship with the Company
1	The Siam Commercial Bank Public Company Limited	Provide full range of financial services	<ul style="list-style-type: none"><li>Mutual director, Dr. Lackana Leelayouthayothin who is an independent director at The Siam Commercial Bank Public Company Limited and the Company</li></ul>
2	Central Family Mart Company Limited	Convenience stores and business member shops	<ul style="list-style-type: none"><li>Mutual director with major shareholder, Mrs. Pratana Mongkolkul who is an independent director at Central Retail Corporation Public Company Limited and the Company</li></ul>
3	Central Food Retail Company Limited	Supermarket	<ul style="list-style-type: none"><li>Mutual director with major shareholder, Mrs. Pratana Mongkolkul who is an independent director at Central Retail Corporation Public Company Limited and the Company</li></ul>
4	Dherakupt International Law Office Limited	Provide legal and tax consultancy	<ul style="list-style-type: none"><li>Mutual director, Dr. Anuphan Kitnitchiva who is a director at Dherakupt International Law Office Limited and an independent director at the Company</li></ul>

## Related party transaction

Details on related party transactions with person or juristic person in a potential conflict of interest for the year ended 31 December 2021 and 2022, as follow:

Person or Juristic Person in a Potential Conflict of Interest	Value (Million Baht)		Necessity and Rationale of transaction	The Audit Committee's Opinion
	31 December 2022	31 December 2023		
1. Sales and other income				
(1) Central Family Mart Company Limited				
• Sales	4.8	7.3	The Company sold its products to Central Family Mart Company Limited as a normal operation with ordinary prices applied to all customers.	The transaction was normal operation with the same selling prices as selling to other customers. The said transactions are justified and beneficial to the Company.
• Account Receivable	2.4	2.2		
(2) Central Food Retail Company Limited				
• Sales	15.2	22.1	The Company sold its products to Central Family Mart Company Limited as a normal operation with ordinary prices applied to all customers.	The transaction was normal operation with the same selling prices as selling to other customers. The said transactions are justified and beneficial to the Company.
• Account Receivable	6.0	7.1		
(3) Dherakupt International Law Office Limited				
• Sales	-	-	The Company sold its products to Central Family Mart Company Limited as a normal operation with ordinary prices applied to all customers.	The transaction was normal operation with the same selling prices as selling to other customers. The said transactions are justified and beneficial to the Company.
• Account Receivable	-	-		





Person or Juristic Person in a Potential Conflict of Interest	Value (Million Baht)		Necessity and Rationale of transaction	The Audit Committee's Opinion
	31 December 2022	31 December 2023		
2. Expenses				
(1) Dherakupt International Law Office Limited				
• Expenses	2.0	0.5	Dherakupt International Law Office Limited provided legal and tax consultancy to the Company with the market price comparable with industry.	The transaction was normal operation with the same selling prices as selling to other customers. The said transactions are justified and beneficial to the Company.
• Account Payable	0.3	0.04		
3. Interest Expenses and Borrowing				
(1) The Siam Commercial Bank Public Company Limited				
• Interest expenses	0.02	0.51	The Company has entered into loan agreement with The Siam Commercial Bank Public Company Limited with (1) overdraft Baht no more than 20 million with interest rate at MOR, (2) Letter of Credit and Trust Receipt no more than Baht 80 million with the fee of 0.25% per month, (3) long-term loan Baht 22 million with interest rate at MLR. The purpose of long-term loan is to buy office apartment and (4) promissory notes Baht 16.65 million with fixed interest rate. All interest rate are not more than loan from other financial institution.	The transaction is normal operation and necessary for business expansion. The interest rate is not more than loan from other financial institution. The said transactions are justified and beneficial to the Company.
• Accrued interest	-	0.02		
• Short-term loan	-	29.7		
• Promissory notes	-	10		
• Long-term loan	-	-		

Person or Juristic Person in a Potential Conflict of Interest	Value (Million Baht)		Necessity and Rationale of transaction	The Audit Committee’s Opinion
	31 December 2022	31 December 2023		
4. Interest Income				
(1) The Siam Commercial Bank Public Company Limited				
• Interest income	0.2	0.4	The Company has bank deposit with the Siam Commercial Bank Public Company with the interest rate of 0.05% per annum which is the same rate as other customers.	The transaction is normal operation and necessary for cash management of the Company. The interest rate received is the same as other financial institutions. So the said transactions are justified and beneficial to the Company.
• Balance at bank	140.9	64.05		

## Measures and procedures for approval of related party transactions and connected transactions

The resolution of the Board of Directors meeting no. 1/2020 on 20 July 2020 stipulated approval measures and processes for related party transaction and connected transaction of the Company and its subsidiary enter into with and external party who are a stakeholder that may have a conflict of interest or a potential conflict of interest in the future. The Company will conform to rules and criteria pursuant to the Securities and Exchange Act 992 (including the amendments) and pertinent rules of the Capital Market Supervisory Board and/or the Securities and Exchange Commission and the Stock Exchange of Thailand including requirements on the disclosure of related party transactions or connected transactions in the footnotes to the financial statements reviewed by the Company's auditor as well as the annual registration statement (Form 56-1). In undertaking those transactions, the Company will review and monitor all transactions to

ensure that there is no stakeholder with interest involving in the decision making for the related party transactions and connected transactions.

The Board of Directors put in place an approval process for related party transactions under an ethical framework where transactions must be deliberated by the Audit Committee for the best interest of the Company and shareholders. The Board of Directors ensure strict compliance with rules imposed by the Capital Market Supervisory Board and/or the Securities and Exchange Commission and the Stock Exchange of Thailand as well as accuracy and completeness of disclosure of related party transaction to the general public.

In case of ordinary business transactions or transactions that support normal business operations of the Company and transactions that may occur continuously in the future, the Company has a policy that articulates scope of those transactions where commercial agreements are similar to those offered to general counterparties in the same situation without an influence as a director, an



executive or a related party on commercial bargaining power or a transfer of interest/benefit and/or it can be proven that the transactions have reasonable and fair pricing or conditions. If the Board of Directors has approved a resolution of the transaction as a general principle, the management of the Company can undertake transactions under the guideline without seeking an approval from the Board again. Then, the Company prepares a summary report on related party transactions or connected transactions to present to the Audit Committee's meeting and the Board of Directors' meeting every quarter in accordance with the laws on securities and exchange, rules and regulations, notifications, orders or other requirements of the Securities and Exchange Commission, the Capital Market Supervisory Board and the Stock Exchange of Thailand.

In case that undertaking related party, transactions or connected transactions is not within the defined scope, the Company will propose to the Audit Committee for comments on the appropriateness of the pricing or reasonableness of the transactions. Subject to the expertise of the Audit Committee to consider the related party transactions, the Company may request knowledgeable persons with specific expertise such as auditors or independent valuers to comment on the transaction to supplement the consideration of the Board of Directors or shareholders on a case-by-case basis. Persons with a potential conflict of interest or has interest in the transactions have no right to vote in the

consideration for the particular related party transactions. This is to ensure that the transactions are not regarded as a removal or a transfer of benefits of the Company but transactions that take into account the best interest of the Company and all shareholders. The Company will disclose its related party transactions in the notes to the financial statements reviewed by the Company's auditors in the annual report or the annual registration statement (Form 56-1).

## Policy on the future connected transaction

In the case that there is future connected transaction, the Board of Directors shall comply with the Securities and Exchange Act including rules, announcements, orders and regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand and the regulations regarding information disclosure of the connected transaction done by the Company and its subsidiaries according to the accounting standard determined by the Certified Accountants and Auditors of Thailand and other relevant rules. Moreover, if there is any connected transaction or change of agreement and condition regarding the transaction related to director, management, or relevant person of the Company, the director who has conflict of interest shall not attend the meeting of Board of Directors with the agenda relating to the consideration of such transaction.

Part 3

FINANCIAL STATEMENTS  
AND AUDITOR’S REPORT

<b>10</b>	<b>Financial Statements and Auditor’s Report</b>	<b>130</b>
	Responsibility of the Board of Directors to the Financial Statements	132
	Audit Committee’s Report	133
	Independent Auditor’s Report	136





# FINANCIAL STATEMENTS AND AUDITOR'S REPORT

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## Responsibility of the Board of Directors to the Financial Statements

The Board of Directors of Rojukiss International Public Company Limited (“the Company”) is responsible for the consolidated financial statements of the Company and its subsidiaries as well as financial information as presented in the annual report. The financial statements are prepared in conformity with Thai Financial Reporting Standards (TFRSs) which are appropriately applied on a consistent basis. Conservation judgment and best estimate are adopted in this preparation. In addition, all important information is adequately disclosed in the notes to financial statements. The Board of Directors has set up and maintained an effective internal control to reasonably ensure that all accounting records are

accurate, complete and sufficient to secure its assets. Moreover, all possible weakness could be found to prevent fraud or material unusual transactions. The Board of Directors has appointed the audit committee which comprises independent directors, to control quality of financial report and internal control system. The opinion of the audit committee on this matter has already been presented in the audit committee report. The Board of Directors is of an opinion that internal control systems of the Company are the satisfactory and sufficient level to reasonably build the confidence in the reliability of the consolidated financial statements of the Company and its subsidiaries as of December 31, 2023.

Dr. Lackana Leelayouthayotin  
Chairman

Mrs. Worrawan Chaikamnerd  
Director & Chief Executive Officer



## Audit Committee's Report

The Audit Committee of Rojukiss International Public Company Limited ("the Company") consists of 3 independent committees who are experts with experiences in management, accounting and finance. Each of them has a 3-year tenure. All members of the Audit Committee meet all the qualifications as stipulated in the Audit Committee Charter which is in accordance

with the requirements and best practices for the Audit Committee of both the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

In 2023, the Audit Committee held 4 meetings in total, with details of each member's meeting attendance as follows:

1. Mrs. Pratana Mongkolkul	Chairman of the Audit Committee	Attended 4/4 times
2. Dr. Chatrchai Tuongratanaphan	Member of the Audit Committee	Attended 3/4 times
3. Ms. Pornchanok Tansakul	Member of the Audit Committee	Attended 4/4 times

The main duties and responsibilities of the Audit Committee is to support the Board of Directors in overseeing the matters relating to the preparation and disclosure of information in financial reports, the effectiveness of risk management and internal control systems, the compliance with relevant laws, rules, and regulations, the monitoring of qualifications, expertise and adequacy of working team and independence of both internal auditor and external auditor of the Company as well as the evaluation on the effectiveness of performance of internal auditor. The Audit Committee reports its performance as well as recommendations to the Board of Directors whenever the Audit Committee has questions or opinions that there should be improvement regards to internal control, financial reports or other matters found. The Audit Committee will promptly report any queries or recommendations in various matters to the Board of Directors. The Audit Committee's performance of duties can be concluded as follows:

### 1. Review the accuracy of financial reports and the adequacy of the disclosure of the Company's information

The Audit Committee quarterly and annually reviews consolidate financial statements of the Company regarding the accuracy and completeness of the financial statements, updating important financial transactions and accounting estimates, which affecting to the financial statements, also the sufficiency and appropriateness of accounting procedures and audit scope and sufficient of the disclosure of information and independence of the auditors.

After contemplation, the Audit Committee and the auditors agreed that the aforementioned financial statements of the Company were prepared in accordance with generally accepted accounting standards. They are accurate, complete, and reliable and the selection of accounting policies were also reasonable.

**2. Review connected transactions or transactions that may entail conflicts of interest**

The Audit Committee has given importance on reviewing inter-company transactions or transactions that may cause conflicts of interest with the business group to be in accordance with the group policy for entering into connected transactions by having the related management quarterly report inter-company transactions as announced by SEC and SET. As a result, the said transactions were conducted reasonably with the most beneficial to the business group, and no beneficial to either party.

**3. Review the internal control system**

The Audit Committee recognized the importance of having good internal control systems and realized that it was an important duty that must be undertaken to ensure that the Company has appropriate and sufficient internal control systems to ensure that operations are efficiently in line with the target, objectives, laws and related requirements. In 2023, the Company hired IA Signature Company Limited (“IA”) to investigate and observe the internal control systems of the Company. The results of the investigation found that there is no significant issue. In addition, the Audit Committee reviewed the adequacy of internal control systems according to the guidelines of the internal control of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the results of the assessment of the internal control systems according to the IA report, there is no significant weakness or defect found.

The Audit Committee has opinion that the Company's internal control systems were appropriate and effective enough for business operations. There were no significant issue that may affect the Company's transactions.

**4. Supervise the internal audit**

The Audit Committee had supervised the internal audit department to be independent and direct report to the Audit Committee as specified in the Internal Audit Department Charter issued in 2020.

The Audit Committee reviewed the annual audit plan, plan implementation, and internal audit results by giving suggestions and following up the significant issues in order to create good corporate governance and sufficient internal control, including reviewing the independence and adequacy of various resources for the operations of the internal audit department. As a result, the Audit Committee has opinion that the Company's internal audit system is suitable, sufficient, and effective. The performance of the internal audit department is in accordance with the approved plans.

**5. Consider the appointment of auditors**

The Audit Committee considered the selection of auditors by considering their independence, quality of the previous audit, skills, knowledge, and their experience including the appropriation of the audit fees. The Audit committee adopted the resolution of proposal to the Board of Directors to consider and get approval from the shareholders' meeting to appoint Mr. Pisit Thangtanagul, Certified Public Accountant (Thailand) no. 4095, Ms. Tithinun Vankeo, Certified Public Accountant (Thailand) no. 9432, and Ms. Nuntika Limviriyalers, Certified Public Accountant (Thailand) no. 7358 of PricewaterhouseCoopers ABAS Limited as auditors of the Company for 2023 including the remuneration for the said auditors in 2023.

The Audit Committee held one meeting with the auditors, without the presence of the management, to discuss the independence in the performance of duties as well as the changes in material issues derived from the financial statements review and audit in which the auditors notified that no material



accounting issues were found and received good cooperation for the performance of duties.

## 6. Review Legal Compliance

The Audit Committee reviewed and supervised the Company and its subsidiary to operate the business in compliance with the rules, regulations and policies of the securities and exchange law, the regulations of SEC, SET and the other laws related to the Company's businesses. As a result, the Audit Committee found no indication of non-compliance and/or operation which is conflict to relevant laws, rules and regulations.

## 7. Review good corporate governance

The Audit Committee has reviewed the corporate governance of the Company to ensure that the Company has the appropriate and effective corporate governance process and continuously promoted and followed up the progress of developing good corporate governance by providing guidelines and recommendations to improve the internal control necessary for the Company. To develop the said process, the Audit Committee had opinion that the Company should continue developing and improving

the good corporate governance. However, The Audit Committee's charter has been revised per the recommendations of the Securities and Exchange Commission.

## 8. Self-assessment of the Audit Committee

The Audit Committee had evaluated the performance of duties individually and in group according to the best practices of SEC. The results of the assessment were satisfactory. The Audit Committee had worked with full performance as specified in the Audit Committee Charter which approved by the Board of Directors, they have utilized their knowledge, ability with independence as well as provide their opinions and recommendations to the management and the Board of Directors continuously.

From the performance of the Audit Committee in 2023 as reported above, the Audit Committee had performed his/her duties in accordance with the Charter assigned by the Board of Directors thoroughly and independently to ascertain that the Company has executed the efficient and sufficient corporate governance operations of the Company for the utmost benefit to the shareholders with fair and equal without any conflict of interest, and the internal control systems are sufficient and appropriate.



## Independent Auditor's Report

To the shareholders and the Board of Directors of Rojukiss International Public Company Limited

### My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Rojukiss International Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

### Basis for opinion

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



## Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determined 2 key audit matters: Valuation of inventories and Recognition of discounts, sales promotions and allowance for sales return. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p><b>Valuation of inventories</b></p> <p>Refer to Note 4.6 - Significant accounting policies - inventories, and Note 13 - inventories</p> <p>The major outstanding balance of inventories were finished goods of cosmetic product which has limited lifetime. In addition, the Group's inventories were considered high competitive products and there were wide ranges of substitute products with similar attributes in the market. Therefore, the Group was exposed to risk of stock deteriorate, obsolete, slow moving and cost of inventory could be higher than net realisable value.</p> <p>Allowance for net realisable value of inventories was 5.7% of the Group's total inventories. The Group has applied their judgement in making estimates of the allowance for net realisable value by using experienced and historical data. The validity of this assumption and the estimated amount of allowance were reassessed at each reporting date.</p> <p>I focused on this area because the valuation of inventories was based on Group management's judgement and was material to the consolidated financial statements.</p>	<p>My key audit procedures in relation to valuation of inventories included:</p> <ul style="list-style-type: none"> <li>• Inquired the Group management and obtained an understanding of the Group's policy in relation to inventory management and assessment applied to estimate net realisable value of inventories, then reviewed the Group's compliance with the policy;</li> <li>• Observed the condition of inventory and storage which directly affected to inventory valuation through the year end physical inventory observation;</li> <li>• Performed the testing on sample basis on inventory aging report of ending inventory balance with related supporting document whether items were classified in the appropriate aging bracket and recalculated the allowance for decline in value of inventories according to the Group's policy;</li> <li>• Performed the testing on sample basis on the net realisable value of ending inventory by investigating after period end sales document less costs necessary to make the sale with the related supporting documents and checked mathematical accuracy of net realisable value calculation; and</li> <li>• Considered the disclosures in accordance with Thai Financial Reporting Standards.</li> </ul> <p>Based on my procedures above, I found that the Group management's assumption and judgement on the valuation of inventories were reasonable and appropriate based on the environment and circumstances.</p>

Key audit matter	How my audit addressed the key audit matter
<p><b>Recognition of discounts, sales promotions and allowance for sales return</b></p> <p>Refer to Note 4.19 - Significant accounting policies - Revenue recognition</p> <p>The Group entered into agreements and commercial agreements with customers, under which various conditions pertaining to discounts, sale promotions, and special discounts given to increase sales during specific period. As a result, the recognition of discounts and sales promotions of the Group were different.</p> <p>The Group has applied their judgement in making estimates of the sale returns by calculating actual sales return from experienced and historical data. The Group has assessed the appropriateness of the assumption and the estimated amount of returns at end of each reporting date.</p> <p>I focused on this area because the recognition of discounts, sales promotions and allowance for sales return were based on Group management's judgement and were material to the consolidated financial statements.</p>	<p>My key audit procedures in relation to recognition of discounts, sales promotions and allowance for sales return included:</p> <ul style="list-style-type: none"> <li>• Inquired the Group management to obtain an understanding of the Group's policy in relation to revenue recognition, recognition of discounts, sales promotion and allowance for sales return expenses;</li> <li>• Sampling tested calculation of sales discounts, sales promotion expenses and accrued sales promotion expenses for a sample of items with related supporting documents whether the transaction was compliance with the conditions in agreements and commercial agreements during the year and near the end of period;</li> <li>• Sampling tested the appropriateness of accrued sales promotion expenses for a sample of items by performing subsequent cash payments, credit note and related supporting documents post year-end;</li> <li>• Sampling tested on the calculation of allowance for sales return for a sample of items with related supporting documents whether they are compliant with the assumption and historical data; and</li> <li>• Checked the disclosures in note to consolidated financial statement in accordance with Thai Financial Reporting Standards.</li> </ul> <p>Based on my procedures above, I found the Group management's assumption and judgement on the recognition of discounts, sales promotions and allowance for sales return were reasonable and appropriate based on the environment and circumstances.</p>

### Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.





## Responsibilities of management and audit committee for the consolidated and separate financial statements

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

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

The audit committee assists management in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

## Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.

**Nuntika Limviriyalers**

Certified Public Accountant (Thailand) No. 7385

Bangkok

27 February 2024



## Statement of Financial Position

Rojukiss International Public Company Limited

As at 31 December 2023

		Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
Notes					
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	9	477,534,046	511,113,750	431,537,857	469,753,207
Financial assets measured at fair value through profit or loss	10	101,494,554	100,600,435	101,494,554	100,600,435
Trade and other receivables	11.1	395,924,256	358,587,679	366,537,520	316,694,265
Contract assets	11.2	152,582,382	117,572,844	152,582,382	117,572,844
Inventories	13	189,501,014	132,161,333	167,668,583	124,485,622
Other current assets		2,849,948	5,316,778	1,547,980	2,731,584
<b>Total current assets</b>		<b>1,319,886,200</b>	<b>1,225,352,819</b>	<b>1,221,368,876</b>	<b>1,131,837,957</b>
<b>Non-current assets</b>					
Restricted cash		-	694,000	-	694,000
Investment in subsidiaries	14	-	-	30,273,543	30,273,543
Long-term loans to subsidiary	30.4	-	-	-	25,000,000
Plant and equipment	15	40,144,761	39,022,423	40,067,468	38,989,810
Right-of-use assets	16	10,362,966	1,819,239	10,362,966	1,819,239
Intangible assets	17	18,073,453	16,696,389	9,464,661	669,647
Deferred tax assets	18	13,399,472	13,498,277	12,083,862	12,814,160
Other non-current assets		736,000	-	736,000	-
<b>Total non-current assets</b>		<b>82,716,652</b>	<b>71,730,328</b>	<b>102,988,500</b>	<b>110,260,399</b>
<b>Total assets</b>		<b>1,402,602,852</b>	<b>1,297,083,147</b>	<b>1,324,357,376</b>	<b>1,242,098,356</b>

The note to the consolidated and separate financial statement are integral part of the financial statements.

## Statement of Financial Position (Cont'd)

Rojukiss International Public Company Limited

As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trust receipts and promissory note	19	113,752,455	31,623,167	113,752,455	31,623,167
Trade and other payables	20	146,117,545	167,830,023	256,970,460	275,422,705
Current portion of lease liabilities	21	3,803,643	1,551,825	3,803,643	1,551,825
Other current liabilities		33,993,811	40,614,182	22,271,742	24,485,742
<b>Total current liabilities</b>		<b>297,667,454</b>	<b>241,619,197</b>	<b>396,798,300</b>	<b>333,083,439</b>
<b>Non-current liabilities</b>					
Long-term loans from related party	30.5	-	30,500,000	-	-
Lease liabilities	21	6,826,123	442,908	6,826,123	442,908
Employee benefit obligations	22	5,470,606	5,987,412	5,470,606	5,987,412
<b>Total non-current liabilities</b>		<b>12,296,729</b>	<b>36,930,320</b>	<b>12,296,729</b>	<b>6,430,320</b>
<b>Total liabilities</b>		<b>309,964,183</b>	<b>278,549,517</b>	<b>409,095,029</b>	<b>339,513,759</b>

The note to the consolidated and separate financial statement are integral part of the financial statements.



## Statement of Financial Position (Cont'd)

Rojukiss International Public Company Limited

As at 31 December 2023

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
<b>Liabilities and equity</b> (Cont'd)					
<b>Equity</b>					
Share capital	23				
Authorised share capital					
Ordinary shares, 618,000,000 shares paid-up at Baht 0.50 each		309,000,000	309,000,000	309,000,000	309,000,000
Issued and paid-up share capital	23				
Ordinary shares, 600,010,000 shares paid-up at Baht 0.50 each		300,005,000	-	300,005,000	-
Ordinary shares, 600,000,000 shares paid-up at Baht 0.50 each		-	300,000,000	-	300,000,000
Premium on paid-up capital					
of ordinary shares	23	487,435,348	487,368,348	487,435,348	487,368,348
Premium on share-base payment	24	18,745,893	13,854,171	18,745,893	13,854,171
Surplus from business combinations					
under common control		14,486,120	14,486,120	-	-
Retained earnings					
Appropriated - Legal reserve	25	30,900,000	30,900,000	30,900,000	30,900,000
Unappropriated		161,795,094	114,176,960	78,176,106	70,462,078
Translation on financial statements		3,256,871	3,273,806	-	-
<b>Equity attributable to owners</b>					
<b>of the parent</b>		1,016,624,326	964,059,405	915,262,347	902,584,597
Non-controlling interests	14	76,014,343	54,474,225	-	-
<b>Total equity</b>		1,092,638,669	1,018,533,630	915,262,347	902,584,597
<b>Total liabilities and equity</b>		1,402,602,852	1,297,083,147	1,324,357,376	1,242,098,356

The note to the consolidated and separate financial statement are integral part of the financial statements.

## Statement of Comprehensive Income

Rojukiss International Public Company Limited

For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
Revenue from sales and services	8	964,768,474	932,328,520	892,426,792	790,938,125
Cost of sales and services		(462,839,869)	(447,779,873)	(492,861,363)	(416,064,463)
<b>Gross profit</b>		501,928,605	484,548,647	399,565,429	374,873,662
Other income		3,956,632	7,734,445	4,281,096	8,174,890
Selling expenses		(195,950,250)	(157,987,267)	(194,698,731)	(149,589,469)
Administrative expenses		(114,147,354)	(159,070,617)	(92,559,109)	(128,890,811)
Gain from foreign exchange rate		1,536,831	3,897,428	3,799,176	4,381,806
Share of loss from joint venture		-	(5,136,170)	-	-
Profit from step up acquisition		-	9,067,622	-	-
<b>Profit before finance costs</b>		197,324,464	183,054,088	120,387,861	108,950,078
Finance costs		(3,511,735)	(1,974,625)	(2,839,064)	(1,098,858)
<b>Profit before income tax expense</b>		193,812,729	181,079,463	117,548,797	107,851,220
Income tax expense	27	(40,872,033)	(33,166,955)	(26,927,325)	(22,894,551)
<b>Profit for the year</b>		152,940,696	147,912,508	90,621,472	84,956,669
<b>Other comprehensive income :</b>					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of employee benefit obligations		1,367,445	-	1,367,445	-
Income tax on remeasurements of employee benefit obligations		(273,489)	-	(273,489)	-
<b>Total items that will not be reclassified subsequently to profit or loss</b>		1,093,956	-	1,093,956	-
Items that will be reclassified subsequently to profit or loss					
Currency translation differences		(16,935)	629,852	-	-
<b>Total items that will be reclassified subsequently to profit or loss</b>		(16,935)	629,852	-	-
<b>Other comprehensive expense for the year, net of tax</b>		1,077,021	629,852	1,093,956	-
<b>Total comprehensive income for the year</b>		154,017,717	148,542,360	91,715,428	84,956,669

The note to the consolidated and separate financial statement are integral part of the financial statements.





## Statement of Comprehensive Income

Rojukiss International Public Company Limited

For the year ended 31 December 2023

	Note	Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Profit attributable to:</b>					
Owners of the Company		131,400,578	123,708,283	90,621,472	84,956,669
Non-controlling interests		21,540,118	24,204,225	-	-
		<u>152,940,696</u>	<u>147,912,508</u>	<u>90,621,472</u>	<u>84,956,669</u>
<b>Total comprehensive income</b>					
<b>attributable to:</b>					
Owners of the Company		132,477,599	124,338,135	91,715,428	84,956,669
Non-controlling interests		21,540,118	24,204,225	-	-
		<u>154,017,717</u>	<u>148,542,360</u>	<u>91,715,428</u>	<u>84,956,669</u>
<b>Earnings per share</b>					
Basic earnings per share	28	<u>0.22</u>	<u>0.21</u>	<u>0.15</u>	<u>0.14</u>

The note to the consolidated and separate financial statement are integral part of the financial statements.

## Statements of Changes in Equity

Rojukiss International Public Company Limited

For the year ended 31 December 2023

Consolidated financial statements												
Notes	Retained earnings				Other component of equity				Total equity			
	Surplus from business combinations				Translation of financial statements				Total owner of the company			
	Issued and paid-up share capital	Premium on paid-up capital of ordinary shares	Premium on share-base payment	Unappropriated legal reserve	Unappropriated control	Appropriated	Unappropriated	Translation of financial statements	Total owner of the company	Non-controlling interests	Total equity	Baht
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>Opening balance at 1 January 2022</b>	300,000,000	487,368,348	7,338,001	14,486,120	88,083,061	30,000,000	2,643,954	929,919,484	-	-	929,919,484	
Warrants	-	-	6,516,170	-	-	-	-	6,516,170	-	-	6,516,170	
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	30,270,000	30,270,000	
Legal reserve	-	-	-	-	(900,000)	900,000	-	-	-	-	-	
Dividend paid	-	-	-	-	(96,714,384)	-	-	(96,714,384)	-	-	(96,714,384)	
Total comprehensive income for the year	-	-	-	-	123,708,283	-	629,852	124,338,135	24,204,225	-	148,542,360	
<b>Closing balance at 31 December 2022</b>	300,000,000	487,368,348	13,854,171	14,486,120	114,176,960	30,900,000	3,273,806	964,059,405	54,474,225	-	1,018,533,630	
<b>Opening balance at 1 January 2023</b>	300,000,000	487,368,348	13,854,171	14,486,120	114,176,960	30,900,000	3,273,806	964,059,405	54,474,225	-	1,018,533,630	
Insurance of shares	5,000	67,000	-	-	-	-	-	72,000	-	-	72,000	
Warrants	-	-	4,891,722	-	-	-	-	4,891,722	-	-	4,891,722	
Dividend paid	-	-	-	-	(84,876,400)	-	-	(84,876,400)	-	-	(84,876,400)	
Total comprehensive income for the year	-	-	-	-	132,494,534	-	(16,935)	132,477,599	21,540,118	-	154,017,717	
<b>Closing balance at 31 December 2023</b>	300,005,000	487,435,348	18,745,893	14,486,120	161,795,094	30,900,000	3,256,871	1,016,624,326	76,014,343	-	1,092,638,669	

The note to the consolidated and separate financial statement are integral part of the financial statements.

## Statements of Changes in Equity

Rojukiss International Public Company Limited

For the year ended 31 December 2023

Separate financial statements									
Notes	Issued and paid-up share capital	Premium on paid-up capital of ordinary shares	Premium on share-base payment	Retained earnings		Total equity			
				Appropriated	Unappropriated				
	Baht	Baht	Baht	Legal reserve	Baht	Baht			Baht
<b>Opening balance at 1 January 2022</b>	300,000,000	487,368,348	7,338,001	30,000,000	82,405,409	907,111,758			
Warrants	-	-	6,516,170	-	-	6,516,170			
Legal reserve	-	-	-	900,000	(900,000)	-			
Dividend paid	-	-	-	-	(96,000,000)	(96,000,000)			
Total comprehensive income for the year	-	-	-	-	84,956,669	84,956,669			
<b>Closing balance at 31 December 2022</b>	300,000,000	487,368,348	13,854,171	30,900,000	70,462,078	902,584,597			
<b>Opening balance at 1 January 2023</b>	300,000,000	487,368,348	13,854,171	30,900,000	70,462,078	902,584,597			
Issuance of shares	5,000	67,000	-	-	-	72,000			
Warrants	-	-	4,891,722	-	-	4,891,722			
Dividend paid	-	-	-	-	(84,001,400)	(84,001,400)			
Total comprehensive income for the year	-	-	-	-	91,715,428	91,715,428			
<b>Closing balance at 31 December 2023</b>	300,005,000	487,435,348	18,745,893	30,900,000	78,176,106	915,262,347			

The note to the consolidated and separate financial statement are integral part of the financial statements.

## Statement of Cash Flows

Rojukiss International Public Company Limited

For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		193,812,729	181,079,463	117,548,797	107,851,220
Adjustment for:					
Depreciation	15	6,361,122	7,013,046	6,329,759	7,006,355
Amortisation of intangible assets	17	8,606,399	6,820,754	1,128,728	424,162
Depreciation of right-of-use assets	16	3,845,711	3,074,843	3,845,711	3,074,843
Expected credit loss	11.3	(9,618,701)	23,921,355	(9,618,701)	23,921,355
Provision of sales return (Reversal)		18,616,857	(908,262)	18,616,857	(908,262)
Provision of cost return (Reversal)		(8,240,574)	992,925	(8,240,574)	992,925
Share-based payment reserve		4,891,722	6,516,170	4,891,722	6,516,170
Employee benefit obligations		952,574	896,888	952,574	896,888
Unrealised gain on foreign exchange		(263,348)	(2,706,288)	(294,517)	(2,731,305)
Unrealised gain on financial assets measured at fair value through profit or loss	10	(494,554)	(600,435)	(494,554)	(600,435)
Interest expense		3,511,735	1,974,625	2,839,064	1,098,858
Interest income		(3,310,309)	(1,741,481)	(3,634,774)	(2,181,927)
Share of loss from joint venture		-	5,136,170	-	-
Loss from disposal of equipment	15	58,254	26,705	58,254	26,705
Profit from step up acquisition		-	(9,067,622)	-	-
Employee benefit paid	22	(105,000)	(437,799)	(105,000)	(437,799)
Changes in operating assets and liabilities					
- Trade and other receivables		(38,020,934)	(180,269,873)	(50,603,763)	(161,908,950)
- Inventories		(49,099,107)	(13,601,027)	(34,942,387)	(50,021,722)
- Contract assets		(43,247,186)	(28,054,195)	(43,247,186)	(28,054,195)
- Other current assets		2,466,829	3,101,180	1,183,604	(806,986)
- Other non current assets		(736,000)	-	(736,000)	-
- Trade and other payables		(20,696,141)	97,947,271	(18,839,357)	189,426,610
- Other current liabilities		(6,810,172)	13,304,931	(2,935,559)	5,656,070
Cash from operations		62,481,906	114,419,344	(16,297,302)	99,240,580
Interest received		3,310,309	1,741,481	3,634,774	2,181,927
Interest paid		(4,590,062)	(868,164)	(2,473,617)	(1,151,161)
Income tax paid		(40,853,851)	(29,754,394)	(25,745,893)	(24,647,816)
Net cash generate from operating activities		20,348,302	85,538,267	(40,882,038)	75,623,530

The note to the consolidated and separate financial statement are integral part of the financial statements.



## Statement of Cash Flows (Cont'd)

Rojukiss International Public Company Limited

For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
<b>Cash flows from investing activities</b>					
Decrease in restricted cash		694,000	-	694,000	-
Payments for acquisition of subsidiaries, net of cash received		-	(9,200,635)	-	(20,200,000)
Acquisition of investment in subsidiary		-	-	-	(28,750)
Payment for loan to subsidiary		-	-	-	(15,000,000)
Proceeds from loan to subsidiary	30.4	-	-	25,000,000	-
Payments for purchase of financial assets measured at fair value through profit or loss	10	(201,000,000)	(100,000,000)	(201,000,000)	(100,000,000)
Cash received from sale of financial assets measured at fair value through profit or loss	10	200,600,435	-	200,600,435	-
Purchases of equipments	15	(7,518,014)	(1,832,403)	(7,441,971)	(1,832,403)
Purchases of intangible assets	17	(9,698,760)	-	(9,631,260)	-
Net cash (used in) provided by investing activities		(16,922,339)	(111,033,038)	8,221,204	(137,061,153)
<b>Cash flows from financing activities</b>					
Proceeds from trust receipts and promissory note		217,132,313	88,230,424	217,132,313	88,230,424
Repayment to trust receipts		(135,003,024)	(78,930,234)	(135,003,024)	(78,930,234)
Repayment to related party	30.5	(30,500,000)	-	-	-
Payments on lease liabilities	21	(3,754,405)	(3,144,529)	(3,754,405)	(3,144,529)
Proceeds from ordinary shares issued	23	72,000	-	72,000	-
Non-controlling interests invested in subsidiary		-	270,000	-	-
Dividend paid	29	(84,876,400)	(96,000,000)	(84,001,400)	(96,000,000)
Net cash used in financing activities		(36,929,516)	(89,574,339)	(5,554,516)	(89,844,339)
<b>Net decrease in cash and cash equivalents</b>		(33,503,553)	(115,069,110)	(38,215,350)	(151,281,962)
Cash and cash equivalents at beginning of year		511,113,750	626,238,506	469,753,207	621,035,169
Exchange losses on cash and cash equivalents		(76,151)	(55,646)	-	-
<b>Cash and cash equivalents at end of year</b>		<u>477,534,046</u>	<u>511,113,750</u>	<u>431,537,857</u>	<u>469,753,207</u>
<b>Significant non-cash transactions</b>					
Payable arising from purchase of equipment		23,700	-	23,700	-
Payable arising from purchase of intangible assets		292,482	-	292,482	-
Right-of-use assets arising from lease liabilities		12,389,438	-	12,389,438	-

The note to the consolidated and separate financial statement are integral part of the financial statements.

# Notes to the Consolidated and Separate Financial Statements

Rojukiss International Public Company Limited

For the year ended 31 December 2023

## 1 General information

Rojukiss International Public Company Limited ("The Company") is incorporated in Thailand. The company has been listed on the Stock Exchange of Thailand since 19 February 2021. The address of the Company's registered office is as follows:

100/8,100/51-54 Vongvanich Complex B Building, 12<sup>th</sup>, 19<sup>th</sup> Fl., Rama 9 Road, Huaikwang, Huaikwang, Bangkok 10310.

For reporting purposes, the Company and its subsidiary are referred to as "the Group".

The principal business operations of the Group are summarised below:

Company	Nature of Business
Rojukiss International Public Company Limited	Distribution of skincare and cosmetics in many trademarks
PHD International Limited	Own cosmetics trademarks
HIBIOCY Company Limited	Distribution of pharmaceutical and medical products
O2 KISS Company Limited	Distribution of skincare and food supplement in many trademarks

These consolidated and separate financial statements were authorised for issue by the Company's authorised director on 27 February 2024.

## 2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

## 3 New and amended financial reporting standards

**3.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2023 and do not have significant impacts to the Group.**

**3.2 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 and relevant to the Group.**

The following amended TFRSs were not mandatory for the current reporting period and the Group has not early adopted them. The Group is considering the impacts from applying the amended financial reporting standards.

- a) **Amendment to TAS 1 - Presentation of financial statements** revised the disclosure from '*significant* accounting policies' to '*material* accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) **Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revised to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.



### c) Amendments to TAS 12 - Income taxes

Companies must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.

## 4 Accounting policies

### 4.1 Principles of consolidation and equity accounting

#### a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

#### b) Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method. .

#### c) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses joint ventures equals or exceeds its interest in joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of joint ventures.

#### d) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

### 4.2 Business combination

#### Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

#### 4.3 Foreign currency translation

##### a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's and the Group's functional and presentation currency.

##### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

##### c) Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

#### 4.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date and bank overdrafts.

In the statements of financial position, bank overdrafts are shown in current liabilities.

#### 4.5 Trade accounts receivable

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

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Group presented trade receivables at cost less allowance for doubtful accounts. The impairment of trade receivables are disclosed in Note 11.3.

#### 4.6 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the moving average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories. Net realizable is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.



## 4.7 Financial asset

### a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

### b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

### c) Measurement

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

### d) Debt instruments

The Group classifies its debt instrument financial assets in the following measurement categories depending on

i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

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

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; where the assets' cash flows represent solely payments of principal and interest, and ii) for selling the financial assets, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss and recognised in other gains/(losses). Interest income is included in finance income. Impairment expenses are presented separately in the statement of profit or loss.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

#### e) **Impairment**

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables and contract assets, which applies lifetime expected credit loss, from initial recognition, for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition. The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment and reversal of expected credit losses are recognised in profit or loss and included in administrative expenses.

Classification and measurement of financial assets for the year ended 31 December 2023 which summarized in the notes 12.



#### 4.8 Investments in subsidiary

A subsidiary is an entity that the Company has a control power to govern the financing and operating policies of the entity, generally directly or indirectly accompanying a shareholding of more than one-half of the voting rights.

Investments in subsidiaries are measured at cost method less allowance for decrease in value (if any).

#### 4.9 Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss when incurred.

The Group will recognise other repairs and maintenance to profit or loss when incurred.

Land is not depreciated. Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	20 years
Building improvements	5 years
Furniture and office equipment	5 years
Computers and gadgets	3 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

#### 4.10 Intangible assets

Acquired Trademark is measured at cost. These costs are amortised over their estimated useful lives not over than 10 years.

Acquired computer software are measured at cost. These costs are amortised over their estimated useful lives not over than 3 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

#### 4.11 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

#### 4.12 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

#### 4.13 Financial liabilities

##### a) *Classification*

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

##### b) *Measurement*

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

**c) *Derecognition and modification***

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in profit or loss.

**4.14 Current and deferred income taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

***Current tax***

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

***Deferred income tax***

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised; and
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**4.15 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.



#### 4.16 Employee benefits

##### a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, profit-sharing and bonuses, and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

##### b) Provident funds

The Group pays contributions to a separate fund on a voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

##### c) Retirement benefits

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

##### d) Other long-term benefits

The Group gives cash rewards to employees when they have worked for the Group for 5 and 10 years.

These obligations are measured similar to defined benefit plans except remeasurement gains and losses that are charged to profit or loss.

##### e) Termination benefits

The Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

#### 4.17 Share-based payment

##### *Employee options*

The Company receives services from employees as consideration for equity instruments (options) of the company. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity. The fair value of the options is determined by:

- including any market performance conditions (e.g. the entity's share price);
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holdings shares for a specific period of time); and
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the Company over a specified time period).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

At the end of each reporting period, the Company reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.



#### 4.18 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

#### 4.19 Revenue recognition

Thai Financial Reporting Standard no.15 (TFRS15), Revenue from contracts with customer provides principle and approach of revenue recognition under five-step process. The underlying principle is that the Group will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service net of rebates and discounts. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

##### *Sale of goods*

The Group operates by distribution of skincare, cosmetics, food supplement, pharmaceutical and medical products. Revenue from the sale of goods is recognised when the Group sells a product to the customer. The group estimate the returned goods and recognised for the products expected to be returned. Accumulated experience is used to estimate such returns at the time of sale at a portfolio level by applying expected value method. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

##### *Services*

The Group recognised service contracts with a continuous services provision as revenue on a percentage of sale products basis over the contract term, regardless of the payment pattern.

##### *Payments to customers*

Payments to customers or on behalf of customers to other parties, including credited or subsequent discounts, are recognised as a reduction in revenue unless the payment constitutes consideration of a distinct goods or service from the customer.

##### *Contract assets*

The Group has considered the sales transactions that when the goods are delivered but the consideration is conditional depend on event in the future should be classified as contract assets. A contract asset is recognised where the Group recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration.

#### 4.20 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

#### 4.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as board of director that makes strategic decisions.

## 5 Financial risk management

### 5.1 Financial risk

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management is controlled by a central treasury department under policies approved by the board of directors. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and other financial instruments as well as investment of excess liquidity.

#### 5.1.1 Market risk

##### a) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from some currency exposures, primarily relates to its certain receivables and payables. However, the Group believes that foreign exchange risk will have no material effect.

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated financial statements			
	31 December 2023		31 December 2022	
	US Dollar Baht	Yuan Baht	US Dollar Baht	Yuan Baht
Cash and cash equivalents	8,216,258	1,839,773	3,867,406	-
Trade and other receivables	48,046,279	-	67,584,302	-
Trade and other payables	43,384,949	2,630,863	37,293,967	-
	99,647,486	4,470,636	108,745,675	-
	Separate financial statements			
	31 December 2023		31 December 2022	
	US Dollar Baht	Yuan Baht	US Dollar Baht	Yuan Baht
Cash and cash equivalents	4,726,466	1,839,773	1,011,509	-
Trade and other receivables	5,829,256	-	24,407,228	-
Trade and other payables	43,384,949	2,630,863	33,115,527	-
	53,940,671	4,470,636	58,534,264	-

##### b) Cash flow and Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions, short-term borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are closed to the market rate. The Group assesses that the interest rate risk is insignificant as the interests from financial assets and financial liabilities are not different.

### 5.1.2 Credit risk

#### a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only reliable credit quality financial institutions are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by the company's directors. The Group has a policy to limit credit transaction with financial institution appropriately.

#### b) Impairment of financial assets

The Group and the Company have 3 types following financial assets that are subject to the expected credit loss model:

- cash and cash equivalents;
- trade and other receivables; and
- contract assets.

While cash and cash equivalents are also subject to the impairment requirements, the identified impairment loss was immaterial.

#### *Trade receivables and contract assets*

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 60 month before 31 December 2023 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

### 5.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 477 MB (2022: Baht 511 MB) that are expected to readily generate cash inflows for managing liquidity risk. Due the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves considering the level of liquid assets necessary, monitoring liquidity ratios and maintaining financing plans.

**a) Financing arrangements**

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Floating rate</b>				
Expiring within one year				
- Bank overdraft	63,000,000	40,000,000	63,000,000	40,000,000
- Bank short-term loans	631,247,545	598,376,833	631,247,545	598,376,833
	694,247,545	638,376,833	694,247,545	638,376,833

Trust receipts and promissory note are denominated in Thai Baht with floating interest rate.

The fair values of current borrowings are equal to their carrying amounts, as the impact of discounting is not material. The borrowing rates of the Group and the Company are floating interest rates in accordance with the money market rate and are within the level 2 of the fair value hierarchy.

**b) Maturity of financial liabilities**

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using strike interest rates applicable at the end of the reporting period.

Consolidated financial statements				
Maturity of financial liabilities	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
<b>As at 31 December 2023</b>				
Trust receipts and promissory note	113,752,455	-	-	113,752,455
Trade and other payables	89,097,109	-	-	89,097,109
Lease Liabilities	4,157,901	7,171,851	-	11,329,752
<b>Total</b>	207,007,465	7,171,851	-	214,179,316
Consolidated financial statements				
Maturity of financial liabilities	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
<b>As at 31 December 2022</b>				
Trust receipts	31,623,167	-	-	31,623,167
Trade and other payables	77,488,996	-	-	77,488,996
Lease Liabilities	1,593,549	454,964	-	2,048,513
<b>Total</b>	110,705,712	454,964	-	111,160,676
Separate financial statements				
Maturity of financial liabilities	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
<b>As at 31 December 2023</b>				
Trust receipts and promissory note	113,752,455	-	-	113,752,455
Trade and other payables	203,855,034	-	-	203,855,034
Lease Liabilities	4,157,901	7,171,851	-	11,329,752
<b>Total</b>	321,765,390	7,171,851	-	328,937,241



Maturity of financial liabilities	Separate financial statements			Total Baht
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	
<b>As at 31 December 2022</b>				
Trust receipts	31,623,167	-	-	31,623,167
Trade and other payables	193,237,485	-	-	193,237,485
Lease Liabilities	1,593,549	454,964	-	2,048,513
<b>Total</b>	<b>226,454,201</b>	<b>454,964</b>	<b>-</b>	<b>226,909,165</b>

## 5.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends paid to shareholders.

## 6 Fair value

Fair value of financial assets and liabilities with a maturity of less than one year is considered to be the same as their the carrying value. The management of the Group believes that the fair values of the Group's financial assets and financial liabilities do not materially differ from their carrying amounts.

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

There were no changes in valuation techniques during the period.

The following table shows fair values of financial assets and liabilities by category.

	Consolidated financial statements			
	Fair value through profit or loss (FVPL) Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
<b>31 December 2023</b>				
<i>Financial assets measured at fair value</i>				
Financial assets measured at fair value through profit or loss	101,494,554	-	101,494,554	101,494,554
	101,494,554	-	101,494,554	101,494,554
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	477,534,046	477,534,046	477,534,046
Trade and other receivables	-	326,365,060	326,365,060	326,365,060
	-	803,899,106	803,899,106	803,899,106
<i>Financial liabilities not measured at fair value</i>				
Trust receipts and promissory note	-	113,752,455	113,752,455	113,752,455
Trade and other payables	-	89,097,109	89,097,109	89,097,109
Current portion of lease liabilities	-	3,803,643	3,803,643	4,157,901
Lease liabilities	-	6,826,123	6,826,123	7,171,851
	-	213,479,330	213,479,330	214,179,316

Consolidated financial statements				
	Fair value through profit or loss (FVPL) Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
<b>31 December 2022</b>				
<i>Financial assets measured at fair value</i>				
Financial assets measured at fair value through profit or loss	100,600,435	-	100,600,435	100,600,435
	100,600,435	-	100,600,435	100,600,435
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	511,113,750	511,113,750	511,113,750
Trade and other receivables	-	296,158,281	296,158,281	296,158,281
	-	807,272,031	807,272,031	807,272,031
<i>Financial liabilities not measured at fair value</i>				
Trust receipts	-	31,623,167	31,623,167	31,623,167
Trade and other payables	-	77,488,996	77,488,996	77,488,996
Long-term loans from related party	-	30,500,000	30,500,000	30,500,000
Current portion of lease liabilities	-	1,551,825	1,551,825	1,593,549
Lease liabilities	-	442,908	442,908	454,964
	-	141,606,896	141,606,896	141,660,676
Separate financial statements				
	Fair value through profit or loss (FVPL) Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
<b>31 December 2023</b>				
<i>Financial assets measured at fair value</i>				
Financial assets measured at fair value through profit or loss	101,494,554	-	101,494,554	101,494,554
	101,494,554	-	101,494,554	101,494,554
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	431,537,857	431,537,857	431,537,857
Trade and other receivables	-	344,207,081	344,207,081	344,207,081
	-	775,744,938	775,744,938	775,744,938
<i>Financial liabilities not measured at fair value</i>				
Trust receipts and promissory note	-	113,752,455	113,752,455	113,752,455
Trade and other payables	-	203,855,034	203,855,034	203,855,034
Current portion of lease liabilities	-	3,803,643	3,803,643	4,157,901
Lease liabilities	-	6,826,123	6,826,123	7,171,851
	-	328,237,255	328,237,255	328,937,241





	Separate financial statements			
	Fair value through profit or loss (FVPL) Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
<b>31 December 2022</b>				
<i>Financial assets measured at fair value</i>				
Financial assets measured at fair value through profit or loss	100,600,435	-	100,600,435	100,600,435
	100,600,435	-	100,600,435	100,600,435
<i>Financial assets not measured at fair value</i>				
Cash and cash equivalents	-	469,753,207	469,753,207	469,753,207
Trade and other receivables	-	300,479,602	300,479,602	300,479,602
Long-term loans to related party	-	25,000,000	25,000,000	25,000,000
	-	795,232,809	795,232,809	795,232,809
<i>Financial liabilities not measured at fair value</i>				
Trust receipts	-	31,623,167	31,623,167	31,623,167
Trade and other payables	-	193,237,485	193,237,485	193,237,485
Current portion of lease liabilities	-	1,551,825	1,551,825	1,593,549
Lease liabilities	-	442,908	442,908	454,964
	-	226,855,385	226,855,385	226,909,165

Since the majority of the financial assets and financial liabilities are short-term and long-term borrowing carry interest rate at floating rate, the management of the Group believes that the fair values of the Group's financial assets and financial liabilities do not materially differ from their carrying amounts.

The face values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

## 7 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### Allowance for account receivable from sales return

In determining allowance for account receivable from sales return, the management needs to make judgement in making estimates such returns at the time of sale at a portfolio level by applying expected value method. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

### Allowance for obsolete and slow-moving inventories

In determining allowance for obsolete and slow-moving inventories, the management needs to make judgement in making estimates upon the condition of goods and aging analysis of inventories.

### Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

## **Plant and equipment**

Management made estimation of useful life and residual value of plant and equipment. The management review and revise their estimation whenever there is an indicator that assumption may vary materially from prior period, or whenever there is disposal of obsolete assets and discontinued operation.

## **Useful life of intangible asset**

The Group estimates the useful life of intangible asset to be at least 3 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than the determined life, depending on technical innovations.

## **Employee benefit obligation**

The present value of the retirement benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions, include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement benefits obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefits obligations. In determining the appropriate discount rate, the Company considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement benefits liability. Additional information of other key assumptions for retirement benefits obligations is disclosed in Note 22.

## **Rebate and selling expenses**

The Group entered into agreements and commercial agreements with customers, under which various conditions pertaining to discounts, sale promotions, and special discounts given to increase sales during specific period. As a result, Management uses judgement in making these assumptions for discounts and sales at the end of each reporting period.

## **Determination of lease terms**

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets. Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

## **Determination of discount rate applied to leases**

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g., term, country, currency and security.

## 8 Segment information

The Group's director examines the Group's performance from geographic perspective and has identified 2 reportable segments of the Group's businesses.

Business segment results in the consolidated interim financial statements for the year ended 31 December 2023 and 2022 were as follows:

	Consolidated financial statements					
	Domestic		Overseas		Total	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Total revenue from sales and services	1,017,907,803	858,536,846	45,164,130	141,427,384	1,063,071,933	999,964,230
Inter-segment revenue	(61,054,119)	(34,041,447)	(37,249,340)	(33,594,263)	(98,303,459)	(67,635,710)
Revenue from external customers	956,853,684	824,495,399	7,914,790	107,833,121	964,768,474	932,328,520
Net profit by Segment	152,781,116	124,922,611	159,580	22,989,898	152,940,696	147,912,508
Timing of revenue recognition: At a point in time	956,853,684	824,495,399	7,914,790	107,833,121	964,768,474	932,328,520
Cost of sales and services					(462,839,869)	(447,779,873)
<b>Gross profit</b>					501,928,605	484,548,647
Other income					3,956,632	7,734,445
Selling expenses					(195,950,250)	(157,987,267)
Administrative expenses					(114,147,354)	(159,070,617)
Gain from foreign exchange rate					1,536,831	3,897,428
Share of loss from joint venture					-	(5,136,170)
Profit from acquisition of the remaining interest					-	9,067,622
Finance costs					(3,511,735)	(1,974,625)
<b>Profit before income tax</b>					193,812,729	181,079,463
Income tax					(40,872,033)	(33,166,955)
<b>Net profit for the year</b>					152,940,696	147,912,508



## 9 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Cash on hand	30,913	47,042	27,913	42,462
Deposits held at call with banks	477,503,133	511,066,708	431,509,944	469,710,745
<b>Total</b>	<b>477,534,046</b>	<b>511,113,750</b>	<b>431,537,857</b>	<b>469,753,207</b>

The effective interest rate on short-term bank deposits was 0.50% - 0.60% per annum (2022: 0.25% - 0.40% per annum).

## 10 Financial assets measured at fair value

Movements of financial assets measured at fair value for the year ended 31 December 2023 is as follows:

	Consolidated and Separate financial statements Financial assets measured at fair value through profit or loss
<b>Opening balance</b>	100,600,435
Addition	201,000,000
Maturity	(200,600,435)
Change in fair value	494,554
<b>Closing balance</b>	<b>101,494,554</b>

At 31 December 2023, the investment fund measured at fair value using Net Asset Value (NAV).

## 11 Trade and other receivables and contract assets

### 11.1 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade receivables	372,657,902	342,054,706	372,653,348	342,064,334
<u>Less</u> Allowance for doubtful accounts	(29,880,211)	(39,576,723)	(29,880,211)	(39,576,723)
<u>Less</u> Allowance for account receivable from sales return	(17,232,179)	(6,775,159)	(17,232,179)	(6,775,159)
Trade receivables - net	325,545,512	295,702,824	325,540,958	295,712,452
Trade account receivables - related party (Note 30.3)	-	-	18,647,477	4,018,995
Total trade accounts receivable - net	325,545,512	295,702,824	344,188,435	299,731,447
Inventory deposits	51,780,362	44,665,520	-	349,635
Other deposits	3,716,000	2,751,752	3,716,000	2,751,752
Prepaid expenses	14,062,834	15,012,126	12,792,362	5,747,151
Other receivables	819,548	455,457	18,646	748,155
Advance payment - related party (Note 30.3)	-	-	5,822,077	7,366,125
<b>Total</b>	<b>395,924,256</b>	<b>358,587,679</b>	<b>366,537,520</b>	<b>316,694,265</b>



## Fair values of trade receivables

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

### 11.2 Contract assets

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Contract assets	167,024,973	123,777,787	167,024,973	123,777,787
Less Provision for impairment	(1,403,212)	(1,325,401)	(1,403,212)	(1,325,401)
Less Allowance for account receivable from sales return - Contract assets	(13,039,379)	(4,879,542)	(13,039,379)	(4,879,542)
<b>Contract assets - net</b>	<b>152,582,382</b>	<b>117,572,844</b>	<b>152,582,382</b>	<b>117,572,844</b>

### 11.3 Impairments of trade receivables and contract assets

The expected credit loss for trade receivables and contract assets was determined as follows:

	Consolidated financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
<b>As 31 December 2023</b>						
Gross carrying amount						
- trade receivables	212,910,375	125,607,010	3,037,174	5,058,875	26,044,468	372,657,902
- contract assets	55,280,586	82,543,452	29,200,935	-	-	167,024,973
Expected credit loss trade receivables	(616,102)	(1,709,705)	(198,900)	(1,311,036)	(26,044,468)	(29,880,211)
Expected credit loss contract assets	(71,649)	(513,401)	(818,162)	-	-	(1,403,212)
	267,503,210	205,927,356	31,221,047	3,747,839	-	508,399,452
	Consolidated financial statements					
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
<b>As 31 December 2022</b>						
Gross carrying amount						
- trade receivables	235,891,500	66,729,671	208,589	239,520	38,985,426	342,054,706
- contract assets	25,575,912	62,724,473	35,477,402	-	-	123,777,787
Expected credit loss trade receivables	(531,946)	(936,856)	(19,649)	(4,602)	(38,083,670)	(39,576,723)
Expected credit loss contract assets	(76,652)	(166,066)	(1,082,683)	-	-	(1,325,401)
	260,858,814	128,351,222	34,583,659	234,918	901,756	424,930,369

	Separate financial statements					Total Baht
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	
<b>As 31 December 2023</b>						
Gross carrying amount						
- trade receivables	215,999,684	130,307,361	7,227,048	11,722,264	26,044,468	391,300,825
- contract assets	55,280,586	82,543,452	29,200,935	-	-	167,024,973
Expected credit loss						
trade receivables	(616,102)	(1,709,705)	(198,900)	(1,311,036)	(26,044,468)	(29,880,211)
Expected credit loss						
contract assets	(71,649)	(513,401)	(818,162)	-	-	(1,403,212)
	270,592,519	210,627,707	35,410,921	10,411,228	-	527,042,375
	Separate financial statements					Total Baht
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	
<b>As 31 December 2022</b>						
Gross carrying amount						
- trade receivables	239,920,123	66,729,671	208,589	239,520	38,985,426	346,083,329
- contract assets	25,575,912	62,724,473	35,477,402	-	-	123,777,787
Expected credit loss						
trade receivables	(531,946)	(936,856)	(19,649)	(4,602)	(38,083,670)	(39,576,723)
Expected credit loss						
contract assets	(76,652)	(166,066)	(1,082,683)	-	-	(1,325,401)
	264,887,437	128,351,222	34,583,659	234,918	901,756	428,958,992

The group categorised contract assets by the date of invoices and the contract assets will transfer to trade receivables within 3 to 6 months.

The reconciliations of expected credit loss for trade receivables and contract assets for the year ended 31 December are as follow:

	Consolidated and Separate financial statements			
	Trade receivables		Contract assets	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Opening expected credit loss at 1 January</b>	(39,576,723)	(15,577,986)	(1,325,401)	(1,402,783)
Decrease (Increase) in expected credit loss recognised in profit or loss during the year	9,696,512	(23,998,737)	(77,811)	77,382
<b>Closing expected credit loss at 31 December</b>	(29,880,211)	(39,576,723)	(1,403,212)	(1,325,401)

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.



## 12 Financial assets and financial liabilities

As at 31 December 2023, the classification of the financial assets and financial liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Financial assets</b>				
Financial assets at amortised cost				
Cash and cash equivalents	477,534,046	511,113,750	431,537,857	469,753,207
Trade and other receivables	326,365,060	296,158,281	344,207,081	300,479,602
Financial assets at fair value through profit or loss				
Short-term investments	101,494,554	100,600,435	101,494,554	100,600,435
	905,393,660	907,872,466	877,239,492	870,833,244
	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Financial liabilities</b>				
Liabilities at amortised cost				
Trust receipts and promissory note	113,752,455	31,623,167	113,752,455	31,623,167
Trade and other payables	89,097,109	77,488,996	203,855,034	193,237,485
Current portion of lease liabilities	3,803,643	1,551,825	3,803,643	1,551,825
Long-term loans from related party	-	30,500,000	-	-
Lease liabilities	6,826,123	442,908	6,826,123	442,908
	213,479,330	141,606,896	328,237,255	226,855,385

## 13 Inventories

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Finished goods	175,755,011	131,694,791	164,914,642	129,542,882
Raw Materials	10,992,062	5,523,802	-	-
<u>Less</u> Allowance for net realisable value	(10,563,839)	(10,134,466)	(10,563,839)	(10,134,466)
<u>Add</u> Provision of sales return	13,317,780	5,077,206	13,317,780	5,077,206
<b>Total</b>	189,501,014	132,161,333	167,668,583	124,485,622

During the years ended 31 December 2023 and 31 December 2022, amounts recognised as cost of sales in profit or loss are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Inventories recognised as an expense	444,233,109	418,169,110	433,238,978	362,908,269
Write-down inventories (reversal) to net realisable value	429,373	(7,055,995)	429,373	(7,055,995)



## 14 Investment in subsidiary

Movements of investment in subsidiaries are as follows:

	Separate financial statements	
	2023 Baht	2022 Baht
Opening book amount	30,273,543	44,793
Additional investment	-	30,228,750
Closing book amount	30,273,543	30,273,543

The subsidiaries included in consolidated financial statement are listed below:

Entity name	Country of incorporation	Nature of business	% of ownership interest		Consolidated financial statements Investment at equity method		Separate financial statements Investment at cost method	
			2023 %	2022 %	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Subsidiary</b>								
PHD International Limited	Hongkong	Own cosmetics	100.00	100.00	-	-	44,793	44,793
HIBIOCY Co., Ltd	Thailand	Distribution of pharmaceutical and medical products	46.60	46.60	-	-	5,228,750	5,228,750
O2 KISS Co., Ltd	Thailand	Distribution of skincare and food supplement in many trademarks	100.00	100.00	-	-	25,000,000	25,000,000
<b>Total subsidiary</b>					-	-	<b>30,273,543</b>	<b>30,273,543</b>

The Group holds 46.60% of shares in Hibiocy Company Limited but the Group has voting right in Hibiocy Company Limited at 51%, so the Group controls over Hibiocy Company Limited. The Group therefore classified the investment in Hibiocy Company Limited as an investment in a subsidiary.

Summarised financial information for subsidiaries with material non-controlling interests

Set out below are the summarised financial information of each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are the amounts before inter-company elimination.



## Summarised statement of financial position

	<b>Hibiocy Company Limited</b>	
	<b>2023</b>	<b>2022</b>
	<b>Baht</b>	<b>Baht</b>
At 31 December		
Current assets	119,283,428	156,916,913
Current liabilities	(11,316,053)	(38,639,136)
Total current net assets	107,967,375	118,277,777
Non-current assets	7,632,121	13,153,277
Non-current liabilities	-	(55,500,000)
Total non-current net assets	7,632,121	(42,346,723)
Net assets	115,599,496	75,931,054
Non-controlling interests	76,014,343	54,474,225

## Summarised statement of comprehensive income

	<b>Hibiocy Company Limited</b>	
	<b>2023</b>	<b>2022</b>
	<b>Baht</b>	<b>Baht</b>
At 31 December		
Revenue	109,149,712	143,936,803
Profit	40,339,088	45,328,274
Total comprehensive income	40,339,088	45,328,274
Income attributable to non-controlling interests	21,540,118	24,204,225

## Summarised of statement of cash flows

	<b>Hibiocy Company Limited</b>	
	<b>2023</b>	<b>2022</b>
	<b>Baht</b>	<b>Baht</b>
At 31 December		
Net cash generated from (used in) operating activities	60,833,437	(4,471,769)
Net cash used in investing activities	(55,576,043)	(14,521,837)
Net cash generated from (used in) financing activities	(875,000)	29,784,366
Net increase in cash and cash equivalents	4,382,394	10,790,760
Cash and cash equivalents at the beginning of the year	32,962,429	22,171,669
Cash and cash equivalents at the ending of the year	37,344,823	32,962,429

## 15 Plant and equipment

	Consolidated financial statements			
	Office apartments and building improvements Baht	Furniture and office equipment Baht	Computers and gadgets Baht	Total Baht
<b>At 1 January 2022</b>				
Cost	59,286,253	21,490,889	4,836,381	85,613,523
Less Accumulated depreciation	(24,190,009)	(13,576,652)	(3,360,660)	(41,127,321)
Less Allowance for impairment	(251,748)	(42,097)	(1,890)	(295,735)
Net book amount	34,844,496	7,872,140	1,473,831	44,190,467
<b>Year ended 31 December 2022</b>				
Opening net book amount	34,844,496	7,872,140	1,473,831	44,190,467
Additions	-	1,380,763	451,640	1,832,403
Additions for acquisition of a subsidiary	-	39,304	-	39,304
Write-off, net	-	(26,705)	-	(26,705)
Depreciation charge	(2,859,337)	(3,294,708)	(859,001)	(7,013,046)
Closing net book amount	31,985,159	5,970,794	1,066,470	39,022,423
<b>At 31 December 2022</b>				
Cost	59,286,253	21,226,027	5,288,021	85,800,301
Less Accumulated depreciation	(27,049,346)	(15,215,062)	(4,219,661)	(46,484,069)
Less Allowance for impairment	(251,748)	(40,171)	(1,890)	(293,809)
Net book amount	31,985,159	5,970,794	1,066,470	39,022,423

**At 1 January 2023**

Cost	
<u>Less</u> Accumulated depreciation	
<u>Less</u> Allowance for impairment	

Net book amount

**Year ended 31 December 2023**

Opening net book amount	
Additions	
Write-off, net	
Depreciation charge	

Closing net book amount

**At 31 December 2023**

Cost	
<u>Less</u> Accumulated depreciation	
<u>Less</u> Allowance for impairment	

Net book amount

Consolidated financial statements					
Office apartments and building improvements	Furniture and office equipment	Computers and gadgets	Construction in process	Total	
Baht	Baht	Baht	Baht	Baht	Baht
59,286,253	21,226,027	5,288,021	-	-	85,800,301
(27,049,346)	(15,215,062)	(4,219,661)	-	-	(46,484,069)
(251,748)	(40,171)	(1,890)	-	-	(293,809)
31,985,159	5,970,794	1,066,470	-	-	39,022,423
31,985,159	5,970,794	1,066,470	-	-	39,022,423
-	5,685,165	1,228,313	628,236	-	7,541,714
-	(17,774)	(40,480)	-	-	(58,254)
(2,121,710)	(3,425,215)	(814,197)	-	-	(6,361,122)
29,863,449	8,212,970	1,440,106	628,236	-	40,144,761
29,863,449	8,212,970	1,440,106	628,236	-	40,144,761
59,286,253	26,020,484	6,111,532	628,236	-	92,046,505
(29,171,056)	(17,767,343)	(4,669,536)	-	-	(51,607,935)
(251,748)	(40,171)	(1,890)	-	-	(293,809)
29,863,449	8,212,970	1,440,106	628,236	-	40,144,761



**At 1 January 2022**

Cost	59,286,253
<u>Less</u> Accumulated depreciation	(24,190,009)
<u>Less</u> Allowance for impairment	(251,748)

Net book amount

**Year ended 31 December 2022**

Opening net book amount	34,844,496
Additions	-
Write-off, net	-
Depreciation charge	(2,859,337)

Closing net book amount

**At 31 December 2022**

Cost	59,286,253
<u>Less</u> Accumulated depreciation	(27,049,346)
<u>Less</u> Allowance for impairment	(251,748)

Net book amount

Separate financial statements				
Office apartments and building improvements	Furniture and office equipment	Computers and gadgets	Total	
Baht	Baht	Baht	Baht	Baht
59,286,253	21,490,889	4,836,381	85,613,523	
(24,190,009)	(13,576,652)	(3,360,660)	(41,127,321)	
(251,748)	(42,097)	(1,890)	(295,735)	
34,844,496	7,872,140	1,473,831	44,190,467	
34,844,496	7,872,140	1,473,831	44,190,467	
-	1,380,763	451,640	1,832,403	
-	(26,705)	-	(26,705)	
(2,859,337)	(3,288,017)	(859,001)	(7,006,355)	
31,985,159	5,938,181	1,066,470	38,989,810	
31,985,159	5,938,181	1,066,470	38,989,810	
59,286,253	21,186,723	5,288,021	85,760,997	
(27,049,346)	(15,208,371)	(4,219,661)	(46,477,378)	
(251,748)	(40,171)	(1,890)	(293,809)	
31,985,159	5,938,181	1,066,470	38,989,810	

**At 1 January 2023**

Cost	59,286,253	21,186,723	5,288,021	-	85,760,997
Less Accumulated depreciation	(27,049,345)	(15,208,372)	(4,219,661)	-	(46,477,378)
Less Allowance for impairment	(251,748)	(40,171)	(1,890)	-	(293,809)

Net book amount

**Year ended 31 December 2023**

Opening net book amount	31,985,160	5,938,180	1,066,470	-	38,989,810
Additions	-	5,685,165	1,152,270	628,236	7,465,671
Write-off, net	-	(17,774)	(40,480)	-	(58,254)
Depreciation charge	(2,121,710)	(3,417,245)	(790,804)	-	(6,329,759)

Closing net book amount

**At 31 December 2023**

Cost	59,286,253	25,980,634	6,035,489	628,236	91,930,612
Less Accumulated depreciation	(29,171,055)	(17,752,137)	(4,646,143)	-	(51,569,335)
Less Allowance for impairment	(251,748)	(40,171)	(1,890)	-	(293,809)

Net book amount

Separate financial statements					
Office apartments and building improvements	Furniture and office equipment	Computers and Gadgets	Construction in process	Total	
Baht	Baht	Baht	Baht	Baht	Baht
59,286,253	21,186,723	5,288,021	-	85,760,997	
(27,049,345)	(15,208,372)	(4,219,661)	-	(46,477,378)	
(251,748)	(40,171)	(1,890)	-	(293,809)	
31,985,160	5,938,180	1,066,470	-	38,989,810	
31,985,160	5,938,180	1,066,470	-	38,989,810	
-	5,685,165	1,152,270	628,236	7,465,671	
-	(17,774)	(40,480)	-	(58,254)	
(2,121,710)	(3,417,245)	(790,804)	-	(6,329,759)	
29,863,450	8,188,326	1,387,456	628,236	40,067,468	
29,863,450	8,188,326	1,387,456	628,236	40,067,468	
59,286,253	25,980,634	6,035,489	628,236	91,930,612	
(29,171,055)	(17,752,137)	(4,646,143)	-	(51,569,335)	
(251,748)	(40,171)	(1,890)	-	(293,809)	
29,863,450	8,188,326	1,387,456	628,236	40,067,468	

Depreciation is included as part of cost of sales and administrative expenses as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Cost of sales	1,491,573	1,358,987	1,491,573	1,358,987
Administrative expenses	4,869,549	5,654,059	4,838,186	5,647,368
Total	6,361,122	7,013,046	6,329,759	7,006,355

## 16 Right-of-use assets

Right-of-use asset balance are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Warehouse	5,848,876	462,637	5,848,876	462,637
Vehicles	4,514,090	1,356,602	4,514,090	1,356,602
Total	10,362,966	1,819,239	10,362,966	1,819,239

For the year ended 31 December, amounts charged to profit or loss and cash flows relating to leases are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Depreciation charge of right-of-use assets:				
Warehouse	2,712,205	1,914,795	2,712,205	1,914,795
Vehicles	1,133,506	1,160,048	1,133,506	1,160,048
Total	3,845,711	3,074,843	3,845,711	3,074,843
Addition to the right-of-use assets during the year	12,389,438	-	12,389,438	-
Total cash outflow for leases	3,754,405	3,144,529	3,754,405	3,144,529
Interest expense (included in finance cost)	326,094	146,904	326,094	146,904





## 17 Intangible assets

	Consolidated financial statements			
	Trademark	Software	Development costs	
			Total	
	Baht	Baht	Baht	Baht
<b>At 1 January 2022</b>				
Cost	10,107,058	6,904,903	-	17,011,961
<u>Less</u> Accumulated amortisation	(6,057,592)	(5,811,094)	-	(11,868,686)
Net book amount	4,049,466	1,093,809	-	5,143,275
<b>Year ended 31 December 2022</b>				
Opening net book amount	4,049,466	1,093,809	-	5,143,275
Additions for acquisition of a subsidiary	5,809,788	-	12,404,322	18,214,110
Amortisation charge	(2,637,707)	(424,162)	(3,758,886)	(6,820,754)
Currency translation difference	159,759	-	-	159,759
Closing net book amount	7,381,306	669,647	8,645,436	16,696,389
<b>At 31 December 2022</b>				
Cost	16,264,743	6,904,903	12,404,322	35,573,967
<u>Less</u> Accumulated amortisation	(8,883,437)	(6,235,256)	(3,758,886)	(18,877,578)
Net book amount	7,381,306	669,647	8,645,436	16,696,389
<b>Year ended 31 December 2023</b>				
Opening net book amount	7,381,306	669,647	8,645,436	16,696,389
Additions	-	9,991,242	-	9,991,242
Amortisation charge	(2,949,010)	(1,146,726)	(4,510,663)	(8,606,399)
Currency translation difference	(7,779)	-	-	(7,779)
Closing net book amount	4,424,517	9,514,163	4,134,773	18,073,453
<b>At 31 December 2023</b>				
Cost	16,163,724	16,896,145	12,404,322	45,464,191
<u>Less</u> Accumulated amortisation	(11,739,207)	(7,381,982)	(8,269,549)	(27,390,738)
Net book amount	4,424,517	9,514,163	4,134,773	18,073,453

	<b>Separate financial statements</b>
	<b>Software Baht</b>
<b>At 1 January 2022</b>	
Cost	6,904,903
<u>Less</u> Accumulated amortisation	<u>(5,811,094)</u>
Net book amount	<u>1,093,809</u>
<b>Year ended 31 December 2022</b>	
Opening net book amount	1,093,809
Amortisation charge	<u>(424,162)</u>
Closing net book amount	<u>669,647</u>
<b>At 31 December 2022</b>	
Cost	6,904,903
<u>Less</u> Accumulated amortisation	<u>(6,235,256)</u>
Net book amount	<u>669,647</u>
<b>Year ended 31 December 2023</b>	
Opening net book amount	669,647
Additions	9,923,742
Amortisation charge	<u>(1,128,728)</u>
Closing net book amount	<u>9,464,661</u>
<b>At 31 December 2023</b>	
Cost	16,828,645
<u>Less</u> Accumulated amortisation	<u>(7,363,984)</u>
Net book amount	<u>9,464,661</u>

Amortisation recognised in profit and loss that are related to intangible assets are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2023 Baht</b>	<b>2022 Baht</b>	<b>2023 Baht</b>	<b>2022 Baht</b>
Cost of sales	6,401,683	5,330,723	-	-
Administrative expenses	2,204,716	1,490,031	1,128,728	424,162
Total	8,606,399	6,820,754	1,128,728	424,162



## 18 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Deferred tax assets	19,018,210	14,877,566	17,702,600	14,193,449
Deferred tax liabilities	5,618,738	1,379,289	5,618,738	1,379,289
Deferred tax assets, net	13,399,472	13,498,277	12,083,862	12,814,160

The movements in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements						
	Expected credit loss Baht	Allowance from sale return Baht	Allowance for decrease in value of inventory Baht	Intangible assets Baht	Allowance for impairment of plant and equipment Baht	Lease liabilities Baht	Employee benefit obligation Baht
<b>Deferred tax assets</b>							
1 January 2022	3,396,154	2,132,355	3,438,094	-	59,145	1,027,853	1,105,664
Recognised to profit or loss	4,784,271	198,585	(1,411,199)	684,117	(385)	(628,906)	91,818
31 December 2022	8,180,425	2,330,940	2,026,895	684,117	58,760	398,947	1,197,482
1 January 2023	8,180,425	2,330,940	2,026,895	684,117	58,760	398,947	1,197,482
Recognised to profit or loss	(1,923,740)	3,723,370	85,875	631,493	-	1,727,007	170,128
Recognised to other comprehensive income	-	-	-	-	-	-	(273,489)
31 December 2023	6,256,685	6,054,310	2,112,770	1,315,610	58,760	2,125,954	1,094,121

	Separate financial statements						
	Expected credit loss Baht	Allowance from sale return Baht	Allowance for decrease in value of inventory Baht	Allowance for impairment of plant and equipment Baht	Lease liabilities Baht	Employee benefit obligation Baht	Total Baht
<b>Deferred tax assets</b>							
1 January 2022	3,396,154	2,132,355	3,438,094	59,145	1,027,853	1,105,664	11,159,265
Recognised to profit or loss	4,784,271	198,585	(1,411,199)	(385)	(628,906)	91,818	3,034,184
31 December 2022	8,180,425	2,330,940	2,026,895	58,760	398,947	1,197,482	14,193,449
1 January 2023	8,180,425	2,330,940	2,026,895	58,760	398,947	1,197,482	14,193,449
Recognised to profit or loss	(1,923,740)	3,723,370	85,875	-	1,727,007	170,128	3,782,640
Recognised to other comprehensive income	-	-	-	-	-	(273,489)	(273,489)
31 December 2023	6,256,685	6,054,310	2,112,770	58,760	2,125,954	1,094,121	17,702,600

	Consolidated and separate financial statements			
	Provision from cost return Baht	Right of use Baht	Other Baht	Total Baht
<b>Deferred tax liabilities</b>				
1 January 2022	(833,788)	(978,817)	-	(1,812,605)
Recognised to profit or loss	(181,653)	614,969	-	433,316
31 December 2022	(1,015,441)	(363,848)	-	(1,379,289)
1 January 2023	(1,015,441)	(363,848)	-	(1,379,289)
Recognised to profit or loss	(1,648,115)	(1,708,745)	(882,589)	(4,239,449)
31 December 2023	(2,663,556)	(2,072,593)	(882,589)	(5,618,738)

## 19 Borrowings

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Current</b>				
Trust Receipts	103,752,455	31,623,167	103,752,455	31,623,167
Promissory notes	10,000,000	-	10,000,000	-
Total current borrowings	113,752,455	31,623,167	113,752,455	31,623,167
<b>Non-current</b>				
Long-term loans from related party (Note 30.5)	-	30,500,000	-	-
Total non-current borrowings	-	30,500,000	-	-
<b>Total borrowings</b>	113,752,455	62,123,167	113,752,455	31,623,167

## 20 Trade and other payable

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade payable	89,075,994	75,467,980	90,030,708	64,942,901
Trade payables - related party (Note 30.3)	-	-	42,553,398	80,625,511
Amounts due to related party (Note 30.3)	-	-	71,270,928	47,669,073
Accrued rebate expenses	42,488,002	70,980,848	42,486,814	70,679,105
Accrued expenses	14,532,434	19,360,179	10,628,612	11,506,115
Other payables	21,115	2,021,016	-	-
<b>Total</b>	146,117,545	167,830,023	256,970,460	275,422,705

**21 Lease liabilities**

	<b>Consolidated and Separate financial statements</b>	
	<b>31 December 2023 Baht</b>	<b>31 December 2022 Baht</b>
Current portion of lease liabilities	3,803,643	1,551,825
Lease liabilities	6,826,123	442,908
<b>Total lease liabilities</b>	<b>10,629,766</b>	<b>1,994,733</b>

The movement of lease liabilities for the year ended 31 December 2023 can be analysed as follows:

	<b>Consolidated and Separate financial statements</b>		
	<b>Lease payables Baht</b>	<b>Deferred interest Baht</b>	<b>Lease liabilities Baht</b>
Opening net book value	2,048,513	(53,780)	1,994,733
Cash outflows:			
Repayment of lease liabilities	(3,754,405)	-	(3,754,405)
Repayment of interest expense	(326,094)	-	(326,094)
Non-cash outflows:			
Additions	13,361,738	(972,300)	12,389,438
Amortised deferred interest	-	326,094	326,094
Closing net book value	11,329,752	(699,986)	10,629,766

	<b>Consolidated and Separate financial statements</b>	
	<b>31 December 2023 Baht</b>	<b>31 December 2022 Baht</b>
<b>Minimum lease liabilities payments</b>		
Within 1 year	4,157,901	1,593,549
Within 1 - 5 years	7,171,851	454,964
<u>Less</u> Future finance charges on leases	(699,986)	(53,780)
Present value of lease liabilities	10,629,766	1,994,733
<b>Present value of lease liabilities:</b>		
Within 1 year	3,830,643	1,551,825
Within 1 - 5 years	6,826,123	442,908
	10,629,766	1,994,733

**22 Employee benefit obligations**

	<b>Consolidated and separate financial statements</b>	
	<b>2023 Baht</b>	<b>2022 Baht</b>
Retirement benefit obligations	5,343,642	5,792,337
Other long-term benefit obligations	126,964	195,075
	5,470,606	5,987,412

The Company provides retirement benefits based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on based salaries and length of service.

The Company provides other long-term benefits following the policy of the Company. The benefits are paid in cash which amounts are predetermined according to the Company's policy.

The movements of employee benefit obligations during the year are as follows:

	Consolidated and separate financial statements					
	2023			2022		
	Retirement benefit obligations Baht	Other long-term benefit obligations Baht	Total Baht	Retirement benefit obligations Baht	Other long-term benefit obligations Baht	Total Baht
At 1 January	5,792,337	195,075	5,987,412	5,332,958	195,365	5,528,323
Current service cost	777,389	31,128	808,517	762,588	32,269	794,857
Interest cost	141,361	2,696	144,057	99,590	2,441	102,031
Actuarial (gain) loss	(1,367,445)	3,065	(1,364,380)	-	-	-
Benefits paid	-	(105,000)	(105,000)	(402,799)	(35,000)	(437,799)
At 31 December	5,343,642	126,964	5,470,606	5,792,337	195,075	5,987,412

The amounts recognised in the income statement are as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Current service cost	808,517	794,857
Interest cost	144,057	102,031
	952,574	896,888

The significant actuarial assumptions used were as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Discount rate	3.56%	1.54%
Salary growth rate	5.68%	4.22%
Turnover rate	5%-45%	24%-60%
Age of retirement	60 Years old	60 Years old

Sensitivity analysis for each significant assumption used is as follows:

	Consolidated and separate financial statements					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2023	2022	2023	2022	2023	2022
Discount rate	0.50%	0.50%	Decrease by 4.50 %	Decrease by 4.16%	Increase by 4.79 %	Increase by 4.41%
Salary growth rate	0.50%	0.50%	Increase by 4.54 %	Increase by 5.10%	Decrease by 4.31 %	Decrease by 4.83%
Turnover rate	0.50%	0.50%	Decrease by 5.11 %	Decrease by 5.52%	Increase by 5.42 %	Increase by 1.35%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

Weighted average of employee benefit obligations period is 13 years.



Expected maturity analysis of undiscounted retirement benefits is as follows:

	Less than 1 year Baht	Between 1 - 5 years Baht	Between 5 - 10 years Baht	More than 10 years Baht	Total Baht
<b>At 31 December 2023</b>					
Retirement benefits	63,522	1,980,678	5,347,197	13,304,668	20,696,065
	Less than 1 year Baht	Between 1 - 5 years Baht	Between 5 - 10 years Baht	More than 10 years Baht	Total Baht
<b>At 31 December 2022</b>					
Retirement benefits	55,271	830,742	8,121,562	573,031	9,580,606

## 23 Share capital and premium on share capital

	Registered share capital		Issued and paid-up capital		Share premium
	Shares	Baht	Shares	Baht	Baht
1 January 2022	618,000,000	309,000,000	600,000,000	300,000,000	487,368,348
31 December 2022	618,000,000	309,000,000	600,000,000	300,000,000	487,368,348
Issuance of shares	-	-	10,000	5,000	67,000
31 December 2023	618,000,000	309,000,000	600,010,000	300,005,000	487,435,348

On March 11, 2023, the warrant holders exercised their warrants (KISS ESOP) totalling 1 units to purchase 10,000 ordinary shares at the exercise price of Baht 7.20 per unit in total amount of Baht 72,000. The Company received full payment and registered the capital increase with Ministry of Commerce at 5 April 2023.



## 24 Share-base payment

The Company issued and offered grants of warrants to the executives and employees of the Company (KISS ESOP), which their terms 5 years from the issued date and no offered price. The criteria of right exercise is regarding to the Company policy. The exercise ratio and price on issued date are as follows:

Issued by	Allotted to	Approval date	Determined exercising date		Outstanding warrant unit	Decrease during the period				Outstanding warrant unit	
			First exercise	Last exercise		Exercise unit	for ordinary shares per 1 warrant	Exercise price Baht	Amount Baht		Expired Baht
As at 1 January 2023											As at 31 December 2023
Rojukiss International Public Company Limited	Employees of the Company	19 February 2021	19 February 2023	19 February 2026	18,000,000	10,000	1	7.20	72,000	-	17,990,000
Total					18,000,000	10,000	1	7.20	72,000	-	17,990,000

On March 11, 2023, the warrant holders exercised their warrants (KISS ESOP) totalling 10,000 units to purchase 10,000 ordinary shares at the exercise price of Baht 7.20 per unit in total amount of Baht 72,000. The Company has already received full payment and registered the capital increase with Ministry of Commerce on 5 April 2023.



The fair value of the warrant is measured by a Black-Scholes Model with the following financial assumptions:

	KISS ESOP
Fair value of the warrant at the grant date	1.90 Baht/unit
Share price at the grant date	9.00 Baht/unit
Exercise price	7.20 Baht/unit
Expected volatility	20.00%
The expected period, that shareholders will completely use their right on warrant	5 years
Risk free interest rate	0.86%

Movements of capital reserve for share-based payment for the years ended 31 December 2023 are as follows:

	Consolidated and Separate financial statements Baht
At 1 January	13,854,171
Increase during the year	4,891,722
At 31 December	18,745,893

## 25 Legal reserve

	Consolidated and Separate financial statements Baht
At 1 January 2022	30,000,000
Appropriation during the year	900,000
At 31 December 2022	30,900,000
At 31 December 2023	30,900,000

Under the Public Companies Act., B.E. 2535, the Company is required to set aside as statutory reserve at least 5% percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% percent of the registered capital. This reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

## 26 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Cost of raw materials and finished goods	444,233,109	417,105,209	433,238,978	361,844,760
Advertising expense	107,567,445	92,480,305	106,428,512	84,561,759
Employee salaries	101,049,028	96,397,292	101,049,028	96,397,292
Employee benefit expense	955,639	896,888	955,639	896,888
Depreciation and amortisation	12,388,155	12,406,831	11,304,197	11,334,271

## 27 Income tax expense

Income tax expense for the year comprises the following:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current tax:				
Current tax on profits for the year	40,773,228	37,318,572	26,197,027	26,362,051
Total current tax	40,773,228	37,318,572	26,197,027	26,362,051
Deferred tax:				
Decrease (increase) in deferred tax assets (Note 18)	(4,140,644)	(3,718,301)	(3,509,151)	(3,034,184)
(Decrease) increase in deferred tax liabilities (Note 18)	4,239,449	(433,316)	4,239,449	(433,316)
Total deferred tax	98,805	(4,151,617)	730,298	(3,467,500)
Total income tax	40,872,033	33,166,955	26,927,325	22,894,551

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Profit before tax	193,812,729	181,079,463	117,548,797	107,851,220
Tax calculated at a tax rate of 20% (2022: 20%)	38,762,546	36,215,893	23,509,759	21,570,244
Tax effect of:				
Expenses not deductible for tax purpose	5,470,338	2,003,820	3,457,266	1,438,487
Expenses deductible for tax purpose	(39,700)	(4,025,524)	(39,700)	(114,180)
Difference in overseas tax rate	(1,872,636)	-	-	-
Utilisation of previously unrecognised tax losses	(1,448,515)	-	-	-
Share of loss from joint venture	-	(1,027,234)	-	-
Tax charge	40,872,033	33,166,955	26,927,325	22,894,551

The weighted average applicable tax rate was 22.91% (2022: 21.23%).

The tax (charge)/credit relating to component of other comprehensive income is as follows:

	Consolidated and separate financial statements					
	2023			2022		
	Before tax Baht	Tax (charge) credit Baht	After tax Baht	Before tax Baht	Tax (charge) credit Baht	After tax Baht
Currency translation difference	(16,935)	-	(16,935)	629,852	-	629,852
At 31 December	(16,935)	-	(16,935)	629,852	-	629,852

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current tax	40,773,228	37,318,572	26,197,027	26,362,051
Deferred tax (note 18)	98,805	(4,151,617)	730,298	(3,467,500)
<b>Income tax expense</b>	<b>40,872,033</b>	<b>33,166,955</b>	<b>26,927,325</b>	<b>22,894,551</b>



## 28 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to the shareholders by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit for the period (Baht)	131,400,578	123,708,283	90,621,472	84,956,669
Weighted average number of ordinary shares outstanding (shares)	600,007,425	600,000,000	600,007,425	600,000,000
Total of ordinary shares outstanding (shares)	600,007,425	600,000,000	600,007,425	600,000,000
Basic earnings per share (Baht per share)	0.22	0.21	0.15	0.14

## 29 Dividends

### 2023

On 25 April 2023, the Annual General Meeting 1/2023 of the Company passed a resolution approving the Company to pay dividend from retained earnings at 31 December 2022 to the shareholders listed in the register on 8 May 2023, at the rate of Baht 0.08 per share totalling Baht 48,000,800. The dividends was paid on 24 May 2023

On 15 August 2023, the Board of Directors Meeting 3/2023 approved the payment of interim dividend from net profit for the period ended at 30 June 2023 to the shareholders listed in the register on 29 August 2023. Dividends were announced at the rate of Baht 0.06 per share totalling Baht 36,000,600. The dividends were paid on 14 September 2023.

### 2022

On 25 April 2022, the Annual General Meeting 1/2022 of the Company passed a resolution approving the Company to pay dividend from retained earnings at 31 December 2021 to the shareholders listed in the register on 5 May 2022, at the rate of Baht 0.10 per share totalling Baht 60,000,000. The dividends was paid on 24 May 2022.

On 15 August 2022, the Board of Directors Meeting 5/2022 approved the payment of interim dividend from net profit for the period ended at 30 June 2022 to the shareholders listed in the register on 30 August 2022. Dividends were announced at the rate of Baht 0.06 per share totalling Baht 36,000,000. The dividends was paid on 14 September 2022.

## 30 Related party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, associates, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

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

The majority of the Company's shareholders are Aurora Asia Holdings PTE LTD and Ms. Piyawadee Sonsingh who own 28.98% and 18.04% of the Company's shares.

The following material transactions were carried out with related parties:

### 30.1 Sales of goods and services

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Sales of goods</b>				
Subsidiary	-	-	13,663,354	12,600,736
Joint venture	-	-	-	3,605,102
	-	-	13,663,354	16,205,838
<b>Management Fee</b>				
Subsidiary	-	-	3,573,222	21,440,711

### 30.2 Purchases of goods and services

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Royalty Fee</b>				
Subsidiary	-	-	37,511,063	33,851,049
<b>Interest Income</b>				
Subsidiary	-	-	551,370	456,438

### 30.3 Outstanding balances arising from purchases/sales of goods and services and other income

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Trade account receivables - related party</b> (Note 11.1)				
Subsidiary	-	-	18,647,477	4,018,995
<b>Advance payment</b> (Note 11.1)				
Subsidiary	-	-	5,822,077	7,366,125
<b>Trade payable - related party</b> (Note 20)				
Subsidiaries	-	-	42,553,398	80,625,511
<b>Amounts due to related party</b> (Note 20)				
Subsidiary	-	-	71,270,928	47,669,073



The movements of loan to subsidiary for the year ended 31 December 2023 are as follows:

	Separate financial statements Baht
Opening book value	25,000,000
Repayment	(25,000,000)
Closing book value	-

Long-term loan to subsidiary is unsecured and denominated in Thai Baht. The loan is due for repayment when the subsidiary can generate profit in accordance with the shareholder agreement and carry interest at 3.5% per annum.

### 30.5 Long-term loans from related party

The movements of loans from related party for the year ended 31 December 2023 are as follows:

	Consolidated financial statements Baht
Opening book value	30,500,000
Repayment	(30,500,000)
Closing book value	-

A subsidiary borrowed the loans from its director. The loans are unsecured and denominated in Thai Baht. The loans are due for repayment when the subsidiary can generate profit in accordance with the shareholder agreement and carry interest at 3.5% per annum.

### 30.6 Key management compensation

Key management includes members of the executive committee. The compensation paid or payable to key management are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Salaries	33,863,086	30,390,915	24,616,429	22,171,098
Other short-term employee benefits	1,858,855	2,476,145	1,858,855	2,476,145
Retirement benefits	2,245,251	1,243,451	2,245,251	1,243,451
<b>Total</b>	<b>37,967,192</b>	<b>34,110,511</b>	<b>28,720,535</b>	<b>25,890,694</b>

## Part 4

## APPENDIX

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Appendix 1 : Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, and Corporate Secretary	194
Appendix 2 : Details of Directors of a Subsidiary	210
Appendix 3 : Details of Internal Auditor	211
Appendix 4 : Charters of the Board of Directors and Sub-Committees	212







# APPENDIX 1

Details of Directors, Executives, Controlling Person, Person in charge of Finance and Accounting, and Corporate Secretary

## Dr. Lackana Leelayouthayotin

<b>Age</b>	70
<b>Position</b>	Independent Director / Chairman
<b>Date of Appointment</b>	16 July 2020
<b>Shareholding in KISS</b>	0.08% (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Ph.D. (Business Administration), University of Southern Queensland, Australia
- Master of Business Administration, Catholic University of Leuven, Belgium
- B.Sc. (Chemistry), Chulalongkorn University

### Training Programs

- Advance Audit Committee Program (AACP), 30/2018, Thai Institute of Directors Association
- TLCA Leadership Development Program, 2017, International Institute for Management Development
- Public Director Certification Program, 15/2016, Public Director Institute, King Prajadhipok's Institute
- Director Certification Program (DCP) 225/2016, Thai Institute of Directors Association
- Advance Executive Program, 1999, Kellogg School of Management, Northwestern University, U.S.A
- IOD National Director Conference 2019: Board of the future, Thai Institute of Directors (IOD).
- Exclusive workshop for SCB Boardroom: Vision-Driven Purpose, The Siam Commercial Bank Public Company Limited and Thai Institute of Directors Association.
- Cyber Resilience Leadership: Herd Immunity by the Bank of Thailand together with the office Securities Commission and The Stock Exchange of Thailand and the Office of Insurance Commission(OIC), November 2021
- BOT Digital Finance Conference 2022, Bank of Thailand
- Seminar: Topic Sustainability Trends in Business Across Industries, Thai Institute of Directors (IOD).
- Seminar: การตกแต่งงบการเงินเพื่อการทำธุรกรรมในตลาดทุนไทยและความยั่งยืนภายใต้เศรษฐกิจที่ถดถอยและมาตรการลดภาวะโลกร้อน พ.ศ. 2566 โดยกลุ่มบริษัท สำนักงาน อีวาย (EY)

### Position in Other Listed Company

2016 - Present	Independent Director / Chairman of the Audit Committee / Member of the Nomination and Compensation Committee, Techno Medical Public Company Limited
2015 - Present	Independent Director / Member of Nomination Committee, Lam Soon (Thailand) Public Company Limited
2023 - Present	Independent Director / Chairman of Nomination and Remuneration Committee / Chairman of the Risk Management and Corporate Governance Committee and Audit Committee, BBGI

### Position in Other Company/Organization/Institution

2022 - Present	Committee, Siam Commercial Foundation
2019 - Present	Independent Director / Member of the Nomination, Compensation and Corporate Governance Committee and Member of the Corporate Social Responsibility Committee, The Siam Commercial Bank Public Company Limited
2017 - Present	Independent Director, Bangchak Retail Company Limited
2016 - Present	Independent Director / Member of the Audit Committee, Shera Public Company Limited
2021 - Present	Chairman of the Fund Management Committee, Thailand Institute of Scientific and Technological Research (TISTR)
2018 - Present	Committee of Fund for Patients and Hospital Affairs Committee, Somdet Phra Nyanasamvara Somdet Phra Sangharaj Wat Bovoranives Vihara Foundation under Royal Patronage
2023 - Present	Committee, Somdet Phra Nyanasamvara Somdet Phra Sangharaj Wat Bovoranives Vihara Foundation under Royal Patronage
2014 - Present	Chairman, Foundation for Education, Marketing Association of Thailand
1997 - Present	Chairman, Voluntary Blood Donors Subcommittee under the Recruitment and Promotion of Voluntary Blood Donors Committee, Thai Red Cross Society

### Experiences in the past 5 years

2016 - 2022	Managing Director, Advisor and Beyond Company Limited
2013 - 2022	Consultant, Brand's Suntory (Thailand) Company Limited
2015 - 2021	Director, GMM Grammy Public Company Limited
2015 - 2019	Advisory to the Strategy Sub Committee, Thai Institute of Nuclear Technology
2015 - 2018	Director, GMM Channel Company Limited
2015 - 2017	Director, The One Enterprise Company Limited
2013 - 2017	Director, Cerebos (Thailand) Company Limited
2007 - 2017	Director, Tipco F&B Company Limited

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



## Mrs. Pratana Mongkolkul

<b>Age</b>	59
<b>Position</b>	Independent Director / Vice Chairman / Chairman of Audit Committee
<b>Date of Appointment</b>	16 July 2020
<b>Shareholding in KISS</b>	0.05% (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Certificate Advanced Management Program, Harvard Business School, Harvard University, U.S.A.
- Master of Business Administration, Thammasat University
- Bachelor of Accounting, Thammasat University

### Training Programs

- Engaging Board in ESG: The Path to Effective Sustainability 2023, Thai Institute of Director Association
- How to develop a Risk Management Plan (HRP) 35/2003, Thai Institute of Directors Association
- Successful Formulation & Execution of Strategy (SFE) 42/2023, Thai Institute of Directors Association
- ESG Priorities - Key consideration for Audit Committee 2023, KPMG Thailand
- IT Bar 2022: New Normal - Now Normal - Next Normal, The Central Intellectual Property and International Trade Court
- Board Nomination and Compensation Program (BNCP) 12/2021, Thai Institute of Directors Association
- Director Leadership Certification Program (DLCP) 2/2021, Thai Institute of Directors Association
- Ethical Leadership Program (ELP) 21/2021, Thai Institute of Directors Association
- IP Bar 2021: IP Challenges in the Next Normal, The Central Intellectual Property and International Trade Court
- IT Governance and Cyber Resilience Program (ITG) 3/2017, Thai Institute of Directors Association
- Audit Committee Program (ACP) 22/2016, Thai Institute of Directors Association
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Rationale 20/2016, King Prajadhipok's Institute
- Public Director Certification Program Class 13/2015, King Prajadhipok's Institute
- Thai Intelligent Investors 1/2012, Thai Investors Association
- Capital Market Academy Leader Program 6/2008, Capital Market Academy
- Chief Financial Officer Certification Program 1/2004, Institute of Certified Accounting and Auditors of Thailand
- Director Certification Program (DCP) 34/2003, Thai Institute of Directors Association
- Director Accreditation Program (DAP) 2/2003, Thai Institute of Directors Association
- Director Diploma Examination 2003, The Australian Institute of Directors Association

### Position in Other Listed Company

2023 - Present	Independent Director / Member of Audit Committee / Chairman of Corporate Governance Committee, Synnex (Thailand) Public Company Limited
2023 - Present	Independent Director / Chairman of Audit Committee / Member of Corporate Governance Committee, True Corporation Public Company Limited
2019 - Present	Independent Director / Chairman of the Audit Committee, Member of Corporate Governance and Sustainability Committee, Central Retail Corporation Public Company Limited
2021 - 2023	Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee / Member of the Corporate Governance Committee, Total Access Communication Public Company Limited
2019 - 2023	Independent Director / Member of the Audit Committee, Plus Tech Innovation Public Company Limited (formerly TBSP Public Company Limited)
2015 - 2023	Independent Director / Chairman of the Risk Management Committee / Member of the Nomination and Remuneration Committee / Member of the Good Corporate Governance Committee, FN Factory Outlet Public Company Limited

### Position in Other Company/Organization/Institution

2015 - Present	Director, Secretary and Treasurer, Mongkolkulwittaya School Foundation
2014 - Present	Associate Judge Class 10, 13, Central Intellectual Property and International Trade Court (Thailand)
2013 - Present	Director, Secretary and Treasurer, Dr.Kamchad - Pranee Mongkolkul Foundation
2011 - Present	Chairman, Boutique Consulting Group Limited
2010 - Present	Councilor and Chairman of Audit Committee, Thailand Management Association
2003 - Present	Graduated Member and Lecturer, Thai Institute of Director Association

### Experiences in the past 5 years

July-Nov 2022	Director, Pomelo Fashion Company Limited
2017 - 2020	Director / Member of Executive Board Committee, Thai Airways International Public Company Limited
2018 - 2019	Director / Board of Trustees, Dhurakij Pundit University
2015 - 2019	Director / Chairman of the Audit Committee, Thailand Post Company Limited
2013 - 2019	Independent Director / Member of the Audit Committee, T.K.S. Technologies Public Company Limited
2014 - 2018	Member of Board Commissioners / Chairman of the Audit Committee, Port Authority of Thailand
2015 - 2017	Director / Member of the Executive Committee, Government Saving Bank
2014 - 2017	Independent Director / Member of Executive Committee, Dusit Thani Public Company Limited

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

## Dr. Anuphan Kitnitchiwa

<b>Age</b>	61
<b>Position</b>	Member of the Corporate Governance Committee / Member of the Nomination and Remuneration Committee / Director
<b>Date of Appointment</b>	16 July 2020
<b>Shareholding in KISS</b>	0.05% (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Doctor of Philosophy, National Institution of Development Administration
- Master of Law, Thammasat University
- Bachelor of Law, Thammasat University

### Training Programs

- Executive Education Capital Market Academy (CMA.) 29/2019, The Stock Exchange of Thailand
- The Advanced Certificate on Promotion of Peaceful Society 8th, 2017/2018, King Pachadhipok Institute
- Successful Formulation and Execution of Strategy (SFE) 26/2016, Thai Institute of Directors Association
- The Role of Chairman Program (RCP) 38/2016, Thai Institute of Directors Association
- Advance Audit Committee Program (AACP) 17/2014, Thai Institute of Directors Association
- Director Certification Program (DCP) 130/2010, Thai Institute of Directors Association

### Position in Other Listed Company

2022 - Present	Independent Director / Chairman of Nomination and Remuneration Committee, Principal Capital Public Company Limited
2022 - Present	Director, Prinsiri Public Company Limited
2013 - Present	Independent Director / Chairman of the Audit Committee, Thai Poly Acrylic Public Company Limited

### Position in Other Company/Organization/Institution

2023 - Present	Director, Thai Udonthani Sugar Mill Co., Ltd.
2022 - Present	Director, Dherakupt Legal Outsourcing Company Limited
2022 - Present	Chairman of the Board of Directors, Principal Healthcare - Sakonnakhon Company Limited
2021 - Present	Chairman of the Board of Directors, TV Burabha Company Limited
2004 - Present	Managing Director, Dherakupt International Law Office Company Limited

### Experiences in the past 5 years

2014 - 2021	Independent Director, Humanica Public Company Limited
2014 - 2018	Independent Director / Chairman of the Audit Committee, TOT Public Company Limited

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



## Dr. Chatrchai Tuongratanaphan

<b>Age</b>	67
<b>Position</b>	Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Independent Director
<b>Date of Appointment</b>	16 July 2020
<b>Shareholding in KISS</b>	0.05% (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Ph.D., International Business, United States International University
- Master's Degree, International Marketing, United States International University
- Bachelor of Science, Mahidol University

### Training Programs

- Advance Audit Committee Program, 2018, Thai Institute of Directors Association
- Director Certification Program (DCP) 207/2015, Thai Institute of Directors Association

### Position in Other Listed Company

#### Position in Other Company/Organization/Institution

2020 - Present Vice President, Thai Retailers Association  
2009 - 2020 Executive Director, Thai Retailers Association

#### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



## Ms. Pornchanok Tanskul

<b>Age</b>	52
<b>Position</b>	Member of the Audit Committee / Independent Director
<b>Date of Appointment</b>	16 July 2020
<b>Shareholding in KISS</b>	0.05% (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Master of Business Administration, Kellogg School of Management, Northwestern University, U.S.A.
- Bachelor of Business Administration, Assumption University

### Training Programs

- Director Certification Program (DCP) 348/2023, Thai Institute of Directors Association
- Director Accreditation Program (DAP) 168/2020, Thai Institute of Directors Association

### Position in Other Company/Organization/Institution

2017 - Present Chief of Staff - Group CEO, Harnng Central Department Store Company Limited

### Experiences in the past 5 years

2015 - 2017 President, COL Public Company Limited

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



## Mrs. Yayus Sulyanni Mak

<b>Age</b>	50
<b>Position</b>	Member of the Corporate Governance Committee / Independent Director
<b>Date of Appointment</b>	16 July 2020
<b>Shareholding in KISS</b>	0.05% (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Master of Science, Management Science and Engineering, Stanford University
- Bachelor of Arts, Mathematics and Chemistry, Boston University

### Training Programs

- Director Accreditation Program (DAP) 173/2020, Thai Institute of Directors Association
- Director Certification Program (DCP 338/2023), Thai Institute of Directors Association

### Position in Other Company/Organization/Institution

#### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



## Ms. Piyawadee Sonsingh

<b>Age</b>	54
<b>Position</b>	Member of the Corporate Governance Committee / Authorized Director as per the Company's Affidavit
<b>Date of Appointment</b>	16 July 2020
<b>Shareholding in KISS</b>	18.04% (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Master of Business Administration, Chiangmai University
- Bachelor of Pharmacy, Chiangmai University

### Training Programs

- Director Accreditation Program (DAP) 130/2016, Thai Institute of Directors Association

### Position in Other Company/Organization/Institution

2023 - Present	Independent Director, Vision Ventures Company Limited
2019 - Present	Independent Director, Meticuly Company Limited
2012 - Present	Director, PhD International Limited
2021 - 2023	Independent Director, Mungmee Ecommerce Company Limited
2020 - 2023	Independent Director, Devakam Apothecary Hall Company Limited

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



## Mr. Anotai Adulbhan

<b>Age</b>	50
<b>Position</b>	Member of the Nomination and Remuneration Committee / Authorized Director as per the Company's Affidavit
<b>Date of Appointment</b>	16 July 2020
<b>Shareholding in KISS</b>	0.02% (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Master of Business Administration, Kellogg School of Management, Northwestern University, U.S.A.
- Bachelor of Engineering, Chulalongkorn University

### Training Programs

- Director Accreditation Program (DAP) 122/2015, Thai Institute of Directors Association
- Role of Chairman Program (RCP) 46/2020, Thai Institute of Directors Association
- Board Nomination and Compensation Program (BNCP) 11/2021, Thai Institute of Directors Association
- Director Certification Program (DCP) 345/2023, Thai Institute of Directors Association

### Position in Other Listed Company

2019 - Present	Director / Member of Executive Committee / Member of Nomination and Remuneration Committee, NForce Secure Public Company Limited
2014 - Present	Chairman of the Board of Directors / Member of Nomination and Remuneration Committee, Humanica Public Company Limited
2012 - Present	Independent Director / Member of Audit Committee, Selic Corp Public Company Limited

### Position in Other Company/Organization/Institution

2023 - Present	Director, Porntipvimol Company Limited
2023 - Present	Director, The Refractive Surgery Center Limited
2022 - Present	Director, Hibiocy Company Limited
2022 - Present	Director, Vision Ventures Company Limited
2022 - Present	Director, NST Training Center Company Limited
2022 - Present	Director, NST Vision Company Limited
2022 - Present	Director, Glassic Company Limited
2019 - Present	Director, Relationship Republic Company Limited
2018 - Present	Director, AAA Assets Company Limited
2017 - Present	Director, WorldWideVac Limited
2017 - Present	Director, Aurora Asia Holdings Pte. Ltd.
2017 - Present	Director, PhD International Limited
2016 - Present	Director, Darlex Limited
2014 - Present	Director, Henderson Capital Asia
2014 - Present	Director, Hudson Asia Holdings Pte. Ltd.
2009 - Present	Director, Lakeshore Capital Partners Company Limited

### Experiences in the past 5 years

2020 - 2023	Director, Can Innovation Company Limited
2020 - 2022	Director, Mungmee Ecommerce Company Limited
2018 - 2022	Director, Pharma Management Company Limited
2018 - 2019	Director, Devakam Apothecary Hall Company Limited
2016 - 2018	Director, Ready Planet Company Limited
2015 - 2019	Director, KT Restaurant Company Limited

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

## Mrs. Worrawan Chaikamnerd

<b>Age</b>	48
<b>Position</b>	Chairman of the Executive Committee / Chairman of the Risk Management Committee / Chief Executive Officer / Authorized Director as per the Company's Affidavit
<b>Date of Appointment</b>	16 July 2020
<b>Shareholding in KISS</b>	-None- (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Master of Business Administration, The University of Iowa, U.S.A.
- Bachelor of Engineering, Chulalongkorn University

### Training Programs

- Director Accreditation Program (DAP)  
165/2019, Thai Institute of Directors  
Association

### Position in Other Company/Organization/Institution

- 2022 - Present Director, Hibiocy Company Limited
- 2020 - Present Director, Guts & Good Pte. Ltd.
- 2017 - Present Director, PhD International Limited

### Experiences in the past 5 years

- 2013 - 2016 Brand General Manager, L'Oreal (Thailand) Limited

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



## Mr. Thanayus Leeraphan

<b>Age</b>	44
<b>Position</b>	Chief Strategy Officer
<b>Date of Appointment</b>	16 July 2020
<b>Shareholding in KISS</b>	-None- (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Master of Sciences, Politics of the World Economy, London School of Economics, University of London
- Bachelor of Arts (Economics), Thammasat University

### Position in Other Company/Organization/Institution

2020 - Present    Director, Guts & Good Pte. Ltd.

### Experiences in the past 5 years

2015 - 2017    Senior Marketing Director, Unilever Singapore

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

## Ms. Naruemol Sukkamolwatana

<b>Age</b>	48
<b>Position</b>	Member of the Executive Committee / Member of the Risk Management Committee / Chief Operating Officer
<b>Date of Appointment</b>	16 July 2020
<b>Shareholding in KISS</b>	0.03% (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Master of Business Administration, National Institution of Development Administration
- Bachelor of Sciences, Chulalongkorn University

### Experiences in the past 5 years

2013 - 2017      Supply Chain Manager, L'Oreal (Thailand) Limited

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



## Ms. Wipaporn Niamla-ong

**Age**

44

**Position**

Member of the Executive Committee /  
Member of the Risk Management Committee /  
Chief Financial Officer (Person in Charge  
of Finance and Accounting)

**Date of Appointment**

16 July 2020

**Shareholding in KISS**

0.01% (as at January 2024)

**Family Relationship with Director****Education**

- Master of Business Administration,  
Kasetsart University
- Bachelor in Accounting,  
Thammasat University

**Training Programs**

- What is the Future of the CFO role,  
Thai Listed Companies Association
- Professional Development Program for  
Company Secretary 2022, Thai Listed  
Companies Association
- Strategic CFO in Capital Markets 6/2018,  
The Stock Exchange of Thailand
- Fundamentals for Corporate Secretaries  
2/2019, Thai Listed Companies Association
- TFRS for PAEs - Key Changes in 2023,  
The Stock Exchange of Thailand

**Position in Other Company/Organization/Institution**

2021 - Present Director, O2 Kiss Company Limited

**Experiences in the past 5 years**

2010 - 2017 Division Controller, L'Oreal (Thailand) Limited

**Penalty in the past 5 years regarding to Securities and Exchange  
Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)**

-None-

## Ms. Nutthinee Jenwattanavech

<b>Age</b>	48
<b>Position</b>	Chief Marketing Office
<b>Date of Appointment</b>	2 October 2023
<b>Shareholding in KISS</b>	-None- (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Master of Engineering, Industrial Engineering, Chulalongkorn University
- Bachelor of Engineering, Industrial Engineering, Chulalongkorn University

### Experiences in the past 5 years

2018 - 2021	Managing Director, Skin Make Smiles Co., Ltd.
2017 - 2018	Chief of Marketing, Central Marketing Group

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-





## Mr. Jirawat Nunthiphatprueksa

<b>Age</b>	38
<b>Position</b>	Chief Commercial Officer
<b>Date of Appointment</b>	17 March 2023
<b>Shareholding in KISS</b>	-None- (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Master of Commerce in Marketing, Macquarie University, Australia
- Bachelor of Economics Program, Thammasat University

### Experiences in the past 5 years

2020 - 2022	Sales Director, Rojukiss International Public Company Limited
2014 - 2020	Group Key Account Manager, L'Oreal Thailand

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

## Miss Nirunchara Yongyuth

<b>Age</b>	35
<b>Position</b>	Company Secretary
<b>Date of Appointment</b>	9 January 2024
<b>Shareholding in KISS</b>	-None- (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Faculty of Science and Technology  
Bansomdejchaopraya Rajabhat University

### Training Program

- Effective Minute Taking(EMT) 53/2023  
(Thai IOD)
- Certificate Company Secretary Program  
(CSP) 129/2022 (Thai IOD)
- Company Secretary Professional 2022  
(TLCA)

### Experiences in the past 5 years

2023 - 2023	Company Secretary Manager, MEB Corporation Public Company Limited
2022 - 2023	Assistant Company Secretary, Civil Engineering Public Company Limited
2019 - 2021	Executive Secretary, Finansia Syrus Public Company Limited
2018 - 2019	Assistant Company Secretary, Buriram Sugar Public Company Limited
2014 - 2018	Assistant Company Secretary, Eastern Sugar & Cane Public Co.,Ltd,

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-



## Miss Wilaiporn Wongpokhom

<b>Age</b>	40
<b>Position</b>	Senior Accounting & Finance Manager (Person in charge of Accounting)
<b>Date of Appointment</b>	15 February 2024
<b>Shareholding in KISS</b>	-None- (as at January 2024)
<b>Family Relationship with Director and Management</b>	-None-



### Education

- Bachelor Degree of Business Administration  
Major in Accounting  
Kasetsart University

### Training Program

- TFRS 2023 and Interest Accounting Issues  
for Listed Companies
- Financial Reporting Framework
- Preparation of consolidated financial  
statements (basic)
- Principles, rationale, and correct guidelines  
for Transfer Pricing
- TFRS 9 Simplified Approach for Bad  
Debt Provision
- Interesting points about TFRSs,  
financial instruments group
- TFAC Audit Tools

### Experiences in the past 5 years

2021 - 2023	Senior Cost Controller Department Manager, Neo Factory Company Limited
2019 - 2020	Financial Controller, Panthera Group Company Limited
2017 - 2018	Accounting Manager, Lightmax Company Limited

### Penalty in the past 5 years regarding to Securities and Exchange Act B.E. 2535 (1992) or Derivatives Act B.E. 2546 (2003)

-None-

## Appendix 2 :

### Details of Directors of a Subsidiary

Subsidiary	Percentage of Shareholding	Directors				
		Mrs. Worrawan Chaikamnerd	Mr. Anotai Adulbhan	Ms. Piyawadee Sonsingh	Ms. Wipaporn Niamla-ong	Ms. Monticha Wongnan
PhD International Limited	100%	A	A	A		
O2 Kiss Co., Ltd.	100%				A	A
Hibiocy Co., Ltd.	46.6%	A	B			

**Remark:**     A    Authorized Director,  
                      B    Independent Director



## Appendix 3 :

### Details of Internal Auditor

## Mr. Sutee Tanwanichkul, Managing Director of IA Signature Company Limited

### Current Position

Internal Auditor

### Education

- Master of Accountancy, Kasetsart University
- Master of Business Administration (Marketing), Dhurakij Pundit University
- Bachelor of Accountancy, Dhurakij Pundit University

### Training Programs

- Certified Professional Internal Auditor of Thailand (CPIAT: No.17), The Institute of Internal Auditor of Thailand
- Independent Auditor for CAC SME Certification, Thai CAC
- IIA's Endorsed Internal Auditing Program, Chulalongkorn University
- Director Certification Program (DCP) 238/2017, Thai Institute of Directors Association
- Anti-Corruption the Practical Guide (ACPG) #37, Thai Institute of Directors Association
- Certificate of PDPA : C-DPF, C-DPP, C-DPO, ACIS Professional Center Company Limited
- Forensic Accounting Certificate (FAC) #93, Federation of Accounting Professions of Thailand

### Experiences

- Internal Auditor in many companies with various industry
- Financial Control Director, Thairung Group
- Director of Qualified Members (2 years : November 2019 - November 2021), The Institute of Internal Auditor of Thailand
- Director of Qualified Members (2 years : July 2020 - July 2022), Faculty of Business Administration of RMUTR
- Special Lecturer in universities and Invited Speakers in many topics, for example, Anti-Corruption Policy, Internal Control and Internal Audit for IPO, Risk Management etc.

## Appendix 4 :

### Charters of the Board of Directors and Sub-Committees

#### Charter of the Board of Directors

##### 1. Purpose

The Board of Directors has an important role in overseeing the administration, determine the direction, policy, and business strategy of the Company for the utmost benefit of the Company and its shareholders as well as monitoring the performance of the Company's management to check and balance and take care of the Company's performance. Also, the Board of Directors has the authorities, duties and responsibilities as specified by laws, the Articles of Association, objectives and the resolution of the Board of Directors and the Shareholders' meeting.

##### 2. Composition

- 1) The Board of Directors consists of Chairman, Vice Chairman and number of directors that appropriate to the size of the business and efficient for operation. Total number of directors is no less than 5 directors and no more than 12 directors. No less than half of the directors must have a domicile in Thailand and has qualification as defined by laws.
- 2) The composition of the Board of Directors must have independent directors no less than half of total members and no less than 3 independent directors.
- 3) The Board of Directors shall select one director to be the Chairman of the Board. If it deems appropriate, the Board of Directors may select another director or several directors to be the Vice Chairman of the Board.

##### 3. Qualifications

Directors should be knowledgeable and capable, be honest and ethical, in the conduct of business and have adequate time to dedicate knowledge and skills to perform duties of the Company.

Be fully qualified and not be under any of the prohibitions prescribed in the Public Limited Company Act, the Securities and Exchange Act and other announcement, regulations, and/or related rules. In addition, directors must not possess any untrustworthy characteristics unsuitable for the Company's management position according to the Securities and Exchange Commission's announcement.

Directors of the Company may serve as directors of other companies, but such service must not impede their responsibilities to the Company. A director should not serve in more than 5 listed companies.

Independent directors should possess the qualifications of independence as set by the Company and subject to the guideline in the laws, announcement, Articles of Association and/or related rules. They should be able to ensure equal benefits for all shareholders to avoid conflict of interests. Additionally, they shall participate in the Board of Directors' meeting to give their opinions freely.

The independent directors should possess the additional qualifications as follows:

- (1) Not holding more than 1% of the total outstanding voting shares of the Company, subsidiary, associated company, major shareholders or

controlling person including shares held by related persons of the independent directors.

- (2) Neither being nor having been an executive director, officer, employee, advisor who receives a salary of the Company or controlling person of the Company, subsidiary, associated company, a same level subsidiary, major shareholder or controlling person, unless the foregoing status ended not less than 2 years prior to the date of appointment.
- (3) Not being a person related by blood or registration under law, such as a father, mother, spouse, sibling, or child, including spouses of children of directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives or controlling persons of the Company or its subsidiaries.
- (4) Not having nor having had a business relationship with the Company, its subsidiary, associated company, major shareholder or controlling person, in a manner which may interfere with his or her independent judgment, and neither being not having been a substantial shareholder or controlling person of any entity having business relationship with the Company, subsidiary, associated company, major shareholder or controlling person, unless the foregoing status ended not less than 2 years prior to the date of appointment.

The term “business relationship” as aforementioned includes any normal business transaction, rental or lease of immovable properties, transaction relating to assets or services, or grant or receipt of financial support through receiving or extending loans, guarantee, providing assets as collateral including any other similar action of which value more than 3% of the net tangible

assets or exceeds Baht 20 million, whichever is lower. The value of each transaction is based on the calculation method for the values of related party transactions under the Announcement of the Thai Capital Market Supervisory Board regarding the related party transactions. Under the regulation, all transactions occurring within 1 year of preceding transactions must be included in such calculation.

- (5) Neither being nor having been an auditor of the Company, its subsidiary, associated company, major shareholder or controlling person nor being a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its subsidiary, associated company, major shareholder or controlling person, unless the foregoing relationship ended not less than 2 years from the date of appointment.
- (6) Neither being nor having been any kind of professional advisor including a legal advisor or financial advisor who receives an annual service fee exceeding Baht 2 million from the Company, its subsidiary, associated company, major shareholder or controlling person and neither being nor having been a substantial shareholder, controlling person or partner of the professional advisor, unless the foregoing relationship ended not less than 2 years from the date of appointment.
- (7) Not being a director who has been appointed as representative of the Company’s directors, major shareholders, or shareholders who are related to the major shareholders.
- (8) Not conducting any businesses which have the same nature as or are in competition with the Company’s or its subsidiaries or neither being significant partner in a partnership, executive



director, employee, officer, or consultant who receives regular salary, shareholder holding more than 1% of the voting shares of business which have the same nature as or in competition with the Company or its subsidiaries.

- (9) Not having any characteristics that could prevent him/her from giving independent opinions concerning the Company's operation.

#### 4. Selection and Term of Office

The selection of the directors with the qualification as prescribed in No.3 should have adequate detail support for the decision of the Board of Directors and shareholders.

The term of the Board of Directors is 3 years and when its due term, those directors can be re-elected.

At every Annual General Meeting of Shareholders, one-third of the directors must retire. If the total number is not a multiple of three, the number closest to one-third must be used. The directors shall voluntarily retire during the first and second year after the Company was converted to a public company otherwise are to be drawn by lots. For subsequent years, directors who have served the longest terms must retire.

Other than completion of terms, a director may retire for the following reasons:

- Death
- Resignation
- Lacking qualifications or having any prohibited characteristics prescribed by the Public Limited Company Act and/or the Securities and Exchange Act.
- Removal resolution in the shareholders' meeting
- Court order

Directors who wish to resign must submit their resignation letters to the Company. The resignation takes effect on the date the resignation letter is received by the Company.

In case of a vacant position due to causes other than term completion, the Board of Directors, with the recommendation of the Nomination and Remuneration Committee, must appoint qualified candidates as prescribed in No.3 as replacement director in the next Board of Directors' meeting except the remaining term is less than 2 months. Each replacement serves in such position only for his/her predecessor's remaining term.

#### 5. Duties and Responsibilities

- 1) Perform duties with responsibility, prudence and integrity for the best interest of the Company, its subsidiaries and all shareholders in undertaking the Company and its subsidiaries' operations in accordance with laws, objectives, the article of association and the resolution of the shareholders' meeting. Ensure that the Company and its subsidiaries fully comply with applicable laws related to its business as well as anti-bribery and anti-corruption law.
- 2) Ensure that the Company and its subsidiaries implement appropriate and efficient accounting system, financial reporting and auditing and put in place adequate and effective internal control and internal audit systems with regular evaluation of the internal control systems.
- 3) Provide a financial statement of the companies at the end of each accounting period in order to show financial status and performance in the previous year that is accurate and completed according to the generally accepted accounting standards and audited by the Company's auditor before proposing to the annual general



shareholders meeting for consideration and approval.

- 4) Consider to nominate and appoint independent auditor and determine reasonable remuneration as proposed by the Audit Committee before proposing to the annual general shareholders meeting for consideration and approval.
- 5) Review and approve business policies, operational targets, direction, business strategies, and annual budget of the Company and its subsidiaries as proposed by the management at least once a year to adapt for economics, market, and changing competitive environment.
- 6) Continuously monitor the operating results of the Company and its subsidiaries to ensure alignment with goal, direction, policies, business plan, and budget. Evaluate performance of the management regularly including define remuneration and review succession plan at least once a year.
- 7) Define risk management policy throughout the organization and oversee processes and system to manage risks with proper measures to minimize the impact on the business.
- 8) Establish supervision mechanic to control and monitor operation of the Company's subsidiaries as part of the Company, also set up the procedures to follow up subsidiaries' management in order to safeguard the Company's interest according to the Capital Market Supervisory Board Announcement on requesting permission or allowing to offer the new stock issued.
- 9) Ensure that corporate governance policy under good governance principles of the Company and its subsidiaries is put in place in writing and communicated efficiently throughout the Company such as anti-corruption policy, whistleblowing policy and insider information policy to affirm accountability and fairness to all stakeholders.
- 10) Consider to approve operating expenses of the Company and its subsidiaries as well as delegation of authority table.
- 11) Provide a written code of conduct and ethics as a standard procedures for all directors, executives and employees. The Board of Directors shall keep monitoring to ensure that code of conduct and ethics are strictly followed.
- 12) Appoint qualified individuals who does not have any prohibited characteristics as defined in the Public Company Act and the Securities and Exchange Act including notifications, rules and regulations or procedures related to the appointment in case that a director position is vacant due to other causes apart from an official end of term as a replacement in the following meeting except the remaining term is less than 2 months according to the recommendation from the Nomination and Remuneration Committee.
- 13) Define the management structure and appoint the Executive Committee, Chief Executive Office and other sub-committees as appropriate, and determine the scope of authority and remuneration of the appointed Executive Committee, Chief Executive Office and other sub-committees.
- 14) Authorize any director or a group of director or others to perform any act on behalf of the Board of Directors or delegate such stated person the

authority as the Board of Directors properly consider within the specified period. The Board of Directors may consider to cancel, revoke, change or amend any authority granted if needed. The delegation of authority, duty and responsibility shall not have any characteristics that enable the authorized person to approve the connected transaction of himself/herself or related person which may have a conflict of interest with the Company or its subsidiaries (as defined in the notifications of the Securities and Exchange Commission, the Capital Market Supervisory Board and/or other related organization) except the transactions that are normal business operation and in general commercial terms with third parties (Arm's Length).

15) Determine and make amendment on the list of authorized directors who can sign to legally bind the Company.

16) Appoint directors of the subsidiaries at least in proportion of the shareholding by such companies. Determine the remunerations, scope of authority, duties and responsibilities of the appointed directors and executives and also determine voting power in the Board of Directors meeting of the subsidiaries for the significant matter which is required to have approval from the Board of Directors of the Company. Monitor management and administrations of the subsidiaries to operate in accordance with action plan and policy of the Company and supervise to ensure all transactions are conform with the law and related regulations as well as disclosure of financial position and operating results, connected transactions and significant acquisition or disposition of assets correctly. Monitor directors and executives of the

subsidiaries to perform such duties in accordance with duties and responsibilities defined by law.

17) Consider and propose the directors' remuneration as recommended by the Nomination and Remuneration Committee to the shareholders' meeting for approval by taking into account all factors such as the Company's strategy and long-term goals, experiences, duties and responsibilities including the expected benefits from each director.

The Company shall not pay any money or assets to the directors unless the remuneration is paid in accordance with the article of association of the Company. In case that it is not mentioned in the article of association, the remuneration payment must be paid in accordance with the approval of the shareholders' meeting by not less than two-third of total votes authorized by shareholders present.

18) Arrange at least six (6) meetings of the Board of Directors per year. All members of the Board of Directors shall attend the meeting to approve all significant transactions unless there is any unavoidable necessity.

The significant transactions as mentioned above including the transactions defined by law which required the resolution of the Board of Directors such as acquisition or disposition of assets of the Company or its subsidiaries which affecting the Company or its subsidiaries significantly, expansion in investment project, consideration and approval of connected transactions as per criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand, determination of level of authority, establishment of financial management and risk management policy of the Company and its subsidiaries.



- 19) Appoint the corporate secretary and define duties and responsibilities of such person to operate in the name of the Company or the Board of Directors such as preparing and safekeeping the registration of the directors, invitation letter of the board or shareholders and minutes of such meeting together with recording the report of conflicts of interests, etc.
- 20) Consider and approve the acquisition or disposition of assets of the Company or its subsidiaries, new business investment and any other operations in accordance with laws, notifications, regulations and/or applicable regulations of the Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand including other related regulations.
- 21) Consider and/or give a comment on connected transactions between the Company, its subsidiaries or the related parties as defined by the Securities and Exchange Act including notifications, regulations and/or regulations relevant to Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand. Consider and approve trade agreement principles which are general trading condition of such transactions between the Company and its subsidiaries, associated companies with directors, executives or its related person in order to determine the operating framework of the Board of Directors and administrative department with authority to make such transactions under scope of law and related regulations. Consider and/or give a comment on the company's other transactions (otherwise value of the transaction is not in the condition required an approval from the shareholders meeting) in order to comply with the law, announcement, regulations and other related regulations
- 22) Monitor, control and prevent conflict of interests among the stakeholders of the Company and its subsidiaries. Nevertheless, solve the conflict of interests along with the wrongfully use of the Company and its subsidiaries' assets and incorrect acts in the transaction between related party which connected to the Company and/or its subsidiaries.
- 23) Arrange the Annual General Meeting of Shareholders within 4 months after the Company's accounting period ends.
- 24) Disclose information which appropriate to the stakeholders, the person who has conflict of interests and any related parties including the significant information to the shareholders in the form of financial statement and other reports prepared for the shareholders appropriately. Such information must be firstly published in the Stock Exchange of Thailand system and may also be published through the Company's website. Appoint a person to take responsibilities in providing information to investors. In addition, the Board of Directors must publish information accurately, completely, appropriately and timely.
- 25) Prepare annual reports of the Board of Directors and be responsible for preparation and disclosure of financial statements to present financial position and performance of the Company during the past year and propose to the shareholders' meeting for approval.
- 26) Seek for independent opinions from professional advisors as needed with the Company or its subsidiaries' expenses which comply with the Company or its subsidiaries' procedures.

27) Consider and approve interim dividend for the shareholders when the Company has enough profit and report the payment of such dividend to the following shareholders' meeting.

## 6. Meeting

The meeting of the Board of Directors must follow laws, regulations, and Articles of Association with the quorum of no less than half of the Board members. In case the Chairman of the Board of Directors is not present at the meeting or unable to perform his/her duty, if there incurs a Vice Chairman of the Board of Directors in the meeting, he/she will assume the position of the Chairman of the meeting. If there is no Vice Chairman or he/she is not present at the meeting or unable to perform duty, the directors present at the meeting are required to select one director to act as a Chairman of the meeting.

The meeting shall be in a form of electronics meeting that follow security standards as per related laws and regulation.

The resolution of the meeting shall be passed by majority votes. Each director has 1 vote and any director who has a conflict of interest in any matter for consideration, has no right to vote on such matter. If there are equal votes, the Chairman of the meeting has a casting vote.

The Board of Directors shall meet at least 6 times per year. The Chairman shall call a meeting and set the meeting schedule in advance throughout the year to ensure all directors can attend the meeting. There may be additional meetings as deem necessary. In case of necessity, 2 directors or more can request the Chairman to call for a meeting and the Chairman shall set the meeting schedule within 14 days.

In order to call the meeting, the Chairman or company secretary shall send the meeting notice along with

agenda and relevant documents to all directors no less than 7 days prior to the meeting date so that the directors have sufficient time to consider the meeting documents. In case of electronics meeting, it should be specified in the meeting notice.

This charter of the Board of Directors is effective from 20 July 2020 onwards.

## Charter of the Audit Committee

### Purpose

The Audit Committee is established to support the good corporate governance and strengthen operational efficiency and increase value to the organization. The Audit Committee will support and operate on behalf of the Board of Directors to ensure reliability of financial reports to the shareholders and stakeholders.

### Composition

The Audit Committee consists of at least 3 independent directors with at least 1 member should have adequate knowledge and experience in accounting and finance to review the reliability of financial statements.

The Board of Directors or the shareholders' meeting or the Audit Committee shall nominate and appoint one Audit Committee member as a Chairman.

The Audit Committee shall appoint a secretary to the Audit Committee to assist the operation of the Audit Committee regarding meeting appointments, meeting agenda preparation, supporting document submission and minute taking.

### Qualifications

#### General Qualifications

The Audit Committee must be independent directors with the qualifications according to the Company's principles and in accordance with the laws, announcements, the

Article of Association, and/or related rules. They should be able to ensure equal benefits for all shareholders to avoid conflict of interests. Additionally, they shall participate in the Audit Committee's meeting to give their opinions freely.

#### Specific Qualifications

Not being the directors to whom the Board of Directors grants authority to decide in the operation of the Company, its parent company, subsidiary, associated company, a same-level subsidiary, major shareholder or controlling person.

Not being a director of the registered parent company, subsidiary, or a same-level subsidiary.

#### Selection and Term of Office

The Board of Directors or the shareholders' meeting appoints the independent directors as members of the Audit Committee.

In case that any Audit Committee members are expired from their terms or unable to hold the positions until the end of their terms, resulting in the committee having less than 3 members, the Board of Directors or the shareholders' meeting should appoint a new Audit Committee member who has qualification and not having any prohibited characteristics within 3 months after vacancy in order to ensure continuity in operation of the Audit Committee. The replacement serves in such position only for his/her predecessor's remaining term.

The Audit Committee's term is 3 years, same term of office as that of the directors. The Audit Committee who are expired from their terms may be reappointed as deem appropriate by the Board of Directors. The Audit Committee may hold office for up to 9 years in total. The retired members by term shall perform their duties until having replacement except those who retired by terms as Board of Directors and not being re-elected.

#### Duties and Responsibilities

- 1) Review the accuracy and adequacy of the Company's financial reporting by working with external auditors and executives who are responsible for preparing quarterly and annual financial reports. The Audit Committee may advise the auditors to review or examine any transaction that is considered significant and necessary during the accounting audit period of the Company.
- 2) Review the significant extraordinary transactions in the past year (if any) by considering transactions' reasonableness and the impact to the financial position and performance as well as the accuracy and completeness of information disclosure.
- 3) Review the Company's internal control and internal audit systems to ensure they are appropriate and effective.
- 4) Consider the independence of the internal audit as well as consider to approve the appointment, transfer and termination of the head of the internal audit department or any other unit in charge of internal audit.
- 5) Consider and give consent on annual budget, headcount and necessary resources in the operation of the internal audit department, approve annual audit plan and its significant revision, monitor the performance of the internal audit department which should be in accordance with the approved annual audit plan as well as the international professional auditing standards, evaluate the performance of the internal audit every year and engage the external independent agency to assess the internal audit work at least every 5 years. Moreover, the Audit Committee shall meet with the head of internal audit, without the presence of management, at least once a year to discuss on significant matters.

- 6) Ensure the Company's compliance to the laws on securities and exchange, regulations, announcements and/or related regulations of Securities and Exchange Commission (SEC), the Capital Market Supervisory Board and the Stock Exchange of Thailand and/or any laws related to the Company and its subsidiaries' business. Review the subsidiaries and associated companies to ensure that they are operating in accordance with regulations and corporate governance policies, as well as the management of the subsidiary/associated companies that operate on the main business.
- 7) Consider, nominate and propose the appointment of the independent person as the Company's external auditor and propose the remuneration of the auditor. Attend the meeting with auditors without the presence of management at least once a year to acknowledge the result of quarterly review and annually audit and also to discuss on any problem or issue that the auditor might have during performing audit.
- 8) Review connected transactions or transactions with possible conflict of interest, including consideration of requirements and termination of transactions that differ significantly from the terms of the termination considered prior to the transaction. Review the acquisition or disposition of the Company and its subsidiaries to comply with the laws, announcements, regulations and/or regulations relevant to Securities and Exchange Commission, the Capital Market Supervisory Board and/or the Stock Exchange of Thailand to ensure that the aforementioned transaction is reasonable and maximizes the company's benefit. If the Audit Committee lack of expertise to consider connected transactions that may occur or such transactions, the Company will arrange for independent experts or the Company's auditors to provide opinions on such transactions for consideration or decision-making by the Audit Committee.
- 9) Review and monitor risk management as well as evaluate performance to manage risk by the Risk Management Committee.
- 10) Request information from various departments of the Company and its subsidiaries for further consideration, invite relevant person such as the directors, management, executives, the Company's lawyer, the external lawyer, or employees of the Company and/or other related persons to attend the meeting to discuss and clarify information, deliver and provide relevant information under the scope of duties assigned by the Board of Directors.
- 11) Perform other duties as required by laws or additionally prescribed in the future or assigned by the Board of Directors with the agreement of the Audit Committee.

### Meeting

The Audit Committee shall meet at least every 3 months to review quarterly/yearly financial statements and other matters as per their duties with the external auditor, internal auditor and management and report to the Board of Directors or on occasionally when the management has connected transaction or acquisition or disposition of assets which requires consideration on appropriateness, reasonableness and utmost benefits of the Company in accordance with connected transaction and acquisition or disposition of assets regulations of SET announcement.

In order to call the meeting, the Chairman or the secretary of the Audit Committee shall send the meeting notice to the Audit Committee members 7 days prior to the meeting. Except in case of urgency, the meeting may be called by other methods or designated on earlier date.

The quorum of the Audit Committee's meeting must consist of no less than half of the members.





In case the Chairman of the Audit Committee is not present in the meeting, the Audit Committee members present at the meeting are required to select one member to be the Chairman of the Meeting.

The resolution of the meeting shall be passed by majority votes. In the event that there are equal votes, the Chairman of the meeting has a casting vote.

Any member who has a conflict of interest in any matter for consideration, has no right to vote on such matter.

The secretary of the Audit Committee or designated person assigned by the Audit Committee has to prepare the minutes of the meeting which is certified by the Audit Committee. The Chairman of the Audit Committee reports the meeting resolution to the Board of Directors to acknowledge the performance of the Audit Committee.

The Audit Committee can invite related persons/parties such as the directors, management, executives, legal team, legal advisor or employees of the Company or its subsidiaries to attend the meeting to discuss, explain or answer the questions.

The meeting with management or internal auditor or auditor must set up at least once a year.

This charter of the Audit Committee is effective from 20 July 2020 onwards.

## Charter of the Nomination and Remuneration Committee

### Purpose

The Nomination and Remuneration Committee ("NRC") is responsible for defining the principles and policies to nominate and define the Board of Directors and sub-committee's remuneration including recruitment, selection and nomination of the appropriate person as the Company's directors and other matters as assigned and

report to the Board of Directors and/or the shareholders' meeting as necessary.

### Composition

NRC is appointed by the Board of Directors and consists of at least 3 members and should have independent directors as majority in accordance with good corporate governance.

The Chairman of NRC must be an independent director and should not be a Chairman in other sub-committee for transparency and independency to perform the duties.

The NRC may consider the appointment of the NRC secretary to assist the operation of the NRC regarding meeting appointments, meeting agenda preparation, supporting document submission and minute taking.

### Qualification

The NRC members shall have knowledge, ability and experience including understanding of the qualification, duties and responsibilities as NRC member.

### Selection and Term of Office

The NRC has 3 years term of office.

The NRC members who are expired from their terms may be reappointed as deemed appropriate by the Board of Directors.

The Board of Directors may appoint the NRC to perform their operations as per objectives or to replace the retired NRC members. The replacement serves in such position only his/her predecessor's remaining term.

### Duties and Responsibilities

- 1) Define the criteria and policy for recruiting the Company's directors and sub-committee members by considering number, structure and composition of the committee and determine the qualifications of the directors that are appropriate for the size,

type and complexity of the business including adjustment to align with the changing environment then to propose to the Board of Directors and/or shareholders' meeting (case by case).

- 2) Determine qualifications and criteria to recruit persons who are qualified with the regulations and relevant laws then propose to the Board of Directors and/or the shareholders' meeting to consider appointment in such positions such as the Company's directors, sub-committee members who are delegated duties and responsibilities directly from the Board of Directors and chief level or higher. The consideration and recruitment must be conducted openly, transparent and without prejudice.
- 3) Consider the independency and qualifications of each independent director to ensure the person is qualified and meets criteria of regulations and/or relevant laws.
- 4) Prepare the development plan for directors to enhance and develop their knowledge and skills to understand their roles and responsibilities, business, economic condition, technology, relevant laws and regulations.
- 5) Prepare a succession plan for chief level to ensure continuity of work, smooth replacement and disclose the policy and detail of recruitment process.
- 6) Consider the necessary and appropriate remuneration determination both monetary and non-monetary of the Company's directors, members of the sub-committee and chief level individually including other benefits. The remuneration of the Board of Directors is based on duties and responsibilities, performance, and compared with the compensation of other companies in the same industry and expected benefits from directors. Then,

propose to the Board of Directors to consider and approve and/or propose to the shareholders' meeting for approval.

- 7) Establish guidelines to evaluate performance of the Company's directors, members of the sub-committee and chief level or higher to consider annual compensation adjustment with consideration of responsibilities and risks involved as well as increasing of long-term value of shareholders' equity.
- 8) Disclose remuneration policy and all compensations including a report of remuneration determination which at least has detail of goal, operation and opinion of the NRC in the annual report of the Company.
- 9) Conduct other duties assigned by the Board of Directors and agreed by the Nomination and Remuneration Committee.

## Meeting

The NRC shall meet at least once a year or when deem appropriate.

The quorum of the NRC meeting must consist of no less than half of the members.

In case the Chairman of the NRC is not present in the meeting, the NRC members present at the meeting are required to select one member to be the Chairman of the Meeting.

The resolution of the meeting shall be passed by majority votes. Any member who has a conflict of interest in any matter for consideration, has no right to vote on such matter. In the event that there are equal votes, the Chairman of the meeting has a casting vote.



The meeting notice shall be sent to the NRC members prior to the meeting. Except in case of urgency, the meeting may be called by other methods or designated on earlier date. The NRC secretary has to record the meeting resolution.

This charter of the Nomination and Remuneration Committee is effective from 20 July 2020 onwards.

## Charter of the Executive Committee

### Purpose

The Executive Committee performs duties as per assigned by the Board of Directors with efficiency for the utmost benefits to the Company and comply with the good corporate governance policy.

### Composition

The Executive Committee consists of directors who have experiences and qualifications as per recommendation of the Nomination and Remuneration Committee and are appointed by the Board of Directors. The number of the Executive Committee member should have at least 3 members with the numbers and composition as the Board of Directors deem appropriate and consists of both directors and management of the Company.

The Board of Directors appoints the Chairman of the Executive Committee who shall be the same person as the Chief Executive Officer.

The Company Secretary shall be a secretary for the Executive Committee except the Executive Committee appoints other person to support the performance of the Executive Committee regarding meeting appointments, meeting agenda preparation, supporting document submission and minute taking and other matters as assigned by the Executive Committee.

## Qualifications

The Executive Committee must have knowledge, ability and experiences that useful to the business operations of the Company with honesty and ethic to perform their duties and have sufficient time to dedicate their knowledge, ability and fully perform their duties for the Company.

Fully qualified and not have any of the prohibitions prescribed by related laws.

## Selection and Term of Office

The Executive Committee is appointed by the Board of Directors by consideration of knowledge and experiences that is benefit to the business operation of the Company with 3 years term of office. Also the members whose term are expired may be reappointed.

The Executive Committee members who wish to resign must submit their resignation letters to the Chairman of Board of Directors. When there is vacancy, the Board of Directors shall appoint the new member of the Executive Committee by the recommendation of the Nomination and Remuneration Committee within 90 days in order to ensure completion of the composition of the committee.

In case of vacancy with other reasons than for completion of terms, the Board of Directors will select a person who are fully qualified and deem appropriate as a replacement with the recommendation of the Nomination and Remuneration Committee. The replacement serves in such position only his/her predecessor's remaining term.

## Duties and Responsibilities

- 1) Manage the Company and its subsidiaries' business according to the objectives, requirements, policies, rules, regulations, commands and resolutions of the Board of Directors' meeting.

2) Propose goals, policies, business plan including business strategy direction, financial targets and annual budget to the Board of Directors to consider and approve. Supervise, validate and control the business operations of the Company and its subsidiaries in accordance with defined goals, policies and business plans. Control the Company's expenditure as per approved budget and report to the Board of Directors every quarter.

3) Assess possibility and evaluate any opportunity for investment in new projects or new businesses by conducting a proper and completely technical and financial study to support for consideration to invest or divest then propose to the Board of Directors. Monitor the performance and progress of the investment project and report the results including the problem or issue occurred with the solution to the Board of Directors for acknowledgement.

4) Define procedures and transactions between the Company or its subsidiaries and the major shareholders, directors and management of the Company and those related to such persons appropriately to prevent the benefit transferred, then propose to the Board of Directors to approve in principles and ensure compliance of principles and requirements approved by the Board of Directors.

5) Provide necessary information of the Company and present to the Board of Directors and shareholders for consideration and also prepare reliable financial reports as per transparent standard.

6) Consider to propose the Board of Directors to approve the entering into any financial transactions with financial institutions for opening account, loans, withdrawing money from all accounts of the Company and utilizing the credit and using the Company's securities as collateral for such loans whether registered or unregistered for business

purpose. In addition to entering legal contract, submission, contact and take action with the government agency to obtain any rights of the Company and/or proceed on related matters within the approved limit and/or in accordance with the Delegation of Authority table determined by the Board of Directors and/or relevant laws and regulations and/or the article of association of the Company.

7) Review risk management and internal control system of the Company.

8) Perform other duties as assigned by the Board of Directors.

### Meeting

The Executive Committee shall meet as deem appropriate but at least once a month except necessary cases that cannot call for the meeting. The Chairman of the Executive Committee shall call for a meeting or if necessary, at least 2 members of the Executive Committee can request the Chairman to call a meeting and the Chairman shall designate the meeting within 14 days after request.

In order to call the meeting, the Chairman or the secretary of the Executive Committee shall send the meeting notice and other documents necessary for the meeting and the resolution of the meeting to the Executive Committee members 3 days prior to the meeting. Except in case of urgency, the meeting may be called by other methods or designated on earlier date.

The quorum of the Executive Committee's meeting must consist of no less than half of the members. In case the Chairman of the Executive Committee is not present in the meeting or unable to perform the duty, the Executive Committee members present at the meeting are required to select one member to be the Chairman of the Meeting.



The resolution of the meeting shall be passed by majority votes. Any member who has a conflict of interest in any matter for consideration, has no right to vote on such matter. In the event that there are equal votes, the Chairman of the meeting has a casting vote.

This charter of the Executive Committee is effective from 20 July 2020 onwards.

## Charter of the Risk Management Committee

### Purpose

The Risk Management Committee has duties to define the risk management policy for the organization including oversee the Company to ensure there is risk management system and procedure to control risk and minimize the impact of the risks to the Company. Essential duty is to identify the risks relating to the business operation, define the preventive procedures and monitor the performance as per the procedures set, and report to the Audit Committee and the Board of Director for consideration.

### Composition

The Risk Management Committee consists of directors and/or top-level management appointed by the Board of Directors not more than 7 members.

The Risk Management Committee consists of the Chief Executive Officer, directors or independent directors and appropriate management of the Company. The Chief Executive Officer shall be a Chairman of the Risk Management Committee.

The Risk Management Committee may consider the appointment of the secretary to assist the operation of the Risk Management Committee regarding meeting appointments, meeting agenda preparation, supporting document submission and minute taking

### Qualifications

The Risk Management Committee must be knowledgeable, capable and have experiences that is benefit to the Company's business operation and adequate to perform duty as a Risk Management Committee.

The Risk Management Committee must understand the laws, regulations, risk management standard and related condition of the business operation of the Company.

### Selection and Term of Office

The Risk Management Committee has 3 years term of office.

The Risk Management Committee members who are expired from their terms may be reappointed as deem appropriate by the Board of Directors.

The Risk Management Committee member who wish to resign must submit their resignation letters to the Company and the resignation takes effect on the day the resignation letter is received by the Company. In case of vacancy with other reasons than for completion of terms, the Board of Directors will select a person who are fully qualified and deem appropriate as a replacement. The replacement serves in such position only his/her predecessor's remaining term.

### Duties and Responsibilities

- 1) Scrutinize, consider, review and identify significant risks of the Company's business operations that may arise from either internal or external environments. Determine prevention methods and risk management policies and propose to the Board of Directors by providing assessment, monitoring, and overseeing the risk level to be at appropriate level.
- 2) Coordinate with the Audit Committee in providing information on significant risks and internal control so that the Audit Committee can deliberate and

approve the internal audit plan to ensure with reasonable assurance that the Company has the internal control system which is suitable for risk management also including the implementation of the risk management system appropriately and encouraging sustainable behavior change across organization.

- 3) Continuously report the risk assessment and operation results to minimize risk to the Board of Directors. In case that there is an essential circumstance that affected the financial position and the Company's performance, the Risk Management Committee ought to report to the Board of Directors for consideration at the earliest convenience
- 4) Provide insights, and consistently instilling risk management to the executives, along with employees in the Company and its subsidiaries.

### Meeting

The quorum of the Risk Management Committee's meeting must consist of no less than half of the members. In case the Chairman of the Risk Management Committee is not present in the meeting or unable to perform the duty, the Risk Management Committee members present at the meeting are required to select one member to be the Chairman of the Meeting.

The Risk Management Committee shall meet at least 4 times a year when it deems appropriate. In order to call a meeting, the Chairman of the Risk Management Committee shall call for a meeting or if necessary, at least 2 members of the Risk Management Committee can request the Chairman to call a meeting and the Chairman shall designate the meeting within 14 days after request.

The resolution of the meeting shall be passed by majority votes. Each member has 1 vote except any member who has a conflict of interest in any matter for consideration, has no right to vote on such matter. In the event that there are equal votes, the Chairman of the meeting has a casting vote

This charter of the Risk Management Committee is effective from 20 July 2020 onwards.

## The Charter of the Corporate Governance Committee

### Purpose

The Corporate Governance Committee has duty to oversee as well as provide advice and define guideline for operation in compliance with good corporate governance principles appropriately and transparently in order to ensure reliability and confidence to the shareholders, stakeholders and all related parties and for sustainability of the Company.

### Composition

The Corporate Governance Committee consists of 3 members and should have independent directors as majority.

Chairman of the Corporate Governance Committee must be an independent director and not a Board of Director Chairman.

### Qualification

Has knowledge, capability, qualifications, and experiences as appropriate and be able to use their knowledge, capability, and experience to achieve the objectives.



Has adequate time to perform their duties and be able to use their judgement independently to enhance the Company's good corporate governance.

### Selection and Term of Office

The Board of Directors shall appoint the Corporate Governance Committee and appoint 1 independent director to be a Chairman of the Corporate Governance Committee.

The Corporate Governance Committee's term is 3 years. The Corporate Governance Committee who are expired from their terms may be reappointed as deem appropriate by the Board of Directors.

In case of vacancy with other reasons than for completion of terms, the Board of Directors will select a person who are fully qualified and deem appropriate as a replacement. The replacement serves in such position only his/her predecessor's remaining term.

### Duties and Responsibilities

- 1) Establish corporate governance policies and guidelines. including key operating procedures related to good corporate governance, social and environmental responsibility, and sustainability development in accordance with the Company's principles, standards, and guidelines for corporate governance, as well as the good corporate governance principles of the Securities and Exchange Commission's and the Stock Exchange of Thailand.
- 2) Supervise, advise, monitor and evaluate corporate governance, social and environmental responsibility, and sustainability development performance for efficiency and also raising the Company's corporate governance system to international standards.
- 3) Raise the Board of Directors' awareness of roles and responsibilities and promote a culture of good governance and social and environmental responsibility as well as participation of the Board of Directors. Executives and employees at all levels.

### Meeting

There shall be at least 2 meeting per year as deemed appropriate by the Chairman of the Corporate Governance Committee.

The quorum of the Corporate Governance Committee's meeting must consist of no less than half of the members.

In case the Chairman of the Corporate Governance Committee is not present in the meeting or unable to perform the duty, the Corporate Governance Committee members present at the meeting are required to select one member to be the Chairman of the Meeting.

The resolution of the meeting shall be passed by majority votes. In the event that there are equal votes, the Chairman of the meeting has a casting vote. Any member who has a conflict of interest in any matter for consideration, has no right to vote on such matter.

This charter of the Corporate Governance Committee is effective from 20 July 2020 onwards.





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