

ANNUAL REPORT 2021

56-1 ONE REPORT



FULFILL HAPPINESS

SERMSUK







Fulfill Happiness

Sermasuk Public Company Limited

Annual Report 2021

56-1 One Report

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Message from Chairman



I would like to thank our directors,
management team, and all our employees
for their dedication and cooperation in
“fulfilling happiness” for our consumers.

Somchai Bulsook
Chairman



Dear Fellow Shareholders:

In 2021, countries around the world, including Thailand, continued to face the significant challenges of the COVID-19 novel coronavirus pandemic. Now in its second year, the pandemic's severity has increased substantially compared to the previous year. Due to its impact, the world is experiencing an economic crisis that has affected all business operators one way or another. This has forced, and even accelerated, the need for businesses in every sector to adapt. At the same time, consumers have changed their behavior in terms of daily life, working, and spending.

For Sermasuk, the pandemic affected our sales channels, especially the eateries category, where preventive measures prohibiting eateries from serving customers inside their premises to control the spread of COVID-19 came into effect in April 2021. These impacted tens of thousands of eateries, which had to close either temporarily or permanently. To cope with these changes, we adjusted our management approach, focusing on providing a new way of servicing retail stores and shops by using Area Management as a tool to determine the direction and strategies for managing sales areas in each region. This aimed to increase market share for major product brands in each province as well as driving sales in retail stores and shops in various communities where we have current and potential customers by providing consumers who work from home with convenient access to our products in near-by stores, reducing their risk of infection when going out. There was a continuing increase in consumer demand for Sermasuk products, especially Crystal drinking water, which still maintains the number one market position due to key success factors in terms of quality, pricing, and distribution coverage. Oishi Green Tea also saw greater consumer

demand as it delivers health benefits and is a thirst-quenching drink that continues to record strong growth and widen our number one market position.

We will move forward to continue to drive and increase sales efficiency by introducing SERMSUK CAMP application, which enables our salespeople to work using tablets that bring together all sales data at their fingertips, plus SERMSUK FAMILY application to communicate with the company's stores across all sales channels. This will help to continually strengthen our service offering to stores and ensure they see Sermasuk's product information and every product promotion for which they can accumulate points to redeem for rewards. This will increase brand loyalty between customers and the company in a sustainable way, ensuring customer satisfaction that encourages the repurchase of our products or repeating the use of our services again in the future.

As a corporation we continue to recognize the importance of natural resources and the environment as well as the impact of climate change. Sermasuk has adopted the concept of sustainable development covering economic, environmental, and social dimensions, with a sustainability management strategy under good governance following sustainable development guidelines that reflect the Sufficiency Economy philosophy conceived and developed by His Majesty King Bhumibol Adulyadej the Great, as well as the United Nations' 17 Sustainable Development Goals.

Lastly, I would like to thank our directors, management team, and all our employees for their dedication and cooperation in "fulfilling happiness" for our consumers.

Board of Directors



Mr. Somchai Bulsook

- Chairman
- Chairman of Corporate Governance Committee



Mr. Suchin Wanglee

- Vice Chairman No.1
- Independent Director
- Chairman of Nominating and Remuneration Committee
- Member of Audit Committee



Mr. Ueychai Tantha-Obhas

- Vice Chairman No.4
- Vice Chairman of Executive Committee No.1
- Member of Corporate Governance Committee



Prof. Dr. Khunying Suchada Kiranandana

- Independent Director
- Chairman of Audit Committee
- Chairman of Sustainability and Risk Management Committee





Mr. Chotiphat Bijananda

- Vice Chairman No.2



Mr. Thapana Sirivadhanabhakdi

- Vice Chairman No.3
- Chairman of Executive Committee
- Member of Nominating and Remuneration Committee
- Member of Sustainability and Risk Management Committee



Adjunct Prof. Rawat Chamchalerm

- Independent Director



Mrs. Siripen Sitasuwan

- Independent Director
- Member of Audit Committee
- Member of Sustainability and Risk Management Committee





Mr. Pramoad Phornprapha

- Independent Director
- Member of Corporate Governance Committee
- Member of Nominating and Remuneration Committee
- Member of Sustainability and Risk Management Committee



Mr. Sithichai Chaikriangkrai

- Director
- Vice Chairman of Executive Committee No.2
- Member of Sustainability and Risk Management Committee



Mr. Dhitivute Bulsook

- Director
- Vice Chairman of Executive Committee No.3
- Member of Sustainability and Risk Management Committee



Mrs. Tongjai Thanachanan

- Director





Mr. Sakchai Thanaboonchai

- Director



Mr. Rangsak Thammanee Wong

- Director



Mr. Kosit Suksingha

- Director
- Member of Sustainability and Risk Management Committee
- Member of Executive Committee
- President

Executive Committee Members



Mr. Thapana Sirivadhanabhakdi
• Chairman of Executive Committee



Mr. Ueychai Tantha-obhas
• 1st Vice Chairman of Executive Committee



Mr. Kosit Suksingha
• Executive Committee Member / President



Mr. Phromson Ayanaputra
• Executive Committee Member





Mr. Sithichai Chaikriangkrai

- 2nd Vice Chairman of Executive Committee



Mr. Dhitivute Bulsook

- 3rd Vice Chairman of Executive Committee



Executives



Mr. Kosit Suksingha
• President



Mrs. Prangnee Chaipidej
• Marketing Director



Mr. Kwanchai Mahapornprachak
• National Sales Director



Ms. Rewadee Chaihetphon
• Finance Director



Mr. Nitipat Putthong
• Human Capital Director





Mr. Thepsiri Phengtieng
• Supply Chain Director



Mr. Thanee Pornphisutsak
• Production Director



Mr. Pongwit Sumethmethachai
• Group Commercial Support Director



Mr. Thosaphol Maneerat
• Acting Sales Director R1 / R2 / R3 / R4



Mr. Vinij Thawilpaibul
• Sales Director R5 / R6 / R7 / R8



Product Portfolio





Crystal



Oishi



Oishi Chakulza



Jubjai



Sarsi



100PLUS



V-Boost



Rock Mountain



Ranger



Power Plus



Part 1 Business and Performance

Structure and Business Operations of SSC Group

1. Structure and Business Operations of SSC Group

1.1 Policy and Business Overview

Sermsuk Public Company Limited ("**Company**") was established to operate beverage business by a group of 7 founders. The Company commenced operations on April 18, 1952 with initial registered capital of 8 million Baht and the first plant, "Silom Plant", was established to produce the "Pepsi" Beverage products, which was available in Thai Market on March 18, 1953.

In 2011, Thai Beverage Logistics Company Limited, which is the SSN investor, acquired the shares from the PepsiCo Group and made a voluntary tender offer to the Company's shareholders. The Company executed the letter extending the effective date of the termination of the Exclusive Bottling Appointment Agreement ("**EBA**") for seven months from April 1, 2012. As a result, the EBA was terminated at the close of business day on November 1, 2012. The other agreement in connection with the EBA, the Agreement for Cooperative Advertising and Marketing Principles ("**Coop**"), was terminated on the same date. After termination of the EBA, the Company has become the producer and distributor of carbonated products under "est" trademark.

On December 23, 2014 Great Brands Limited, a direct wholly-owned subsidiary of the Company, entered into Sale and Purchase Agreement of "est" trademark with Super Brands Company Pte Ltd., Thai Beverage PLC's indirect wholly-owned subsidiary. The proceeds of the sale will be spent on strengthening of the existing businesses such as manufacturing and distribution which are the forte of the Company. ThaiBev Group provide its full support to promote the "est" trademark regionally and nationwide.

On December 28, 2015, Thai Beverage Logistics Company Limited sold the Company's common shares totaling 171,923,138 shares which represents 64.66% of total paid-up capital to So Water Company Limited, an indirect subsidiary of one of the group companies of Thai Beverage PLC which holds 100% of the total shares in such company. The change is solely for purpose of internal shareholding restructure of the major shareholder and there is no impact on the Company's control including management policies and operations.

The Company became an important part in establishing the foundation of the carbonated beverage industry in Thailand for more than seven decades and made Pepsi-Cola brand to be the Thai market leader. At present, the Company is manufacturing and distributing the "est" products to Thai consumers and including non-carbonated beverage, such as Crystal drinking water, Oishi ready-to-



Structure and Business Operations of SSC Group

drink tea. With the success of the expansion, the Company becomes the first fully-integrated non-alcoholic beverage company in Thailand.

The Company operations are carried out in accordance with its future business plan utilizing resources and assets along with its strong product distribution and supply chain network with a view to enhance steady and sustainable growth.

1.1.1 Vision, Business Objectives, Goals and Strategies of the Company

Vision

The Company's corporate vision is to be the total beverage manufacturing and distribution company in Thailand which provides quality products, great services, and decent returns to stakeholders.

Mission

The Company's mission is "To Fulfill Happiness" with high quality beverage products for Thai consumers and customers to enhance the steady and sustainable growth.

Business Objectives and Plans

For the non-alcoholic drinks business, the Company was dedicated to streamlining its business strategies to achieve Thai Beverage Public Company Limited's Vision of 2025 and to drive the Company's business in 2021 under the concept "Growing Sustainably, Rising Towards Digital Future". To accomplish the objectives, the Company has adapted digital technology in its business operations and management along with upgrading the work processes to enhance work efficiency. The strategic efforts include the following:

1. Brands & Reach:

The Company strives to create opportunities to develop products that cater to the needs of each group of consumers at each specific time together with developing efficient sales and distribution channels that allow for the delivery of products to consumers promptly and extensively. Added to this is equipping employees with the skills needed for digital transformation, enabling them to cope with the rapidly-changing marketplace as well as increase product offerings and distribution efficiency to better accommodate customer demand. The moves allow employees to have access to in-depth sales information that can be used to formulate a plan in each sales area in response to the emerging opportunities. Building upon the knowledge gained, they can further develop new brands or products that satisfy the needs of consumers, enabling Sermsuk to become a leader in alternative products for health and well-

Structure and Business Operations of SSC Group

being while, at the same time, continuously creating new excitements for the market and consumers in line with the Passion 2025 theme of ThaiBev.

2. Production and Supply Chain Excellence:

To consolidate the Company's world-class production facilities connected to ThaiBev's extensive logistic network, one of the country's largest, the Company has incorporated artificial intelligence technology for use in analyzing and developing production, and distribution that supports the circular economy approach. The efforts allow for the obtaining of quality raw materials from sources and the delivering of products to consumers in each region promptly and adequately, resulting in cost reduction and the increased competitiveness of the Company.

3. Sustainability

The Company has given top priority to value chain management and development, a key strategy that contributes greatly to business success. The endeavors encompass material procurement to management of used packaging to address the concerns of all stakeholders with the focus on the management of the environment and natural resources, society, and surrounding communities. The Company also pledges to develop and help strengthen the grassroots economy together with promoting employee development and corporate culture dedicated to achieving sustainable development in all dimensions to the fullest potential of a ThaiBev company. All these are moves toward becoming a world-class leader in the beverage industry with a commitment to sustainable development.

Goals

The Company sets the following goals:

Sales and Market Share Growth Target

To set the Company's annual growth target for sales and market share, several factors have been considered, for example, the general economic situation, changes in consumer tastes and behavior, market competition, competitors' strengths and weaknesses, competitors' past activities, and other relevant factors. The Company's target setting is based on the analysis of market trends and future projections including the assessment of the Company's strengths and weaknesses in order that the planned activities including the introduction of new products which will support the achievement of sales, market share and volume targets.



Structure and Business Operations of SSC Group

Profit Maximization Target

In addition to sales growth, the Company also focuses efficiency and cost control. Key Performance Indicators (KPIs) have been set for each business unit as measurers of performance and efficiency.

People Development Target

The Company has set clear objectives in people development in all levels. The budget has been set aside for training and development regarding management/administration to ensure that employees will be equipped with new skills and shown new techniques to enhance their efficiency and performance. The development of its people via on-the-job training is also a Company focus area and this utilizes advice and instructions by supervisors. In the past two years, in particular, with the goals of increasing sales and distribution, the Company has focused on training and developing the knowledge, techniques, and skills of its sales staff at all levels on an ongoing basis.

Returns to Shareholders Target

The Company has a policy to return profit to shareholders in the form of consistent dividend payments at a reasonable rate but no less than 40% of the net profits of each fiscal year of Consolidated Financial Statements after deducting the legal reserves and accumulated losses carried forward (if any), provided that such dividend payment is subject to Company's financial liquidity, investment plan, terms and conditions of agreements the Company is obliged to along with other future necessities, suitability corresponding to the annual operating results. This is achieved through propelling business growth as well as increasing income and profit through the implementation of effective marketing that creates demand for the Company's products and drives production volume and sales, thus generating returns on investment for investors and shareholders.

Social Responsibility

The Company is committed to provide happiness to Thai people through a comprehensive range of quality and hygienic beverages that meet international quality standards. Our company has set a goal to enhance our corporate social responsibility along with other operational objectives in a fair and transparent manner. Our corporate citizenship efforts are extended to the public through a diverse range of social activations. Ultimately, the Company aims to drive sustainable social and environmental development among Thai communities.

1.1.2 Major Corporate Change and Development

Investment

Beginning with the initial start-up capital in 1952, the Company has increased its capital sequentially:

Structure and Business Operations of SSC Group

- 1952 The registered capital of Baht 8 million, Baht 100 per share
- 1953 The registered capital increased to Baht 15 million; Baht 100 per share
- 1966 The registered capital increased to Baht 30 million; Baht 100 per share
- 1969 The registered capital increased to Baht 45 million; Baht 100 per share
- 1986 The registered capital increased to Baht 105 million; Baht 100 per share
- 1991 The par value was changed from Baht 100 per share to Baht 10 per share
- 1994 Sermasuk became a listed company with a registered capital of Baht 260 million
- 1997 The registered capital increased to Baht 265 million; Baht 10 per share
- 2001 The Company reduced its registered capital by Baht 542,340 (54,234 shares) which made the Company's remaining Registered Capital of Baht 264,457,660 (26,445,766 shares). Later the Company capital increase by Baht 3,500,000 which made the Company Registered Capital of Baht 267,957,660 (26,795,766 shares)
- 2003 The par value was changed from Baht 10 per share to Baht 1 per share.
- 2009 The Company reduced its registered capital by Baht 2,057,176 which made the Company's remaining Registered Capital of Baht 265,900,484 (265,900,484 shares).

Business Expansion

- 1952 The Company's Silom Plant started operations
- 1967 The Sermasuk Bangkhen Plant was opened on a 24 rai, 1 ngan and 30 5/10 square wah site with the relocation of equipment from the Silom Plant to the Bangkhen plant
- 1969 The Nakhon Ratchasima Plant was opened on a 31 rai, 1 ngan and 69 square wah site while the land on Silom was sold
- 1973 The Nakhonsawan Plant opened on a 24 rai, 1 ngan and 89 8/10 square wah site
- 1975 Being a listed company in Thailand
- 1978 The Pathum Thani Plant was opened on a 164 rai and 88 square wah site
- 1985 Appointed as the distributor of "M-100" and "M-150" products for Osothsapha Co., Ltd.



Structure and Business Operations of SSC Group

- 1993
 - Appointed as the distributor of Volvic mineral water for France-based BSN Group.
 - Began the production of drinking water under the “Crystal” brand.
- 1995 Provided the distribution for “M Sport” and “M Coffee” beverage for Osothsapha Co., Ltd.
- 1997
 - The producer and distributor of “Lipton” tea beverage for Unilever Thai Holdings Co., Ltd.
 - The opening of a plastic blow molding plant at its Pathum Thani Plant.
- 1998 The Surat Thani Plant was opened on a 67 rai, 1 ngan and 78 square wah site
- 1999 The distributor of “Yo” beverage products for Sermsuk YHS Beverage Co., Ltd. (Currently known as Sermsuk Beverage Co., Ltd.)
- 2002
 - The Chon Buri Plant was opened on a 42 rai, 3 ngan and 72 square wah site.
 - The Company returned its distributorship rights for the “M” products to Osothsapha Co., Ltd., and reached an agreement to be the distributor of “Carabao Daeng” drinks for Carabao Tawandaeng Co., Ltd.
- 2003 The authorized producer and distributor of “Gatorade” sport drinks for Stokely Van Camp Inc, USA.
- 2004 Terminated the distribution of Yo soya milk product
- 2005 Signed an agreement to sell “Oishi” beverage products for Oishi Trading Co., Ltd.
- 2006 Signed an agreement to sell “Tropicana” and “Twister” juice beverages in bottles for Pepsi Cola (Thai) Trading Co., Ltd.
- 2012
 - Terminated the distribution of Carabao Daeng and other beverage products under Pepsi Cola (Thai) Trading Co., Ltd., including Pepsi, Mirinda, Seven-Up, Tropicana and Twister.
 - Started the production and distribution of “est” products on November 2, 2012
 - Sermsuk Holdings Co., Ltd., took over Wrangyer Beverage (2008) Co., Ltd. to produce and sell beverage products under the Wrangyer, Power Plus and other brands

Structure and Business Operations of SSC Group

- 2013
 - Added two new packages for “est” include 250 ml. can and 850 ml. glass bottle.
 - Began producing and distributing “est” orange, strawberry, cream soda and lemon lime flavors.
 - Added 1 litre PET bottle packaging for drinking water “Crystal”
 - The distributor of “Wrangyer” energy beverage
 - The distributor of fried seaweed “Onori”
- 2014
 - Launched 2 innovative packages in a 16-ounce glass bottle and a 1.6-litre PET bottle respectively. Also, rolled out 3 new packages for est, the “325-ml est Sleek can”, “250-ml est sleek can” and “250-ml est cool hand” glass bottle non-returnable. Started manufacturing and distributing sugar-free “est sugar-free”
 - The sale transaction of “est” brand and trademark to Super Brands Company Pte. Ltd., On 23 December 2014
- 2015
 - “est” added “Lychee Pear” flavor to its portfolio, in a 325-ml. sleek can and a 490 ml. PET bottle and later 1.6-liter PET bottle in January.
 - Furthermore, there were 2 new products launch which were “100 Plus” and “Jubjai” in February and March, respectively.
 - Ranger has been exported to the Malaysia market.
 - The Company started distribution of Soda Chang.
 - Oishi green tea added new flavors ranging from 1) Oishi Green Tea Watermelon-flavored in 380-ml. PET bottle, 2) Oishi Chakuza Sparkling Green Tea Honey Lemon Flavored, Black Tea Lemon in 320-ml. sleek can, 3) Oishi Fruito Strawberry Melon and Green Apple White Grape flavors in 380-ml. PET bottle and 4) Oishi Kabusecha in 500-ml. PET bottle for Major Cineplex Group and its subsidiaries.
- 2016
 - Launched grapeberry-flavored “est” in a 250-ml can as well as 490-ml, 515-ml, 1-liter, 1.6-liter PET bottle, and 12-ounce, and 16-ounce RB in March. Later in July, the new est orange-flavored cola in a 250-ml can and 490-ml, 515-ml, 1-liter, and 1.6-liter PET bottle.



Structure and Business Operations of SSC Group

- Launched a new fruit tea product from Japan called Oishi-Kyoho-Grape in a 380-ml PET bottle and later in December, Oishi Sakura Strawberry flavor in 380-ml and 500-ml PET bottles was introduced.
 - Launched new soda water under the Rock Mountain brand, produced using cold infusion technology. Available in non-returnable 325-ml glass bottle.
 - Added berry-flavored 100 Plus in a 445-ml bottle in December.
 - The agreement of the Company's subsidiary to produce and distribute Gatorade and Lipton in PET bottles and cans came to an end. However, the Company continues to produce and distribute returnable glass bottles.
- 2017
- "est" added Hawaiian Punch flavor to its portfolio in a 250-ml can, as well as 490-ml, 515-ml, 1-liter, 1.6-liter PET bottle, and 12-ounce RB in February.
 - Launched Rock Mountain soda water in 400-ml RB in January.
 - est added Melon flavor Bingsu in 390-ml, 515-ml, 1-liter, and 1.6-liter PET bottles and 12-ounce RB and Mango flavor Bingsu in 390-ml, 515-ml, 1-liter, and 1.6-liter PET bottles.
 - Oishi Green Tea Yuzu Orange flavor in a 380-ml PET bottle was introduced in November.
- 2018
- Launched 100 Plus Grape Berry Flavor in a 370-ml bottle in March.
 - Terminated the production and the distribution of the Lipton Ice Tea in glass bottle in June.
 - Reintroduced Sarsi nostalgically remembered for its froth and fizz in a 250-ml non-returnable glass bottle. Started manufacturing and distributing Sarsi in August.
 - "est Play" added new flavors including est Play Kamikaze Lime flavor and est Play Pink Bomb Strawberry flavor in November. The former 380-ml bottle has been replaced with a new 360-ml bottle.
 - Oishi green tea added three new flavors to Oishi Gold, the premium green tea: Oishi Gold No Sugar Genmaicha, Oishi Gold Genmaicha Delight, and Oishi Gold No Sugar Kabusecha in November. The former 350-ml bottle was introduced to replace the 380-ml bottle.

Structure and Business Operations of SSC Group

- 2019 Launched Oishi in 180-ml UHT box in January and added Oishi Kyoho Grape in March. Discontinued the 250-ml box.
- 2020
- “est” added est Play Honey Lemon flavor to its portfolio in 360-ml, 515-ml, 1-liter, and 1.6-liter bottles in November.
 - Oishi introduced Oishi Apple Honey a new flavor that combines the delightful tastes of Japanese Aomori apples and the authentic Hyakkamitsu honey from Hokkaido, Japan, and the sugar-free Oishi Apple Honey Light flavor with 0% calories.
 - For premium green tea, Oishi launched Oishi Gold Gyokuro, produced using Oishi’s innovative production technology for a healthy Gyokuro green tea, Oishi Gold Gyokuro is high in catechins that are natural antioxidants and L-theanine which promotes relaxation.
 - Oishi Green Tea Light was introduced as a healthy choice. The sugar-free green tea comes in two flavors 1 Original and Honey Lemon.
 - Launched V-boost Vitamin C drink, the only drink that contains beta glucan imported from the U.S. and 120 mg. of vitamin C. Available in two flavors: orange and lime, v-boost contains real fruit juice with low sugar and low calorie and is certified by the Healthier Choice nutritional logo.
- 2021 The new flavor of Oishi Green Tea “Oishi plus C” with coconut jelly and 200% vitamin C innovation has been launched. The product has two flavor i.e. Kyoho Grape and Orange 350 ml. and 380 ml. respectively.

1.1.3 Basic Information

Location of Head Office:	No. 90 CW Tower, 31 st - 32 nd Floor, Ratchadapisek Road, Huai Khwang Sub-District, Huai Khwang District, Bangkok 10310
Type of Business:	manufacture and distribution of beverage
Registration Number:	0107537001650 (previously Bor. Mor. Jor. 412)
Telephone:	0-2783-9000
Fax:	0-2783-9092-3
Website:	www.sermsukplc.com



Structure and Business Operations of SSC Group

Issued Shares:

Ordinary Shares

Issued and Paid-Up:

265,900,484 shares of Baht 1.00 each

1.2 Business Operations

1.2.1 Revenue Structure

Unit: Million Baht

Type of Revenues	2021		2020		2019	
	Revenue	%	Revenue	%	Revenue	%
Revenue from carbonated soft drinks	3,708	38.55	4,615	42.48	5,208	45.01
Revenue from non-carbonated drinks	5,910	61.45	6,250	57.52	6,364	54.99
Total	9,618	100.00	10,865	100.00	11,572	100.00

*Some items were reclassified in the comprehensive income statement in accordance with the Presentation of Financial Statement 2020.

1.2.2 Business Operations by Product

1) Type of product or Service and innovation

1.1 Product

Product and service, divided by the operation are as follows:

1. Drinking water manufacturing and distribution

Drinking water under “Crystal” trademark

2. Non-carbonated drink manufacturing and distribution

- Returnable bottle of green-tea under “Oishi” trademark
- Energy drink under “Ranger” trademark
- Sports drink under “Powerplus” trademark
- Functional drink under “V-Boost” trademark

Structure and Business Operations of SSC Group

3. Carbonated drink manufacturing and distribution

- Carbonated drink under “Est” trademark
- Functional carbonated drink under “100 plus” trademark
- Carbonated drink under “Sarsi” trademark

4. Beverage distributor

- Ready to drink can and PET green tea under “Oishi” trademark
- Soda under “Rock Mountain” trademark
- Ready to drink Jab Liang herbal tea under “Jubjai”

1.2 Innovation

1. Product Innovation

The Company has continually developed products to fulfil the Company’s policy and customer’s health.

New healthy product, to launch new Company’s product, the Company shall develop the products to be certified as healthier choice by Institute off Nutrition, Mahidol University. In the previous year, the Company has developed 2 new flavors of products i.e. lychee and grape berry both of carbonated and carbonated with new taste of fresh jelly. Additionally, they comprise of vitamin B6 and B12 to meet the need of health lover as a result of fresh and healthier than carbonated drink.



Pictures of new products



Structure and Business Operations of SSC Group

Reduction of sugar, the Company emphasizes on sugar reduction with a view to meet customer's need which is a healthy lover trend. As a result of the need of fresh, the reduction is challenging as there is yet a need of freshness. And the concern is to reserve the original flavor of carbonated product, but yet fulfill the consumers' need on healthier choices, freshness and tasty.



Pictures of healthier choice products

2. Manufacturing innovation

The Company has brought its knowledge, experience and collaboration to develop products and new manufacturing process. This is to enhance the full option innovation, manufacturing efficiency, emphasized quality standard, food safety and Non-Alcoholic Beverage (NAB). Additionally, the Company concerns on manufacturing environment for customer and society together with driven modern digital technology of manufacturing. In 2021, the Company's innovations are as follows:

- **Operation Performance System (OPS)** is a self-design and development program to enhance manufacturing efficiency. Such program is real time analysis which could detect section(s) of manufacturing process in need to be improved. Consequently, more efficiency of manufacturing and lower cost per unit continuously incurred.
- **PET blowing machine installment:** the Company has invested the manufacturing of PET carbonated drink. The Company also installed PET blowing machine for Crystal drinking water at Surat Thani plant in substitute of PET being supplied from a 3rd party supplier. This enables Company growth, reduces environmental impact from manufacturing and logistics related activities.

Structure and Business Operations of SSC Group

- **Alternative energy project:** the Company has implemented alternative energy, solar rooftop project of SSC group for 5 plants. At the same time, the Company has implemented alternative energy for manufacturing and Heat Pump System, which enables to produce hot water for warmer machine, instead of steam production from boiler, used to produce fuel oil in the Est PET bottle manufacturing process at Nakorn Ratchasima plant. The Company has strengthen intention and continually use alternative energy in the future. The method has reduce an environment impact from Carbon dioxide emission under Sustainable Alternative Energy.

2) Marketing and Competition

A) Competition and distribution policies

Target Group

The Company focuses on competing in the beverage market for consumers, targeting over 240,000 small to large eateries and retail stores nationwide. The Company is determined to operate business under the concept “Growing Sustainably, Rising Towards Digital Future” with the following strategic efforts.

1. **Brand & Reach:** The Company strives to create opportunities to develop products that cater to the needs of consumers together with developing efficient sales and distribution channels that allow for the delivery of products to consumers in a prompt manner.
2. **Production and Supply Chain Excellence:** To consolidate the Company’s production facilities connected to ThaiBev’s extensive logistic network, the Company has incorporated artificial intelligence technology for use in analyzing and developing production and distribution.
3. **Sustainability:** The Company has given top priority to value chain management and development, encompassing material procurement to management of used packaging to address the concerns of all stakeholders with the focus on the management of the environment, natural resources, society, and surrounding communities.



Structure and Business Operations of SSC Group

Distributor of the products

The Company is the distributor of many products that will be supplied to eateries and retail stores for consumers nationwide via its solid network of 900 trucks.

B) Marketing and Competition status

“est” Carbonated Soft Drink

In 2021, carbonated drink “est cola” has its strategic to increase sale volume in summer via “est cola X FreeFire” campaign, stimulating choice to drink “est cola”. The intention is to emphasize on teenagers via No.1 on-line game “FreeFire”. The presenter of this campaign is outstanding idol “Ice Paris”. The campaign includes to send a code under bottle cap to compete rare items.

In terms of est Play, the Company initiates new innovation of the product for healthy lover and launch Vitamin B6 and B12 carbonated drink. The target group is teenager. Additionally, it is the first time of launching new taste with fresh jelly with 2 flavors i.e. grape berry and salty lychee and grape berry. The fabulous presenter is “Ally Achiraya” who presents the joyful of est Play.

“Crystal” Drinking Water

As a result of Covid-19, the growth of market value become negative especially, Modern Trade and convenience store channel. Nevertheless, having other sale channels, Crystal drinking water enables to serve customer’s need during the restricted period. The sale volume has increased with 23% of market share. This also significant point to drive drinking water market.

In 2021, Crystal drinking water is a leader in the quality market together with the sustainable growth campaign “Crystal delivers the fresh experience and standard quality nationwide” as a friend in every situation, grant happiness and cheer up Thais when they need confidence of consumption products. Additional, they would like to take care their health with number one drinking water, nationwide standard and certified by NSF International, other rewards from organization both in Thailand and foreign countries (to certify manufacturing and environmental quality).

Crystal also a leader of sustainability under “Crystal CARE” concept. This concept is to operate its business with the environmental and social responsibility. The brand

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has launched “Crystal can” which is the first time of can drinking water and alternative choice of 100% recycle packaging to reduce the environmental impact.

“Oishi” Green Tea

In 2020 and 2021, the Company has continuous launched new products, emphasized on group of health products with the health innovation and meet the need of new generation customer, as a leader of Japanese Green tea market. In the previous year, the significant events and activities of the product are as follow:

1. Launch new ready to drink green tea under Oishi Green Tea plus C, Japanese Green Tea style with two flavor i.e. orange and Kyoho Grape with coconut jelly and 200% vitamin C innovation.
2. Launch Oishi Chakulza, kyoho grape to expand teenager group of customer and increase new chance of drinking. This flavor has a smell of kyoho grape and is beneficial of natural green tea. This is to serve the need of health product. This Product has been certified by healthier choice symbol. Thus, customer shall enjoy green tea soda with beneficial for health.

“100 Plus” Functional Carbonated Soft Drink

100 Plus functional carbonated soft drink has responded the need of customers, who aware of their health. It focuses on beneficial of fizzy, the symbol of “healthier choice of carbonated soft drink”. It also supports sport activities e.g. running, cycling to be the recognized brand for health lover target group.

“Ranger” Energy Drink

The main customer of “Ranger” energy drink are group of labor and new generation of working group who need ultimate energy in every day of their lives. Ranger has tasty flavor, no added sugar. It also adds Vitamin C, which helps antioxidant and fresh, Vitamin B6 and Vitamin B12 to nourish nervous system and brain. Ranger has outstanding design of label with with tiger face icon. This focus on the communication via on-line campaign. “Ranger Sai Sud Rang” to show the release of ultimate energy, soar and extreme with every working role and daily life.

Additionally, the Company initiates brand loyalty program via @rangerpoints line official for “Ranger point” redemption reward so as to build brand memorization and brand loyalty.



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“V-Boost” Vitamin C Drink

In 2021, during covid-19, customers are more focus on their health. Thus, V-Boost quality health products response the customer’s need, this is because it is the high vitamin, with 2 times immunity. The product comprises of 200% of vitamin C, beta glucan from the United States, which supports function of white blood cell and fight germ and virus. The product has two popular flavor i.e. orange and lemon. It comprises of authentic juice, low sugar, 30 kilos calories and also certified by healthier choice symbol.

3) Products and Services Sourcing

Sources of key materials are as follows:

- Concentrates for est Cola, 100 Plus and V-Boost are sourced from Thai Drinks Co., Ltd., related company who is the representative to import the finished concentrates from overseas supplier
- Concentrates for Ranger energy drink and PowerPlus are sourced from local distributors imported from outside Thailand.
- Concentrates for Oishi Green Tea in returnable bottles are sourced directly from Oishi Group Public Company Limited, a local producer.
- Distributed goods including Oishi Green Tea, Jubjai herbal drink and Rock Mountain soda
- Other materials and packaging for production such as liquid sugar, fructose syrup, glass bottles, PET bottles, aluminum cans and chemical etc.

In addition to the concentrates that are supplied by the brand owners, local distributor and the local producer, the Company sources other raw materials and packing materials from 3-4 suppliers in order to ensure sufficient of raw materials and packing materials at reasonable prices.

The Company operates five manufacturing plants which are:

- 1) **The PathumThani Plant:** Located at No. 63, Moo 3, Bangkhayaeng Subdistrict, Mueang District, Pathum Thani;
- 2) **The Nakhon Ratchasima Plant:** Located at No. 211, Moo 4, Pruyai

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- Subdistrict, Mueang District, Nakhon Ratchasima;
- 3) The Nakhon Sawan Plant:** Located at No. 72, Soi Wat Chomkhiri Nakprot, Nakhon Sawan Aok Subdistrict, Mueang District, Nakhon Sawan;
- 4) The Surat Thani Plant:** Located at No. 111, Moo 5, Ta Rong Chang Subdistrict, Phunphin District, Surat Thani;
- 5) The ChonBuri Plant:** Located at No. 700/369, Moo 6, Nong Mai Daeng Subdistrict, Mueang District, Chon Buri

In addition to the five plants, the Company has two subsidiaries with manufacturing plan are as follows:

1) Sermasuk Beverage Co., Ltd.,

located in the Amata City Industrial Estate at No. 700/368, Moo 6, Nongmaidaeng Sub-district, Muang District, Chonburi.

2) Wrangyer Beverage (2008) Co., Ltd.,

located at No. 63, Moo 3, Phrapratone-Baanpaew Rd., Thanonkhad Subdistrict, Muang District, Nakhon Pathom.

4) Business operation's asset

Both primary fixed asset and intangible asset are asset to be used for business operation of the Company and its subsidiaries. Net book value as at 30 September 2021 are summarized as follows:

1. Key features of primary fixed asset and intangible asset to be used for business operation

1) Land

According to net book value as at 30 September 2021, Group of Company has its proprietary land to be used for business operation in the total value 5,085.99 million baht. The location and areas are as follows:



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Pathum Thani Plant and branches

Land	Ownership of property
Pathum Thani Plant, total area 164 Rai 88 Square Wah No.63 Moo 3, Bang Khayaeng Sub-district, Muang District, Pathum Thani	Owner
Khlong Tan branch office, total area 8 Rai 73 Square Wah No. 74 Soi Phatthanakan 20 Sub-soi 4, Suan Luang Sub-District, Suan Luang District, Bangkok	Owner
Bangkhen branch office, total area 24 Rai 1 Ngan 30 5/10 Square Wah No. 15/1 Vibhavi Road, Lat Yao Sub-District, Chatuchak District, Bangkok	Owner
U-thong branch office, total area 4 Rai 98 Square Wah No. 229 Jorakhesamphan Sub-district, U-Thong District, Suphan Buri	Owner
Pranburi branch office, total area 3 Rai 3 Ngan 34 Square Wah No. 344 Nong Ta Taem Sub-district, Pranburi District, Prachuap Khiri Khan	Owner
Ratchaburi branch office, total area 18 Rai 53 Square Wah No. 109 Koh Phlappla Sub-district, Muang District, Ratchaburi	Owner

- Net Book Value of Land is 2,856.36 million baht, without any encumbrance

Nakhon Ratchasima Plant and branches

Land	Ownership of Property
Nakhon Ratchasima Plant, total area 31 Rai 1 Ngan 69 Square Wah No. 211 Moo 4, Pru Yai Sub-district, Muang District, Nakhon Ratchasima	Owner
Khonkaen branch office, total area 3 Rai 30 3/10 Square Wah No. 193 Moo 5, Muangkao Sub-district, Muang District Khonkaen	Owner
Loei branch office, total area 3 Rai 1 Ngan 91 4/10 Square Wah No. 219 Moo 5, Muang Sub-district, Muang District, Loei	Owner
Pak Chong branch office, total area 4 Rai 2 Ngan 24 Square Wah	Owner

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Land	Ownership of Property
No. 57 Mittraphap Road, Pak Chong Sub-district, Pak Chong District, Nakhon Ratchasima	
Surin branch office, total area 8 Rai 1 Ngan 25 7/10 Square Wah No. 84 Moo 17, Chaliang Sub-district, Muang District, Surin	Owner
Mukdahan branch office total area 6 Rai 2 Ngan 64 Square Wah No. 130 Chayangkun Road, Mukdahan Sub-district, Muang District, Mukdahan	Owner

- Net Book Value of Land is 510.01 million baht, without any encumbrance

Nakhon Sawan Plant and branches

Land	Ownership of Property
Nakhon Sawan Plant, total area 24 Rai 1 Ngan 89 8/10 Square Wah No. 72 Soi Wat Chom Khiri Nak Phort Nakhonsawan-oak Sub-district, Muang District, Nakhon Sawan	Owner
Kamphaengphet branch office, total area 3 Rai 3 Ngan 21 1/10 Square Wah No. 2 Moo 13, Nakhon Chum Sub-district, Muang District, Kamphaengphet	Owner
Chiang Mai branch office, total area 9 Rai 2 Ngan 26 Square Wah No. 70 Moo 3, Changpeuk Sub-district, Muang District, Chiang Mai	Owner
Lampang branch office, total area 2 Rai 2 Ngan 87 5/10 Square Wah No. 380 Moo 1, Chomphu Sub-district, Muang District, Lampang	Owner
Phitsanulok branch office, total area 2 Rai 98 Square Wah No. 815 Nai Muang Sub-district, Muang District, Phitsanulok	Owner
Chiang Rai branch office, total area 6 Rai 6 1/10 Square Wah No. 85 Moo 13, Nang Lae Sub-district, Muang District, Chiang Rai	Owner
Uttaradit branch office, total area 3 Rai 1 Ngan 3 4/10 Square Wah No. 279 Moo 3, Khung Ta-pho Sub-district, Muang District, Uttaradit	Owner

- Net Book Value of Land is 438.95 million baht, without any encumbrance



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Surat Thani Plant and branches

Land	Ownership of Property
Surat Thani Plant, total area 67 Rai 1 Ngan 78 Square Wah No. 111 Moo 5, Tha Rong Chang Sub-district, Phunpun District, Surat Thani	Owner
Chumphon branch office, total area 2 Rai 32 8/10 Square Wah No. 309/1 Takdad Sub-district, Muang District, Chumphon	Owner
Nakhon Si Thammarat branch office total area 15 Rai 3 Ngan 27 5/10 Square Wah No. 383 Moo 10, Taruea Sub-district, Muang District, Nakhon Si Thammarat	Owner

- Net Book Value of Land is 152.46 million baht, without any encumbrance

Chon Buri Plant and branches

Land	Ownership of Property
Chon Buri Plant, total area 42 Rai 3 Ngan 72 Square Wah No. 700/369 Moo 6, Nong Mai Daeng Sub-district, Muang Chon Buri, Chonburi	Owner
Sriracha branch office total area 5 Rai 2 Ngan 49 Square Wah No. 30 Sukhumvit Road, Sriracha Sub-district, Sriracha District, Chon Buri	Owner
Prachin Buri branch office, total area 4 Rai 19 Square Wah No. 3/1 Ban Phra Sub-district, Muang District, Prachin Buri	Owner
Chanthaburi branch office, total area 3 Rai 3 Ngan 14 Square Wah No. 76/10 Tha Chang Sub-district, Muang District, Chanthaburi	Owner
Rayong branch office total area 9 Rai 1 Ngan 40 Square Wah No. 59/29 Nam Khok Sub-district, Muang District, Rayong	Owner
Trat branch office, total area 2 Rai 2 Ngan 81 Square Wah No. 149 Moo 2 Nernsai Sub-district, Muang District, Trat	Owner

- Net Book Value of Land is 796.89 million baht, without any encumbrance

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Subsidiaries

Land	Ownership of Property
Wrangyer Beverage (2008) Co.,Ltd., total area 34 Rai 2 Ngan 18 Square Wah No. 63 Moo 3, Phraprathon-Ban Phaeo Road, Thanon Khan Sub-district, Muang District, Nakhon Pathom	Owner

- Net Book Value of Land is 83.36 million baht, without any encumbrance

Land	Ownership of Property
Sermsuk Beverage Co.,Ltd., total area 25 Rai 3 Ngan 14 Square Wah No. 700/368 Moo 6, Nong Mai Daeng Sub-district, Muang Chon Buri, Chon buri	Owner

- Net Book Value of Land is 244.96 million baht, without any encumbrance

2) Buildings and Warehouses

Group of Company has buildings and warehouses including their renovation for business operation. Net book Value of the asset as at 30 September 2021 is 986.50 million baht without any encumbrance. Details are as follows:

Buildings, Warehouses and improvement	Net book value (million baht)	Ownership of Property
Pathum Thani Plant and branch offices 15 branches as follows: Pathum Thani branch, Thon buri branch, Khlong Tan branch, Bangkhen branch, Nonthaburi branch, Rama II branch, Ayutthaya branch, Theparak branch, Saraburi branch, Ratchaburi branch, Uthong branch, Pran buri branch, Nakhon Pathom branch, Kanchanaburi branch, and Phetchaburi branch	388.59	Owner
Nakhom Ratchasima plant and branch offices 12 branches as follows:		



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Buildings, Warehouses and improvement	Net book value (million baht)	Ownership of Property
Ubon Ratchathani branch, Surin branch, Buri Ram branch, Pak Chong branch, Si Sa Ket branch, Khon Kean branch, Udon Thani branch, Roi Et branch, Sakon Nakhon branch, Loei branch, Mukdahan branch, and Chaiyaphum branch	132.07	Owner
Nakhon Sawan plant and branch offices 10 branches as follows: Lop Buri branch, Phetchaburi branch, Sing Buri branch, Wichian Buri branch, Chiang Mai branch, Lampang branch, Phitsanulok branch, Chiang Rai branch, Kamphaeng Phet branch and Uttaradit branch	91.78	Owner
Surat Thani and branch offices 5 branches as follows: Chumphon branch, Phuket branch, Nakhom Si Thammasat branch, Koh Samui branch and Krabi branch	124.46	Owner
Chon Buri plant and branch offices 6 branches as follows: Sriracha branch, Rayong branch, Prachin Buri branch, Chanthaburi branch, Sa kaeo branch and Trat branch	134.81	Owner
Nakhon Pathom plant	46.80	Owner
Wrangyer Beverage (2008) Co.,Ltd. (subsidiary)	50.34	Owner
Sermsuk Beverage Co.,Ltd. (subsidiary)	17.65	Owner

3) Machinery, equipment and tool

As at 30 September 2021, group of Company has chain of manufacturing machinery, equipment and tools for business operation in the amount of 1,074.98 million baht, without any encumbrance. Details of chain of manufacturing machine and its accessories for business operation are as follows:

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Plant	Chain of manufacturing	Net book value (million baht)
Pathum Thani	11	380.91
Nakhon Ratchasima plant	4	102.61
Nakhon Sawan plant	5	137.04
Surat Thani plant	2	70.25
Chon Buri plant	4	217.22
Nakhon phathom plant	1	82.14
Wrangyer Beverage (2008) Co.,Ltd (subsidiary)	4	23.26
Sermsuk Beverage Co.,Ltd (subsidiary)	2	61.55

Remark: the Company approximately used its machines 10-20 years. Currently, some machine has been used more than 10 years with proper maintenance.

4) Other fixed assets

As at 30 September 2021, other fixed assets, used for business operation is in the amount of 754.78 million baht without any encumbrance. Details of other fixed assets for business operation are as follows:

Fixed asset	Net book value (million baht)
Vehicle	49.96
Furniture and office equipment	23.34
Plastic palate	6.18
Returnable bottle and plastic crate	590.43
Marketing promotion equipment	17.82
Asset under Construction	67.05



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5) Right of use asset

As at 30 September 2021, the Company has right of use asset for business operation in the amount of 359.44 million baht. Details of Right of use asset are as follows:

Right of use asset	Net Book Value (million baht)
Land, building and warehouse	83.83
Vehicle	275.61

Group of Company has entered into lease agreements of land, building, warehouse and vehicle for the purpose of business operation. The term of agreements are 1-30 years. Each agreements has different expiration date and the Company has renewal right when the agreement is expired.

6) Significant trademarks

The Company and Subsidiaries are the owner of following trademarks

- “คริสตัล” and “Crystal” Product type: drinking water and soda
- “แรงเฮอร์” and “แรงเจอร์” Product type: energy drink
and “Wrangyer” and “Ranger”
- “แบ็คอัฟ” and “แบล็ค อัฟ” Product type: Ready to drink coffee
and “Black up”
- “พาวเวอร์พลัส” and “Powerplus” product type: Sport drink

The Company and subsidiary have registered their trademarks, both Thai and English version of trademark to Department of Intellectual Property or relevant governmental organization in Thai and Foreign countries e.g. Laos, Cambodia, Vietnam, Malaysia, Indonesia, Philippines and China. This is for the purpose of receiving legal protection, to be up to date and cover all generation of customer.

The registered trademark has 10 years of legal protection since the date of filing its registration and enable to renewal each of 10 years. During renewal process, such trademark has been protected until registrar has a different order. The Company and subsidiary has authorized from the governmental organization to renew trademark registration, which could reserve our legal protection right.

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7) Investment of Subsidiary and Associated Company

According to the appropriate of capital, the Company has invested in the subsidiaries, associate and other related companies for the purpose of expansion and/or supporting business of group of Company. Details of investment as at 30 September 2021 are as follows:

Company's name	Type of Business	Paid-up capital (million baht)	Share ownership percentage	Capital amount (million baht)	Value (million baht)	Other major shareholder
Sermsuk Holdings Co.,Ltd	Investment magement	600.0	99.99%	600.0	599.9	-none-
Sermsuk Beverage Co.,Ltd.	Manufacture and distribution of beverage	689.6	99.99%*	337.9	337.9	-None-
Wrangyer Beverage (2008) Co.,Ltd.	Manufacture and distribution of beverage	200.0	99.99%*	248.0	248.0	-None-
Sermsuk Training Co.,Ltd	Human Resource and Organization Development	2.5	99.99%	2.5	2.5	-None-
Great Brands Limited	Brand management	4.1	100.00%	4.1	4.1	-None-
Petform (Thailand) Co.,Ltd	Plastic and PET bottle manufacturing and distribution	75.0	40.00%	30.0	863.4	Indorama Polymers Public Company Limited
The Pet Co.,Ltd	Plastic and PET bottle manufacturing and distribution	70.0	10.00%	7.0	54.1	Thai Metal Drum Manufacturing Co.,Ltd.



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Company's name	Type of Business	Paid-up capital (million baht)	Share ownership percentage	Capital amount (million baht)	Value (million baht)	Other major shareholder
Bangkok Glass Public Company Limited	Glass packaging manufacturing	3,620.0	0.96%	74.8	89.5	Boonrawd Brewery Co.,Ltd.
Crown Seal Pubic Company Limited	Manufacture and distribution of	528.0	2.03%	31.7	51.3	Nippon Closures Co.,Ltd.

**Share to be held by Sermsuk holdings Co.,Ltd., which Sermsuk Public Company Limited holds 99.99 percent of its share*

Investment policies of Subsidiaries and associate and other related company concerns on related businesses e.g. manufacturer or supply raw material, packaging or material for manufacturing. This is to be confidence of quality, sufficient of material and packaging for continuing of business operation.

- Direct Subsidiaries

- Sermsuk Holdings Co.,Ltd
One of Company's executive is a director of this subsidiary
- Sermsuk Training Co.,Ltd
Three of Company's executives are directors of this subsidiary
- Great Brands Limited
Two of Company's executives are directors of this subsidiary

- Indirect Subsidiaries

- Sermsuk Beverage Co.,Ltd.
One of Company's executive is a director of this subsidiary.
- Wrangyer Beverage (2008) Co.,Ltd.
One of Company's executive is a director of this subsidiary.

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- Associated company

- Petform (Thailand) Co.,Ltd.

One of Company's executive is a director of this associated company.

Director whom participated in subsidiaries and associated company shall control and regulated policies of such subsidiaries and associated company. Directors shall regularly participate Board of Directors meeting. Other meeting of committee, using voting right in accordance with shareholding ratio.

8) Share ownership percentage of subsidiaries and associated company

The total value of investment is accounted by using equity method.

- Subsidiary: Sermsuk Holdings Co.,Ltd 4.69 percent
- Subsidiary: Sermsuk Training Co.,Ltd 0.02 percent
- Subsidiary: Great Brands Limited 0.03 percent
- Associate: Petform (Thailand) Co.,Ltd 6.76 percent

9) Revaluation Real Estate for Investment

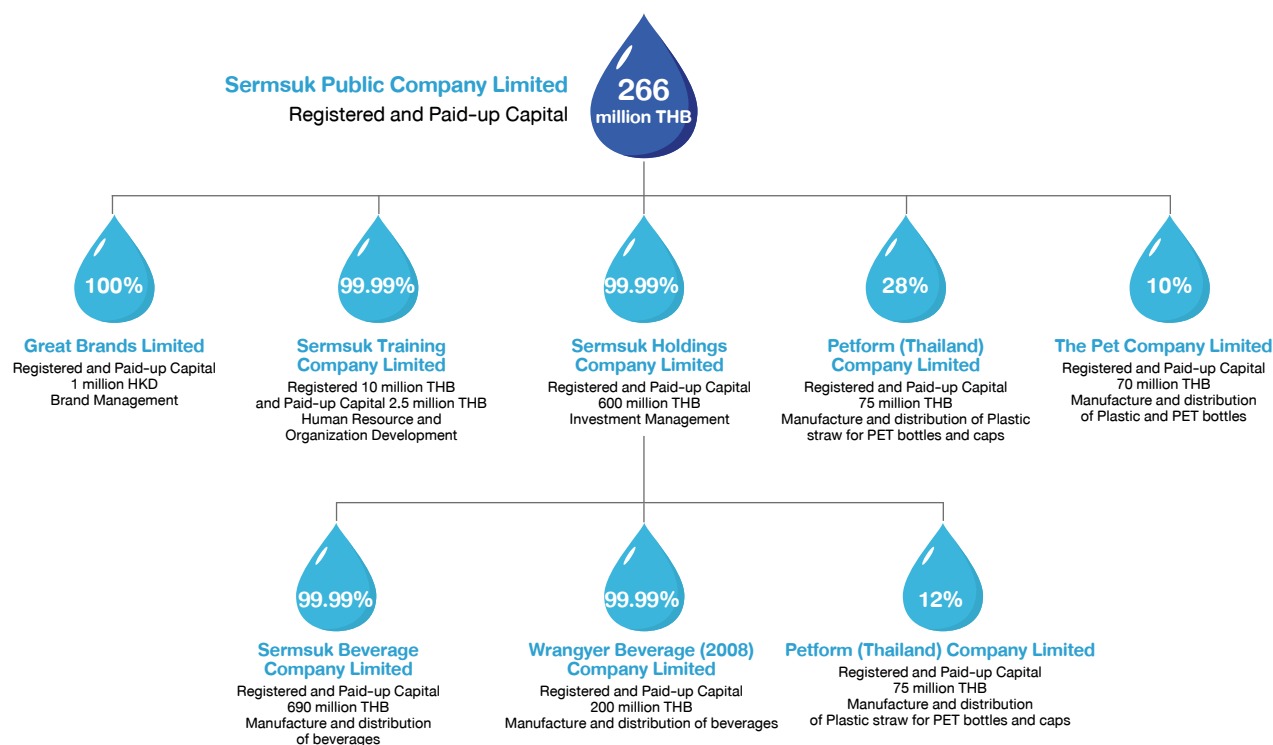
Transaction	Revaluation value as at 30 September 2021	Revaluation value as at 30 September 2020	Revaluation gain realized in 2021
	(million baht)	(million baht)	(million baht)
Real Estate for Investment	341.44	323.65	17.79



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1.3 The Company's Shareholding Structure

1.3.1 The Company's Shareholding Structure as of 18 November 2021



Investments in Subsidiaries and Affiliates

As of November 18, 2021, there were 7 subsidiaries and affiliates in which the Company holds 10% or more of shares that have been issued and traded on the local and overseas markets as follows:

1. Direct Subsidiaries

Company/Head Quarter Location Detail	Main Business	Type of Issued Capital	Registered Capital	Paid-up Capital	Number of shares issued	Number of shares owned by the Company	Share ownership percentages (%)	Directors
1. Sermsuk Holdings Company Limited ("SSH") No. 90 CW Tower, 31st – 32nd Floor, Ratchadapisek Road, Huai Khwang Sub-District, Huai Khwang District, Bangkok 10310 Tel. 0-2783-9000	Investment Management	Ordinary Share	600,000,000 Baht	600,000,000 Baht	60,000,000	59,999,998	99.99	1. Mr. Somchai bulsook 2. Mr. Thapana Sirivadhanabhakdi 3. Mr. Ueychai Tantha-obhas 4. Mr. Sithichai Chaikriangkrai 5. Mr. Dhitivute Bulsook 6. Mr. Kosit Suksingha

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Company/Head Quarter Location Detail	Main Business	Type of Issued Capital	Registered Capital	Paid-up Capital	Number of shares issued	Number of shares owned by the Company	Share ownership percentages (%)	Directors
2. Sermasuk Training Company Limited ("SST") No. 90 CW Tower, 31st – 32nd Floor, Ratchadapisek Road, Huai Khwang Sub-District, Huai Khwang District, Bangkok 10310 Tel. 0-2783-9000	Human Resource and Organization Development	Ordinary Share	10,000,000 Baht	10,000,000 Baht	1,000,000	999,980	99.99	1. Mr. Thapana Sirivadhanabhakdi 2. Mr. Ueychai Tantha-obhas 3. Mr. Sithichai Chaikriangkrai 4. Mr. Kosit Suksingha 5. Mr. Nitipat Putthong 6. Ms. Rewadee Chaihetphon
3. Great Brands Limited ("GB") Room 901-2, Silvercord, Tower 1, 30 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong	Brand Management	Ordinary Share	1,000,000 Hong Kong dollar	1,000,000 Hong Kong dollar	1,000,000	1,000,000	100.00	1. Mr. Thapana Sirivadhanabhakdi 2. Mr. Sithichai Chaikriangkrai 3. Dr. Pisanu Vichiensanth 4. Mr. Andy Lee 5. Mr. Kosit Suksingha 6. Mr. Krit Julapanichakum

2. Indirect Subsidiaries

Company/Head Quarter Location Detail	Main Business	Type of Issued Capital	Registered Capital	Paid-up Capital	Number of shares issued	Number of shares owned by the Company	Share ownership percentages (%)	Directors
1. Sermasuk Beverage Company Limited ("SSB") No. 90 CW Tower, 31st – 32nd Floor, Ratchadapisek Road, Huai Khwang Sub-District, Huai Khwang District, Bangkok 10310 Tel. 0-2783-9000	Manufacture and distribution of beverages	Ordinary Share	689,586,150 Baht	689,586,150 Baht	68,958,615	68,958,615	99.99	1. Mr. Somchai bulsook 2. Mr. Thapana Sirivadhanabhakdi 3. Mr. Ueychai Tantha-obhas 4. Mr. Sithichai Chaikriangkrai 5. Mr. Dhitivute Bulsook 6. Mr. Kosit Suksingha
2. Wranger Beverage (2008) Company Limited ("WRY") No. 90 CW Tower, 31st – 32nd Floor, Ratchadapisek Road, Huai Khwang Sub-District, Huai Khwang District, Bangkok 10310 Tel. 0-2783-9000	Manufacture and distribution of beverages	Ordinary Share	200,000,000 Baht	200,000,000 Baht	20,000,000	19,999,980	99.99	1. Mr. Somchai bulsook 2. Mr. Thapana Sirivadhanabhakdi 3. Mr. Ueychai Tantha-obhas 4. Mr. Sithichai Chaikriangkrai 5. Mr. Dhitivute Bulsook 6. Mr. Kosit Suksingha



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3. Associates

Company/Head Quarter Location Detail	Main Business	Type of Issued Capital	Registered Capital	Paid-up Capital	Number of shares issued	Number of shares owned by the Company	Share ownership percentages (%)	Directors
Petform (Thailand) Company Limited ("Petform") No. 85 Moo 11, Bangnga-Thaklong Road, Khaosamorkorn, Tahwung, Lopburi 15180 Tel. 036-489-164-5	Manufacture and distribution of Plastic straw for PET bottles and caps	Ordinary Share	75,000,000 Baht	75,000,000 Baht	7,500,000	3,000,000	40.00	1. Mr. Aloke Lohia 2. Mr. Dilip Kumar Agarwal 3. Mr. Sithichai Chaikriangkrai 4. Mr. Kosit Suksingha 5. Mr. Somchai bulsook 6. Mr. Sukree Kaewcharoen 7. Mrs. Suchitra Lohia 8. Mr. Dhitivute Bulsook 9. Mr. Sunil Marwah 10. Mr. Pramod Narayan Dubey

4. Related parties

Company/Head Quarter Location Detail	Main Business	Type of Issued Capital	Registered Capital	Paid-up Capital	Number of shares issued	Number of shares owned by the Company	Share ownership percentages (%)	Directors
The Pet Company Limited ("The Pet") No. 23/4, Moo 2, Baan Chang, Muang Pathumthani, Pathumthani 12000 Tel. 0-2581-7950-3	Manufacture and distribution of Plastic and PET bottles	Ordinary	70,000,000 Baht	70,000,000 Baht	700,000	70,000	10.00	1. Mr. Nippon Charanwat 2. Mr. Suchin Wanglee 3. Mr. Sukij Wanglee 4. Mr. Vivat Charanvas 5. Mr. Nate Charanvas 6. Mr. Somchai Jongsirilert 7. ML. Chintat Jombunud

1.3.2 Related parties of the Company and its subsidiaries

Sermsuk is a subsidiary of Thai Beverage Public Company Limited, its parent company. Part of the Company's policies on investment and business operations focuses on making the businesses of its subsidiaries cover as much of the value chain as possible. This results in the businesses of some subsidiaries being related to or complementing other subsidiaries' businesses. The major related parties of the Company and its subsidiaries are:

1. Petform (Thailand) Co., Ltd: Sermsuk Public Company Limited owns a 28% stake

Main Business: Manufacture and distribution of plastic preform and PET bottles

Relationship: The Company has reached deals with Petform for the following purchase volume of plastic preform and PET bottles.

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- Plastic closures constituted 60% of total annual purchases.
- PET bottles made up 56% of total annual purchases

The purchasing approach: The Company has reviewed the price structure in comparison with market prices. Purchases were made in volume and maintained at mutually agreed prices for approximately 3 - 6 months.

2. Thai Beverage Can Co., Ltd: With a stake owned by a subsidiary of TCC owns a stake

Main Business: Distribution of aluminum cans

Relationship: With the aluminum cans that are used for packaging, the Company has made purchases for 100% of the total annual purchases.

The purchasing approach: The Company has reviewed the price structure in comparison with market prices. Purchases were made in volume and maintained at the mutually agreed prices for 6 - 12 months.

3. The Southeast Insurance Public Company Limited: A subsidiary of TCC owns a stake

Main Business: A professional insurance service provider

Relationship: The Company has insured its assets and vehicles with Southeast Insurance PCL.

The purchasing approach: The Company has reviewed the price in comparison with several competitive offers. The Southeast Insurance is considered an insurance service provider, and the bidding will be held annually.

4. Southeast Capital Co., Ltd: A subsidiary of TCC owns a stake

Main Business: Rental and leasing services

Relationship: The Company has made car rental agreement with Southeast Capital Co., Ltd



Structure and Business Operations of SSC Group

The purchasing approach: The Company has reviewed the price in comparison with several competitive offers. Southeast Capital is considered a service provider, and the bidding will be held annually.

5. Thai Drinks Company Limited: Direct subsidiary company of Thai Beverage Public Company Limited

Main Business: Finished goods agent and distributor, Original Equipment manufacturer of drinking water, including being a trading and representative company to import CSD concentrate from overseas suppliers

Relationship: The Company hires Thai Drinks Company Limited to produce 18% of drinking water and purchased 100% of the total annual purchases of CSD concentrate. Additionally, the Company also purchase PET bottles and the Company is an intermediary marketing management related activities between Thai Drinks Company Limited and customers.

The purchasing approach: The Company has reviewed the price structure in comparison with historical prices. Purchases were made in volume and maintained at the mutually agreed prices for 1 year.

6. Oishi Trading Co., Ltd: Direct subsidiary company of Thai Beverage Public Company Limited

Main Business: Manufacturer and distributor of beverage

Relationship: The Company has hired Oishi Trading Co., Ltd to produce 1% of drinking water product and distribute Oishi green tea for returnable bottles and non-returnable bottles.

The purchasing approach: The Company has reviewed the price structure in comparison with historical prices. Purchases were made in volume and maintained at mutually agreed prices for 1 year.

7. Modern Trade Management Co., Ltd: Direct subsidiary company of Thai Beverage Public Company Limited

Main Business: Trading, wholesale and retail of alcoholic beverages, beer, soda, and beverage products

Structure and Business Operations of SSC Group

Relationship: The Company sells the finished goods through modern trade channels.

The purchasing approach: The Company has reviewed the price structure in comparison with the historical prices and purchases were made in volume and maintained at mutually agreed prices for 1 year.

8. Piromsurang Co., Ltd: Direct subsidiary company of Thai Beverage Public Company Limited

Main Business: Distributor alcoholic beverages, and non-alcoholic beverages

Relationship: The Company has appointed Piromsurang as the distributor of all the Company's product line-ups.

The purchasing approach: The Company has reviewed the price structure in comparison with the historical prices. Purchases were made in volume and maintain at mutually agreed prices for 1 year.

9. Beer Thip Brewery (1991) Co., Ltd: Direct subsidiary company of Thai Beverage Public Company Limited

Main Business: Manufacturer of beer, drinking water and soda

Relationship: The Company has hired Beer Thip Brewery to produce drinking water products at 2%

The purchasing approach: The Company has reviewed the price structure in comparison with the historical prices. Purchases were made in volume and maintained at mutually agreed prices for approximately 1 year.

10. Beer Thai (1991) Public Company Limited: Direct subsidiary company of Thai Beverage Public Company Limited

Main Business: Manufacturer of beer, drinking water and soda

Relationship: The Company has hired Beer Thip Brewery to produce drinking water products at 13%.

The purchasing approach: The Company has reviewed the price structure in comparison with the historical prices. Purchases were made in volume and maintained at mutually agreed prices for 1 year.



Structure and Business Operations of SSC Group

11. Cash Van Management Co.,Ltd: Direct subsidiary company of Thai Beverage Public Company Limited

Main Business: Distributor of beer, spirits, and non-alcoholic beverages

Relationship: The Company sells the finished goods through retail channels.

The purchasing approach: The Company has reviewed the price structure in comparison with historical prices. Purchases were made in volume and maintained at the mutually agreed prices for approximately 1 year.

12. Krittayabun Co.,Ltd: Direct subsidiary company of Thai Beverage Public Company Limited

Main Business: Distributor of beer, spirits, and non-alcoholic beverages

Relationship: The Company purchases the finished goods for sale through retail channels.

The purchasing approach: The Company has reviewed the price structure in comparison with historical prices. Purchases were made in volume and maintained at the mutually agreed prices for approximately 1 year.

13. BevTech Co.,Ltd: Direct subsidiary company of Thai Beverage Public Company Limited

Main Business: PET packaging production and related business

Relationship: The Company has hired BevTech to produce drinking water product at a 3%.

The purchasing approach: The Company has reviewed the price structure in comparison with historical prices. Purchases were made in volume and maintained at the mutually agreed prices for approximately 1 year.

14. Thai Malaya Glass Co., Ltd: With a stake owned by a subsidiary of TCC owns a stake

Main Business: Manufacturer and distributor of glass packaging

Relationship: The Company has purchased 100 % glass bottle from Thai Malaya.

Structure and Business Operations of SSC Group

The purchasing approach: The Company has reviewed the price structure in comparison with historical prices. Purchases were made in volume and maintained at the mutually agreed prices for approximately 1 year.

1.3.3 Shareholders

A) Major Shareholders:

A list of shareholders eligible to attend and to be invited to the 2022 Annual General Meeting of Shareholders will be determined on the Record Date, December 3, 2021.

Name	Number of Shares	% of Total Shares
1. So Water Co., Ltd.	171,954,804	64.67
2. SS National Logistics Co., Ltd.	56,199,807	21.14
3. DBS BANK LTD	12,500,000	4.70
4. BANK OF SINGAPORE LIMITED – THB SEG AC	10,800,000	4.06
5. UOB KAY HIAN (HONG KONG) LIMITED - Client Account	7,200,000	2.71
6. Mrs. Duangkaew Trakulpipat	576,000	0.22
7. Captain Narong Phatralaoha	508,000	0.19
8. Miss Nanthana Yaemmanas	274,400	0.10
9. SS Integration Co., Ltd.	214,900	0.08
10. Thai NVDR Co.,Ltd.	188,275	0.07

B) Major shareholders who have significant influence to regulate policy of management of the Company

Major Shareholders	Number of Shares	% of Total Shares
1. So Water Co., Ltd.	171,954,804	64.67
2. SS National Logistics Co., Ltd.	56,199,807	21.14



Structure and Business Operations of SSC Group

Remark: The Company has no shareholding Agreement in the group of major shareholders in terms of subject matters which impact the management of the Company,

1.4 Authorized and Paid-up Share Capital

For the year ended September 30, 2021, the Company has an authorized capital of Baht 265,900,484 comprising 265,900,484 ordinary shares valued at Baht 1 per share and a paid-up capital of Baht 265,900,484. The company does not issue other classes of shares that have rights or conditions different from the ordinary shares, noting that all of Company ordinary shares have been listed in the Stock Exchange of Thailand.

1.5 Issuance of Other Securities

The Company does not issue any convertible securities or debenture.

1.6 Dividend Payment Policy

Dividend policy for Sermasuk Public Company Limited and its subsidiaries are as follows:

- There will be no payment of dividends from other sources of funds other than profit.
- There will be no dividend payment if the Company carries accumulated losses.
- Dividends will be paid for each share equally.
- The Board of Directors may declare an interim dividend payment to the shareholders if the Company has sufficient profit and is required to report such a payment to the shareholders in the subsequent shareholders' meeting.
- Dividend payment must be made within 1 month after approval from the shareholders' meeting or, in the case of an interim dividend, the Board of Directors. Notification of such dividend payment must be sent to the shareholders and published in a Thai newspaper for 3 consecutive days.
- In case the Company has not fully issued all its registered shares or the Company has registered for a share capital increase, with approval from the shareholders' meeting, the Company may pay part or all of the dividends by issuing new ordinary shares to the shareholders.
- The Company has a policy to return profit to shareholders in the form of consistent dividend payments at a reasonable rate but no less than 40% of the net profits of each fiscal year of

Risk Management

Consolidated Financial Statements after deducting the legal reserves and accumulated losses carried forward (if any), provided that such dividend payment is subject to Company's financial liquidity, investment plan, terms and conditions of agreements the Company is obliged to along with other necessities in the future.

Information on dividend payment

Description	2019	2020	2021 ⁽¹⁾
Dividend Payment (Baht per share)	0.25	0.32	0.34
Number of shares	265,900,484	265,900,484	265,900,484
Total (Million Baht)	66.48	85.09	90.41
Payment Ratio (%)	6.99 ⁽²⁾	50.31	108.62

Remarks

- (1) The right to receive the dividend remains uncertain and is subject to an approval of the 2022 Annual General Meeting of Shareholders.
- (2) Payment ratio is calculated from net profit of separate financial statements.

2. Risk Management

2.1 Risk Management Policy and Plan

Recognizing the importance of sustainability development and risk management arising from business operation along with its determination to achieve business objectives, the Company has set up framework, strategies, resources and plan to manage risks with a view to mitigate the relevant risks to be at the acceptable level. These, amongst others, create value added to the Company, respond to stakeholders' expectation, support sustainably business operation in accordance with Good Corporate Governance principles.

2.2 Risk Factors

2.2.1 Business Operation Risks:

There are several risk factors to ongoing business growth and profitability.



Risk Management

1. Prices and sufficiency of ingredients and packaging

Liquid sugar:

This year's liquid sugar price was comparable to that of the previous year. However, since climatic changes might affect the sufficiency in sugar availability for production, the Company has committed to its suppliers for the volume of liquid sugar required for production to ensure the sufficiency of liquid sugar to reach the Company's annual sales target.

Fructose Syrup:

The price of fructose syrup this year was comparable to the previous year. Like liquid sugar, there might be a risk in climatic changes that would affect the sufficiency in fructose syrup availability for production. The Company, therefore, has committed to its suppliers for the volume of fructose syrup required for production to ensure the sufficiency of fructose syrup to reach the Company's annual sales target.

PET Bottle:

Given the growing use of non-returnable bottles, the price of PET has been another major cost for the Company. Normally, the prices of resins, the main feedstock for PET bottles, are driven by the fluctuating oil prices and the circumstances in the global market. However, over the previous year, the prices of resins declined. The Company closely monitored the resin prices to plan and procure sufficient materials in advance to meet the demands at the appropriate time. This resulted in the lower price of the bottles. At the same time, the Company worked with the PET bottle manufacturer to produce a bottle with a lighter weight to reduce the use of resins and yet retain the required strength.

Aluminum Can:

For this type of packaging material, the prices were negotiated in advance for the whole year. For previous year, the prices fluctuation stayed within a small margin. The Company is able to negotiate for prices that are lower than that of the previous year, and therefore may decrease the cost of packaging material.

Apart from liquid sugar, fructose syrup, PET bottle, and aluminum can, as described above, there are other types of packaging material, i.e., bottle caps, and plastic bottle caps. The Company negotiated the price of these packaging material by combining the

Risk Management

purchasing amount of the group of companies who use the same material in order to increase the Company's negotiating power as well as reduce prices.

2. Wages:

The wage expense is another key factor that the Company has to constantly keep track of especially during marketing and sales situations with highly intense competition and vying for market share. The shortage of labor in some areas, especially industrial estates or nearby communities remained a critical problem of the Company. Whilst, the Covid-19 situation significantly impacts Non-Alcoholic Beverage Business, the Company manages to pay wages at the same rate as the pre Covid-19 period. To keep costs at bay, the Company was committed to enhancing labor efficiency and using human labor and workers only where necessary. Added to this were leveraging work and processes, adjusting management structure to ensure maximum work efficiency, and taking all possible measures to control and reduce costs associated with labor.

3 Excise tax rate:

The excise tax rate is a major external cost and is regulated by the Government. In 2020, aside from continuing to use the suggested retail prices for the excise tax base computation, the excise tax of sugary drinks based on the sugar content per litre whereby the applicable tax rate will be increased every 2 years until 2023. The Company, however, has proactively and prudently prepared strategic plan to cope with an impact from sugar tax hike. For instance, research & development towards healthy products in response to consumers' trendy demand, cost & expense management has been implemented to mitigate sugar tax hike related impact.

4. Petrol price:

Fuel is a major cost of product distribution. Although the average prices of diesel in 2021 was comparable to the previous year, the Company took various measures to reduce fuel consumption as follows:

1. In the first quarter of 2021 the company use the alternative diesel B10 in place of regular diesel with its trucks, starting in the first quarter of the year. The lower price of diesel B10 helped reduce the energy cost.
2. The trucks have been modified to better suit the sales environment in each region. This included optimization of the performance of a truck hauling a trailer, and a replacement of materials used to build the trailer to reduce its weight yet retain the



Risk Management

required strength and safety while in motion in compliance with the standards of the Company and the Department of Land Transport. The goal was to reduce fuel consumption.

3. Last year's modification of trucks to transport more goods was found to enhance the Company's efficiency in logistic management whilst reducing energy use. Therefore, the Company has a policy of increasing the number of trucks with the same configurations at other Sermsuk plants in other regions to enhance logistic efficiency, and reduce fuel costs in the following years.
4. A logistic network was set up, allowing the Company to distribute logistic routes which are not cost-effective, fuel-efficient, transport in steep terrains, to be carried out by other truck operators in the network. The efforts resulted in a slight decrease in the cost of product distribution compared to the previous year.
5. Use of plastic pallets met ONE standard size (1 m. x 1.2 m.) of the Company, its subsidiaries and business partners allowing more loading spaces in each outbound and return trips thus enhancing logistics efficiency and reducing fuel consumption as number of trips are reduced.

5. Resin price

At present, price of crude oil used as raw material to produce PET bottles is on an upward trend resulting in an increase of PET monthly cost. The Company mitigates this risk by entering into resin purchase forward contracts and negotiating with resin suppliers by way of pool purchasing with ThaiBev Group companies to obtain the firmed and best appropriate price.

6. Consumer behavior:

In the wake of today's changes in consumer behavior and their growing health concern, the Company has adopted a new business approach, positioning itself as Thailand's leading manufacturer and distributor of a full range of beverages. The Company is committed to driving the Company's sustainable growth by expanding the distribution network to cover all areas nationwide, increasing sales and market shares, and driving the Company's major brands to be the leading brands that capture the hearts of Thai consumers. This ran concurrent with consolidating the Company by pushing the growth of healthy drink products to address customer demand. To that effect, the Company has developed a new range of products for progressive health and wellness of consumers.

Risk Management

In response to today's consumers' growing demand for products with less sugar and more nutrients, the Company has rolled out several low sugar products whilst reducing sugar content in the existing products. In the long-term, the Company pledges its commitment to contributing to the better health and wellness of consumers.

In 2021, Thai economy has yet been hardly impacted by COVID-19 pandemic continually for almost 2 years. The impact this year was more severe than the previous year, having devastating repercussions on the economy, society, and people's way of life. The changing behavior of consumers either temporarily or permanently has driven the Company adapting its sale strategy by selling through provision. In particular, outlets are located in community areas with convenient access to the Company's products in local stores and to reduce consumers' chance of infection. Moreover, by implementing digital technology called "SERMSUK CAMP", the sales staffs are able to access his sales plan, sales promotion activated for the time being along with the sales strategy by area through tablets which make the sales staffs envisage all sales data necessary by touching the device screen.

And by implementing another digital technology called "SERMSUK FAMILY", this enables the Company and its staffs to directly connect and communicate with shop owners enabling the Company to continually provide services to the shop owners and the shop owners to be clearly communicated with details of the products' SKU, sales promotion and points redemption. There deal with changes of consumer behavior and for any changes of situation in the future.

7. Climate Change

Apart from an impact to weather, season, higher sea level, climate change has direct impact to social beginning from people way of living, safety and economics. Given flood situations in various areas of the country which are worsen to date, the Company has initiated (since year 2020) Solar Roof Top projects in collaboration with Thai Beverage Energy Co., Ltd. (TBE) to help reducing an emission of greenhouse gas to the ecosystem. This enables the Company to use clean energy in substitute of fossil derived energy which is beneficial to social, business and community.



Risk Management

8. Water Quantity and Quality Change

The Company assessed risk arising from drought which impacts water supply, in terms of water quality, and the Company's production processes. Such risk was mitigated by controlling the river water usage when its salt level is high and utilizing water from other sources. Recognizing the importance of water sustainability, impact of Company's water usage with surrounding communities has been studied. Satellite technology has been used to do record keeping on topography, water flow direction, watershed, drainage, slope pattern and tendency on change of area usage with purpose to assess the relevant risk and impact and to plan risk mitigation strategies which cover and are the most appropriate to the focused areas. Apart from this, the Company has been chosen by the Federation of Thai Industries and the Department of Ground Water Resources to join ground water development for local water security project as industrial predecessor.

9. Employees' occupational health & safety

The Company recognizes the importance of employees' safety and the need to protect its employees from work related diseases. Various tools have been applied to manage those risks.

For safety, occupational health and work environment, the Company applies hazard identification & risk assessment tools which enable the Company to identify risks and to prescribe measures which protect, lower and control the risks. Such measures have been from time to time reviewed and developed with a view to protect the employees from being injured and infected with the work-related diseases in accordance with the laws and regulations related to occupational and safety related to the Company's business operation in terms of production and logistics.

Below measures are implemented with a view to continually maintain soundness and safety of production facilities:

- Having clear policy on occupational health and safety / work environment, implementing Policy & Safety Leadership program;
- Setting up Safety management Section having proper personal and budget with clear objective target & master plan;
- Implementing risk assessment continually;



Risk Management

- Applying tools on Management Of Change : MOC when change(s) made on procedure, location with a view to protect, lower and control new risk(s);
- Safety training and monitoring with supervisor level employees on a regular basis;
- Implementing incident management system to manage accident, emergency which lead to safety and business stoppage situation to mitigate impact and/or shorten healing period, noting that the Company rehearses emergency response plan on a regular basis;
- Implementing contractor control safety related measure;
- Implementing industrial hygiene monitoring system;
- Conducting special health check up on an annual basis;
- Being part of TPM : Total Productive Maintenance system;
- Procuring insurance plan necessary to mitigate damages which may arise from work related casualties.

10. Fraud and Bribery

The Company recognizes the importance of conducting business honestly, transparently, not offering / taking bribe either directly or indirectly and not corrupt in any forms. The Company implements mechanism to manage risks, in a preventive manner, to monitor operation which might give rise to corruption and conflict of interest related risks.

11. Production Risks:

The beverage industry requires major investment in its plants and machinery. Also, water is by all means a main raw material in the beverage industry. The Company collaborated with subsidiaries of ThaiBev for the manufacturing of Crystal drinking water. Realizing the risk of water shortage, the Company had secured the secondary water resources along with minimizing water usage adhering to 3R (Reduce, Reuse, Recycle) in water production processes with experience and new technology.

Given the change in consumer behavior toward buying carbonated soft drinks in PET bottles, the Company has planned to expand the manufacturing capacity of carbonated soft drinks in PET bottles and streamline production efficiency to accommodate the growing market demand.



Risk Management

The Company determines to set quality and safety standard at the international accepted level by being certified FSSC 22000, the system which certifies, in particular, food quality and safety. Moreover, Crystal drinking water is the 1st Brand certified by NSF America.

12. New Product Launch Risk

Given consumer demand has changed from time to time, in particular, after COVID-19 pandemic situation, the Consumers tend to be more health-cautious. Launching of new products under carbonated soft drink category is considered at risk as great amount of time, effort and investment would be required in product R&D, quality test, taste test, product design, advertisement, sales promotion and researches on consumers' demand. Having said that, some of new products launched were not quite successful due to highly competitive market.

Prior to launching of any new products, studying of consumers' and customers' demand, quality, cost of good sole, retail price, sales activities have been carefully and strictly carried out. Four dimension of production risk mitigation measure, which are employees, machines, raw material and production control system have been strictly prepared prior to a launch of new product.

13. Management and Administration Risks

1. The Directors, executives, every employee, and every function are risk owners and are responsible for assessing, monitoring, and supporting efficient risk management processes.
2. All functions shall put in place risk management processes as well as assessment, and systematic on-going monitoring. The processes shall be periodically updated to reflect the changing business environment at least once a year.
3. It is imperative that all departments incorporate an assessment of corporate-wide risks into their annual action plans, taking into consideration both internal and external risk factors. It is also mandatory that they define appropriate risk management.
4. The Sustainability and Risk Management Committee is responsible for assessing the risk management of the Company and advising the Board on the Company's risk appetite.
5. It is vital to embed risk awareness in corporate culture by creating a knowledge base that allows employees at all levels to learn, research, and share experience, leading to

Risk Management

the development of risk management processes into efficient mechanisms in strategic operations.

2.2.2 Financial Risks

1. Credit Control and Collection:

The Company has to exercise tight control over collections and credit while constantly following-up on debts via the credit department and the management. The credit line for customers is regularly reviewed. In a situation of economic downturn especially during the COVID-19 outbreak, the Company will be more cautious before extending credit and more stringent in following-up on debt collection.

2. Foreign Exchange Risk:

Currency fluctuations have a certain impact on the Company's operating costs. The Company has foreign currency liabilities and commitments that are limited to the imports of new machines, spare parts, and equipment. To reduce exchange rate exposure, the Company has used derivatives to hedge interest rate risk appropriate for each specific period of time.

3. Interest Rate Risk:

During the year 2021, the Company had no short-term loans. However, interest rate movement may be a risk factor which requires the Company to consider and evaluate before entering into any transactions.

2.2.3 Risks that affect shareholders' rights or investment

1. Risk from the Company having more than 50% of shares owned by a major shareholder

As of December 3, 2021, So Water Co., Ltd. held 171,954,804 of Company's shares representing 64.67% of total outstanding shares. Therefore, So Water Co., Ltd. has almost total control over all decisions to be made at each shareholders' meeting, be it the appointment of directors, a resolution that must be passed by a majority of the votes cast by the shareholders at the meeting, or a resolution required by law to be passed by three-quarters or more of the votes cast by the shareholders at the meeting. This results in other minor shareholders being unable to collectively vote against an agenda item proposed by the major shareholder.



Driving Business for Sustainability

To ensure that the business is carried out with transparency and in accordance with the principles of corporate governance, the Company has established a management structure consisting of highly capable professionals and clearly prescribed their duties and responsibilities. The Company has also appointed the Audit Committee comprising three independent committee members who have no vested interest in the Company. They are responsible for auditing the Company's business operations and overseeing the rights of minor shareholders sufficiently to create a balance of power of manage at an appropriate and auditable level.

2. Risk from the Company having a small number of shares that can be publicly traded (free float, on the Stock Exchange of Thailand)

As of February 15, 2021, the proportion of minor shareholders of the Company accounted for 14.19% resulting in low float stocks. The investors, therefore, might be at risk of being unable to sell their shares quickly at the right price.

However, the Company resolves to monitor and maintain an appropriate free float percentage for shareholders.

2.2.4 Other risks:

Realizing the severity of the COVID-19 spread, the Company allowed employees to work from home. Ensuring employees safety and providing appropriate welfare, the employees were reminded to keep social distancing, to do body temperature screen before entering to workplace, to do digital check in-check out and COVID-19 assessment application. They were also provided with surgical masks, cleansing alcohol, COVID-19 related health insurance coverage, antigen test kit (for employees working in each sales region apart from Bangkok and Suberb). Spaces at Home Isolation Center are made available (for those who are infected or who stay close to the COVID infected patient). For plant employees, mobile covid test facilities were sent out to do proactive check in each plant. The Company coordinated with various government bodies facilitating its employees to receive COVID-19 vaccines.

3. Driving Business for Sustainability

Sustainability Report is as set out in Chapter 5 of Form 56-1 One Report.

Management Discussion and Analysis: MD&A

4. Management Discussion and Analysis: MD&A

Summary of annual performance 2021

(Unit: Million Baht)

Transactions	2021	2020	Change	%
Revenue from sale and services	9,618	10,865	(1,247)	(12)
Cost of sales and services	6,644	7,600	(956)	(13)
Gross profit	2,974	3,265	(291)	(9)
Distribution cost	2,351	2,612	(261)	(10)
Administrative expenses	736	812	(76)	(9)
Other and dividends income	142	129	13	10
Income tax benefit (expense)	(89)	10	99	990
Net profit	83	169	(86)	(51)
Earnings per share (<i>in Baht</i>)	0.31	0.64	(0.33)	(51)
Normalized net profit	173	169	4	2
Normalized earnings per share (<i>in Baht</i>)	0.65	0.64	0.01	2

Sermsuk Public Company Limited and its subsidiaries (“the Company”) clarify Consolidated Operating Result and Financial Position for the year ended September 30, 2021 as the following,

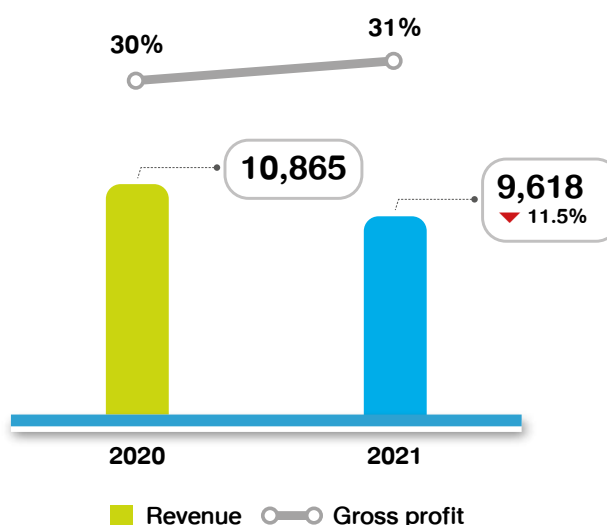


Management Discussion and Analysis: MD&A

Financial Performance for Fiscal Year 2021

Revenue from sales and services

Revenue from sales and services of the Company was Baht 9,618 million, decreased by Baht 1,247 million or 11.5% from the same period of last year. Mainly from the COVID-19 virus pandemic in 2021, which has longer impact than last year. The sales volume in restaurants, hotels, schools and department stores declined during the lockdown. Nevertheless, the Company has expanded sales in traditional channel and increase sale in wholesale and large retail store as well as building new sales in urban neighborhood during the lockdown to serve consumer needs for more take-home products including holding promotion and marketing activities. Thus, Crystal continues to maintain its leadership in drinking water market. Moreover, the Company has started sales a new product “V-Boost” with 200% vitamin C and beta glucan to strengthen the immune system to capture the consumer’s health-conscious trend.



Cost of sales and services

Cost of sales and services of the Company was Baht 6,644 million, decreased by Baht 956 million or 12.6% from the same period of last year. The cost of sales and services reduced in line with lower sales volume and additional cost savings from control in raw materials and packaging cost including continuous improvement in production efficiency.

Management Discussion and Analysis: MD&A

Distribution cost

Distribution cost of the Company was Baht 2,351 million, decreased by Baht 261 million or 10.0% from the same period of last year. The Company has incorporated technology in analyzing and developing distribution including control over distribution costs efficiently. Nevertheless, the Company continues to invest in “Crystal” brand building with the new launch of “Crystal CARE” campaign. This campaign emphasizes on the creating awareness on the understanding of the value of life in cooperation with CSR activities for separating and handle waste in the right way to reserve our environment. The Company continued its commitment to social responsibility and environmental stewardship in pursuit of business sustainability. This continuously success drove Crystal to be leader of drinking water market.

Administrative expenses

Administrative expenses of the Company were Baht 736 million, decreased by Baht 76 million or 9.2% from the same period of last year due to implementation of a stringent cost control to improve efficiencies continuously.

Net profit

Net profit of the Company was Baht 83 million, which decreased by Baht 86 million or 50.9% from net profit Baht 169 million in the same period of last year. However, the normalized profit by excluding deferred tax expense related to gain on sale of equity securities of Baht 90 million, the Company had normalized net profit of Baht 173 million. An increase of Baht 4 million or 2.4% as compare to net profit of Baht 169 million in the same period of last year. With the main reason from sales expansion in new channel together with cost control and efficiency management over operating expenses.

The Company earnings per share was Baht 0.31, decreased by Baht 0.33 per share compared to earnings per share of Baht 0.64 in the same period of last year. By excluding non-recurring item as mentioned above, the Company had earnings per share of Baht 0.65, increased by Baht 0.01 per share compared to earnings per share of Baht 0.64 in the same period of last year with aforementioned reasons.



Management Discussion and Analysis: MD&A

Financial Position

(Unit: Million Baht)

Transactions	As at 30 September 2021	As at 30 September 2020	Change	%
Assets				
Current assets	2,925	2,721	204	8
Non-current assets	9,857	9,779	78	1
Total assets	12,782	12,500	282	2
Liabilities				
Current liabilities	1,921	1,995	(74)	(4)
Non-current liabilities	1,859	1,607	252	16
Total liabilities	3,780	3,602	178	5
Equity				
Total equity	9,002	8,898	104	1
Total liabilities and equity	12,782	12,500	282	2

Assets

Total assets as of September 30, 2021 was Baht 12,782 million, increased by Baht 282 million or 2.3% compared to total assets at the end of last year as describe below;

Current assets were Baht 2,925 million, increased by Baht 204 million or 7.5% mainly from an increase in cash and cash equivalents from operating activities partly offset by a decrease of trade account receivable that in line with lower sale volume. In addition, the Company invested in mutual funds of debt instrument, which had higher return than saving account.

Non-current assets were Baht 9,857 million, increased by Baht 78 million or 0.8% mainly due to recognition of right-of-use assets Baht 359 million from the adoption of TFRS 16 Leases, an increase in investment in an associate and other long-term investment. Partly offset by a decrease in net value of property, plant and equipment from depreciation.

Liabilities

Total liabilities as of September 30, 2021 was Baht 3,780 million, increased by Baht 178 million or 5.0% compared to total liabilities at the end of last year as describe below;

Management Discussion and Analysis: MD&A

Current liabilities were Baht 1,921 million, decreased by Baht 74 million or 3.7% mainly due to a decrease in accounts payable partly offset by recognition of current porting of lease liabilities of Baht 98 million in accordance to the adoption of TFRS16 Leases.

Non-current liabilities were Baht 1,859 million, increased by Baht 252 million or 15.7% mainly due to recognition of lease liabilities of Baht 258 million from the adoption of TFRS 16 Leases as mentioned above partly offset by a decrease in provisions for employee's retirement benefit from the payment. Our financial position remains strong with debt-free status.

Equity

Total equity as of September 30, 2021 was Baht 9,002 million, increased by Baht 104 million or 1.2% from September 30, 2020 mainly from additional net profit for the year of Baht 83 million, defined benefit plan actuarial gain of Baht 52 million and the adoption of TFRS 9 Financial Instruments, Baht 53 million from gain on investments in equity instruments designated at fair value through other comprehensive income and partly offset by dividend payment of Baht 85 million.

Cash flows

Cash and cash equivalents as at 30 September 2021 were Baht 1,067 million. The net cash decreased from the beginning of the year Baht 336 million was mainly from investment in mutual funds of Baht 650 million. The investment is classified under other current financial assets. The purchase of machinery and equipment of Baht 215 million to increase operation's efficiency and dividend payment of Baht 85 million. Partly offset by cash increased from operating activities of baht 595 million, dividend and interest received of Baht 75 million. The Company still reflects its strong capabilities to continue to generate cash inflow from operations.

Financial Ratio Analysis

Liquidity

In the fiscal year 2021, the liquidity ratio was 1.5 times, slightly increased 0.1 times from fiscal year 2020. The Company has strong liquidity position that reflected its strong capabilities to continue to generate cash inflow from operations and better management of working capital as a result of an increase of current assets and a decrease of current liabilities. In addition, the Company do not have any interest-bearing debt.

Profitability

The Company's net profit margin in the fiscal year 2021 decreased mainly from deferred tax expense related to gain on sale of equity securities. By excluding deferred tax expense as mentioned, The



Management Discussion and Analysis: MD&A

Company's net profit margin improved from fiscal year 2020 as a result of sales expansion in new channel during COVID-19 pandemic together with cost control and effective management over distribution cost and an implementation of a more stringent control over all spending. The Company still reflects its capabilities to continue to generate profit.

Efficiency

In fiscal year 2021, the Company's efficiency ratio was 0.7%, decreased by 0.7% and return on fixed assets ratio was 1.0% decreased by 1.0% from fiscal year 2020, mainly due to lower net profit.

Financial Structure

The Company's debt to equity ratio as at 30 September 2021 was 0.4 times, an insignificant change from fiscal year 2020 since the Company do not have any interest-bearing debt, and cash flow from operating activities can support investment plan and normal business operation. The Company has a strong financial position.

Key drivers which could affect future operations and financial status

The excise tax act, which imposes sugar tax on beverages based on the value of the product and sugar content with taxes on sugary drinks to be increased every two years, has significant effects on the Company's beverage business. In response, Sermasuk has established strategic plans and measures to cope with the potential impacts. Chief among them were the research & development of innovative products with the focus on healthier products that cater to the evolving trends and needs of consumers as well as implementation of efficient management of costs and expenses to ease the impacts of the new excise tax act.

In 2021, Thailand's economy and consumers' purchasing power hit by the COVID-19 pandemic. To cope with the change in consumer behavior, the Company has expanded sales in traditional channel and increase sale in wholesale and large retail store as well as building new sales in urban neighborhood during the lockdown to serve consumer needs for more take-home products. The Company continues to prepare and adapt to the changing environment.



Management Discussion and Analysis: MD&A

Financial position and operating result

Key Financial information and financial statement

4.1 Summary of the Financial Position and Performance for the year ended 30 September 30, 2021

Consolidated financial statement			
As at 30 September 2021, 2020 and 2019			
	2021	2020	(Unit : Baht) 2019
Assets			
Current assets			
Cash and cash equivalents	1,067,421,700	1,403,498,770	872,792,975
Other current financial assets	651,845,516	-	-
Trade accounts receivable	411,479,627	549,712,069	567,967,095
Other receivables from related parties	94,906,420	83,541,529	151,686,762
Other receivables	47,756,205	66,806,338	54,926,650
Inventories	617,449,391	587,083,592	676,486,645
Prepaid excise tax	314,408	603,536	2,994,352
Other current assets	33,497,553	29,377,654	42,119,316
Total current assets	2,924,670,820	2,720,623,488	2,368,973,795
Non-current asset			
Restricted deposits at financial institution	-	524,446	520,279
Investments in an associate	863,403,350	802,279,941	638,310,906
Other long-term investments	194,837,623	134,422,040	132,570,992
Long-term loan to a related party	-	3,000,000	3,000,000
Investment properties	341,443,845	323,650,345	322,984,765
Property, plant and equipment	7,902,257,726	8,311,275,107	8,743,103,884
Right-of-use assets	359,442,326	-	-
Intangible assets	46,256,086	16,311,083	18,414,778
Deferred tax assets	21,345	96,965	95,554
Other non-current assets	149,358,652	187,724,452	172,059,890
Total non-current assets	9,857,020,953	9,779,284,379	10,031,061,048
Total assets	12,781,691,773	12,499,907,867	12,400,034,843



Management Discussion and Analysis: MD&A

Consolidated financial statement (cont.)			
As at 30 September 2021, 2020 and 2019			
	2021	2020	(Unit : Baht) 2019
Liabilities and equity			
Current liabilities			
Trade accounts payable	489,099,304	576,406,540	640,773,569
Other payables to related parties	186,188,546	169,169,787	160,684,719
Other payables	602,657,948	692,469,508	663,122,965
Dividends payable	72,545,968	72,517,234	72,516,353
Customers' deposits on bottles and cases	455,630,868	453,579,395	442,711,183
Current portion of lease liabilities	98,150,583	-	-
Corporate income tax payable	9,597	-	-
Other current liabilities	17,162,252	31,306,218	37,150,895
Total current liabilities	1,921,445,066	1,995,448,682	2,016,959,684
Non-current liabilities			
Lease liabilities	258,230,175	-	-
Deferred tax liabilities	583,714,556	468,349,587	463,526,251
Non-current provisions for employee benefits	1,016,834,129	1,138,751,748	1,185,893,784
Total non-current liabilities	1,858,778,860	1,607,101,335	1,649,420,035
Total liabilities	3,780,223,926	3,602,550,017	3,666,379,719
Equity			
<i>Share capital:</i>			
Authorized share capital	265,900,484	265,900,484	265,900,484
Issued and paid-up share capital	265,900,484	265,900,484	265,900,484
Premium on ordinary shares	1,342,448,425	1,342,448,425	1,342,448,425
Retained earnings			
Appropriated			
Legal reserve	26,795,766	26,795,766	26,795,766
General reserve	2,285,000,000	2,285,000,000	2,285,000,000
Unappropriated	1,335,513,582	1,281,212,464	1,118,990,577
Other components of equity	3,745,809,590	3,696,000,711	3,694,519,872
Total equity	9,001,467,847	8,897,357,850	8,733,655,124
Total liabilities and equity	12,781,691,773	12,499,907,867	12,400,034,843

Management Discussion and Analysis: MD&A

Consolidated statement of comprehensive income			
For the year ended 30 September 2021, 2020 and 2019			
	(Unit : Baht)		
	2021	2020	2019
Income			
Revenue from sale and services	9,618,494,964	10,865,142,826	11,571,724,909
Dividends income	6,846,032	7,329,758	4,441,177
Other income	135,481,175	121,353,737	148,237,840
Total income	9,760,822,171	10,993,826,321	11,724,403,926
Expenses			
Cost of sales and services	6,643,944,219	7,599,502,136	8,404,005,996
Distribution cost	2,351,043,953	2,611,988,634	2,649,647,968
Administrative expenses	736,346,794	811,545,856	873,268,633
Past service cost for employee benefit from amendment of the Labor Protection Act	-	-	171,829,771
Total expenses	9,731,334,966	11,023,036,626	12,098,752,368
Profit (loss) from operating activities	29,487,205	(29,210,305)	(374,348,442)
Finance costs	(11,550,345)	-	-
Share of profit of an associate, net of income tax	154,123,410	187,969,035	176,846,517
Profit (loss) before income tax expense	172,060,270	158,758,730	(197,501,925)
Income tax (expense) benefit	(88,824,993)	10,372,637	(255,017,060)
Profit (loss) for the year	83,235,277	169,131,367	(452,518,985)
Earnings (losses) per share (in Baht)	0.31	0.64	(1.70)



Management Discussion and Analysis: MD&A

Consolidated statement of cash flows			
For the year ended 30 September 2021, 2020 and 2019			
	2021	2020	(Unit : Baht)
			2019
Cash flows from operating activities			
Profit (loss) for the year	83,235,277	169,131,367	(452,518,985)
<i>Adjustments to reconcile profit (loss)</i>			
<i>to cash receipts to (payments)</i>			
Income tax expense (benefit)	88,824,993	(10,372,637)	255,017,060
Finance costs	11,550,345	-	-
Depreciation and amortisation	624,566,687	588,594,219	596,258,355
Impairment loss recognised in profit or loss	10,226,028	43,755,723	-
Provisions for employee benefits expense	61,940,943	136,148,468	90,133,259
Past service cost for employee benefit from amendment of the Labor Protection Act	-	-	171,829,771
Unrealised loss (gain) on exchange	280,308	690,905	(26,221)
Gains on fair value adjustment in investment properties	(17,793,500)	(665,580)	(6,499,377)
Share of profit of an associate (net of income tax)	(154,123,410)	(187,969,035)	(176,846,517)
Allowance for doubtful accounts	480,651	3,150,155	52,283
Loss on inventories devaluation (reversal of)	(30,002,989)	3,996,608	1,307,968
Loss (gain) on disposal and write-off of building and equipment	(591,054)	20,590,357	(19,694,969)
Interest income	(4,735,971)	(6,644,190)	(5,173,235)
Dividend income	(6,846,032)	(7,329,758)	(4,441,177)
	667,012,276	753,076,602	449,398,215
<i>Changes in operating assets and liabilities</i>			
Trade accounts receivable	143,019,568	14,717,172	(34,531,067)
Other receivables from related parties	18,635,109	32,145,233	346,054,096
Other receivables	16,431,529	(11,491,989)	22,002,952
Inventories	(362,810)	85,406,445	(73,206,265)
Prepaid excise tax	289,128	2,390,816	1,222,894
Other current assets	(4,119,899)	(1,591,229)	(10,858,320)
Other non-current assets	29,719,337	(2,213,064)	(10,118,966)

Management Discussion and Analysis: MD&A

Consolidated statement of cash flows (cont.)			
For the year ended 30 September 2021, 2020 and 2019			
	(Unit : Baht)		
	2021	2020	2019
<i>Changes in operating assets and liabilities (cont.)</i>			
Trade account payable	(87,307,236)	(64,367,029)	(123,369,849)
Other payables to related parties	17,018,759	8,485,068	7,896,015
Other payables	(74,380,224)	20,083,586	(4,833,089)
Customers' deposits on bottles and cases	2,051,473	10,868,212	(1,718,325)
Other current liabilities	(14,143,966)	(5,844,677)	(11,325,859)
Provisions for employee benefits paid	(118,800,902)	(108,021,811)	(74,066,595)
Net cash from operating activities	595,062,142	733,643,335	482,545,837
Cash flows from investing activities			
Proceeds from sale of machinery, plant and equipment	28,928,411	22,899,453	20,249,426
Acquisition of plant, machinery and equipment	(213,071,388)	(232,482,437)	(182,307,339)
Acquisition of intangible assets	(2,188,114)	(851,349)	(2,104,001)
Acquisition of current investment	(650,000,000)	-	-
Dividends received	69,846,032	67,329,758	43,441,177
Interest received	4,735,971	6,644,190	5,173,235
Restricted deposits at financial institution	524,446	(4,167)	(2,357)
Net cash used in investing activities	(761,224,642)	(136,464,552)	(115,549,859)
Cash flows from financing activities			
Repayment from loan to related party	3,000,000	-	-
Payment of lease liabilities	(76,306,407)	-	-
Interest paid	(11,550,345)	-	-
Dividend paid to the owners of the Company	(85,057,818)	(66,472,988)	(405,045)
Net cash used in financing activities	(169,914,570)	(66,472,988)	(405,045)
Net increase (decrease) in cash and cash equivalent	(336,077,070)	530,705,795	366,590,933



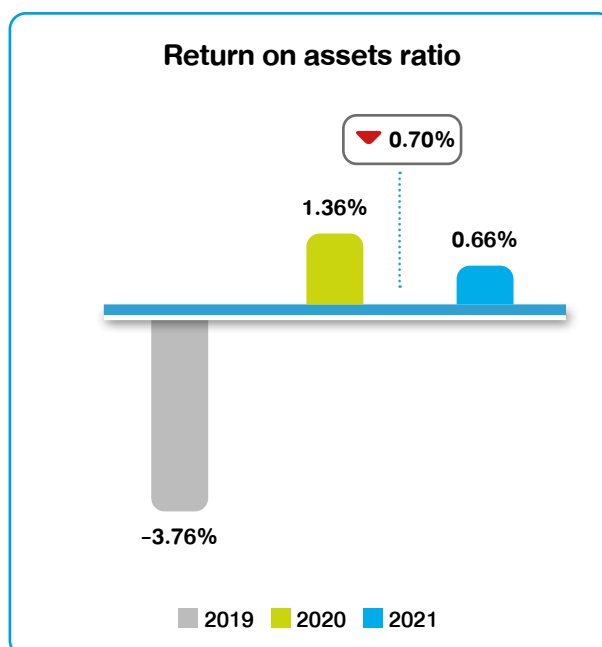
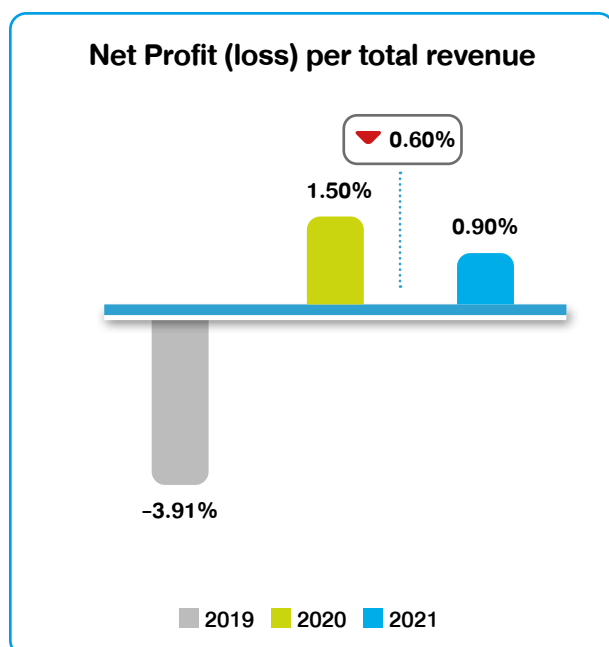
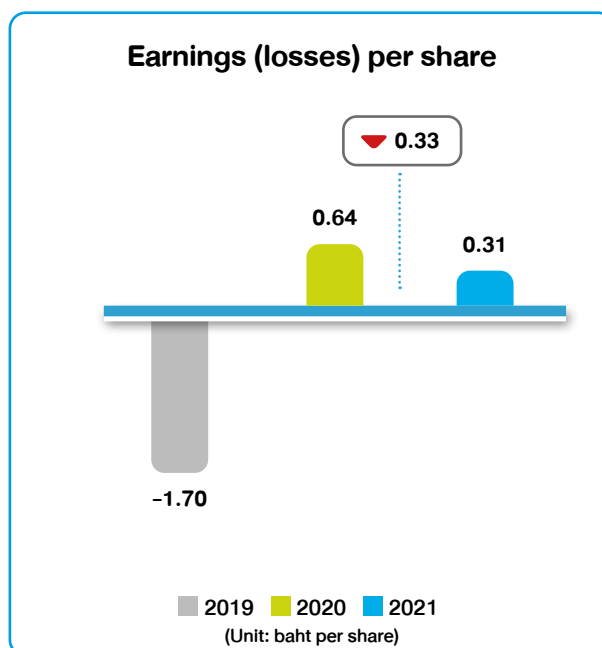
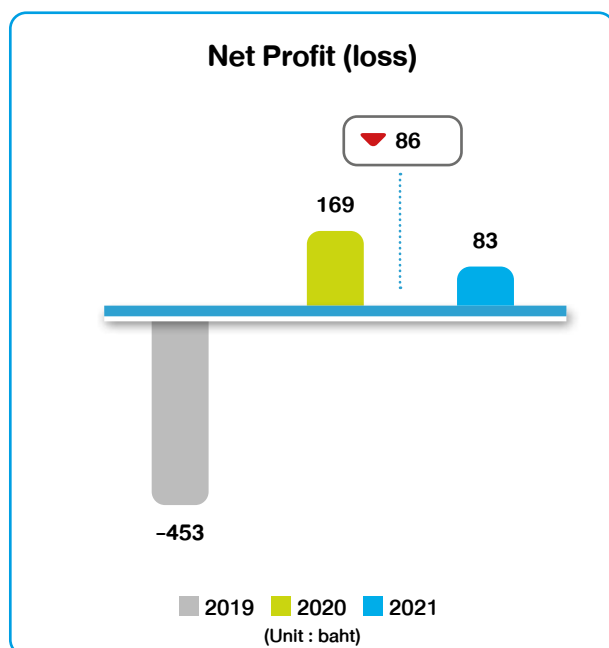
Management Discussion and Analysis: MD&A

Cash and cash equivalent at beginning of period	1,403,498,770	872,792,975	506,202,042
Cash and cash equivalent at end of period	1,067,421,700	1,403,498,770	872,792,975
<i>Non-cash transactions</i>			
Increase in dividend receivable	(30,000,000)	-	(36,000,000)
Increase (decrease) in payables for acquisition of			
machinery and equipment	(15,711,644)	7,752,016	14,549,034
Revaluation surplus on land	-	-	870,460,300

Management Discussion and Analysis: MD&A

4.2 Financial Ratios

4.2.1 Key Financial Information (Consolidated)



Management Discussion and Analysis: MD&A

4.2.2 Liquidity Ratio

Ratio		Consolidated		
		2021	2020	2019
Current ratio	(Times)	1.5	1.4	1.2
Quick ratio	(Times)	1.1	1.0	0.7
Operating cash flow	(Times)	0.3	0.4	0.2
Receivable turnover ratio	(Times)	20.0	19.4	21.0
Average collection period	(Days)	18.3	18.8	17.4
Inventory turnover ratio	(Times)	20.1	20.4	21.9
Average inventory period	(Days)	18.2	17.9	16.7
Account payable ratio	(Times)	12.5	12.5	12.0
Average payment period	(Days)	29.2	29.2	30.4
Cash Cycle (Better)	(Days)	7.3	7.5	3.4

Management Discussion and Analysis: MD&A

4.2.3 Profitability Ratio

Ratio		Consolidated		
		2021	2020	2019
Gross profit margin	(%)	30.9	30.1	27.4
Operating profit margin	(%)	(1.2)	(1.5)	(4.6)
Non-operating profit margin	(%)	3.0	2.9	2.8
Net profit margin	(%)	0.9	1.5	(3.9)
Return on equity	(%)	0.9	1.9	(5.2)

4.2.4 Efficiency Ratio

Ratio		Consolidated		
		2021	2020	2019
Return on assets	(%)	0.7	1.4	(3.8)
Return on fixed assets	(%)	1.0	2.0	(5.3)
Asset turnover	(Times)	0.8	0.9	0.9

4.2.5 Financial Policy Ratio

Ratio		Consolidated		
		2021	2020	2019
Debt to equity ratio	(Times)	0.4	0.4	0.4



Basic Information and Other Important Information

5. Basic Information and other important information

5.1 Basic Information

Location of Head Office:	No. 90 CW Tower, 31st – 32nd Floor, Ratchadapisek Road, Huai Khwang Sub-District, Huai Khwang District, Bangkok 10310
Registration Number:	0107537001650 (previously Bor. Mor. Jor. 412)
Telephone:	0-2783-9000
Fax:	0-2783-9092-93
Issued Shares:	Ordinary shares
Issued and Paid-Up:	265,900,484 shares of Baht 1.00 each
Website:	www.sermsukplc.com

Reference Parties

A) Securities Registrar:	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400 Telephone: 0-2009-9000 Fax: 0-2009-9991
B) Debenture Holder Representation:	-None-
C) Auditors:	Miss. Sureerat Thongarunsang, Certified Public Accountant No. 4409 Miss. Nittaya Chetchotiros, Certified Public Accountant No. 4439 Miss Kanokorn Puripunyanich, Certified Public Accountant No.10512 KPMG Phoomchai Audit Limited Empire Tower, 50 th Floor, 1 South Sathorn Road, Yannawa Sub-District, Sathorn District, Bangkok 10120 Telephone: 0-2677-2000 Fax: 0-2677-2222

5.2 Legal Disputes

For fiscal year ending 30 September 2021, there is none of the Company's and its subsidiaries' litigation and claim which:

1. has adverse impact to Company's or its subsidiaries' asset exceeding 5 % of shareholders' equity;

Basic Information and Other Important Information

2. has material impact to the Company's or its subsidiaries' business operation but cannot be measured numerically; or
3. does not arise from a normal business operation of the Company or its subsidiaries.



Part 2 Corporate Governance

Corporate Governance Policy

6. Corporate Governance Policy

Sermsuk Public Company Limited (the “**Company**”) sees the significance of a good corporate governance system, which reflects a fair, efficient, and auditable management system. Moreover, the Company is also determined to continuously develop and advance its corporate governance. In performing its duties, the Board of Directors of the Company has always been rigorously adhering to the Code of Best Practices and ensures that the Company operates in compliance with the rules and regulations stipulated by the Stock Exchange of Thailand (“**SET**”), the Securities and Exchange Commission, Thailand (“**SEC**”) or any related agencies. The Company is confident that good corporate governance will benefit its business operation, increase the value of the organization and create increased return to the shareholders in the long run as well as inspire the confidence of shareholders, investors, stakeholders and all related parties.

The Company is well aware that good corporate governance is an important foundation for effective growth of the organization. Therefore, the Board of Directors has prescribed the Good Corporate Governance policy in compliance with corporate governance practices of SEC and SET, which was established with reference to the Organization for Economic CO-operation and Development (OECD) international corporate governance practices. In addition, reviews and improvements are being made on a constant basis so as to ensure its alignment with rules and regulations, as well as any changes of current situation and the effective improvement of related works.

Moreover, the Board of Directors realizes that successful corporate governance requires collaboration of all functions in the organization; and therefore, the Board of Directors has required executives, employees, all personnel of the Company and its subsidiaries to comply with the policies, Code of Conduct, and guidelines in relation to corporate governance. Additionally, the Board of Directors also arranged for communication channels to create understanding and monitoring of internal corporate governance on a continuous basis in order to assure its effective business operation and confidence of shareholders, investors, stakeholders, and related parties which would lead to increased value and stable and sustainable growth of the Company.

6.1 Overview Corporate Governance Policy and Guideline

The Company recognized that good corporate governance is a key element that brings about business success. Therefore, the Board of Directors has created a corporate governance policy with the aim of ensuring the effectiveness and efficiency of the Company’s operation management. The corporate governance policy includes the following aspects:

- Establishing a system that can ensure all stakeholders receive equal and fair treatment.



Corporate Governance Policy

- Implementing proper oversight and monitoring to ensure that the management implements policies in an effective and efficient manner so as to optimize interests of shareholders within the scope of the related laws and business ethics.
- Implementing proper oversight and monitoring on operation to ensure that the management maintain transparency, check and balance, and adequate disclosure of information for all related parties.
- Implementing appropriate systems of internal control and internal audit in order to ensure that the Company's operation comply with relevant laws.
- Establishing the appropriate Code of Conduct to be used as a guideline for business practice of Directors, management, and employees alongside related virtues and ethics.

The Company is well aware of the significance of good corporate governance as a solid platform for our effective, stable, and sustainable growth. Therefore, it ensured strict compliance with the corporate governance policy, which were in line with the principles of corporate governance of the SEC and the SET that were themselves based on the international standards of Organization for Economic CO-operation and Development (OECD), comprising of 5 categories as follows.

1. Rights of shareholders;
2. Equitable Treatment of Shareholders;
3. The Role of Stakeholders;
4. Disclosure and Transparency and
5. Board Responsibilities

In this regard, the Company has determined that the principles of the corporate governance were to be disclosed to the public through publication on the Company's website, www.sermsukplc.com under the "About Us" section and the "Good Corporate Governance" subsection.

In 2021, the Company has implemented the corporate governance policy related to the 5 categories. Details are as follows: -

1. Rights of shareholders

The Company recognizes that the shareholders are entitled to the right of ownership in the Company. They exercise their power of control by appointing the Board of Directors to oversee the operation of the Company on their behalf. As such, the Company recognize the equal importance of all shareholders, be it major shareholders, retail shareholders, foreign investors, or institutional investors. The Company shall not take any actions that



Corporate Governance Policy

diminish the fundamental rights of shareholders; but shall instead facilitate shareholders' usage of their rights under related laws and regulations.

1.1 Shareholders' Right Protection

The Board of Directors is well aware of its duty and responsibility to protect the rights and benefits of the shareholders as well as to protect and promote all shareholders fundamental rights and encourage them to exercise such rights in compliance with the related laws, rules and/or regulations of the Company in an equal and appropriate manner and in accordance with the criteria, rules, and regulations of SET and SEC and other relevant laws. The fundamental rights of shareholders include, among others, right to purchase, sell, and transfer shares, to receive dividend and adequate information, and to attend meetings of shareholders and exercise their voting right on approval of the annual financial statements, retained earnings appropriation, dividend payment, and determination of remuneration of auditors as well as matters that have impacts on the Company such as establishment of or amendment to the Article of Association and the Memorandum of Association, decrease or increase of capital, and approval of special project/case.

The Company respects and wishes to protect the rights of all shareholders, therefore, the Company does not have any policy which deters or obstructs the shareholders' usage of their rights nor any policy on entering into agreement with any shareholders in a manner that creates significant impact to the Company or other shareholders.

Additionally, the Company also audited related party transaction so as not to deprive the minor shareholders' right.

1.2 Meeting of shareholders

The Company organizes an Annual General Meeting of Shareholders within 4 months of the end of every fiscal year or by the period stipulated by the laws. Extraordinary General Meetings of Shareholders may be held as deemed appropriate by the Board of Directors resolution. It is the policy of the Board of Directors to support and arrange for the facilitation of the meeting in order to encourage and promote all shareholders as well as institutional investors to attend the meeting and exercise their voting right. In addition, the Company realizes the significance of setting the appropriate meeting date, time, and venue to accommodate attendance of all shareholders. Moreover, shareholders are provided with an opportunity to propose any meeting agendas prior to the meeting date in compliance with the criteria, conditions, and methods established by the Company and/or relevant laws, rules, and regulations, whereby the details on the criteria, channels, and the result of the proposal are disclosed to shareholders via

Corporate Governance Policy

the SET's website. The Company prepares the invitation letter to the meeting of shareholders, in both Thai and English, containing, in a clear manner, the meeting agendas, rationales, opinion and recommendations of the Board of Directors, and relevant information of each agenda. The invitation letter was delivered to shareholders via post and published on the Company's website and daily newspaper in advance in order to provide adequate information and time for the shareholders to properly consider each agenda and make decision in accordance with shareholders' true intention. The Company also provides the opportunity for the shareholders to submit inquiries to the Board of Directors in advance through the provided channel and in accordance with criteria determined by the Company. During the meeting of shareholders, the Company shall provide the shareholder with the opportunity to inquire, offer suggestion and/or express their opinion during consideration of each agenda. After a meeting of shareholders is concluded, the Company arranges for the preparation of a thorough and auditable minutes of the meeting.

Prior to Coronavirus pandemic 2019 ("Covid-19") the Company planned to convene the Annual General Meeting on Thursday, 28 January 2021 at 9.30 hrs. at the Athenee Bangkok, A Luxury Collection Hotel, Athenee Crystal Hall B (3rd Floor Athenee Tower), No 61, Wireless Road, Lumpini Sub-district, Pathum wan District, Bangkok. However, around the end 2020 to the beginning of 2021, a number of Thais had infected Covid-19. Therefore, for the health safety of shareholders, their families as well as the cooperation with governmental agencies, the Board of Directors' Meeting No.2/2020 had approved to convene Annual General Meeting via Electronics Meeting (E-AGM) in accordance with the relevant laws and regulations at the same date and time. The Agendas of the Meeting as appeared in the previously sent invitation letter. The Company broadcasted this E-AGM from Auditorium Room C ASEAN, 90 CW Tower, 10th Floor, Ratchadapisek Road, Huai Khwang Sub-District, Huai Khwang District, Bangkok 10310.

The Company made the following arrangements for the Annual General Meeting of Shareholders for the year 2021.

1.2.1 Prior to the meeting of shareholders

- 1) Shareholders were provided with an opportunity to propose agenda of the meeting of shareholders and nominate candidates for the Director position of the Company in advance. However, no shareholders expressed their intention to propose the agendas of the meeting and candidates for the Director position.



Corporate Governance Policy

- 2) The date of the Annual General Meeting of Shareholders was notified to shareholders in advance via the SET's website in order to ensure that the shareholders could manage their schedule to attend the meeting.
- 3) The invitation letter and its attachments were delivered to the shareholders via post at least 21 days in prior to the Annual General Meeting of Shareholders date in order to provide adequate information and time for the shareholders to properly consider each agenda and make decision in accordance with shareholders' true intention. The content of the letter includes, in detail, the meeting agendas, facts and rationales, and recommendations of the Board of Directors, and relevant information of each agenda.
- 4) The Company announced and advertised the invitation letter and its attachments in daily newspaper for 3 consecutive days to announce the Annual General Meeting of Shareholders to the shareholders at least 21 days prior to the meeting date.
- 5) The Company published the invitation letter and its attachments on the Company's website at least 30 days prior to the meeting date.
- 6) The Company delivered a Letter of Proxy, in the format as required by the laws, to the shareholders together with instructions and documents required for shareholders attending in person and those attending by proxy whereby other persons or an Independent Director may be authorized to attend the meeting and exercise the voting right as instructed by the shareholders.
- 7) The Company announced the cancellation and the change from convening physical Annual General Meeting 2021 to Annual General Meeting via Electronics Meeting (E-AGM) through the Company's website and Stock Exchange of Thailand's website for a period of 14 days prior to the Meeting's date.
- 8) The Company circulated to shareholders the registration forms of Annual General Meeting via Electronic Media (E-AGM), not less than 14 days prior to the Meeting's date, in order for the shareholders to be able to resubmit such forms including identification and verification documents of shareholders themselves or their proxies back to the Company. Such forms, identifications and verification documents would then be verified by the Company's staffs prior to the Meeting.
- 9) Prior to the Meeting's date, the Company sent out the Meeting's link, username, password, as along with staffs' contact information (in case

Corporate Governance Policy

questions, problems on E-AGM software were raised) to the shareholders who were interested in attending the Annual General Meeting via Electronics Meeting (E-AGM).

- 10) For the appointment of Director, information on education, experience, the number of companies that he or she held the position of director, the number of years in office, the type of the proposed director position and the meeting attendance record in the past was disclosed fully. In addition, the policies, principles and methods of the Director nomination process was also disclosed to provide adequate information for shareholders to make decision effectively.
- 11) The Company put in place a fair and transparent remuneration determination process. The Board of Directors proposed the directors' remuneration to the meeting of shareholders for consideration and approval together with the policy, criteria, and guideline for remuneration consideration as the basis for consideration of all types of Directors' remuneration by shareholders, including annual remuneration, attendance fees, and retaining fees. The Board of Directors separated the directors' remuneration proposal by committee and by position.
- 12) The Company encouraged institutional investors to attend the meeting of shareholders by contacting those that wishes to attend and requested from them early submission of documents required for meeting attendance. This will allow the Company to verify the completion and correctness of such documents before the meeting date, consequently reducing the document verification time on the meeting date.
- 13) Shareholders were provided with an opportunity to submit any inquiries regarding the agendas in advance via the following channels:
 - Email: ssc-comsec@sermsukplc.com
 - Tel: 0-2783-9000 ext. 9315
 - Post: Sermsuk Public Company Limited, Company Secretary Unit, No. 90 CW Tower 31st - 32nd floor, Ratchadipisek Road, Huai Khwang Sub-District, Huai Khwang District, Bangkok 10310



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1.2.2 On the meeting of shareholders' date

The Company has clear policy and intention to support and encourages all shareholders, including the institutional investors, to exercise the rights afforded to them by attending and casting vote in the meeting of shareholders. The Company organized a transparent and auditable General Meeting of Shareholders and had taken no action that would derogate the right of shareholders and institutional investors, who shall be given the opportunity to make inquiries and express opinions as deemed appropriate. In addition, the Company made the following arrangements on day of the 2021 Annual General Meeting of Shareholders;

- 1) The Company made preparations in terms of the personnel, system, and technology to facilitate registration and document verification for shareholders attending the meeting via Electronic Media (E-AGM) in a proper, adequate, fast, and auditable manner. The Company utilized the shareholders' meeting via Electronic Media (E-AGM) management system provided by Quidlab Co., Ltd. for the registration, vote counting, and result processing to ensure clarity, transparency, and auditability.
- 2) In the Annual General Meeting 2021 via Electronics Meeting (E-AGM), the Shareholders were able to watch live streaming of the meeting from the beginning to an end and were aware of voting results in each agenda.
- 3) Prior to the Meeting, the Company informed shareholders on Meeting protocol, how to assign proxy, how to use the E-AGM software. The explanations regarding how to vote, rules on vote counting and how to submit queries were also provided.
- 4) Shareholders enables to vote in each agenda via Meeting software at all time prior to an announced voting result. The Company also showed the voting results on the screen.
- 5) The Company allowed shareholders and their proxies to participate the E-AGM meeting even after the meeting had started and allowed such late participant(s) to cast vote on the agendas which, for the time being, had not yet been voted, provided that the Company had already verified rights and documents of shareholders and their proxies before sending out link, username, password and other information related to the E-AGM.

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- 6) Shareholders were given the right to cast vote on a 1 share: 1 vote basis.
- 7) Mr. Sorrasak Chantana independent auditor of KPMG Phoomchai Audit Limited participated a Meeting as a witness of vote counting.
- 8) The meeting was carried out as per the meeting agenda stated in the invitation letter, within which the details of each agenda was provided to shareholders.
- 9) For the agenda of consideration and election of Directors to replace those retired by rotation, the Company determined that voting was to be casted for each candidate individually.
- 10) All Directors, senior executives, the Chairman of the Board of Directors as well as the Chairmans of all sub-committees attended the ordinary shareholder meeting for the year 2021 to provide clarifications to any inquiries; and to receive feedbacks and recommendations from shareholders. In addition, the auditors had also attended the ordinary shareholder meeting as well.
- 11) No additional agenda is considered in the meeting and no change has been made to the significant information without prior notification to the shareholders.
- 12) All shareholders were given equal right to express their opinion, give suggestion, and raise any questions to the meeting as per meeting agenda as deemed appropriate.

1.2.3 Subsequent to the meeting of shareholders

- 1) The Company arranged for the recording and preparation of the minutes of the Annual General Meeting of Shareholders in a correct and complete manner, consisting of details of the meeting quorum, number of shareholders attending the meeting in person and by proxy, list of names and title of Directors as well as those of Directors who did not attend the meeting, senior executives and the auditors, the criteria and method of vote casting, and vote counting and result thereof of each meeting agenda with details on approve, disapprove, and abstention votes. Also, significant inquiries, clarifications, opinions, and any information are recorded in compliance with the related laws, rules, and regulations. The minutes were prepared in both Thai and English versions.



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- 2) The resolutions of the Annual General Meeting of Shareholders as well as voting result were disclosed via the news system of the Stock Exchange of Thailand on the following business day.
- 3) Copy of the minutes of the meeting were delivered to the Stock Exchange of Thailand within 14 days from the date of the Annual General Meeting of Shareholders for shareholders' consideration.
- 4) A storage system is put in place for the minutes of meeting for audit and reference purposes.

Additionally, the Board of Directors has determined the policies to protect the right of shareholders so as to ensure that treatment of shareholders was in accordance with the Company's Corporate Governance Policy; the articles, rules, and regulations of SET and SEC; and other relevant laws. The Board of Directors recognizes the importance of the right of shareholders and shall not take any actions which may violate or derogate the right of shareholders. As of 30 September, 2021, the Company did not receive any complaint regarding the breach or violation of the right of shareholders, which shown that the abovementioned policies determined by the Board of Directors was effective and appropriate for the management of the subject matter.

2. Equitable Treatment of Shareholders

The Company recognizes the importance of equal and fair treatments for all shareholders, whether they are major shareholders, minor shareholders, institutional investors, or foreign investors. As such, the Company has determined policies to ensure that all shareholders are treated in an equal and fair manner. The details of the policies are as follows:

- 1) The Company provides an opportunity for shareholders to propose additional meeting agenda and/or additional candidates to be considered for the position of the Company's Directors prior to the date of the Annual General Meeting of Shareholders in accordance with criteria, conditions, and methods determined by the Company and/or the related laws and regulations. In this regard, the criteria, channels, and period of such opportunity are announced via the Company's website. Result of additional meeting agenda proposal and additional candidates to be considered for the position of the Company's Directors was also announced via the Company's website and that of SET.
- 2) The Company prepares the invitation letter and its attachments in 2 languages, Thai and English.

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- 3) The Company notifies the shareholders of the date of the Annual General Meeting of Shareholders in advance via SET's website in order to ensure that the shareholders are able to manage their schedule to attend the meeting.
- 4) The Company publishes the invitation letter to the Annual General Meeting of Shareholders and its attachments on the Company's website in order to notify the shareholders in advance at least 30 days prior to the date of the Annual General Meeting of Shareholders.
- 5) The Company delivers the invitation letter to all shareholders via post at least 21 days prior to the date of the Annual General Meeting of Shareholders.
- 6) The Company advertises the invitation letter to the Annual General Meeting of Shareholders in daily newspaper for 3 consecutive days in order to notify the shareholders in advance at least 21 days prior to the date of the Annual General Meeting of Shareholders.
- 7) In a case where shareholders could not attend the meeting in person, the Company provides, along with the invitation letter, the Letter of Proxy that allow shareholders to instruct vote casting to all shareholders. Any shareholders who could not attend the meeting in person may authorized a proxy to attend the meeting and cast vote on their behalf. The Company also specifies explicitly to the shareholders the documents and evidence required for proxy authorization and well as the process involve to ensure that shareholders prepare correct and complete proxy authorization documents and preventing any issues for proxy in attending the meeting. The criteria, methods, and conditions of proxy authorization are determined in compliance with the laws and no measure which may complicate the proxy authorization process were determined. Additionally, the shareholders may authorize one of the Company's Independent Director to be their proxy in order to preserve their right.
- 8) The Company announced the cancellation of and change from the physical Annual General Meeting 2021 to Electronic General Meeting (E-AGM) via the Company's website and Stock of Exchange of Thailand's website not less than 14 days prior to the Meeting's date.
- 9) The Company circulated to shareholders the registration forms of Annual General Meeting via Electronic Media (E-AGM), not less than 14 days prior to the Meeting's date, in order for the shareholders to be able to resubmit such forms including identification and verification documents of shareholders themselves or their proxies back to the Company. Such forms, identifications and verification documents would then be verified by the Company's staffs prior to the Meeting.



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- 10). Prior to the Meeting's date, the Company sent out the Meeting's link, username, password, as along with staffs' contact information (in case questions, problems on E-AGM software were raised) to the shareholders who were interested in attending the Annual General Meeting via Electronics Meeting (E-AGM).
- 11) The Company allowed shareholders and their proxies to participate the E-AGM meeting even after the meeting had started and allowed such late participant(s) to cast vote on the agendas. The Company also showed the voting result of each agenda, having a witness for vote counting and disclosed such matters in the minutes of Annual General Meeting.
- 12) The Company allocate to the shareholders 1 voting right per share.
- 13) The Board of Directors has determined that all Directors and executives are to disclose the information and report on their interests and the interest of their related persons in accordance with the criteria and methods determined by the Board of Directors and/or related laws. This is to provide an opportunity for the Board of Directors to consider any transactions of the Company which may incur conflicts of interest and enable it to make decision based on the overall interest of the Company. In this regard, Directors and executives of the Company who have an interest in any transactions entered into with the Company shall not be entitled to make decisions relating to such transactions.
- 14) The Board of Directors has determined measures relating to the reporting of the securities of the Company held by the Company's Directors and executives; including their spouse, and offspring who are minors; as well as any changes thereof to SEC as required by law and has explicitly communicated such measure and duty to the Company's Directors and executives to ensure their understanding and compliance. Additionally, the Board of Directors has arranged for the detail of the securities of the Company held by the Company's Directors and executives to be disclosed in the Company's 2021 Annual Report.
- 15) The Board of Directors has determined measures to prohibit Directors and executives from revealing any insider information, which is material and has not yet been disclosed to the public for personal gain of their own or others, which include sale and purchase of securities of the Company by Directors, executives, and employees who serve in functions of which such insider information is made aware, and has explicitly communicated such measure and prohibition to the abovementioned persons. The "Closed Window" period, during which trading of the Company's security by the abovementioned persons are prohibited, are set to no less than 1 month before the disclosure of the Company's financial report. Additionally, penalties for revealing

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insider information for personal gain of oneself or others, which range from verbal warnings to termination of employment, were determined in the regulations of the Company. Details on the monitoring of use of insider information was included under the topic of 'Use of Insider Information' in the category of 'Disclosure and Transparency' of the corporate governance report.

- 16) The Board of Directors has determined that the Company's Directors and executives must prepare and deliver to the Company Secretary the report on the securities of the Company held by such person as well as any purchase and sale thereof in order for the Company Secretary to be able to report such information to SEC within the time required by relevant laws, rules, and regulations.
- 17) To enter into any related party transaction, the Company and its subsidiaries must carry out such transaction as if the other party is not a related party and in a fair and at arm's length manner, taking into consideration the arm's length price or the market price and prioritizing the utmost benefit of the Company. In this regard, the Board of Directors takes measure to ensure that such transactions are carried out strictly in accordance with the criteria, methods, and disclosure of related party transactions of listed companies.

In addition, the Board of Directors has established clear direction to ensure strict compliance with the laws, regulations, and articles of SET and SEC; and arranged for review of compliance with corporate governance principle on a regular basis. This is in order to assure that all shareholders are treated and are entitled to exercise their right in an equal and fair manner.

As of 30 September, 2021, the Board of Directors received no complaints with regards to unfair treatments toward shareholders, there is no related transaction nor any sale or purchase of securities that does not conform to the criteria stipulated by SEC and SET, and no crimes regarding the use of insider information of Directors and executives has been committed, which shown that the abovementioned policies or direction determined by the Board of Directors was effective and appropriate for the management of the subject matter.



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3. The Role of Stakeholders

The Company recognizes the importance of the right of all stakeholders, whether inside or outside of the Company, and is well aware that all stakeholders are entitled to sound treatments of the Company as required by the related laws. Therefore, the Board of Directors has determined the process to support the cooperation between the Company and the stakeholders in order to achieve stability and sustainable growth of the business. Additionally, the Board of Directors has determined a policy to ensure equal importance while attaining the business goals as per the targets, formats, and methods of such achievement. To ensure strict compliance with the policy, the Board of Directors has established the Sermasuk Group of companies' Code of Conduct for Directors, executives, and all employees to acknowledge the standards of conduct expected by the Company, ranging from treatments of shareholders, employees, customers, consumers, trade partners, suppliers, creditors, communities, society and the environment. The Policy is published on the Company's website under the section "About Us", subsection "Code of Conduct". The Board of Directors has also arranged for there to be mechanism and procedure to ensure continuous and strict compliance with the policy.

Additionally, the Company realized that the good performance of the Company is achieved through great support of all stakeholders. Thus, the Board of Directors has determined the policy to encourage and promote cooperation between the Company and stakeholders in order to achieved mutual benefits, care for, protect and inspire confidence in the stakeholders that the stakeholders are entitled to sound protection and treatment. The Company recognized the significant of all stakeholders, details of which can be summarized as follows:

3.1 Shareholders

It is the Company's policy to conduct its businesses prudently and transparently; with increase in sales volume, profit, and financial stability as its goal; and emphasize work efficiency to achieve continuous and sustainable performance improvement. The Company is well aware of its duty to increase the return on investment as well as to thoroughly report the performance of the Company to all of its shareholders.

The Company supported and facilitated shareholders and institution shareholders for Meeting participation by way of offering non-complicated procedures in connection with voting, making comments and recommendation. The Company provided meeting software used for attending the Meeting via Electronics with quality live streaming. Prior to the Meeting, shareholders had a chance to submit the required registration documents via electronic medium. This results in reducing the time to verify all

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supporting documents and the convenience for the shareholders and proxies to receive link, username and password prior to the Meeting.

3.2 Employees

The Company realize the importance and value of its employees and outsourced workers, which are vital to the achievement of the Company's business goal. As such, the Company intends to develop the occupational safety and health management system as well as improve the work environment of employees in earnest in order for the employees to have better life quality, and be able to lead the organization to excellence. The Company therefore is concentrating on reducing the risk to the loss of life, injury, and occupational illness, which could lead to interruption of businesses.

The Company operates its businesses in compliance with the Occupational Health and Safety Policy, which was made in accordance with the international safety management system, and fosters the organizational culture relating to safety with the 10 Safety Rules in order to create guideline and a positive viewpoint of "Think safety, work safety, no accident". Detail of the 10 Safety Rules is as follows:



The Company has set the goal and performance indicator with regard to work safety for employees of all level in order to truly instill in the mind of the employees that safety is the goal. The Company also provides sufficient tools, equipment, and resources to the employees, focuses on measure to identify and assess point of risk for the purpose of risk prevention. Additionally, the Company also arranges for inspection of the work environment on a continuous basis. Emphasis is placed on having the Company's operation be strictly in line with standard and laws on safety in order to ensure

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the highest level of safety for the life and property of the employees and contractors.

In 2021, the rate of accident and occupational illness is as follows:



The Lost Time Injury Frequency Rates (LTIFR) for employees in the manufacturing and sales function is equal to 4.7 ppm and has been consistently trending downward. The LTIFR for contractors is zero. The Occupational Health Disease from work is also zero.

Moreover, the Company also recognizes the value of the employees by accepting suggestion and complaint, properly managing benefits and remunerations, encouraging the strengthening of knowledge, and providing them with the opportunity for career growth. Detail of which is as follows:

- Right of fair employment as per the human right principles. The Company has no policy to discriminate against any employee and provide them with equal opportunity in their career. The Company recruitment policy does not have any limit on races, skin color, gender, religious belief, nationality, or political opinion. The Company also provides the opportunity for career advancement within the group of companies to employees who possess the knowledge, skills and abilities suitable for such position (the “**Limitless Opportunity**”)
- The Company takes care of and treat all employees equally; provide appropriate remuneration for the condition and type of work, the performance of employees,

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and the Company's capability. The employees are also allowed to take leaves, ask for a transfer, and receive the opportunity for promotion.

- The Company recognize the importance of two-way communication between the Company and the employees. Therefore, the Company has arranged for communication channels for the purpose of receiving suggestions directly from the employees including through department meeting, town hall conference, executive meeting with employees, employee union meeting, employees committee meeting, and the welfare committee meeting. Additionally, the Company has also established the Rules on complaint handling and whistle-blowing and provide whistle-blowing employees with sufficient protection in accordance with the policy on complaint handling.
- Continually and regularly develop the employees' capability, for example by encouraging training courses, work teaching, setting example, initiating challenging projects. The Company choose the method that is most suited to the diverse employees in order to maximize the learning capability of the employees, whereby the employees can integrate the knowledge for their own benefit.
- Provide benefits that resonate with the need of the employees, namely medical care cost coverage, life and health insurance, provident fund, educational fee for their offspring, loan for medical cost of in-patient employees, etcetera. The Company also emphasize the importance of the employees' safety by holding practice fire drills, arranges for security systems and other security activities.
- Provide utilities and continually maintain good working environment; namely by providing hygienic cafeteria service system; tidy, clean, and safe resting places, standardized storage lockers at cafeterias and resting places, clean and sufficient toilets, safe transport vehicles, effective infirmaries with qualified medical personnel as required by law, as well as improving the landscape and environment within the manufacturing plants on a continuous basis.

3.3 Customers

The Company recognizes the right of customers and consumers to receive and have access to high quality and safe products at reasonable prices as well as return in the form of promotional activities held by the Company from time to time. The Company has a customer relation center and system to receive and verify customers' complaints with regard to the Company's products and services in order to be able to quickly rectify the issue.



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3.4 Trade Partners and Suppliers

The Company provides equal opportunities to fairly and fully compete in offering products and services to the Company. The Company selects the products and services based on its quality, price, services, effectiveness, and costs compared to the competitors. The Company adheres to the principle of free trade and operates on a fair competition policy.

3.5 Creditors

The Company treats all of its creditors fairly, responsibly and transparently by complying with the terms and conditions regarding securities as well as its agreements with each creditor. The Company does not use methods that are dishonest, does not withhold information of facts that could be detrimental to creditors, and manage its financial liquidity appropriately in order to be able to repay its debts on time and in accordance with the terms agreed. In the case that the Company may not fulfill any one of its obligations, it shall notify its creditor in advance in order for both parties to be able to consider and find a solution to the issue.

3.6 Communities

The Company concerns on the participation and development of community through social responsibility. This appears from our projects and activities. In 2020, the Company has participated social and community activities located in the area around our plant; for example, provide the product to support children day organized in the communities, provide drinking water to the communities affected by flood and fire and cooperation with each community health center organized “Keep your community safe from Covid-19” so as to build the awareness together with grant a face mask and alcohol gel. Such activities represent social responsibility of the Company in accordance with industrial operator standard of Department of Industrial Works. Consequently, there is an occurrence of trust, confidence by the communities and lead to the sustainability coexistence between plants, communities and environment.

3.7 Business Competitors

The Company has a policy to treat competitor fairly as well as concerning ethics and transparency. We refuse to engage in any activities which violate competitors, destroy competition reputation with defamatory and untruthful statements and any unfair activities under international framework.



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3.8 Society and the Environment

The Company sees the importance of the preservation of the environment. Regarding this, all of the Company's manufacturing plants has received the international certification on Environmental Management System, the ISO 14001:2015. Additionally, the Company has introduced the Clean Technology and the 3R (Reduce, Reuse, Sermsuk Green Dimensions strategy, which consists of 5 dimensions, namely the water, the packaging, the energy, the environment, and the human resources. Moreover, the Company also provides support for the work of Thailand Institute of Packaging and Recycling Management for Sustainable Environment under the Federation of Thai Industries as well as the activities of Thai Beverage Public Company Limited to evaluate the sustainability under the Dow Jones Sustainability Indices (DJSI), which are the indices used to evaluate the efficiency of business operation for sustainable growth of leading companies in the world. The Company also expand the result of the work in this aspect to the public by having its manufacturing plants be the example for the society and other industrial business operators on environmental care and protection in order for the Company to always remain a Thai company that grows sustainably alongside the environment.

As of 30 September 2021, the Company has not violated any law on labor, employment, trade competition, or the environment.

3.9 Other relevant matters

Apart from the abovementioned initiatives, the Board of Directors has also implemented the following guidelines relating to the Company's social responsibility and the protection of stakeholders' rights and benefits:

3.9.1 Guideline on violation of human rights

The Company respects human rights of employees and other stakeholders and ensures that there is no discrimination against different belief, race, nationality, skin color, gender, sexual orientation, culture, or any other conditions deemed part of the human rights. The Company also provides human rights guidance which are adaptable to the organization and will not support or engage in any activities which are related to the violation of human rights. The Company provides a channel for notifying the Company of any human rights violation, which can be found under the section Guideline on whistleblowers and compliant filing. All complaints are to be kept strictly confidential.



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3.9.2 Guideline on violation of intellectual property rights

In the course of its business operation, the Company realize and emphasize the creation and development of intellectual property, including trademarks and patents, which are a part of the Company's properties and can create additional value to the Company, on a continuous basis. Whereby, in order to preserve and protect its rights, the Company has resolved to register its trademarks both in Thailand and other countries.

It is a policy of the Company to not violate any intellectual property rights. As such, the Company requires all employees to sign a memorandum of understanding, which prohibits said employees from violating any law on the computer related crime or any intellectual property rights. Additionally, the Company has stipulated a policy on the IT system usage within Sermasuk Group of companies and has been regularly monitoring its employees' usage of software system in their work in order to prevent any software usage that would violate any copyright or that is not related to the work.

3.9.3 Guideline on anti-corruption

1) Anti-corruption Policy:

The Company concerns on the transparent of business operation by providing the policy on anti-corruption internally and externally. The Company prohibits directors, executives and employees to participate with any corruption, not to give, or receive any gift to any governmental officers or private officers. Moreover, the Company has supported the activities and encourage executives, employees to comply with laws, rules and regulations related to anti-corruption and not to exploit any benefit for himself or herself. The Company also appropriately cooperate with the governmental agencies to anti-corruption.

2) The guideline on anti-corruption

The Company has the following operating guideline on anti-corruption:

- The Company has an internal audit department and a legal and compliance department which are tasked with monitoring, supervising, following up, and advising on various risks, including risk of corruption, within the Company.
- The Company has a channel for filing complaint and whistle blowing, detail of which can be found in the following section.



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- When a complaint is file or a mistake in the work of any employee is found; the employee's affiliate department; the human resource department; as well as other related department, such as the legal and compliance department, shall work together to verify the facts and determine appropriate disciplinary action as well as initiate relevant legal proceeding (if any).

3) Assessment on the compliance with the anti-corruption policy:

The Company has a guideline to assess the performance of anti-corruption

- The internal audit department are tasked with verifying the internal control system. The department carries out the verification process in accordance with the annual plan endorsed by the audit committee, and reports the result to the audit committee.
- The internal audit department; the legal and compliance department; as well as other relevant departments, such as the sale department, the finance department, the human resource department, the production department, and the supply chain department; review the anti-corruption policy and measures, and report the result to the corporate governance committee and the Board of Directors, respectively.

4) Employees' training on the knowledge regarding the anti-corruption policy:

The Company, through the human resource department, communicates the anti-corruption measure to the employees on-site at each branch of the Company, as well as through the video conference system and posting of announcement of such measures on each branch's bulletin board.

3.9.4 Guideline on whistleblowers and compliant filing

The Company has put in effect measures to govern and determine the channel through which all stakeholders; both inside and outside the Company and including the employees; may file a complaint or provide information on various matters including corruption; actions that may violate the laws, rules, Code of Conduct, or policies; violation of laws and unfair treatment; any action that may be detrimental to the Company; defects of products of services; or other advices and complaints relating to the Company. Additionally, the Company has determined a measure to protect and hold information relating to the person filing a complaint confidential. Details of which are as follows:



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1) The complaint filing and whistle blowing channel

Via telephone: Head of the Internal Audit Department Tel: 0-2783-9000 ext. 9040

Head of the Legal and Compliance Department and Company Secretary Tel: 0-2783-9000 ext. 9019

Via Email: SSC-ComSec@sermsukplc.com

Company Secretary Unit

SSC-whistleblowing@sermsukplc.com

The Legal and Compliance Department and the Internal Audit Department

SSC-CGC@sermsukplc.com

The Corporate Governance Committee

Via post: The Corporate Governance Committee of Sermsuk Public Company Limited

90 CW Tower, 31st-32nd floor, Ratchadapisek Road, Huai Khwang Sub-district, Huai Khwang District, Bangkok 10310

2) Complaint receiving process

In case that the Company receives any complaint, the Company shall collect the information to process, manage and audit such complaint. If the complaint tends to be true, the complaint shall be sent to President, Chairman of Executive Committee, Corporate Governance Committee, Audit Committee and Board of Directors as it may deem appropriate. After the consideration of the complaint, the Company shall inform the result to the whistleblower in accordance with our procedure and within the appropriate period.

3) Protective Measure

To protect the rights of the person filing the complaint, the whistle blower, and any person who helped verify the information, the Company shall not disclose the name, address, picture, or other information of such person. The Company has also determined the measure to protect the abovementioned person who believe that they are not safe or may be in trouble by mitigating the damage with appropriate and fair process.

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The abovementioned measure shall not be used in the case that the disclosure of information is required by laws or relevant authorities.

Nevertheless, as expressed by the policies and the determination of the Company to comply with relevant laws, rules, and regulations in order to ensure all stakeholders that their rights shall be treated fairly, equally, and to the best of the Company's ability.

4. Information disclosure and transparency

4.1 Information Disclosure

The Company emphasizes the disclosure of material information relating to the Company, whether financial information, non-financial information, or other material information which may affects the Company's share price. Such disclosure is in the correct, complete, timely, transparently, and auditable manner and may inspire trust in the shareholders and all stakeholders fairly and equally. Therefore, the Company has determined the guideline on the disclosure of information, which involves all of the Company communication channels as stipulated by the SET. Details of which are as follows:

- 1) The Board of Directors is responsible for disclosing the information relating to the Company, including financial, non-financial information, and other information as per the criteria of the laws, SET, and SEC in a correct, complete, and transparent manner in a concise and simple language. Material information, whether positive and negative, is to be revealed subsequent to the established consideration process, taking into account the level of necessity on maintaining confidentiality of business insight, strategies, or any information which could lead to loss of benefits and competitive edge upon disclosure.
- 2) While considering matters relating to the disclosure of information, the Board of Directors takes into account relevant factors. For the disclosure of financial statements, the Board of Directors considers the adequacy of the internal control system, the auditor's opinion on the financial statements, and the auditor's remarks on the internal control system.
- 3) The Board of Directors has arranged for an adequate number of personnel to be involved with the disclosure of information with the knowledge, skills, and experience level suitable to the task. Such personnel include the executives with the highest position in the accounting and finance department, the accountant, the internal auditor, the company secretary and the investor relation officer.



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- 4) The Board of Directors is responsible for the reporting of information and performance in various aspects as required in the format of annual information report (56-1 One Report Form) in a complete, correct, and timely manner as required by related laws and rules of SET, SEC, and other related agencies. Such information is to be disclosed in the Company's website as well so that shareholders and all stakeholders are equally provided with correct information.
- 5) The Board of Directors is responsible for the reporting of financial statements prepared by the Company whereby the responsibility of the Board of Directors was disclosed together with the auditor report in the 2021 Annual Report (56-1 One Report Form). Also, the Board of Directors oversees the management's preparation of the financial statements and financial information to ensure that the abovementioned is prepared in a correct and complete manner in accordance with the Generally Accepted Accounting Principles and the accounting standards determined by the Federation of Accounting Professions Under the Royal Patronage of His Majesty the King, consistently adheres the appropriate accounting policy, with careful consideration, and with consideration to the rationalization of the preparation and the adequate disclosure of material information within the note to the financial statements.

KPMG Phoomchai Audit Ltd. was appointed by the 2021 Annual General Meeting of Shareholders as the auditor of the Company for the financial statements of the fiscal year ending 30 September, 2021. The auditor was knowledgeable, possessed the expertise in the profession, met all the requirements, was independent and was without any conflicts of interest with the Company. As such, the Board of Directors was confident that the financial statements of the Company are correct and trustworthy. As for some of the Company's subsidiaries overseas which does not nominate an auditor from the same audit company as the Company, whether due to some legal limitations or regulations, the Company has determined appropriate measure to ensure that the consolidated financial statements can be prepared on time. In the past year, the Company was able to prepare and file the consolidated financial statements as well as the separated financial statements to the related supervising agencies in a complete and timely manner.

In addition, the Board of Directors realizes the importance of a good internal control system, which leads to efficient operation of the Company, preparation of financial statements in a correct and trustworthy manner, adequate and appropriate disclosure of information as per the Generally Accepted Accounting Principles, as

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well as the assessment of the accounting principle used in the preparation of the financial statements. Therefore, the Board of Directors has appointed the Audit Committee to be responsible for reviewing the audit report and the financial statements, and verify whether the management has implemented adequate internal control system, including the internal control of the information technology system, and the guideline on the communication of the importance of internal control and risk management throughout the Company. Opinions of the Audit Committee on the subject matters was as appeared in the report of Audit Committee within the 2021 annual report (56-1 One Report Form). The auditor is, unconditionally, of the opinion that the financial statements of the Company and its subsidiaries as of 30 September 2021 were correct, complete, and fairly presented.

- 6) The Company has assigned an Investor Relations officer to be the contact point for communication and provision of information to shareholders, stakeholders, institutional investors, as well as related analysts in a correct, appropriate, fair, and timely manner. The communication channel is available on the Company's website under the "Investor" section. In addition, a department was designated to disseminate and promote operations and projects of the Company via the press in order for the public to receive the Company's significant information to the public in a correct manner.
- 7) The Company arranges for communication channels where the shareholders, investors, stakeholders, and the public may use to gain access to the Company's information easily, equally, and fairly. The current information is available in both Thai and English on the website of the Company, which serves as one of the key channels to communicate the Company's information, in order for the investors and any interested person to be able to access the correct Company's information quickly and equally. In this regard, the information on the Company's website may differ from the information disclosed to the SEC, SET, and other relevant agencies due to technological limitation. However, there is no significant difference in the material information.
- 8) The Board of Directors shall monitor the management's planning or creation of mechanism to resolve the Company's financial problems while considering the rights of all stakeholders, follow up on and assess the Company's financial situation, and report the finding to the Board of Directors on a regular basis. Where there is any sign indicating the problems of financial liquidity and



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the Company's solvency, the Board of Directors and the management should work together to resolve the issue as soon as possible.

- 9) The Company participated the press release of business performance and trends of business operation. The Company also invited senior executives of the affiliates to the organization "Opportunity Day" which was held on 8 April 2021. In this organization, the investor, financial analyst and participants who interested of the organization, assigned officers to provide disclosed information, analyst and interested person, if required.

As for the Company's data, the Board of Directors has arranged for there to be data security system, which includes determining the policy and measure regarding data confidentiality, integrity, and availability, as well as gathering market sensitive information. Additionally, the Board of Directors also requires the directors, executives, employees, and other related person to follow the policy and measures of the data security system.

4.2 Oversight of the use of insider information and conflict of interests

The Company concerns the significant of inside trading, the Company has stipulated the relevant measures as follows:

- 1) The Company recognize the importance of oversight on the use of insider information and requires its directors, executives, and employees to keep strictly confidential all of the insider information, especially the internal information which has yet to be disclosed to the public or that which could incurs significant impact toward the business operation or share price. The directors, executives, and employees are prohibited from using the information which they receive during their tenure for personal gain of themselves or others. Moreover, certain information is restricted and to be disclosed only to Directors and related senior executives of the Company.
- 2) The Company requires all executives to report their ownership in securities and the changes thereof to SEC as per the section 59 of the Securities and Exchange Act B.E 2535. Additionally, the Company has determined policies in writing to prohibit Directors, executives, and employees to whom the insider information is disclosed, as well as their spouse, person who they illicitly cohabitate with, and children who are minors, to conduct sale and purchase transactions of the Company's securities for a period of at least one month prior to the announcement of the financial statements of the Company to the public. Any violation against said policy shall incur disciplinary actions, which range from

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warnings to termination of employment. The Company may also initiate a legal proceeding as per the laws. Related announcements and communications are made to Directors, executives, and all employees of the Company in advance.

- 3) The Company has determined the period prior to the disclosure of the quarterly and annual financial statements whereby the transaction involving the Company's securities are should not be made as per the rules of SET.
- 4) The Company puts in place policy requiring its directors and executives to report to the Company Secretary regarding any trading of the Company's security one day prior to the transaction date.

4.3 Communications

The Company has internal and external communication. In providing information to the Board of Directors, executives or employees have presented information sufficiently and necessarily for the Board of Directors to make the sounded decisions. In terms of accounting audit, the Company has complied with accounting standard. The account books have been audited from the external auditor and the Company's Audit Committee. Regarding of the external communication, the Company has provided information necessarily to governmental agencies and third party in accordance with laws, rules and regulations; for example, the Company has disclosed financial statements and business performance in accordance with the Stock of Exchange of Thailand designated under Thai Capital Market Supervisory Board.

4.4 Information technology and communication

In terms of business performance, the Company has brought technology to enhance business opportunity, business development and risk management so as to fulfil objectives and targets of the Company. The Company also has set compliance framework and has managed the Information and Technology in accordance with the needs of business. The Company has implemented the following policies and measures to control information technology.

- 4.4.1 A policy on the information technology resource management has been determined in order for the Company to have sufficient information technology resources for its business operation, and for establishing the guideline on how to proceed when the need for information technology resources exceeds the determined amount, such as the procurement of additional computers of emergency needs.



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4.4.2 Information on technology in daily lives are provided to the Company's employees on a regular basis through the notification of training news via email in order for the employees to be aware of their responsibility regarding the use of social media. The employees should be knowledgeable in and understand the correct usage of technology within the confine of the laws. Additionally, such knowledge and understanding shall lead to safety of data and protection from cyber-attacks and the harmful effect of using social media to the society.

4.4.3 Risks regarding information technology is managed with the following methods:

- 1) The Company has a policy on the prohibition of intellectual property right infringement. The Company implement such policy in various ways such as requiring all employees to sign a memorandum of understanding which prohibit them from committing computer crimes and from infringing on any intellectual property rights. The Company also determined a policy on the use of information technology system of Sermsuk group of companies and has been monitoring the use of software in its employees' line of work in order to prevent the use of software that infringe on any intellectual property right or that is not related to the work of the employee.

As for the server system, the rights to use and copyright of software is regularly verified and renewed every year in order to ensure that all systems of the Sermsuk group of companies uses software that are in compliance with the laws.

- 2) Security system has been established at the server, the network, and the computers and devices that are at risk of an attack from outside 2 levels.
 - A Firewall has been established at the server for protection and to ensure that communication is made through specified channel with only the approved destinations.
 - At the devices level, anti-virus software has been installed in every computer. The computers are also connected to the central hub to enable control, to ensure correct and timely fixes for any computer with issues, and to allow for the finding of the source of an attack in order to be able to resolve the issue at the source and prevent similar issue in the future.

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4.4.4 There are appropriate policy and security measures for the information technology system.

- 1) Information access levels were determined in order to classify levels of confidentiality and management of information, which should result in access to relevant information being given on a necessity basis. Confidential information shall be systematically protected from unauthorized access and theft. Information access record is also being kept in order to allow effective information access verification in all systems.
- 2) Important information is being kept within the data center which received the ISO27001 certification in order to ensure data security and to allow for the Company's continuous business operation.
 - Network usage record is being kept as per the requirement of the Computer Crimes Act, and access to websites which could potentially render the Company susceptible to data theft and other crimes is being monitored and managed.
 - Computer and other devices relating to information technology issue solving record and following up system has been added to ensure that the department responsible for such work can communicate with users and resolve the issues effectively.

4.5 Conflict of interest

The Board of Directors and the executives of the Company are greatly precautions about any conflict of interest which may occur, and have been operating in strict compliance with the rules and guideline of SEC, especially when concerning the prevention of conflict of interest arising out of any person who is involve with related transactions, business operation, or the interest which arise from the performance of their duties. The Company's directors and executives are required to follow such rules and guideline and report their interest in any of the Company's transactions as per the laws, rules, regulations, as well as the Board of Directors' determination. If any of the director has an interest in a transaction or agenda being considered, they shall not engage in the consideration of and shall abstain from voting on such matter. For the sake of transparency in its operation, the Company has determined that its executives and their related person shall not use the Company's assets and insider information for the personal gain of themselves as well as others. In addition, The Audit Committee was assigned to provide opinion on the necessity and appropriateness of the abovementioned transactions, and the Audit Committee may, in turn, hire



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an independent expert to provide opinion on the matter. Such opinion shall be taken into account during the consideration of the matter by the Board of Directors or the shareholders, as the case may be, in order to prevent any conflict of interest.

The Board of Directors has determined policies and guideline for preventing directors, executives, and employees of the Company from exploitation for personal gain whereby the directors, executives, and employees are to avoid conducting related transactions which may incur conflict of interest with the Company.

In addition, to prevent the conflict of interest, the Company has established the policy overseeing any transactions which may incur the conflict of interest whereby directors who have any conflict of interest in any agenda shall abstain from voting and not engaging in consideration of the agenda. In addition, policies and methods were determined to prevent executives and related persons to exploit the insider information for personal gain.

As of 30 September 2021, no action was found to be taken by any related supervising agency against the Company with regard to the announcement or disclosure of incorrect significant information nor any instruction to amend the financial statement. In addition, all financial reports, both quarterly and annually, have been filed in a timely manner and no complaints regarding wrongdoings involving the abuse of insider information by the Company's directors and executives nor any malpractice regarding the conflict of interest were made. This reflected the effectiveness of the policies and guideline for conflict of interest determined by the Board of Directors of the Company

5. Board Responsibilities

The Board of Directors has the important roles and responsibilities to oversee the management of the Company in order to achieve the targets and in a manner that generate the utmost benefits to shareholders, while also taking into account the benefit of all stakeholders. Appropriate delegation of structure, qualifications, and scope of authority of the Board of Directors would be beneficial to performance of the Company. Therefore, the persons to be appointed as Directors should possess adequate seniority, qualification, knowledge, ability, experience, vision, and honesty, be able to dedicate their time for the Company to deliver full performance as required for Director position, and be independence in their decision making for the best interest of the Company and shareholders. The Board of Directors has put in place sub-committees to study, consider, filter, and support the works of the Board of Directors in order to enhance their performance. To ensure clear scope of responsibility and work efficiency of the Board of Directors,

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the following structure, framework, and authority of the Board of Directors and sub-committees were determined as follows:

5.1 Structure and components of the Board of Directors

The Board of Directors shall consist of not less than 5 directors who possess adequate seniority, qualification, knowledge, ability, experience, vision, honesty, as well as other requirements as required by laws, as per the Article of Association of the Company.

As of 30 September 2021, the Board of Directors consisted of 15 directors, one-third of which are independent directors. For the purpose of check and balance, the Chairman of the Board of Directors did not hold the position of the Chairman of the Executive Committee and was not an employee or an executive of the Company. Additionally, the Company has clearly separated the roles and responsibilities of the Board of Directors and the management. With regard to the approval of significant transactions, it is a policy of the Company to propose such matter for the consideration and approval of the Board of Directors or the shareholders meeting, as the case may be.

The Company recognize the necessity to maintain the appropriate ratio of outside directors and independent directors for non-executive directors check and balance purpose. As of 30 September 2021, the Board of Directors consisted of 5 executive directors, 5 non-executive directors, and 5 independent directors. Details of the Board of Directors' structure were as appeared in the Management Structure section within the 2021 Annual Report (56-1 One Report Form).

Additionally, the Company's independent directors possess the independence characteristic as required by the laws on securities and exchange and other related laws. Details of the independent directors' qualifications were as appeared in the Management Structure section within the 2021 Annual Report (56-1 One Report Form).

5.2 Nomination of directors

5.2.1 Nomination of Board of Directors

The Board of Directors has arranged for the directors and sub-committee members consideration and nomination process that is clear, transparent, and auditable and has assigned the Nomination and Remuneration Committee to consider and nominate candidates for the directors and sub-committee member positions. The Nomination and Remuneration Committee has determined the rules and policy on the consideration and nomination of directors and sub-committee member by taking into consideration the appropriate number, structure, and composition of the committee; and determined the requirements



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for the candidate of such position as appropriate and as per the laws on public limited companies, laws on securities and stock exchange, and other relevant laws as well as the Company's Articles of Association. Candidates who possess adequate qualification, seniority, knowledge, ability, and experience in related field shall be considered and nominated, while taking into account their specialties, skills and profession that the Company is seeking, and the consistency with the Company's business strategies.

The shortlist candidates for the positions of directors and sub-committee members shall be proposed by the Nomination and Remuneration Committee to the meeting of Board of Directors or meeting of shareholders for consideration, as the case maybe, together with sufficient details for the consideration of the Board of Directors or the shareholders, as the case may be. In this regard, the appointment of the directors by the meeting of shareholders are carried out in accordance with the criteria and methods as stipulated in the Article of Association of the Company and/or related laws as follows:

- 1) Shareholder has voting right equivalent to the holding shares
- 2) Each shareholder entitles the right to exercise his/her votes under 1) above by way of electing one or more nominated candidates to be directors, provided that, share(s) held by a single shareholder cannot be split for voting of more than one nominated director candidates.
- 3) The candidates who is elected with the highest votes and those candidates who are in the descending order shall be appointed as directors corresponding to the number of board of directors' seats available at such meeting, provided that in the event of equal votes the Chairman shall entitle the right to cast vote.

Voting Method

- 1) In respect of voting, a shareholder has his/her voting right equivalent to his/her holding shares (one share for one vote).
- 2) In absence of disapproval or abstention from vote, it is deemed for such shareholder to approve the matter proposed in such agenda.

5.2.2 Nomination Independent Directors

The Company has set the protocol on the nomination of independent director in accordance with the rules and definition set out under the Securities and Exchange Act B.E. 2535, notifications of the Security and Exchange Commission,

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notifications of Capital Market Supervisory Board or other relevant laws, rules, and regulations.

Qualification of Independent Directors

1. Holding no more than 1 % of total voting shares of the Company, its parent company, subsidiary, associate, major shareholder or controlling person including the shareholding of persons related to the independent directors.
2. Shall neither be nor have ever been a director with management authority, employee, staff member, advisor who receives a salary or is a controlling person of the Company, its parent company, subsidiary, associate, same-tier subsidiary company, major shareholder or controlling person unless the foregoing status has ended not less than two years prior to the date of becoming a director. Such prohibitions shall not, however, include cases where the independent director previously served as a government officer or an advisor to a government agency which is a major shareholder or controlling person of the Company.
3. Shall not be a person having blood or legal relationship as father, mother, spouse, sibling, or child, including spouse of child of other directors, executives, major shareholders, controlling person, or person to be nominated as director, executive or controlling person of the Company or its subsidiaries.
4. Shall neither have nor have ever had a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, that may conflict with his or her discretion, and neither is nor has ever been a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary, associate, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of becoming an independent director.

The definition of “business relationship” in the preceding paragraph shall include any normal business transaction, rental or lease of immovable property, transaction related to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantees, providing assets as collateral, and any other similar activities, which result in the applicant or his or her counterparty being subject to indebtedness payable to the other party in the amount of 3% or more of the net tangible



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assets of the applicant or 20 Million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of related party transactions under the Notification of the Capital Market Supervisory Board regulated the rule on related party transactions. The consideration of such indebtedness shall include indebtedness incurred during the period of one year prior to the date on which the business relationship with the person commences.

5. Shall not ever be a professional services including legal counsel or financial advisor whom received services fee more than 2 Million Baht per annum from its parent company, subsidiary, associate, major shareholder or controlling person and not be a significant shareholders, controlling person or partner of audit firm provide service for its parent company, subsidiary, associate, major shareholder or controlling person unless, such services has been terminated not less than two years prior to the date of becoming independent director.
6. Shall not ever be an auditor of from its parent company, subsidiary, associate, major shareholder or controlling person and not be a significant shareholders, controlling person or partner of audit firm provide service for its parent company, subsidiary, associate, major shareholder or controlling person unless, such services has been terminated not less than two years prior to the date of becoming independent director.
7. Shall not ever be appointed as a representative of the Board of Directors, major shareholder or related shareholders of major shareholders.
8. Shall not conduct the similar nature of business which competes with the business of the Company or its subsidiaries or not being a significant partner or executives, staff, employee, advisor who receives salary or holds share more than 1% of total number of share with voting right of the said nature competition business company of the Company or its subsidiaries.
9. Shall not have other characters or conduct other activities which have an adverse effect to the independent opinion provided in relevant to business operation of the Company
10. Shall not be elected as director of parent company, subsidiary or the same level subsidiary of the listed company (applicable only the case of audit committee)

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11. In the event that the appointed independent director having or ever been having business relationship or professional service provider exceeding the limitations set in 4) or 5), the set aforesaid qualifications shall be overridden by opinion of the Board of Directors resolved under principle of Section 89/7 of the Securities and Exchange Act. The Board of Directors opinion shall be disclosed in the shareholder invitation under the agenda regarding appointment of an Independent Director. The information disclosed shall include nature of business relationship or professional service provided which conflicts with the regulation of qualification of Independent Director, the reason and necessity to appoint such person to be Independent Director as well as the said Board of Directors' opinion.
12. If assigned by the Board of Directors to decide matters related to business operation of the Company, its parent company, subsidiary, the same level subsidiary, major shareholder, or controlling person, the independent directors, who are not Audit Committee member, are allowed to decide such matter but only on a collective basis.
13. The Independent Director is able to take a position of independent director in the Company, subsidiary and the equivalent level of subsidiary. However, the disclosure of such position and remuneration in One Report is required.

In 2021, the five Independent Directors of the Company have not provided professional service nor have business relationship in accordance with the Notification of Capital Market Supervisory Board Re: Application for Approval and Granting of Approval for Offering of Newly Issued Shares.

Nomination of Independent Director Procedure

Nomination and Remuneration Committee has shortlisted the candidates who have the required qualifications of Independent Director in accordance with Guideline of the Stock of Exchange of Thailand, Notification of the Security and Exchange Commission or other relevant laws, rules and regulations for board of directors' endorsement and shareholders' approval respectively.

5.2.3 Nomination of Senior Executive

For the nomination of senior executive, Nomination and Remuneration Committee shall, on the committee discretion, propose the candidate to be appointed as president for the Board of Director's approval in accordance with the approval policy of the Company. This shall include preparation of



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succession plan so as to ensure that the Company has the capable and experienced candidate to take such position in the future.

5.3 Roles, duties, and responsibilities of the Board of Directors

The Board of Directors must perform its duties with honesty and caution, using its members' knowledge and experience for the utmost benefit of the shareholders, stakeholders, customers, and the society overall, and for the stable and sustainable growth of the Company. The Board of Directors' significant duties and responsibilities are as follows:

- 1) To determine the appropriate direction, goals, and business policy of the Company in accordance with the current situation;
- 2) To delegate part of its duties and responsibilities to the relevant sub-committees, the executives, and the management under the framework of the laws, objectives of the Company, the Articles of Association, the resolution of the Board of Directors' meetings, and the resolution of the shareholders' meetings;
- 3) To provide advice and supervise the operation of the Company to ensure that its operation is in compliance with the laws, the objectives of the Company, the Articles of Association, the resolution of the Board of Directors' meetings, and the resolution of the shareholders' meetings;
- 4) To consider the suitability of, advise, determine, and approve the visions and strategies of the Company;
- 5) To monitor the compliance with the strategies of the Company; as well as monitor and supervise the management and operation of the Company to ensure that it is in line with the established policies, strategies, plans, and goals in a consistent and effective manner;
- 6) To monitor and supervise the operation of the Company to ensure that it is in compliance with the laws, rules, regulations, criteria, and the resolution of the shareholders' meeting;
- 7) To consider, determine, and arrange for the appropriate and reliable accounting and financial reporting system, internal audit, internal control, and risk management to ensure that the operation of the Company is correct, transparent, and auditable under the relevant laws, rules, regulations, and criteria;
- 8) To arrange for the disclosure of various element of the Board of Directors and information regarding the directors such as age, gender, educational background,

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experiences, ratio of the Company's share held, years in office, and directorship in other listed companies in the annual report as well as on the Company's website;

- 9) To arrange for a transparent and clear process with regard to the consideration and nomination of directors in order for the Board of Directors to attain the established requirements in composition;
- 10) To be responsible for and ensure equal and fair treatment of all shareholders and stakeholders, equally and fairly protect and preserve the benefit of all shareholders and stakeholders, and disclose significant information in a complete and timely manner;
- 11) To not conducting business, or be a partner or a director in a business that is of the same nature as and competing with the business of the Company;
- 12) In the case that any directors have a potential conflict of interest with the Company or its subsidiaries (as per the Articles of Association, the laws, and the notification of SET and SEC) on any matter, such director shall not be able to cast a vote on such matter;
- 13) In performing any of their duties or approving any matter which is required by law to receive the approval of the shareholders' meeting, the directors must act as per the resolution of the shareholders' meeting under the criteria and conditions required by law;
- 14) To appoint one or more directors to the position of Vice Chairman of the Board of Directors;
- 15) To appoint directors or executives of the Company to be members of the Executive Committee, which may perform certain tasks in place of the Board of Directors. The performance of such tasks must be within the authority of the Board of Directors, and the authorities of the such appointed person must be clearly defined;
- 16) To appoint sub-committees to support the performance of the Board of Directors' duties. The Board of Directors have the authority to alter the scope of authorities and responsibilities of the sub-committees as necessary when deemed appropriate;
- 17) To appoint one director to hold the position of President, whose duties is as assigned by the Board of Directors. The Board of Directors have the authority to alter the scope of authorities and responsibilities of President as necessary when deemed appropriate and may supervise the work of President to ensure his/her performance of the duties assigned and that the strategies of the Company is being implemented;



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- 18) To support and encourage the innovation of new products and the improvement of existing products in order to generate value to the business while also benefiting the customers and related persons and being responsible to the society and the environment;
- 19) To supervise the stipulation of the executive succession plan, and consider the executives skills development and appropriate remuneration; and
- 20) To monitor the sufficiency of the Company's liquidity and its solvency. In the case that the Board of Directors wishes to empower another to perform such duties in its place, such empowerment shall not be in the nature of power of attorney or substitute power of attorney that allows the attorney-in-fact to approve transactions where he or persons may incur conflict, interest, or conflict of interest (pertaining to the law, Article of Association of the Company, notifications and criteria of SEC and SET) against the Company or subsidiaries unless approval of transactions is made in accordance with the policy and criteria approved by the Board of Directors. In any case, the persons with conflict of interest shall abstain from voting on such agenda.

5.4 Roles, duties, and responsibilities of the Chairman of the Board of Directors

The key roles and responsibilities of Chairman of the Board of Directors are as follows:

- 1) To direct, oversee, and monitor the performance of the Board of Directors duties and responsibilities to ensure its effectiveness in order to achieve the established objectives and goals;
- 2) To chair the meetings of Board of Directors and meetings of shareholders;
- 3) To be the deciding vote in case of equal voting results; and
- 4) To perform other tasks as required by law.

5.5 Meetings of the Board of Directors and sub-committees

1) Meetings of the Board of Directors

The Board of Directors has determined that an ordinary meeting is to be held on a quarterly basis while extraordinary meetings may be held if necessary. Meeting dates for the Board of Directors and the sub-committees for the entire year are to be scheduled in advance and proposed to the meeting of Board of Directors for consideration. All directors are then notified of the approved meeting dates in advance to allow for the directors to properly allocate the time to attend every meeting. With regards to the meeting of Board of Directors, the Chairman or

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assigned persons are to submit the invitation letter along with complete set of meeting documents for each Director at least 7 days prior to the meeting date. In case of any urgent need to protect the rights or benefits of the Company, the meeting dates and schedules may be notified by other methods and may be determined to be earlier than stipulated.

Each meeting of Board of Directors requires at least half of the numbers of all directors to constitute quorum. And there shall be two in three of the Board of Directors has to attend in the Board of Directors' meeting at the time of voting each agenda and the Chairman of the Board of Directors is to chair the meeting. In case the Chairman is absent from the meeting or could not perform the task otherwise, the Vice Chairman is to chair the meeting. If there is no Vice Chairman or the Vice Chairman could not perform the task otherwise, directors are entitled to select a director to chair the meeting.

The Board of Directors has determined that the Company Secretary is to record the minutes of meeting in writing. After the minutes are approved by the Board of Directors, the minutes of meeting are to be stored in a manner that allow for an audit by the directors or any related persons at all time during the normal working hours of the Company.

2) Meetings of the sub-committees

Meetings of sub-committees are scheduled in advance for the entire year while additional meetings may be held as necessary. Minutes of the meetings are to be prepared for each meeting. The numbers of meetings and details of attendance of each Director and sub-committee Director as of 30 September 2021 are summarized below:

Details of meeting attendance of Directors							
Names of the directors	Number of attendance / Number of all meetings						
	Board of Directors Meetings	Audit Committee Meetings	Nomination and Remuneration Committee Meetings	Sustainability and Risk Management Committee Meetings	Corporate Governance Committee Meetings	Executive Committee Meetings	Annual General Meeting of Shareholders
Mr. Somchai Bulsook	6/6	-	-	-	4/4	-	1/1
Mr. Suchin Wanglee	6/6	5/5	2/2	-	-	-	1/1



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Mr. Chotiphat Bijananda	5/6	-	-	-	-	-	1/1
Mr. Thapana Sirivadhanabhakdi	6/6	-	2/2	3/4	-	10/12	1/1
Mr. Ueychai Tantha-obhas	6/6	-	-	-	4/4	12/12	1/1
Prof. Dr. Khunying Suchada Kiranandana	6/6	5/5	-	4/4	-	-	1/1
Prof. Rawat Chamchalerm	6/6	-	-	-	-	-	1/1
Mrs. Siripen Sitasuwan	6/6	5/5	-	4/4	-	-	1/1
Mr. Pramoad Phornprapha	6/6	-	2/2	4/4	4/4	-	1/1
Mr. Sithichai Chaikriangkrai	6/6	-	-	4/4	-	12/12	1/1
Mr. Sakchai Thanaboonthai	6/6	-	-	-	-	-	1/1
Mr. Rangsan Thammaneeuwong	6/6	-	-	-	-	-	1/1
Mr. Dhitivute Bulsook	6/6	-	-	4/4	-	11/12	1/1
Mrs. Tongjai Thanachanan	6/6	-	-	-	-	-	1/1
Mr. Kosit Suksingha	6/6	-	-	4/4	-	12/12	1/1

In the year 2021, the Company held a meeting of Board of Directors (only for non-executive directors), to be in accordance with the good corporate governance, on 11 August 2021.

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5.6 Leadership and vision

The Board of Directors is responsible for the endorsement to the determination of the vision, mission, strategies, goals, business plans, and budget of the Company. The meeting of Board of Directors is scheduled at least once per quarter in order to monitor the performance of the Company and to acknowledge significant actions taken by the management. The Board of Directors put in place mechanism to oversee, monitor, and assess the performance of executives to ensure alignment with the established short-term and long-term goals.

The Board of Directors has determined the vision and mission which are suitable and in alignment with the business operation of the Company and reviews them regularly to ensure that they are in accordance with current situations and economic condition. The vision and mission are disclosed in the Company's website under the "About us" section, subsection "About us", sub-subsection "Vision & Mission". Details of which are as follows:

Vision

"The Manufacturer and distributor of complete range of quality beverage and food products who provide excellent services and good benefit for all stakeholders."

Missions

The Company has vision "fulfil happiness" to produce high quality beverage to consumer in Thailand so as to build growth and sustainability,

Moreover, the group of companies has also determined the "Vision 2025" which consists of the following 8 main strategies:

1. Effective Growth (Growth);
2. Diverse market and products (Diversity);
3. Create brand that resonate with the consumers (Brand);
4. Expanding the reach and strengthening of sales and distribution (Reach);
5. Promote professionalism (Professionalism);
6. Building the ability (Build);
7. Strengthen to be the best (Strengthen); and
8. Unlock the potential (Unlock).



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This vision is the guideline, plan, and long-term business goal of all companies within the group of companies and serve to lead the operation and the setting of business goals of all such companies in the same direction. The vision shall strengthen the companies, allow for effective resource co-management, increase their competitive capability and the ability to generate sustainable returns for the shareholders, as well as creating opportunities for the personnel within the group of companies to improve their capabilities and career opportunities.

5.7 Check and balance of Non-Executive Directors

The Company has determined the policy to organize the structure of the Board of Directors to retain the balance ratio between Independent Directors, Executive Directors, and Non-Executive Directors in order to ensure the check and balance on performance of the Board of Directors.

In addition, the Company also has policy to encourage Non-Executive Directors to hold at least 1 meeting among themselves without the attendance of management or Executive Directors so as to provide an opportunity for the Non-Executive Directors to discuss matters or issues regarding the Company's business operations or other matters as deemed appropriate. The Non-Executive Directors are to select one among them to chair the meeting.

In 2021, the Non-Executive Directors held and attended one meeting without attendance of the management and Executive Directors on 11 August 2021.

5.8 Centralization or segregation of position

The Chairman of the Board of Directors and the President are two separate persons in order to clearly segregate the duties of supervision from the duties of management. The Chairman of the Board of Directors serves as the leader of the Board of Directors for consideration and endorsement of overall policies such as vision, mission, strategies, and corporate governance policies while the President serves as the leader of executives and management and is responsible for the management of the Company in accordance with the policies set forth by the Board of Directors.

5.9 Term of Office

In each Annual General Meeting of Shareholders, one-third of all directors whose terms are the longest shall retire by rotation. If the numbers of directors cannot be divided by three, the most proximate number to one-third shall be referred to instead. In this regard, directors who retire by rotation may be nominated as candidates for re-



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election by the meeting of shareholders, except for independent directors who should not remain in office for more than 3 consecutive terms or a period of 9 years. In the case where any independent director is qualified to hold the position for a longer period, the Board of Directors may consider their independence, appropriateness, and performance efficiency; and clarify its grounds and the director's performance to the shareholder's meeting for consideration to re-elect such independent director who have served for more than 3 consecutive terms or 9 years for another term as an independent director.

Apart from retiring by rotation, a director may leave the office as stipulated by the laws or the Article of Association of the Company. In the case where a director position is vacant due to reasons other than retirement by rotation, the Board of Directors are entitled to select a person who possess required qualifications and are not prohibited by the laws to hold a director position to fill in the vacancy, unless such position has less than 2 months remaining term of office. The newly appointed director shall serve for the remaining term of office of the director who they replace. In this regard, the appointment requires approval of the Board of Directors with the votes of not less than three-fourth of remaining directors.

5.10 Board of Directors assessment

It is the Company's policy to have the Board of Directors assess its own performance. The 3 assessment forms are:

- 1) The Board of Directors self-assessment form; (Group Assessment)
- 2) The Board of Directors self-assessment form; (Individual self-assessment) and
- 3) Each of the sub-committees self-assessment form. (Group Assessment)

The assessment is schedule to take place at least once per year. The assessment criteria are in accordance with the self-assessment form of SET, which consists of the following 4 main subjects:

1. Structure and qualification of the Board of Directors or the sub-committees;
2. Meetings of the Board of Directors or the sub-committees;
3. Roles, duties, and responsibilities of the Board of Directors or the sub-committees;
4. Other businesses

The form was to be used by the directors to assess the performance of the Board of Directors for the year 2016 and onward. For the assessment, the Company's Secretary



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shall deliver both the individual self-assessment form and the group assessment form to each Directors. After the assessment forms are completed, each Directors shall deliver the completed forms to the Company Secretary to be compiled, evaluated for the purpose of performance improvement, and stored as data.

In the year 2021, the Board of Directors and all sub-committees has completed the both the individual self-assessment and the group assessment.

In addition, the Company also has a policy that require the President to assess their performance. The Board of Directors' meeting No. 1/2019-2020, which was held on 20 November 2019, has approved the President self-assessment form and has determined that such assessment shall take place at least once per year. The assessment criteria are in accordance with the self-assessment form of SET, which consists of the following 10 main subjects:

1. Leadership
2. Strategy making
3. Strategy compliance
4. Financial planning and performance
5. Relationship with the Board of Directors
6. Relationship with the outside
7. Management and relationship with personnel
8. Succession
9. Knowledge of products and services
10. Personal characteristics

President shall acknowledge his/her performance assessment from 2019 onwards. For the assessment, the Company's Secretary shall deliver the assessment form to the Non-Executive Directors. After the assessment forms are completed, the Non-Executive Directors shall deliver the completed form to the Company Secretary to be compiled, evaluated for the purpose of performance improvement, and stored as data.

In the Year 2021, non-executive director has assessed the performance of President

5.11 Determination of Director Remuneration

The Board of Directors has put in place the system to consider and determine remuneration of Directors, consisting of proper and auditable procedures to enhance confidence of shareholders.



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In this regard, the Board of Directors has assigned the Nomination and Remuneration Committee to consider all types of remuneration of directors and members of all sub-committees i.e., monthly and lump sum remuneration, attendance fees, bonus, as well as other benefit-in-kind (if any). The matter is then proposed to the Board of Directors to consider the appropriateness of the proposal prior to being proposed to the meeting of shareholders for approval.

All forms of remuneration of directors are determined by the Nomination and Remuneration Committee through benchmarking against peers and businesses of similar sizes. The remuneration shall be appropriate and in alignment with the directors' duties and obligations, performance, and assigned responsibilities. It should also be able to attract directors with proper qualifications and ability to serve the Company or perform their duties to achieve the objects, goals, and business direction of the Company.

5.12 Orientation

The Board of Directors has arranged for the orientation of all new directors in order for them to acknowledge the expectation of the Company with regards to their roles, duties, and responsibility as director, policies and guideline on corporate governance of the Company; to learn more about business, products, business plans, and operations of the Company; and to visit different operations of the Company to ensure they are ready to serve as director of the Company.

5.13 Director development

The Company has policy to encourage and support all directors of the Company to attend seminars and participate in training courses organized by the Thai Institute of Directors Association (IOD), SET, and other independent organizations or agencies to enhance their knowledge, which will benefit their performance.

5.14 Succession plan

The Company prepares and monitors the succession plans for the President and senior executive positions in order to ensure that the Company has executives who are equipped with knowledge, ability, and experience for succession in key positions in the future. Review and reports of the succession plan are made as deemed appropriate. This is to encourage and ensure readiness for senior executives for the purpose of succession in key positions of the Company. The Company arranges for its senior executives to attend Director Certification Program (DCP) or Director Accreditation Program (DAP) organized by the Thai Institute of Directors Association



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(IOD) to build a solid foundation of understanding on criteria for the performance, duties, and responsibilities of a director of listed companies, which enhance their readiness and also benefit executives in their support of the Board of Directors.

5.15 President and high-level executives holding the position of director in other companies

The Company determined that its President and high-level executives may hold the position of director in other companies with which the Company have invested or co-invested in, or upon approval by the Board of Directors, for the benefit of the management so as to be in line with the policies of the Company. In any case, holding the position of director in other companies must not have an effect on the President's and high-level executives' duties and responsibilities to the Company.

5.16 Company Secretary

The Board of Directors has resolved to appoint Mr. Krit Julapanichakum; who possess suitable knowledge and ability, and has attended the training program on the performance of the company secretary's duties as organized by the Thai Institute of Directors Association (IOD); to the position of Company Secretary to perform the duties as stipulated by section 89/15 of the Securities and Exchange Act, which are as follows:

- 1) To be the center of document preparation and storage;
- 2) To create and maintain the director registry;
- 3) To organize shareholders' meetings, prepare and deliver the meeting invitation letter, and prepare the minutes of the shareholders' meetings;
- 4) To report the conflict of interest of directors and executives;
- 5) To coordinate with others to ensure performance as per the resolution of the Board of Directors' meetings;
- 6) To provide advice on various laws and notifications; and
- 7) To perform other tasks as assigned by the Board of Directors.

5.17 Sub-committees

The Board of Directors appointed 5 sub-committees to support on oversight of the Company's operation, namely

- 1) The Executive Committee
- 2) The Audit Committee



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- 3) The Sustainability and Risk Management Committee
- 4) The Nomination and Remuneration Committee, and
- 5) The Corporate Governance Committee.

The compositions, qualifications, meetings, term of office, scope, duties, and responsibility of each sub-committee are established by the Board of Directors as stipulated in the related charter or appointment directive.

In addition; the Board of Directors has determined that details of the structure; compositions; roles; duties; responsibilities; performance; meeting attendance; and the amount of remuneration of the Board of Directors, the sub-committees, and authorized Directors are to be described in the Management Structure section of the 2021 Annual Report (56-1 One Report Form).

5.18 Communication and promotion on compliance with corporate governance and Code of Conduct of the Company

The Board of Directors recognizes the significance of dissemination and promotion of awareness and understanding of all employees in the organization regarding compliance with the corporate governance and Code of Conduct of the Company. This is in order to achieve the objectives and determination on the development and elevation of the corporate governance of the Company. Therefore, the Board of Directors has established the policy to communicate to employees the policy on corporate governance and Code of Conduct of the Company on a regular basis, and arranged for the information to be provided to new employees during their orientation on their first day. Information on the policy on corporate governance and Code of Conduct of the Company are thoroughly communicated through all channels of communication i.e., the announcement board at the main office, plants, and all branches of the Company as well as on the Company's website. Also, activities to promote knowledge and understanding of procedures to monitor compliance with policies and the Code of Conduct of the company have been organized for the purpose of improvement and development of compliance to rules and regulations to ensure that the entire organization operates on common goals.

5.19 Internal control and audit system

The Board of Directors has put in place extensive internal control and audit system for all aspects of the Company's operation so as to ensure that the operations of the Company are in compliance with relevant goals, rules, regulations, and principles. An audit and a check and balance mechanisms are also put in effect to protect and



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oversee the capital of the shareholders and assets of the Company. Approval authority levels was established along with liability of executives and employees. Work regulations were determined in writing and the Internal Audit Department are tasks with conducting audit of all functions of the Company to ensure correct and careful operations in a manner that prevents frauds and corruption while ensuring compliance with related rules, regulations, and principles. The Audit Committee monitors the operation of the Company to ensure that the Company has an effective internal control system and trustworthy financial reporting system through consideration of the direct report from the Internal Audit Department of the Company.

The Company encourages and supports the independence of the Internal Audit Department in order for its check and balance function to be performed at full capacity by having it reporting directly to the Audit Committee. This is to ensure that the operation of the Company is carried out strictly and effectively in compliance with the established guideline. In this regard, the Internal Audit Department works to support the Audit Committee with regards to complaints and leads filed by internal and external parties. In each meeting of the Audit Committee, the head of Internal Audit Department reports on significant findings to the Audit Committee for acknowledgement. In addition, the Audit Committee also submits the report and recommendation thereof to the Board of Directors in order to notify them about any areas where there is opportunity for improvement.

5.20 Risk Management

The Board of Directors recognizes the importance of the management of risks which may incur to the Company. As such, the Risk Management Committee was established. Thereafter, in accordance with the resolution of the Board of Directors Meeting No. 6/2018, which was held on 10 August 2018, the Risk Management Committee was reorganized and renamed the Sustainability and Risk Management Committee as to be more comprehensive in the support of business operation in line with the sustainable approach. The Sustainability and Risk Management Committee consists of director and executives of key functions of the Company to take responsibility in assessment and management of risks of the company. The Sustainability and Risk Management Committee shall discuss to assess the primary, secondary and immaterial risks and makes suggestions on amendments, management or minimization of negative effects from different types of risks. Moreover, the committee monitors the progress to ensure appropriate and continual implementation and prepares related report to be proposed to the Board of Directors on a quarterly basis, which forms part of the 2021 annual report (56-1 One Report Form).



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In this regard, the Board of Directors has established the policy on corporate governance and Code of Conduct of Sermsuk group of companies as guideline for business practice for directors, executives, and employees of the Company. The Board of Directors review and revise the corporate governance principle on a regular basis. Moreover, the Board of Directors has established the Corporate Governance Committee to support the work of the Board of Directors on corporate governance. The Corporate Governance Committee reviews and revises the policy to be adaptable to any possible changes as result of business operation, environment, situations, including changes of rules and regulations. The corporate governance policy has been published on the Company's website in the "About us" section, the "Good Corporate Governance" sub-section, and the Code of Conduct of Sermsuk group of companies has been published on the Company's website in the "About us" section, "About us" subsection, and "Code of Conduct" topic.

On 18 November 2021, the Board of Directors has received a report from the Corporate Governance Committee, which reviewed and assessed the policies and operations concerning corporate governance, the Corporate Governance Code, as well as matters that need to be improved upon and has determined the appropriate operational guideline that suit the nature of the Company's business and culture. In this regard, there are still matters that has yet to comply with the good corporate governance principles, details of which are as follows:

Non-compliance matters	Reasons
1. The free float portion of the Company's share should be higher than 15% of the paid-up capital	The Company is still determined to look for appropriate method to comply with the criteria of SET on the matter of free float share ratio.
2. The Board of Directors should utilize the services of Professional Search Firm or the Director Pool in its search for new directors	The Nomination and Remuneration Committee, the members of which are qualified person, are tasks with considering and nominating candidates for the position of director as per the criteria of the Board of Directors. The Nomination and Remuneration Committee has always been able to nominate candidates with qualifications and experience suited for the position of director.
3. More than 50% of the Board of Directors' member should be independent directors	The Board of Directors consist of experts with diverse qualification, capability and experience. 5 out of 15 directors are independent directors. Although the ratio of independent directors does



Corporate Governance Policy

	not reach 50%, the Board of Directors may still perform its duties of providing policies and supervising the Company very well.
4. The independent directors should not hold the position for more than 3 consecutive terms, or more than 9 years from the first day of assuming office	The Company's has stipulated that its Independent Director may hold the position for the maximum of 3 consecutive terms or more than 9 years. However, in the process of consideration and appointment of new Independent Director, the Board of Directors prioritize on the candidates' independency, suitability and effectiveness and has always provided reasoning behind the nomination to the shareholders during the nomination process. Additionally, all of the Company's Independent Directors possess the qualification and suitability for the position of Independent Directors, despite the fact that some of them held the position for longer than 9 years.
5. The Board of Directors should have a policy to limit the number of listed companies each director may hold the position of director in to the maximum of 5 companies.	Despite the fact that some directors hold the position of director in more than 5 listed companies, all Directors are able to allocate and dedicate their time to perform their respective duties effectively.

6.2 Business Ethics

The Company has been conducted its business ethically under the law, regulations, relevant rules, as well as the Corporate Governance Code, ensuring the stakeholders that its operation is efficient, transparent, and accountable. Therefore, the Company and its subsidiaries had rendered the Business Ethics and shall make sure that all of its Directors, Executive Officers, and Employees are aware of and perform the said ethics for work properly. The Company and its subsidiaries further formulated the Standard Operation Procedure towards all related parties to understandably and precisely implement.

Besides, the Board of Directors perceived the importance of the encouragement to promote awareness, understanding, and cooperation of all related parties in the Company, for the sake of endorsement and strict compliance with the Corporate Governance policy and Business



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Ethics to achieve the objectives and aims to develop and enhance the corporate governance of the Company. Consequently, the Company established the policy disseminating to all of its directors, executives, and employees to be regularly notified by adding the new section about the above policy and procedure in the Orientation Day, together with publicizing in all communication channels such as the public relations board at the Head Quarter, all Plants, and branch offices, and on the website. Additionally, the Company has organized activities to promote the understanding and the system for consistently monitoring the compliance with the above policy and procedure to improve and develop such compliance aiming to be the same approaches and purpose in the Company and its subsidiaries.

The Business Ethics of the Company and its subsidiaries is disclosed on the Company's website under the heading "About Us" subheading "About us", and subheading "Business Ethics" (<http://www.sermsukplc.com/en/about/page/ethics>), and also attached in an attachment 5.

6.3 Significant Changes and Developments in Policies, Procedures, and Corporate Governance Systems in the Past Year.

6.3.1 Significant Changes and Developments concerning Revision of Policies, Procedures, and Corporate Governance Systems in the Past Year.

The Company is determined to develop a Corporate Governance policy following the principles of the Corporate Governance Code for Listed Companies in 2017 with amendments, additions, and improvements to policies, regulations, standard practice manuals, including monitoring the compliance from such developments to increase the efficiency of corporate governance to be accepted and suitable for the Company's business operations. In case the practice in any matter has not been set out as a policy or guideline, or if the policy in any matter is still not in accordance with the operations of the Company, the Board of Directors will arrange the new policies or revise the existing policies to be efficient. In the past, the Company has made significant developments as follows:

- 1) **Internal Audit Charter** has been reviewed and approved by the Audit Committee's Meeting No. 2/2021 dated February 9, 2021.
- 2) **Audit Committee Charter** has been reviewed and approved by the Board of Directors' Meeting No. 4/2021 dated February 10, 2021.
- 3) **Sustainability and Risk Management Committee Charter** has been reviewed and approved by the Board of Directors No. 4/2021 dated February 10, 2021.



Corporate Governance Policy

- 4) **Corporate Governance Committee Charter** has been reviewed and approved by the Board of Directors' Meeting No. 5/2021 dated May 12, 2021.

The Board of Directors' Meeting has considered the composition, the qualification, the term of office, the scope of authority, duty and liabilities, the compensation, the meetings participation, the reporting, and the evaluation for each of the committees.

6.3.2 Other Changes and Developments in accordance with the Corporate Governance Code in the Past Year.

In 2021, the Company has complied with Corporate Governance Code as follows:

1) **Disclose the Business Operation**

The Company presented and summarized the business operation for the year 2021 in Opportunity Day arranged with the Stock Exchange of Thailand (SET) on April 8, 2021.

2) **Set Out a Policy for Directors to Report Stock Trading or Holding Shares of the Company to the Board of Directors' Meeting.**

The Company Secretary reported the securities ownership of the Directors and the executives to the Board of Directors' Meeting No. 5/2564 on May 12, 2021.

3) **Disclose the Director's Development or Training Program Participation (at least 1 director) in Annual Report.**

The Advance Audit Committee Program (AACP) is participated by 2 directors in May and August 2021 respectively.

4) **The Board of Directors' Meeting Reviewed and Approved the Vision, the Mission, and the Strategies of the Company in the Past Fiscal Year.**

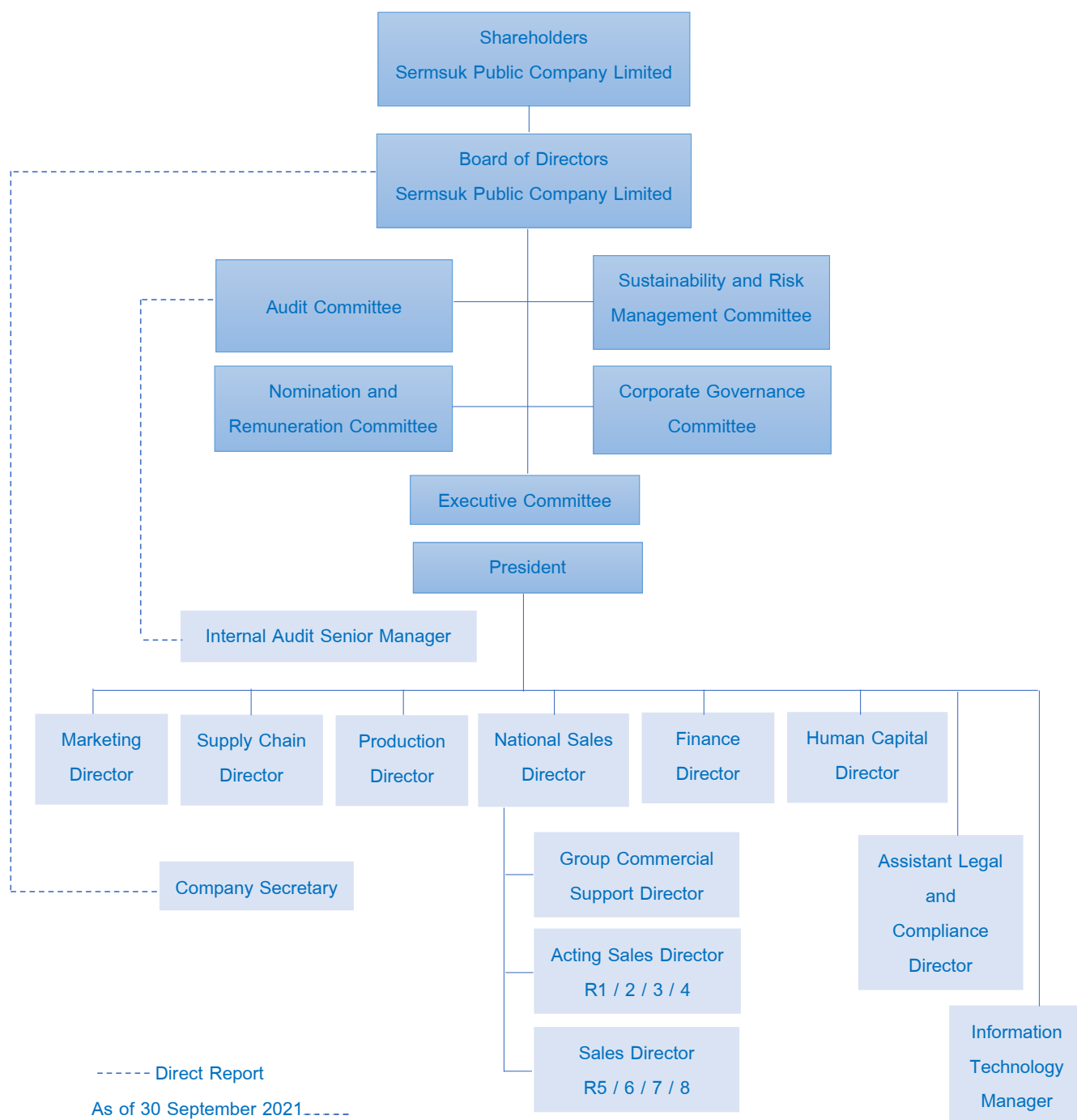
The Board of Directors' Meeting No. 1/2021-2022 dated May 18, 2021 reviewed and approved the Vision, the Mission, and the Strategies of the Company for the year 2021 (October 2020 to September 2021) and the year 2021 (October 2021 to September 2022) sequentially.



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

7. Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

7.1 Governance Organization Structure



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7.2 Board of Director

7.2.1 Composition of the Board

Board of Directors of the Company consists of 15 directors which could be divided into 5 independent directors, 5 executive directors and 5 non-executive directors. Details of the directors are as following table:

	Name ⁽¹⁾	Position
1.	Mr. Somchai Bulsook	Chairman Chairman of Corporate Governance Committee
2.	Mr. Suchin Wanglee	Vice Chairman No.1 Independent Director Chairman of Nomination and Remuneration Committee Member of Audit Committee
3.	Mr. Chotiphat Bijananda	Vice Chairman No.2
4.	Mr. Thapana Sirivadhanabhakdi	Vice Chairman No.3 Chairman of Executive Committee Member of Nomination and Remuneration Committee Member of Sustainability and Risk Management Committee
5.	Mr. Ueychai Tantha-obhas	Vice Chairman No.4 Vice Chairman of Executive Committee No.1 Member of Corporate Governance Committee
6.	Prof. Dr. Khunying Suchada Kiranandana	Independent Director Chairman of Audit Committee Chairman of Sustainability and Risk Management Committee
7.	Prof. Rawat Chamchalerm	Independent Director
8.	Mrs. Siripen Sitasuwan	Independent Director Member of Audit Committee Member of Sustainability and Risk Management Committee

Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

	Name ⁽¹⁾	Position
9.	Mr. Pramoad Phornprapha	Independent Director Member of Corporate Governance Committee Member of Nomination and Remuneration Committee Member of Sustainability and Risk Management Committee
10.	Mr. Sithichai Chaikriangkrai	Director Vice Chairman of Executive Committee No.2 Member of Sustainability and Risk Management Committee
11.	Mr. Sakchai Thanaboonchai	Director
12.	Mr. Rangsan Thammaneeewong	Director
13.	Mr. Dhitivute Bulsook	Director Vice Chairman of Executive Committee No.3 Member of Sustainability and Risk Management Committee
14.	Mrs. Tongjai Thanachanan	Director
15.	Mr. Kosit Suksingha	Director Member of Executive Committee President Member of Sustainability and Risk Management Committee

Remarks:

(1) Mr. Photipong Lamsam was appointed as an Honorary Chairman on January 23, 2017.

Names and Number of Authorized Directors (information as on 18 November 2021)

Any one of the following five directors, Mr. Somchai Bulsook, Mr. Thapana Sirivadhanabhakdi, Mr. Dhitivute Bulsook, Mr. Sakchai Thanaboonchai or Mr. Kosit Suksingha, jointly signs with any one of the following four directors, Mr. Chotiphat Bijananda, Mr. Rangsan Thammaneeewong, Mr. Sithichai Chaikriangkrai or Mr. Ueychai Tantha-obhas, totaling two persons jointly sign with the Company's seal affixed.

Any two of the following nine directors, Mr. Somchai Bulsook, Mr. Thapana Sirivadhanabhakdi, Mr. Dhitivute Bulsook, Mr. Sakchai Thanaboonchai, Mr. Chotiphat Bijananda, Mr. Rangsan Thammaneeewong, Mr. Sithichai Chaikriangkrai, Mr. Kosit Suksingha, or Mr. Ueychai Tantha-obhas, jointly sign with the Company's seal affixed on the application or the submission of documents to the Revenue Department, Customs Department, Department of Business Development of the Ministry of Commerce, Office of



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

Foreign Workers Administration, Immigration Bureau, Department of Skill Development, Ministry of Industry, Ministry of Public Health, and other government authorities which relate to the submission of tax report, import and export documents and amendment of document concerning company registration, applications of extension for visa and work permit, and business licenses.

7.2.2 Roles, duties, and responsibilities of the Board of Directors

The Board of Directors must perform its duties with honesty and caution, using its members' knowledge and experience for the utmost benefit of the shareholders, stakeholders, customers, and the society overall, and for the stable and sustainable growth of the Company. The Board of Directors' significant duties and responsibilities are as follows:

- 1) To determine the appropriate direction, goals, and business policy of the Company in accordance with the current situation;
- 2) To delegate part of its duties and responsibilities to the relevant sub-committees, the executives, and the management under the framework of the laws, objectives of the Company, the Articles of Association, the resolution of the Board of Directors' meetings, and the resolution of the shareholders' meetings;
- 3) To provide advice and supervise the operation of the Company to ensure that its operation is in compliance with the laws, the objectives of the Company, the Articles of Association, the resolution of the Board of Directors' meetings, and the resolution of the shareholders' meetings;
- 4) To consider the suitability of, advise, determine, and approve the visions and strategies of the Company;
- 5) To monitor the compliance with the strategies of the Company; as well as monitor and supervise the management and operation of the Company to ensure that it is in line with the established policies, strategies, plans, and goals in a consistent and effective manner;
- 6) To monitor and supervise the operation of the Company to ensure that it is in compliance with the laws, rules, regulations, criteria, and the resolution of the shareholders' meeting;
- 7) To consider, determine, and arrange for the appropriate and reliable accounting and financial reporting system, internal audit, internal control, and risk management to ensure that the operation of the Company is correct, transparent, and auditable under the relevant laws, rules, regulations, and criteria;

Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

- 8) To arrange for the disclosure of various element of the Board of Directors and information regarding the directors such as age, gender, educational background, experiences, ratio of the Company's share held, years in office, and directorship in other listed companies in the annual report as well as on the Company's website;
- 9) To arrange for a transparent and clear process with regard to the consideration and nomination of directors in order for the Board of Directors to attain the established requirements in composition;
- 10) To be responsible for and ensure equal and fair treatment of all shareholders and stakeholders, equally and fairly protect and preserve the benefit of all shareholders and stakeholders, and disclose significant information in a complete and timely manner;
- 11) To not conducting business, or be a partner or a director in a business that is of the same nature as and competing with the business of the Company;
- 12) In the case that any directors have a potential conflict of interest with the Company or its subsidiaries (as per the Articles of Association, the laws, and the notification of SET and SEC) on any matter, such director shall not be able to cast a vote on such matter;
- 13) In performing any of their duties or approving any matter which is required by law to receive the approval of the shareholders' meeting, the directors must act as per the resolution of the shareholders' meeting under the criteria and conditions required by law;
- 14) To appoint one or more directors to the position of Vice Chairman of the Board of Directors;
- 15) To appoint directors or executives of the Company to be members of the Executive Committee, which may perform certain tasks in place of the Board of Directors. The performance of such tasks must be within the authority of the Board of Directors, and the authorities of the such appointed person must be clearly defined;
- 16) To appoint sub-committees to support the performance of the Board of Directors' duties. The Board of Directors have the authority to alter the scope of authorities and responsibilities of the sub-committees as necessary when deemed appropriate;
- 17) To appoint one director to hold the position of President, whose duties is as assigned by the Board of Directors. The Board of Directors have the authority to alter the scope of authorities and responsibilities of President as necessary when deemed appropriate and may supervise the work of President to ensure his/her performance of the duties assigned and that the strategies of the Company is being implemented;



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

- 18) To support and encourage the innovation of new products and the improvement of existing products in order to generate value to the business while also benefiting the customers and related persons and being responsible to the society and the environment;
- 19) To supervise the stipulation of the executive succession plan, and consider the executives skills development and appropriate remuneration; and
- 20) To monitor the sufficiency of the Company's liquidity and its solvency. In the case that the Board of Directors wishes to empower another to perform such duties in its place, such empowerment shall not be in the nature of power of attorney or substitute power of attorney that allows the attorney-in-fact to approve transactions where he or persons may incur conflict, interest, or conflict of interest (pertaining to the law, Article of Association of the Company, notifications and criteria of SEC and SET) against the Company or subsidiaries unless approval of transactions is made in accordance with the policy and criteria approved by the Board of Directors. In any case, the persons with conflict of interest shall abstain from voting on such agenda.

7.2.3 Role and Responsibility of President

- 1) Manage the Company's business under the policies, laws, objectives, Article of Association of the Company, resolution of shareholder, Board of Directors and Executive Committee's meeting.
- 2) Perform any duties and responsibilities of the Board of Directors in accordance with the relevant laws and regulations including other matters necessities to accomplish the company's business.
- 3) Report business performance including other necessary matters as it may deem appropriate to the shareholders, Board of Directors, Executive committee and other relevant meeting held by the Company.
- 4) Assign the Power of Attorney or delegate specific tasks to other persons as may deem appropriate.
- 5) Perform other business assigned by Board of Director, Executive committee and/or other sub-committee.

Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

7.3 Sub-Committees

Executive Committee

The board has approved the forming of the Executive Committee that consists of 6 members as follows:

- | | |
|----------------------------------|---|
| 1. Mr. Thapana Sirivadhanabhakdi | Chairman |
| 2. Mr. Ueychai Tantha-obhas | Vice Chairman of Executive Committee No.1 |
| 3. Mr. Sithichai Chaikriangkrai | Vice Chairman of Executive Committee No.2 |
| 4. Mr. Dhitivute Bulsook | Vice Chairman of Executive Committee No.3 |
| 5. Mr. Kosit Suksingha | Member |
| 6. Mr. Phromson Ayanaputra | Member |

The Executive Committee is responsible for

1. To implement the board's policy that is in accordance with laws, rules and regulations, except the items that legally require prior approval by the shareholders' meeting.
2. To prepare, propose and define the Company's business policy and strategy to the Company's Board of Directors
3. To determine the Company's business plan, management authority, annual business budget and annual expenditure budget in order to propose to the board for approval and following the Company's business plan and strategy in compliance with the policies and business directions as informed to the Company's Board of Directors.
4. To manage and supervise the business performance of the Company and its subsidiary companies in accordance with business policy, target, action plan, business strategy, budget, and managerial authorization as per the approval of the Board of Directors to be efficient and proper to business status.
5. To perform and conduct general business management of the Company, including all detail regarding to recruitment, training, employment, dismissal of all employees, except for the position of the President and higher positions.
6. To approve of business transaction and other activities of the Company and its subsidiary companies as follows:

1. Approve (in principle) subsidiaries' annual budget

The authorization matrix of the Company and subsidiaries are subject to the following conditions



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

- 1) The Executive Committees is authorized for payment approval of the purchasing of main raw material not exceeding 2,000,000,000 Baht (Two Billion Baht) per time.
- 2) The Executive Committees is authorized for payment approval of Purchasing, not including the purchasing of main raw material, not exceeding Baht 200,000,000 (Two-Hundred Million Baht) per time, or equivalent, or in accordance with the authorization from the Board of Directors. Except for asset write off, in such case the Executive Committees is authorized to approve for write off not exceeding Baht 50,000,000 (Fifty Million Baht) per time, and except entertainment, charity expenses, and advertisement material which the Executive Committees is authorized for payment approval not exceeding Baht 3,000,000 (Three Million Baht) per time.
2. To approve payment as per instruction of the Board of Directors.
3. To perform other business as appointed by the Board of Directors.

The aforementioned authorization for approval shall not apply for any transaction which the Executive Committees or its authorized representative approved their own or any person who may, directly or indirectly, have conflict of interest (in accordance with articles of association and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand) with the Company or its subsidiary companies, except such approval has been done under approved policy and regulation of the Board of Directors. Any members of Executive Committee who may, directly or indirectly, have interest in such affair shall be prohibited from voting in such affair and the Board of Directors has the power to change the scope of power of the Executive Committees as necessary or as appropriate.

For the year period ended 30 September 2021, there were 12 meetings for the Executive Committee.

Audit Committee

The board has approved the forming of the Audit Committee that consists of 3 members as follows:

1. Prof. Dr. Khunying Suchada Kiranandana Chairman
2. Mr. Suchin Wanglee Director
3. Mrs. Siripen Sitasuwan Director

The Audit Committee is responsible for the oversight and report the opinion related to internal control of the Company whether they are in compliance with rules and regulations regulated by the Securities and Exchange Commission and Stock Exchange of Thailand, or related laws.

Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

The Audit Committee also reviews the Company's Internal Audit operations as well as considers and recommends the appointment of the Company's external auditors proposed to shareholders, considers appropriate of the disclosure of financial statement. The Audit Committee also renders the Audit Committee Report to summarize the completion of the activities assigned by the Board of Directors.

For the year ended 30 September 2021, there were 4 regular and 1 special Audit Committee Meetings. The meetings were held to review and examine the operations of the Company and its subsidiaries. The areas of review were the sufficiency and effectiveness of the internal control system, internal audit plan, audit report, while monitoring amendments made based on comments made and proposing solutions to significant issues as featured in the audit report. The meetings also facilitated proper risk management and reviewed quarterly and annual financial statements, together with the management as well as external and internal auditors. The emphasis was on the correctness of the balance sheet, its compliance with Generally Accepted Accounting Principles, sufficient disclosure of the financial statements, comments on related party transactions, or transactions that would cause a conflict of interest, reviews of operations to ensure compliance with relevant laws.

The reviews of operations include the effective systems of internal control and internal audit and independency of the internal audit department as well as reviews of appointing, transferring and, dismissing the head of internal audit department or other departments involved in the processes of internal audit, recruitment, appointment, compensation, and demotion of the external auditors.

The Audit Chairman, Professor Dr. Khunying Suchada Kiranandana, Mr. Suchin Wanglee and Mrs Siripen Sitasuwan have extensive expertise and experience in reviewing the Company's financial statements.

Sustainability and Risk Management Committee

The board has approved the forming of the Sustainability and Risk Management Committee that consists of 7 members as follows:

- | | |
|---|----------|
| 1. Prof. Dr. Khunying Suchada Kiranandana | Chairman |
| 2. Mr. Thapana Sirivadhanabhakdi | Member |
| 3. Mr. Sithichai Chaikriangkrai | Member |
| 4. Mr. Dhitivute Bulsook | Member |
| 5. Mrs. Siripen Sitasuwan | Member |
| 6. Mr. Pramoad Phornprapha | Member |
| 7. Mr. Kosit Suksingha | Member |



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

The Sustainability and Risk Management Committee also includes 6 members by positions including Finance Director, Human Capital Director, National Sales Director, Marketing Director, Production Director and Supply Chain Director.

The Sustainability and Risk Management Committee is responsible for determining the strategy, policy and objectives to manage risk for the entire Company and to provide guidelines for the Management of the Company to undertake more efficient risk management in the same direction and develop the Integrated Risk Management principles for all major risk factors facing the Company including business risk and operational risk.

For the year period ended 30 September 2021, there were 4 meetings for the Sustainability and Risk Management Committee were held.

Nomination and Remuneration Committee

The board has approved the forming of the Nomination and Remuneration Committee that consists of 3 members as follows:

- | | |
|----------------------------------|----------|
| 1. Mr. Suchin Wanglee | Chairman |
| 2. Mr. Thapana Sirivadhanabhakdi | Director |
| 3. Mr. Pramoad Phornprapha | Director |

The significant duties and responsibilities of the Nomination and Remuneration Committee are as follows:

- To consider, recommend, and provide advice to the Board of Director regarding the composition, term of office, the qualification, the appointment, the removal of directors and committee members, as well as the structure of all committees;
- To consider and recommend qualified persons for the position of director;
- To propose to the Board of Directors a list of persons to be considered and nominated by the meeting of shareholders to the position of director each year; and
- To recommend the appropriate remuneration of the chairman and the directors of the Board of Directors, including:
 - To consider the payment of any bonus for the Board of Directors; and
 - To consider the annual, quarterly, monthly remuneration, as well as the meeting allowance of directors.

For the year period ended 30 September 2021, there were 2 meetings for the Nomination and Remuneration Committee convened.



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

Corporate Governance Committee

The board has approved the forming of the Corporate Governance Committee that consists of 3 members as follows:

- | | |
|-----------------------------|----------|
| 1. Mr. Somchai Bulsook | Chairman |
| 2. Mr. Ueychai Tantha-obhas | Director |
| 3. Mr. Pramoad Phornprapha | Director |

The significant duties and responsibilities of the Corporate Governance Committee are as follows:

- To develop and recommend to the Board of Directors the Corporate Governance principles relating to the Company on a yearly basis;
- To monitor and ensure that the Company comply with the Corporate Governance principles, including manage and provide recommendation regarding corporate governance; and
- To consult independent experts on the duties and responsibilities of the Corporate Governance Committee, as necessary, the cost of which to be paid for by the Company.

7.4 The Company Executives

7.4.1 The names and positions of the Company's Executives.

The 10 executives of the Company are as follows (information as of 18 November 2021):

	Names	Positions
1.	Mr. Kosit Suksingha	President
2.	Mrs. Prangnee Chaipidej	Marketing Director
3.	Mr. Thepsiri Phengtieng ⁽¹⁾	Supply Chain Director
4.	Mr. Thanee Pornphisutsak	Production Director
5.	Mr. Kwanchai Mahapornprachak	National Sales Director
6.	Ms. Rewadee Chaihetphon	Finance Director
7.	Mr. Nitipat Putthong	Human Capital Director
8.	Mr. Pongwit Sumethmethachai	Group Commercial Support Director
9.	Mr. Thosaphol Maneerat	Acting Sales Director R1 / R2 / R3 / R4
10.	Mr. Vinij Thawilpaibul	Sales Director R5 / R6 / R7 / R8

Remarks:

(1) Mr. Thepsiri Phengtieng was appointed as Supply Chain Director on 1 January 2021.



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

Share ownership of the Board of Directors and the Executives including spouse and minor child

	Name	Ordinary Shares		
		30 Sep. 2021	30 Sep. 2020	Increase (Decrease)
1.	Mr. Somchai Bulsook	-	-	-
	Spouse and minor child	-	-	-
2.	Mr. Suchin Wanglee	-	-	-
	Spouse and minor child	-	-	-
3.	Mr. Chotiphat Bijananda	-	-	-
	Spouse and minor child	-	-	-
4.	Mr. Thapana Sirivadhanabhakdi	-	-	-
	Spouse and minor child	-	-	-
5.	Mr. Ueychai Tantha-obhas	-	-	-
	Spouse and minor child	-	-	-
6.	Prof. Dr. Khunying Suchada Kiranandana	-	-	-
	Spouse and minor child	-	-	-
7.	Prof. Rawat Chamchalerm	-	-	-
	Spouse and minor child	-	-	-
8.	Mrs. Siripen Sitasuwan	-	-	-
	Spouse and minor child	-	-	-
9.	Mr. Pramoad Phornprapha	-	-	-
	Spouse and minor child	-	-	-
10.	Mr. Sithichai Chaikriangkrai	-	-	-
	Spouse and minor child	-	-	-
11.	Mr. Sakchai Thanaboonchai	-	-	-

Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

	Name	Ordinary Shares		
		30 Sep. 2021	30 Sep. 2020	Increase (Decrease)
	Spouse and minor child	-	-	-
12.	Mr. Rangsan Thammanee Wong	-	-	-
	Spouse and minor child	-	-	-
13.	Mr. Dhitivute Bulsook	-	-	-
	Spouse and minor child	-	-	-
14.	Mrs. Tongjai Thanachanan	-	-	-
	Spouse and minor child	-	-	-
15.	Mr. Kosit Suksingha	-	-	-
	Spouse and minor child	-	-	-
16.	Mr. Phromson Ayanaputra	-	-	-
	Spouse and minor child	-	-	-
17.	Mrs. Prangnee Chaipidej	-	-	-
	Spouse and minor child	-	-	-
18.	Mr. Thepsiri Phengtieng	-	-	-
	Spouse and minor child	-	-	-
19.	Mr. Thanee Pornphisutsak	-	-	-
	Spouse and minor child	-	-	-
20.	Mr. Kwanchai Mahapornprachak	-	-	-
	Spouse and minor child	-	-	-
21.	Ms. Rewadee Chaihetphon	-	-	-
	Spouse and minor child	-	-	-
22.	Mr. Nitipat Putthong	-	-	-



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

	Name	Ordinary Shares		
		30 Sep. 2021	30 Sep. 2020	Increase (Decrease)
	Spouse and minor child	-	-	-
23.	Mr. Pongwit Sumethmethachai	-	-	-
	Spouse and minor child	-	-	-
24.	Mr. Thosaphol Maneerat	-	-	-
	Spouse and minor child	-	-	-
25.	Mr. Vinij Thawilpaibul	-	-	-
	Spouse and minor child	-	-	-

Remarks:

(1) Mr. Thepsiri Phengtieng was appointed as Supply Chain Director on 1 January 2021.

Training of Directorial Program, Thai Institute of Directors or other institution.

	ชื่อ-นามสกุล	Directors Certification Program (DCP)	Directors Accreditation Program (DAP)	Audit Committee Program (ACP)	อื่น ๆ
1.	Mr. Somchai Bulsook	-	-	-	-
2.	Mr. Suchin Wanglee	-	-	-	-
3.	Mr. Chotiphat Bijananda	-	-	-	-
4.	Mr. Thapana Sirivadhanabhakdi	-	-	-	-
5.	Mr. Ueychai Tantha-obhas	-	-	-	-
6.	Prof. Dr. Khunying Suchada Kiranandana	-	-	-	Advanced Audit Committee program No.40/2021
7.	Prof. Rawat Chamchalerm	-	-	-	-
8.	Mrs. Siripen Sitasuwan	-	-	-	-
9.	Mr. Pramoad Phornprapha	-	-	-	Advanced Audit

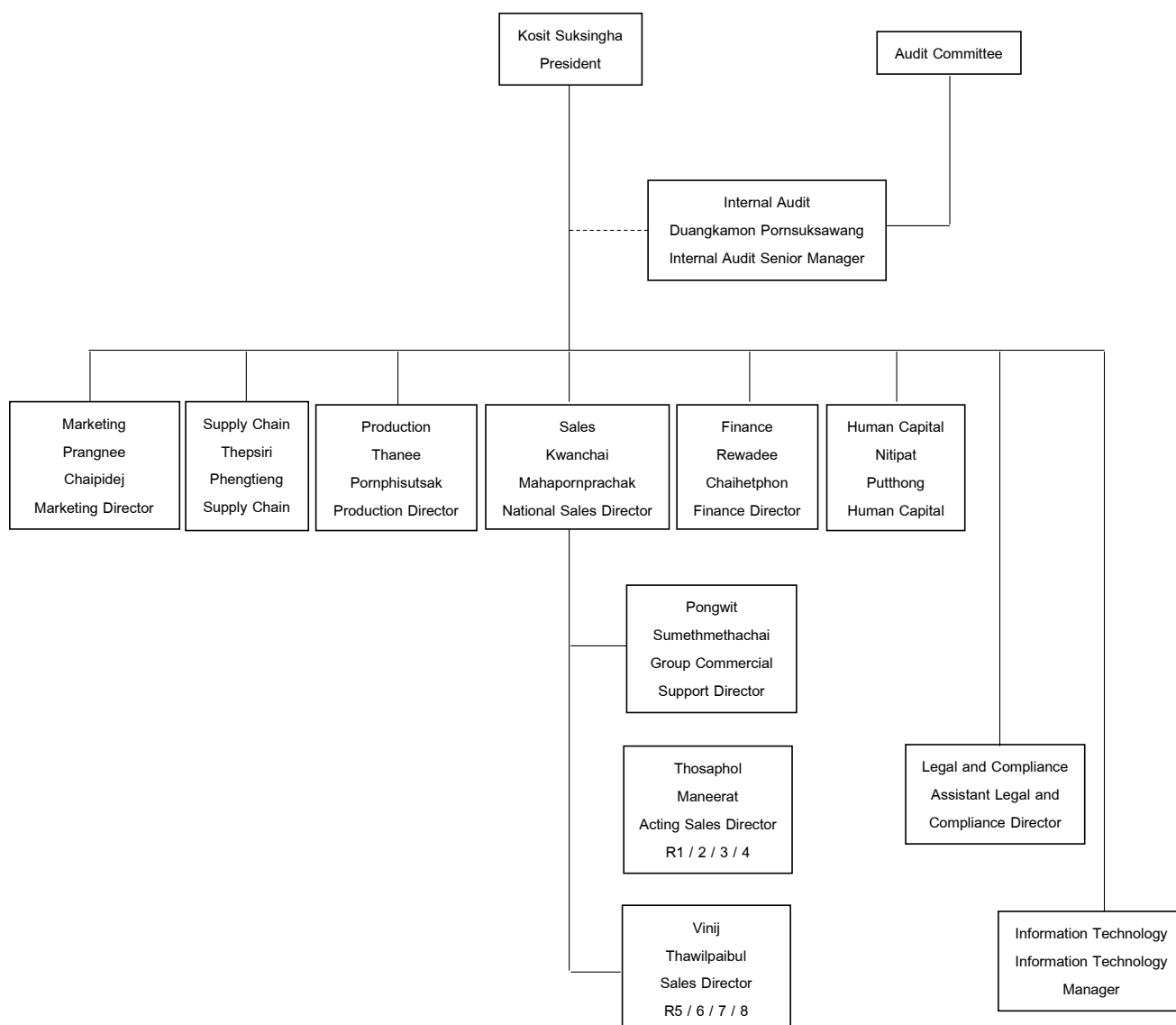
Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

	ชื่อ-นามสกุล	Directors Certification Program (DCP)	Directors Accreditation Program (DAP)	Audit Committee Program (ACP)	อื่น ๆ
					Committee program No. 41/2021
10.	Mr. Sithichai Chaikriangkrai	-	-	-	-
11.	Mr. Sakchai Thanaboonthai	-	-	-	-
12.	Mr. Rangsan Thammaneeuwong	-	-	-	-
13.	Mr. Dhitivute Bulsook	-	-	-	-
14.	Mrs. Tongjai Thanachanan	-	-	-	-
15.	Mr. Kosit Suksingha	-	-	-	-



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

Management Structure of Sermsuk Public Company Limited



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

7.4.2 Executive Committee and Executives Remuneration policy

Nomination and Remuneration Committee had surveyed remuneration of directors of the Company and directors of sub-committees from January to December 2021 by considering his/her responsibility, performance, growth of business, and information compared with other companies, having similar size and industry as well as the source of information from Thai Institute of Directors.

7.4.3 Directors and Executive's Fees and Remuneration

A. Directors Fees

The directors' fees include the annual fee, meeting allowance and directors' bonus subject to the approval of the Shareholders' Meeting. They are as follows:

Remuneration	2021		2020	
	No. of Directors and Sub-committees' members	Total Amount (Baht)	No. of Directors and Sub-committees' members	Total Amount (Baht)
Annual Fee	15	2,160,000	15	2,160,000
Meeting Allowance		1,410,000		1,730,000
Directors' bonus		4,000,000		-
Total	15	7,570,000	15	3,890,000



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

Directors and director in the Subcommittees	2021 (Proposed Year)		2020 (Preceding Year)	
	Annual	Meeting Allowance per meeting	Annual	Meeting Allowance per meeting
1. Board of Directors				
• Chairman	240,000	40,000	240,000	40,000
• Vice Chairman	180,000	30,000	180,000	30,000
• Directors	120,000	20,000	120,000	20,000
2. Executive Committee				
• Chairman	80,000	25,000	80,000	25,000
• Vice Chairman	60,000	20,000	60,000	20,000
• Members	40,000	15,000	40,000	15,000
3. Sub-committees				
3.1 Audit Committee				
• Chairman	160,000	50,000	160,000	50,000
• Members	80,000	25,000	80,000	25,000
3.2 Nomination and Remuneration Committee				
• Chairman	80,000	25,000	80,000	25,000
• Members	40,000	15,000	40,000	15,000
3.3 Sustainability and Risk Management Committee				
• Chairman	80,000	25,000	80,000	25,000
• Vice Chairman	60,000	20,000	60,000	20,000
• Members	40,000	15,000	40,000	15,000
3.4 Corporate Governance Committee				
• Chairman	80,000	25,000	80,000	25,000
• Members	40,000	15,000	40,000	15,000
4. Bonus	4,000,000		-	
5. Other remunerations	Nil		Nil	

Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

Detail of directors' remuneration for 2021 (For the year period ended 30 September 2021)

Names	Positions	Remuneration (Baht)								Total
		Annual Fee	Meeting Allowance	Bonus	Audit Committee	Nomination and Remuneration Committee	Sustainability and Risk Management Committee	Corporate Governance Committee	Executive Committee	
Mr. Somchai Bulsook	Chairman Chairman of Corporate Governance Committee	240,000	240,000	300,000	-	-	-	180,000	-	960,000
Mr. Suchin Wanglee	Vice Chairman No. 1 and Independent Director Chairman of Nomination and Remuneration Committee Member of Audit Committee	180,000	180,000	279,300	205,000	130,000	-	-	-	974,300
Mr. Chotiphat Bijananda	Vice Chairman No. 2	180,000	150,000	206,900	-	-	-	-	-	536,900
Mr. Thapana Sirivadhanabhakdi	Vice Chairman No. 3 Member of Nomination and Remuneration Committee Member of Sustainability and Risk Management Committee	180,000	180,000	334,600	-	70,000	85,000	-	330,000	1,179,600
Mr. Ueychai Tantha-obhas	Chairman of Executive Committee Vice Chairman No. 4 Member of Corporate Governance Committee Vice Chairman No. 1 of Executive Committee	180,000	180,000	306,000	-	-	-	100,000	300,000	1,066,000
Prof. Dr. Khunying Suchada Kiranandana	Independent Director Chairman of Audit Committee Chairman of Sustainability and Risk Management Committee	120,000	120,000	300,000	410,000	-	180,000	-	-	1,130,000
Prof. Rawat Chamchaleem	Independent Director	120,000	120,000	206,900	-	-	-	-	-	446,900
Mrs. Siripen Sitasuwan	Independent Director Member of Audit Committee Member of Sustainability and Risk Management Committee	120,000	120,000	258,600	205,000	-	100,000	-	-	803,600

Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

Names	Positions	Remuneration (Baht)								Total
		Annual Fee	Meeting Allowance	Bonus	Audit Committee	Nomination and Remuneration Committee	Sustainability and Risk Management Committee	Corporate Governance Committee	Executive Committee	
Mr. Pramoad Phomprapha	Independent Director Member of Corporate Governance Committee Member of Nomination and Remuneration Committee Member of Sustainability and Risk Management Committee	120,000	120,000	269,000	-	70,000	100,000	100,000	-	779,000
Mr. Sithichai Chaikriangkrai	Director Member of Sustainability and Risk Management Committee Vice Chairman No. 2 of Executive Committee	120,000	120,000	306,000	-	-	100,000	-	300,000	946,000
Mr. Sakchai Thanaboonchai	Director	120,000	120,000	206,900	-	-	-	-	-	446,900
Mr. Rangsan Thammaneeewong	Director	120,000	120,000	206,900	-	-	-	-	-	446,900
Mr. Dhitiwute Bulsook	Director Member of Sustainability and Risk Management Committee Vice Chairman No. 3 of Executive Committee	120,000	120,000	306,000	-	-	100,000	-	280,000	926,000
Mrs. Tongjai Thanachanan	Director	120,000	120,000	206,900	-	-	-	-	-	446,900
Mr. Kosit Suksingha	Director President Member of Sustainability and Risk Management Committee Member of Executive Committee	120,000	120,000	-	-	-	100,000	-	220,000	560,000
Mr. Lester Tan Teck Chuan ⁽¹⁾				306,000						306,000
										11,955,000

Remark (1) on 11 August 2019, Mr. Lester Tan Teck Chuan resigned from the positions of President, Member of Sustainability and Risk Management and Member of Executive Committee.

Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

B. Executive Remuneration

Remuneration	2021		2020	
	No. of Executives	Total Amount (Baht)	No. of Executives	Total Amount (Baht)
Salary	10	30,361,326.91	10	41,109,386.00
Remuneration/Bonus		7,048,832.54		7,433,297.15
Total		37,410,159.45		48,542,683.15

Other Compensation

Provident Fund

Remuneration	2021		2020	
	No. of Executives	Total Amount (Baht)	No. of Executives	Total Amount (Baht)
Provident Fund	10	568,137.60	10	1,183,468.00
Total		568,137.60		1,183,468.00

7.5 Personnel

For the year ended 30 September 2021, Sermsuk Public Company Limited had a total of 5,763 registered employees. The total employee cost paid by the Company last year was Baht 2,003 million. Numbers of personnel in each function were as follows:

Department	Permanent Employees	Temporary Employees	Total
Production	806	4	810
Corporate Support	336	2	338
Supply Chain	390	2	392
Sales and Group Commercial Support	3,802	421	4,223
Total	5,334	429	5,763



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

The number of employees by gender is as follows:

Divided by Sex	Permanent Employees		Temporary Employees		Total Number of Employees	
	Number of Employee	Divided by Sex (%)	Number of Employee	Divided by Sex (%)	Number of Employee	Divided by Sex (%)
Male	4,733	89%	428	99.87%	5,161	89%
Female	601	11%	1	0.03%	602	11%
Total	5,334	100%	429	100%	5,763	100%

7.5.1 Compensation and Benefits Policy

Realizing that employees are valuable that can propel the Company grow and achieve the established goals, the Company stresses the importance of the compensation policy welfare of employees by offering an attractive compensation and benefit packages to enable the Company to attract, motivate, and retain high-potential employees.

Compensation Guidelines

The Company periodically reviews its compensation plan to ensure that it offers a competitive salary comparable to other companies in the same industry. The Company also works to ascertain that its compensation plan aligns with those of other subsidiaries. Care is also taken so that each employee is paid fairly according to his/her abilities without discrimination, providing equitable opportunities for employees. To encourage employees, the Company offers employee compensation commensurate with their performance in the forms of salary, bonus, overtime pay, and other benefits, enabling them to have opportunities for career advancement and to help propel the Company to achieve sustainable growth.

Employee Benefits

The Company offers various benefits for employees and is dedicated to promoting the health and well-being of employees in the workplace as follows:

1. Constantly improving the workplace to maintain clean, safe, and pleasant work environment.
2. Providing learning and training opportunities as a means to enhance their skills, capabilities and ongoing self-development.
3. Offering health benefits that include the reimbursement for out-patient and in-patient healthcare expenses as well as annual health checks.

Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

4. Providing transportation to and from work for employees as well as on-site healthcare facilities (for the Plants).
5. Providing several welfare funds including provident fund, workmen compensation fund, social security fund and funeral assistance fund.

7.5.2 Safety, Occupational Health, and Working Environment Policy

To realize the safety, occupational health, and working environment policy, the Company has carried out the following measures:

1. Complying strictly with relevant laws, rules, and regulations on safety, occupational health, and working environment.
2. Stipulating that health and safety execution be the responsibility of all employees, contractors, and those participating in the Company's activities to ensure life and property are safe & sound.
3. Achieving the objectives and goals related to safety, occupational health, and working environment.
4. Providing adequate tools, devices, and needed resources to enhance the efficiency in safety, occupational health, and working environment management.
5. Regularly monitoring, assessing, and improving safety, occupational health, and working environment management to ensure utmost efficiency.

7.5.3 Labor Disputes

During the past 3 fiscal years, 1 October 2018 to 30 September 2021, details of labor disputes of the Company are as follows:

1. 45 employees had filed a lawsuit against the Company on the ground of unfair dismissal in the approximately amount of 46.99 million Baht. At present, the case has already finished as the Company won the case in the Supreme Court
2. 5 employees had filed a lawsuit against the Company on the ground of unfair dismissal in the approximate amount of 9 million Baht. At present, the case has already finished as the Company won the case in the Appellate Court and the Supreme Court denied the employees' petition.
3. An employee of the Company had filed a lawsuit against the Company on the ground of unfair dismissal in the approximately amount of 1.9 million baht. Afterwards, the case has been withdrawn by the said employee from the Court of First Instance.
4. An employee of the Company had filed a lawsuit against the Company on the ground of unfair dismissal in the approximately amount of 6.68 million baht. The Company won the case in the Court of First Instance and no appeal lodged.



Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

7.5.4 Provident Fund

In 2021, the Company has total 5,334 permanent employees. All of whom have been registered the Company provident fund.

7.6 Other significant information

7.6.1 Delegated Personnel

1. Company Secretary

Board of Directors has a meeting resolution to appoint Mr. Krit Julapanichakum who has an ability and training experience, Company Secretary Program from Thai Institute of Directors (IOD) to act as company secretary in accordance with Securities and Exchange Act B.E. 2535, section 89/15 as follows:

- 1) Center of document retention
- 2) Render record of directors
- 3) Arrange the meetings for the boards of directors and shareholders
- 4) Report the interested of directors and executives
- 5) Work with internal sections to ensure the compliance of Shareholder Meetings' resolutions
- 6) Render regulations advice and other information on related laws and regulations
- 7) Undertake other duties as assigned by Board of Directors

2. The person responsible for monitoring the accounting related tasks

Mrs. Panida Suesakulchockchai, the person who has been appointed to supervise accounting is an accountant who has qualifications in accordance with Notification of Department of Business Development.

Additional details of the person supervising accounting appears executives appeared in attachment 1, information of executives.

3. Head of Internal Audit

Miss Duangkamon Pornsuksawang the person who has been appointed as Senior Internal Audit manager of the Company, to perform the operational control in accordance with international standard and internal audit profession.

The intention of internal audit is the transparency of business operation under cooperate governance, accuracy and reliable management as well as enhance efficiency of internal control of the Company.

The qualification of the chief of internal audit appears in the attachment 3.

Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

4. Head of Compliance

The Company has appointed Mr. Krit Julapanichakum to be Head of Compliance. His responsibilities are to monitor and render opinions to internal departments so as business operations of the Company in compliance with relevant regulations.

7.6.2 Investor Relations

The Company has appointed Miss Sorada Lipatasuwan to be Investor Relations, located at 90 CW Tower, 31st- 32nd Floor, Ratchadapisek Road, Huai Khwang Sub-District, Huai Kwang District, Bangkok 10310. Telephone number 0-2783-9000

E-mail: InvestorRelations@Sermasukplc.com

7.6.3 Audit Fee

The Company and its subsidiaries engaged KPMG Phoomchai Audit Limited to be the Company's audit for the fiscal year end 30 September 2021. Details of Audit Fee are as following table.

Audit Fee

Number	The Company and its Subsidiaries	Audit Fee
1	Sermasuk Public Company Limited	1,700,000 Baht
2	Sermasuk Beverage Company Limited	704,000 Baht
3	Sermasuk Holdings Company Limited	97,500 Baht
4	Sermasuk Training Company Limited	147,000 Baht
5	Wrangyer Beverage (2008) Company Limited	685,300 Baht
6	Great Brands Limited	24,000 Hong Kong Dollar
Total Audit Fee		3,333,800 Baht 24,000 Hong Kong Dollar

Other Non-audit Fee

- None -



Report on the Performance of Corporate Governance

8. Report on the Performance of Corporate Governance

8.1. The Corporate Governance on the Subsidiaries and Affiliates

The Board of Directors has designated governance mechanisms with regard to policies and operations tailored to fit for each subsidiary and affiliate. The management structures, for each subsidiary and affiliated company, are nominated to supervise, control, manage and be responsible for efficient and effective operation. In addition, measures are put in place to monitor management of subsidiaries' and associates for best interest of the Company.

The responsibilities of the subsidiaries' and the associates' directors are as follow:

- Acting and being responsible as stipulated in the objectives, the Articles of Association, resolutions of the Board of Directors' meeting, and the Annual General Meeting of Shareholders of subsidiaries and the associates.
- Monitoring compliance matter of subsidiaries and associates ensuring relevant laws, regulations, rules, and standards along with the Business Ethics and policies of the Company are strictly followed.
- Setting up subsidiaries' and affiliates' policies and business plans in accordance with the Company's business policies in order that mutual objectives and targets of the group companies could be achieved.
- Reporting the operation results and the business performance of subsidiaries to the Company for acknowledgment and consideration in a timely manner, particularly those transactions which impact the financial statements and the operating results and other transactions which are not the normal business transactions materially impacted on the subsidiaries.
- Complying strictly with the Company's policies on the transactions bearing conflict of interest with the Group.
- Ensuring that internal control and the risk management system are efficient, sufficient, and proper.

8.2 Report on the Previous Year's Performance of the Audit Committee

For the year 2021, the Audit Committee convened 5 meetings including four regular meetings and one special meeting. The Audit Committee consists of three independent members and the members attended all the meetings.

The responsibilities of the Audit Committee are as follow:

1. Monitoring the performance of the internal auditor and reviewing the adequacy and suitability of the Company's internal control system.



Internal Control System and the Related Parties Transaction

2. Reviewing the Company's Financial Report before proposing them to the Board of Directors or approval.
3. Communicating the outstanding transactions between the Board of Directors and the auditor.
4. Disclosing the opinion of the Audit Committee in relation to the consideration of the audit services other than the auditing which is not affected to the independence of the auditor.
5. Other responsibilities under the Auditor Committee Charter such as reviewing the Company's compliance with the relevant laws, considering the conflict-of-interest transactions, considering the related parties transactions, and vice versa.

9. Internal Control System and the Related Parties Transaction

9.1 Internal Control

The Opinion of the Audit Committee on the Performance of Internal Control System.

The Audit Committee considered the adequacy of the internal control system and there is an opinion that the Company's internal control system is adequate and efficient, since the Financial Statements are accurate according to the general principles of accounting and the disclosure of the material events and the related party transactions are transparent and sufficient as well as the transactions of the Company complied with the relevant laws and regulations.

9.1.1 The Adequacy and Sufficiency of the Internal Control.

The Company set the internal control concerning the risk management and the monitoring of directors and executives to prevent the unauthorized use of the Company's assets.

9.1.2 The Deviation of Internal Control System

None of the non-compliance with the relevant laws has occurred. Some shortcomings are due to normal business practices, which are properly corrected, prevented, and monitored by the authorized executives.

9.1.3 The Opinion on the Internal Control System differed from the Board of Directors' and the Auditor's Opinions.

Regarding the report from the Audit Committee as the attachment, none of the opinion on the internal control system differed from the Board of Directors' and the auditor's opinions.

9.1.4 The Opinion of the Audit Committee

The Head of Internal Audit Department has the educational background, experiences, and appropriated trainings related to the internal audit's responsibilities.



Internal Control System and the Related Parties Transaction

9.1.5 Guidelines for the Appointment, Removal and Transfer of the Head of the Internal Audit Department

The resolution of the Audit Committee Meeting No. 1/2019-2020 dated November 15, 2019, approved to appoint Miss Duangkamon Pornsuksawang to be the Senior Internal Audit Manager since November 15, 2019, due to her education, vocational skills, and experiences on the internal auditing in the same industry business for 18 years. Additionally, she passed courses related to internal auditing programs such as Certified Professional Internal Auditors of Thailand, and the Internal Auditing Certificate Program. Furthermore, she has had a well-understanding of the Company's business.

In this regard, the consideration and approval for the appointment, removal, transfer, or termination are required to approve by the Audit Committee. The qualifications of Senior Internal Audit Manager are as set out in Attachment 3.

9.2 Related Party Transactions

9.2.1 Related Party Transactions of conflict persons

As of 30 September 2021, the Company and subsidiaries entered into transactions with related parties which could be summarized as follows:

Name of Entities	Country of Incorporation/ Nationality	Nature of Relationship
Key management personnel	Singapore /Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group
Thai Beverage Public Company Limited	Thailand	The Ultimate Parent Company and has common director
So Water Company Limited	Thailand	Parent Company
Thai Beverage Can Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold shares indirectly
Sang Som Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Beer Thai (1991) Public Company Limited	Thailand	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company

Internal Control System and the Related Parties Transaction

Name of Entities	Country of Incorporation/ Nationality	Nature of Relationship
Beer Thip Brewery (1991) Company Limited	Thailand	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company
Cosmos Brewery (Thailand) Company Limited	Thailand	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company
Sura Bangyikhan Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Krittayabun Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Modern Trade Management Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Pomburapa Company Limited	Thailand	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company
Pomchok Company Limited	Thailand	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company
Pomcharoen Company Limited	Thailand	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company
Num Yuk Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Num Palang Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Num Nakorn Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Pan International (Thailand) Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Thai Beverage Logistics Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Thai Beverage Recycle Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Thai Beverage Energy Co.,Ltd	Thailand	Direct Subsidiary of the Ultimate Parent Company



Internal Control System and the Related Parties Transaction

Name of Entities	Country of Incorporation/ Nationality	Nature of Relationship
Thai Beverage Marketing Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
D2C Services Co.,Ltd	Thailand	Direct Subsidiary of the Ultimate Parent Company
Dhospaak Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Thai Drinks Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Horeca Management Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Bev Tech Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Cash Van Management Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
CAC Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
C.A.I. Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Chang International Company Limited	Thailand	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company
ASM Management Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Thai Molasses Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Kanchanasingkorn Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Thai Beverage Training Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Charun Business 52 Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Feed Addition Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Thanapakdi Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company
Oishi Group Public Company Limited	Thailand	Direct Subsidiary of the Ultimate Parent Company

Internal Control System and the Related Parties Transaction

Name of Entities	Country of Incorporation/ Nationality	Nature of Relationship
Oishi Trading Company Limited	Thailand	Indirect Subsidiary of the Ultimate Parent Company
Oishi Ramen Company Limited	Thailand	Indirect Subsidiary of the Ultimate Parent Company
Oishi Food Service Company Limited	Thailand	Indirect Subsidiary of the Ultimate Parent Company
Food of Asia Company Limited	Thailand	Indirect Subsidiary of the Ultimate Parent Company
Spice of Asia Company Limited	Thailand	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company
The QSR of Asia Company Limited	Thailand	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company
Max Asia Company Limited	Thailand	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company
Bistro Asia Company Limited	Thailand	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company
F&N Beverages Marketing Sdn. Bhd.	Malaysia	Affiliate of Associate of the Ultimate Parent Company
F&N Foods Pte Ltd	Singapore	Affiliate of Associate of the Ultimate Parent Company
F&N Dairies (Thailand) Company Limited	Thailand	Affiliate of Associate of the Ultimate Parent Company
The Southeast Insurance Public Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly
The Southeast Capital Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly
The Southeast Life Insurance Public Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly
F & B International Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly



Internal Control System and the Related Parties Transaction

Name of Entities	Country of Incorporation/ Nationality	Nature of Relationship
T.C.C. Technology Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly
BJC Specialties Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly
CW Tower Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly
Big C Supercenter Public Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly
North Park Golf and Sports Club Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly and common directors
The Pet Company Limited	Thailand	The Company holds ordinary shares
Crown Seal Public Company Limited	Thailand	The Company holds ordinary shares
Phatra Leasing Public Company Limited	Thailand	Having common director(s)
Bangkok Glass Public Company Limited	Thailand	The Company holds ordinary shares
Berli Jucker Public Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly and common directors
Thai Malaya Glass Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly
TCC Hotel Asset Management Company Limited	Thailand	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly
Petform (Thailand) Company Limited	Thailand	Associated Company

Internal Control System and the Related Parties Transaction

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Income from sales of products and services	Cost plus gross profit margin
Other Income	Contractual prices / mutually agreed price
Rental revenue	Market price/ contract price
Receivable and Payable Interest	Rate as mutually agreed with reference to interest rate quoted by domestic commercial bank
Purchase of finished goods and raw materials	Cost of finished goods and raw materials plus gross profit margin
Subsidy for marketing expenses	Actual price stated in invoice
Directors' remuneration, i.e., salary, bonus, and meeting allowance.	As approved by the Company's directors and shareholders
Distribution Costs	Contractual prices / mutually agreed price
Administrative Expenses	Contractual prices / mutually agreed price
Rental Expense	Market price/ Contract price

As of 30 September 2021, The Company and its subsidiaries have conducted related parties' transactions as a result of conducting business with persons or businesses which may have a conflict of interest with the Company or its subsidiaries. The value and natures of these transactions may be summarized and classified as follows:



Internal Control System and the Related Parties Transaction

Sales transactions with related parties

(in million Baht)

No.	Related Party	Relationship	Sales value as of 30 September 2021	Debtors as of 30 September 2021
1	Thai Beverage Public Company Limited	The Ultimate Parent Company and has common director	1.37	0.39
2	Thai Beverage Can Company Limited	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly	0.30	-
3	Big C Supercenter Public Company Limited	Directors and controlling shareholder of the Ultimate Parent Company hold controlling shares indirectly	0.03	0.01
4	Num Nakorn Company Limited	Direct Subsidiary of the Ultimate Parent Company	0.01	-
5	Cash Van Management Company Limited	Direct Subsidiary of the Ultimate Parent Company	424.44	36.91
6	Beer Thai (1991) Public Company Limited	Subsidiary of indirect subsidiary of the Ultimate Parent Company	0.01	-
7	Modern Trade Management Company Limited	Direct Subsidiary of the Ultimate Parent Company	2,487.45	177.25
8	Thai Drinks Company Limited	Direct Subsidiary of the Ultimate Parent Company	92.57	7.71

Internal Control System and the Related Parties Transaction

No.	Related Party	Relationship	Sales value as of 30 September 2021	Debtors as of 30 September 2021
9	Thai Beverage Recycle Company Limited	Direct Subsidiary of the Ultimate Parent Company	0.06	0.18
10	Dhospaak Company Limited	Direct Subsidiary of the Ultimate Parent Company	0.11	-
11	ASM Management Company Limited	Direct Subsidiary of the Ultimate Parent Company	0.01	-
12	Horeca Management Company Limited	Direct Subsidiary of the Ultimate Parent Company	0.09	-
13	D2C Services Company Limited	Direct Subsidiary of the Ultimate Parent Company	-	0.02
14	Oishi Group Public Company Limited	Direct Subsidiary of the Ultimate Parent Company	65.26	4.34
15	Pomcharoen Company Limited	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company	0.39	-
16	Pomburapa Company Limited	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company	0.14	-
17	Chang International Company Limited	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company	1.56	0.28
18	Spice of Asia Company Limited	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company	0.08	0.01
19	Bistro Asia Company Limited	Subsidiary of the Indirect subsidiary of the Ultimate Parent Company	0.01	-



Internal Control System and the Related Parties Transaction

No.	Related Party	Relationship	Sales value as of 30 September 2021	Debtors as of 30 September 2021
20	Food of Asia Company Limited	Indirect Subsidiary of the Ultimate Parent Company	0.88	0.07
21	Oishi Ramen Company Limited	Indirect Subsidiary of the Ultimate Parent Company	7.90	1.15
22	F&N Beverages Marketing Sdn. Bhd.	Affiliate of Associate of the Ultimate Parent Company	12.92	2.39
Total			3,095.59	230.71

Internal Control System and the Related Parties Transaction

Purchase of goods and services transactions with related parties

(in million Baht)

No.	Related Party	Natures of Transactions	Purchasing value as of 30 September 2021	Creditors as of 30 September 2021
1	Beer Thai (1991) Public Company Limited	Purchase of finished goods	44.72	2.48
2	Beer Thip Brewery (1991) Company Limited	Purchase of finished goods	350.02	26.48
3	Krittayabun Company Limited	Purchase of finished goods	65.06	1.80
4	Thai Drinks Company Limited	Purchase of raw materials and finished goods	1,250.94	131.70
5	Bev Tech Company Limited	Purchase of finished goods	116.23	8.10
6	Oishi Group Public Company Limited	Purchase of finished goods	115.07	5.43
7	Oishi Trading Company Limited	Purchase of finished goods	693.80	32.68
8	Thai Beverage Can Company Limited	Purchase of raw materials	91.40	8.73
9	Thai Malaya Glass Company Limited	Purchase of raw materials	102.69	13.66
10	Petform (Thailand) Company Limited	Purchase of raw materials	754.54	59.11
11	Crown Seal Public Company Limited	Purchase of raw materials	77.84	10.11



Internal Control System and the Related Parties Transaction

No.	Related Party	Natures of Transactions	Purchasing value as of 30 September 2021	Creditors as of 30 September 2021
12	The Pet Company Limited	Purchase of raw materials	135.44	16.09
13	The Southeast Insurance Public Company Limited	Insurance premium	0.90	-
14	BJC Specialties Company Limited	Purchase of raw materials and finished goods	4.57	0.06
15	Cosmos Brewery (Thailand) Company Limited	Purchase of finished goods	41.18	3.69
16	Thai Beverage Logistics Company Limited	Purchase of raw materials	0.01	-
Total			3,844.41	320.12

Internal Control System and the Related Parties Transaction

Other income and subsidy for marketing expenses

(in million Baht)				
No.	Related Party	Natures of Transactions	Other income as of 30 September 2021	Other debtors as of 30 September 2021
1	Thai Beverage Public Company Limited	Other income	0.01	-
2	Thai Beverage Energy Company Limited	Other income	0.02	-
3	Thai Drinks Company Limited	Subsidy for sales expenses	329.93	40.81
4	Thai Beverage Recycle Company Limited	Other income from sales of leftover materials	24.66	3.82
5	Thai Beverage Logistics Company Limited	Product claims	0.06	0.02
6	Thai Beverage Marketing Company Limited	Subsidy for sales expenses	7.06	1.10
7	Oishi Trading Company Limited	Subsidy for sales expenses	80.17	11.56
8	Oishi Group Public Company Limited	Subsidy for sales expenses	12.92	3.26
9	Petform (Thailand) Company Limited	Other income from utilities and raw materials	19.89	0.28
10	The Pet Company Limited	Product claims	0.71	2.22
11	Thai Beverage Can Company Limited	Other income	0.04	-
Total			475.47	63.07



Internal Control System and the Related Parties Transaction

Income from dividend

(in million Baht)

No.	Related Party	Relationship	Dividend as of 30 September 2021	Other debtors as of 30 September 2021
1	Crown Seal Public Company Limited	The Company holds ordinary shares	2.59	-
2	Bangkok Glass Public Company Limited	The Company holds ordinary shares	2.15	-
3	Petform (Thailand) Company Limited	Associated Company	93.00	30.00
4	The Pet Company Limited	The Company holds ordinary shares	2.10	-
Total			99.84	30.00

Internal Control System and the Related Parties Transaction

Distribution Costs

(in million Baht)				
No.	Related Party	Natures of Transactions	Costs as of 30 September 2021	Other debtors as of 30 September 2021
1	Modern Trade Management Company Limited	Subsidy for sales	95.96	140.77
2	Dhospaak Company Limited	Advertisement Costs	63.74	6.24
3	Chang International Company Limited	Subsidy for sales	0.13	-
4	Oishi Group Public Company Limited	Subsidy for sales	2.78	-
5	Oishi Ramen Company Limited	Subsidy for sales	2.59	-
6	Oishi Food Service Company Limited	Subsidy for sales	0.02	-
7	Thai Beverage Logistics Company Limited	Distribution costs	86.02	16.56
8	Crown Seal Public Company Limited	Distribution costs	0.75	-
9	The Southeast Insurance Public Company Limited	Insurance premium	24.65	-
10	F & B International Company Limited	Miscellaneous costs	0.04	-
11	Food of Asia Company Limited	Subsidy for sales	0.25	-
Total			276.93	163.57



Internal Control System and the Related Parties Transaction

Administration Expenses

(in million Baht)

No.	Related Party	Natures of Transactions	Expenses as of 30 September 2021	Other debtors as of 30 September 2021
1	Thai Beverage Public Company Limited	IT services fee	15.53	4.50
2	Sura Bangyikhan Company Limited	Rental fee	0.10	-
3	Thai Drinks Company Limited	Administration fee	14.49	1.40
4	CAC Company Limited	Miscellaneous expenses	0.45	0.06
5	ASM Management Company Limited	Rental and services fee	17.30	1.89
6	Thai Beverage Logistics Company Limited	Pallet and office rental fee	18.64	16.56
7	The Southeast Insurance Public Company Limited	Insurance premium	4.32	-
8	The Southeast Capital Company Limited	Cars rental fee	41.68	4.27
9	Muang Thai Life Assurance Public Company Limited	Insurance premium	0.30	-
10	T.C.C. Technology Company Limited	IT services fee	24.46	7.18

Internal Control System and the Related Parties Transaction

No.	Related Party	Natures of Transactions	Expenses as of 30 September 2021	Other debtors as of 30 September 2021
11	Pan International (Thailand) Company Limited	Miscellaneous expenses	0.10	-
12	Berli Jucker Public Company Limited	Miscellaneous expenses	0.04	-
13	Big C Supercenter Public Company Limited	Miscellaneous expenses	0.01	-
14	Phatra Leasing Public Company Limited	Cars rental fee	0.21	0.10
15	Cash Van Management Company Limited	Miscellaneous expenses	0.44	0.20
16	Bev Tech Company Limited	Miscellaneous expenses	24.57	1.29
17	Spice of Asia Company Limited	Miscellaneous expenses	0.03	-
18	The Southeast Life Insurance Public Company Limited	Insurance premium	0.07	-
19	C.A.I. Company Limited	Miscellaneous expenses	0.19	0.07
20	Thanapakdi Company Limited	Administration fee	1.24	1.33
21	Beer Thip Brewery (1991) Company Limited	Pallet rental fee	0.21	0.01
Total			164.38	38.86



Internal Control System and the Related Parties Transaction

9.2.2 Necessity of related parties' transactions

The above related party transactions which were entered into during the year and those carried over from the previous year were deemed necessary and appropriate. They were as follows:

1) Sales to related parties

The Company and subsidiaries sold goods to related parties i.e. associate/subsidiary companies of the parent company and/or having common directors with the same terms and conditions offered to other unrelated businesses at market selling prices.

2) Purchase of goods and services from related parties

The Company and subsidiaries purchased goods and services from related parties i.e. associate/subsidiary companies of the parent company and/or having common directors with the same terms and conditions offered to other unrelated businesses at market selling prices or appraisal value determined by independent appraisers.

Based on necessity and appropriateness, the above related party transactions were considered reasonable and were carried out for the Company's maximum benefits. Should there be similar related party transactions in the future, the Company/subsidiaries shall comply with the criteria and procedures in entering into a related party transaction. It is also imperative that certain related party transactions be reported to the Audit Committee for consideration before being proposed to the Board of Directors for approval. Directors with vested interest shall refrain from voting on the issue.

3) Procedures for the approval of the related party transactions

A related party transaction that may lead to a vested interest or a conflict of interest in the future need to be reported to the Audit Committee for their opinion about the necessity and appropriateness of the transaction. In case the Audit Committee does not have expertise in the proposed related party transaction, an independent advisor or the Company's auditor may be commissioned to give opinions which can be used for consideration by the Board of Directors or shareholders' meeting as necessary.

9.2.3 Policy or trend for future related party transactions

It is expected that related party transactions will continue to take place in the future as the Company's related party transactions are predominantly categorized as normal business and supporting normal business transactions. The Company strictly follows the policy to ensure that the related party transactions are conducted fairly and at arm's length to ensure maximum benefits for the Company. To that effect, the Company will entrust the Audit Committee, the



Internal Control System and the Related Parties Transaction

auditor, or an independent expert to consider and give opinions on the appropriateness of the prices and reasonableness of the related party transactions. For future related party transactions, the Board of Directors shall comply with the laws on securities and exchange as well as the rules, regulations, notifications, orders, and guidelines of the Stock Exchange of Thailand. They shall also comply with regulations about disclosing information related to related party transactions and the selling/buying of the Company's material assets in conformance with the Thai Financial Reporting Standards stipulated by Federation of Accounting Professions of Thailand.

For a related party transaction that may lead to a vested interest or a conflict of interest in the future, the Company stipulates that it be entered into an agreement and seek opinions of the Audit Committee on the necessity and appropriateness of the related party transaction. In case the Audit Committee does not have expertise in the proposed related party transaction, an independent auditor or the Company's auditor may be commissioned to give opinions which can be used for consideration by the Board of Directors or shareholders' meeting as necessary. The related party transactions will be disclosed in the Notes to Notes to Financial Statements verified by the auditor.

The establishment of the policy ensures that doing a related party transaction will not constitute a transfer of interest between the Company and the related parties, or shareholders, but that it is done with concern for the maximum benefit of every shareholder, especially minor shareholders. Moreover, directors and/or shareholders who have vested interest in the related party transaction or selling/buying the Company's assets shall refrain from voting on the issue.



Part 3 Financial Statements

Independent Auditor's Report

To the Shareholders of Sermasuk Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Sermasuk Public Company Limited and its subsidiaries (the “Group”) and of Sermasuk Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 30 September 2021, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year ended as of that date, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 30 September 2021 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).



Independent Auditor's Report

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 issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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 judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. 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.

Recoverability of deferred tax assets	
Refer to notes 4 and 22	
The key audit matter	How the matter was addressed in the audit
The Group and the Company have recognised deferred tax assets from loss carry forward. The recoverability of the deferred tax asset is dependent on future taxable profits and the ability of the Group and the Company to utilise those losses in the future. Management has to use their judgement in forecasting future taxable profits so as to determine the amount of the deferred tax asset. The achievement of such forecasts is inherently uncertain, this is focus and of my audit.	<p>My audit procedures are as follows:</p> <ul style="list-style-type: none"> • Gain understanding of the process for measuring deferred tax assets. • Evaluating management's assumption used in projecting the Group's future taxable profits in relevant profit. I compared key inputs used by the Group to forecast future taxable profits to externally available data such as economic forecasts and the Group's own historical data and performance and assessed the sensitivity of the outcomes to reasonably possible changes in assumptions. • Test the mathematical accuracy of the calculation of cash flow projections. • Evaluating the adequacy of the disclosure in accordance with Thai Financial Reporting Standards.



Independent Auditor's Report

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.

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 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. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report the fact. I have nothing to report in this regard.

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

Management is responsible for preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines 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 intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible 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 judgment and maintain professional skepticism 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.



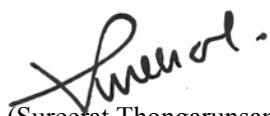
Independent Auditor's Report

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated 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.



(Sureerat Thongarunsang)
Certified Public Accountant
Registration No. 4409

KPMG Phoomchai Audit Ltd.
Bangkok
18 November 2021



Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September		30 September	
		2021	2020	2021	2020
		(in Baht)			
<i>Current assets</i>					
Cash and cash equivalents	6	1,067,421,700	1,403,498,770	1,002,928,686	1,367,266,735
Other current financial assets	25	651,845,516	-	651,845,516	-
Trade accounts receivable	5, 7	411,479,627	549,712,069	408,234,657	541,410,527
Other receivables from related parties	5	94,906,420	83,541,529	94,142,860	128,311,982
Other receivables		47,756,205	66,806,338	47,451,122	66,421,648
Short-term loans to related parties	5	-	-	460,000,000	125,000,000
Inventories	8	617,449,391	587,083,592	581,108,058	534,546,788
Prepaid excise taxes		314,408	603,536	-	289,129
Other current assets		33,497,553	29,377,654	32,770,169	28,513,999
Total current assets		2,924,670,820	2,720,623,488	3,278,481,068	2,791,760,808
<i>Non-current assets</i>					
Restricted deposits at financial institution		-	524,446	-	524,446
Investment in an associate	9	863,403,350	802,279,941	21,000,000	30,000,000
Investments in subsidiaries	10	-	-	606,634,068	606,634,068
Other long-term investments	3, 25	194,837,623	134,422,040	194,837,623	134,422,041
Long-term loan to a related party	5	-	3,000,000	-	3,000,000
Investment properties	11	341,443,845	323,650,345	341,443,845	323,650,345
Property, plant and equipment	12	7,902,257,726	8,311,275,107	7,395,339,885	7,780,629,250
Right-of-use assets	13	359,442,326	-	355,711,988	-
Intangible assets	14	46,256,086	16,311,083	44,045,545	14,116,941
Deferred tax assets	22	21,345	96,965	-	-
Other non-current assets		149,358,652	187,724,452	147,677,070	185,817,519
Total non-current assets		9,857,020,953	9,779,284,379	9,106,690,024	9,078,794,610
Total assets		12,781,691,773	12,499,907,867	12,385,171,092	11,870,555,418

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

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		30 September		30 September	
Liabilities and equity		2021	2020	2021	2020
		(in Baht)			
Current liabilities					
Trade accounts payable	5	489,099,304	576,406,540	736,729,561	981,122,164
Other payables to related parties	5	186,188,546	169,169,787	187,531,371	172,662,346
Other payables		602,657,948	692,469,508	587,223,041	661,435,881
Dividends payable		72,545,968	72,517,234	72,545,968	72,517,234
Customers' deposits on bottles and cases		455,630,868	453,579,395	455,630,868	453,579,395
Current portion of lease liabilities	15	98,150,583	-	96,995,527	-
Corporate income tax payable		9,597	-	-	-
Other current liabilities		17,162,252	31,306,218	15,524,903	28,328,758
Total current liabilities		1,921,445,066	1,995,448,682	2,152,181,239	2,369,645,778
Non-current liabilities					
Long-term loans from a related party	5	-	-	30,968,165	30,968,165
Lease liabilities	15	258,230,175	-	255,610,051	-
Deferred tax liabilities	22	583,714,556	468,349,587	548,658,194	434,552,284
Non-current provisions for employee benefits	16	1,016,834,129	1,138,751,748	1,001,191,407	1,124,973,462
Total non-current liabilities		1,858,778,860	1,607,101,335	1,836,427,817	1,590,493,911
Total liabilities		3,780,223,926	3,602,550,017	3,988,609,056	3,960,139,689
Equity					
Share capital:	17				
Authorised share capital (265,900,484 ordinary shares, par value at Baht 1 per share)		265,900,484	265,900,484	265,900,484	265,900,484
Issued and paid-up share capital (265,900,484 ordinary shares, par value at Baht 1 per share)		265,900,484	265,900,484	265,900,484	265,900,484
Premium on ordinary shares	17	1,342,448,425	1,342,448,425	1,342,448,425	1,342,448,425
Retained earnings					
Appropriated					
Legal reserve	18	26,795,766	26,795,766	26,795,766	26,795,766
General reserve		2,285,000,000	2,285,000,000	2,285,000,000	2,285,000,000
Unappropriated		1,335,513,582	1,281,212,464	894,847,601	458,510,173
Other components of equity	18	3,745,809,590	3,696,000,711	3,581,569,760	3,531,760,881
Total equity		9,001,467,847	8,897,357,850	8,396,562,036	7,910,415,729
Total liabilities and equity		12,781,691,773	12,499,907,867	12,385,171,092	11,870,555,418

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



Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		For the year ended 30 September		For the year ended 30 September	
	Note	2021	2020	2021	2020
		(in Baht)			
Income	5, 19				
Revenue from sale of goods and rendering of services		9,618,494,964	10,865,142,826	9,566,266,133	10,805,076,547
Dividends income	9, 10	6,846,032	7,329,758	90,846,032	57,367,758
Gains on sale of equity securities	5, 9	-	-	448,785,000	-
Other income		135,481,175	121,353,737	143,674,650	121,860,102
Total income		9,760,822,171	10,993,826,321	10,249,571,815	10,984,304,407
Expenses	5, 19				
Cost of sales of goods and rendering of service	8	6,643,944,219	7,599,502,136	6,634,802,567	7,568,055,359
Distribution cost		2,351,043,953	2,611,988,634	2,344,126,358	2,604,061,873
Administrative expenses		736,346,794	811,545,856	706,793,969	790,895,131
Total expenses		9,731,334,966	11,023,036,626	9,685,722,894	10,963,012,363
Profit (loss) from operating activities		29,487,205	(29,210,305)	563,848,921	21,292,044
Finance costs		(11,550,345)	-	(11,448,017)	-
Share of profit of an associate accounted for using equity method (net of income tax)	9	154,123,410	187,969,035	-	-
Profit before income tax expense		172,060,270	158,758,730	552,400,904	21,292,044
Income tax (expense) benefit	22	(88,824,993)	10,372,637	(87,518,336)	9,969,984
Profit for the year		83,235,277	169,131,367	464,882,568	31,262,028
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Gain on measurement of financial assets		-	1,851,049	-	1,851,049
Income tax relating to items that will be reclassified	22	-	(370,210)	-	(370,210)
Total items that will be reclassified subsequently to profit or loss		-	1,480,839	-	1,480,839
Items that will not be reclassified to profit or loss					
Gain on financial instruments designated at fair value through other comprehensive income		799,395	-	799,395	-
Defined benefit plan actuarial gain	16	65,057,660	74,448,657	65,408,988	74,570,693
Income tax relating to items that will not be reclassified	22	(13,279,368)	(14,884,269)	(13,241,677)	(14,914,138)
Total items that will not be reclassified to profit or loss		52,577,687	59,564,388	52,966,706	59,656,555
Other comprehensive income for the year, net of income tax		52,577,687	61,045,227	52,966,706	61,137,394
Total comprehensive income for the year		135,812,964	230,176,594	517,849,274	92,399,422
Earnings per share (in Baht)	23	0.31	0.64	1.75	0.12

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

Statement of changes in equity

Consolidated financial statements												
		Retained earnings				Other components of equity						
						Exchange differences on translating foreign operation (in Baht)	Gain on measuring financial assets	Gain on revaluation of land	Share premium from business combination under common control	Total other components of equity		
Note	Issued and paid-up share capital	Share premium	Legal reserve	General reserve	Unappropriated							
	265,900,484	1,342,448,425	26,795,766	2,285,000,000	1,118,990,577	31,118,966	15,231,485	3,680,502,336	(32,332,915)	3,694,519,872		8,733,655,124
Year ended 30 September 2020												
Balance at 1 October 2019												
Transactions with owners, recorded directly in equity												
Distributions to owners												
Dividends to the owners of the Company												
24	-	-	-	-	(66,473,868)	-	-	-	-	-		(66,473,868)
Total distributions to owners												
Comprehensive income for the year												
Profit												
	-	-	-	-	169,131,367	-	-	-	-	-		169,131,367
Other comprehensive income												
	-	-	-	-	59,564,388	-	1,480,839	-	-	1,480,839		61,045,227
Total comprehensive income for the year												
	-	-	-	-	228,695,755	-	1,480,839	-	-	1,480,839		230,176,594
Balance at 30 September 2020												
	265,900,484	1,342,448,425	26,795,766	2,285,000,000	1,281,212,464	31,118,966	16,712,324	3,680,502,336	(32,332,915)	3,696,000,711		8,897,357,850

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



Statement of changes in equity

Consolidated financial statements												
		Retained earnings				Other components of equity						
Note	Issued and paid-up share capital	Share premium	Legal reserve	General reserve	Unappropriated	Translation reserve <i>(in Baht)</i>	Fair value reserve	Revaluation reserve	Share premium from business combination under common control	Total other components of equity	Total equity	
Year ended 30 September 2021												
	265,900,484	1,342,448,425	26,795,766	2,285,000,000	1,281,212,464	31,118,966	16,712,324	3,680,502,336	(32,332,915)	3,696,000,711	8,897,357,850	
	-	-	-	-	4,214,222	-	49,169,363	-	-	49,169,363	53,383,585	
3	265,900,484	1,342,448,425	26,795,766	2,285,000,000	1,285,426,686	31,118,966	65,881,687	3,680,502,336	(32,332,915)	3,745,170,074	8,950,741,435	
Transactions with owners, recorded directly in equity												
Distributions to owners												
24	-	-	-	-	(85,086,552)	-	-	-	-	-	(85,086,552)	
	-	-	-	-	(85,086,552)	-	-	-	-	-	(85,086,552)	
Comprehensive income for the year												
	-	-	-	-	83,235,277	-	-	-	-	-	83,235,277	
	-	-	-	-	51,938,171	-	639,516	-	-	639,516	52,577,687	
	-	-	-	-	135,173,448	-	639,516	-	-	639,516	135,812,964	
Balance at 30 September 2021												
	265,900,484	1,342,448,425	26,795,766	2,285,000,000	1,335,513,582	31,118,966	66,521,203	3,680,502,336	(32,332,915)	3,745,809,590	9,001,467,847	

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

Statement of changes in equity

		Separate financial statements								
		Retained earnings			Other components of equity					
		Issued and paid-up share capital	Share premium	Legal reserve	General reserve	Unappropriated (in Baht)	Gain on measuring financial assets	Gain on revaluation of land	Total other components of equity	Total equity
Year ended 30 September 2020										
	Balance at 1 October 2019	265,900,484	1,342,448,425	26,795,766	2,285,000,000	434,065,458	15,231,485	3,515,048,557	3,530,280,042	7,884,490,175
Transactions with owners, recorded directly in equity										
Distributions to owners										
	Dividends to the owners of the Company	-	-	-	-	(66,473,868)	-	-	-	(66,473,868)
	Total distributions to owners	-	-	-	-	(66,473,868)	-	-	-	(66,473,868)
Comprehensive income for the year										
	Profit	-	-	-	-	31,262,028	-	-	-	31,262,028
	Other comprehensive income	-	-	-	-	59,656,555	1,480,839	-	1,480,839	61,137,394
	Total comprehensive income for the year	-	-	-	-	90,918,583	1,480,839	-	1,480,839	92,399,422
Balance at 30 September 2020										
		265,900,484	1,342,448,425	26,795,766	2,285,000,000	459,510,173	16,712,324	3,515,048,557	3,531,760,881	7,910,415,729

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



Statement of changes in equity

		Separate financial statements									
		Retained earnings				Other components of equity					
		Issued and paid-up share capital	Share premium	Legal reserve	General reserve	Unappropriated reserve (in Baht)	Fair value reserve	Revaluation reserve	Total other components of equity	Total equity	
Note	Year ended 30 September 2021										
	Balance at 30 September 2020 - as reported										
		265,900,484	1,342,448,425	26,795,766	2,285,000,000	458,510,173	16,712,324	3,515,048,557	3,531,760,881	7,910,415,729	
	3	-	-	-	-	4,214,222	49,169,363	-	49,169,363	53,383,585	
		265,900,484	1,342,448,425	26,795,766	2,285,000,000	462,724,395	65,881,687	3,515,048,557	3,580,930,244	7,963,799,314	
Transactions with owners, recorded directly in equity											
Distributions to owners											
	24	-	-	-	-	(85,086,552)	-	-	-	(85,086,552)	
		-	-	-	-	(85,086,552)	-	-	-	(85,086,552)	
Comprehensive income for the year											
		-	-	-	-	464,882,568	-	-	-	464,882,568	
		-	-	-	-	52,327,190	639,516	-	639,516	52,966,706	
		-	-	-	-	517,209,758	639,516	-	639,516	517,849,274	
Balance at 30 September 2021											
		265,900,484	1,342,448,425	26,795,766	2,285,000,000	894,847,601	66,521,203	3,515,048,557	3,581,569,760	8,396,562,036	

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

Statement of cash flows

		Consolidated		Separate	
		financial statements		financial statements	
		For the year ended		For the year ended	
		30 September		30 September	
	Note	2021	2020	2021	2020
		(in Baht)			
Cash flows from operating activities					
Profit for the year		83,235,277	169,131,367	464,882,568	31,262,028
<i>Adjustments for reconcile profit (loss)</i>					
<i>to cash receipts (payments)</i>					
Income tax expense (benefit)	22	88,824,993	(10,372,637)	87,518,336	(9,969,984)
Finance costs		11,550,345	-	11,448,017	-
Depreciation and amortisation		624,566,687	588,594,219	593,861,698	560,613,403
Impairment loss recognised in profit or loss		10,226,028	43,755,723	10,226,028	43,755,723
Provisions for employee benefits expense		61,940,943	136,148,468	60,427,837	134,737,843
Unrealised loss on exchange		280,308	690,905	280,308	690,905
Gains on fair value adjustment in investment properties	11	(17,793,500)	(665,580)	(17,793,500)	(665,580)
Share of profit of an associate accounted for using equity method (net of income tax)	9	(154,123,410)	(187,969,035)	-	-
Allowance for doubtful accounts	7	480,651	3,150,155	480,651	3,150,155
Losses on inventories devaluation (reversal of)		(30,002,989)	3,996,608	(30,147,682)	6,604,008
Gains on sale of equity securities	9	-	-	(448,785,000)	-
Gains on disposal and write-off of building and equipment		(591,054)	20,590,357	(779,701)	21,180,242
Gains on disposal of intangible assets		-	-	(999)	-
Dividend income		(6,846,032)	(7,329,758)	(90,846,032)	(57,367,758)
Interest income		(4,735,971)	(6,644,190)	(6,508,241)	(10,075,016)
		667,012,276	753,076,602	634,264,288	723,915,969
Changes in operating assets and liabilities					
Trade accounts receivable		143,019,568	14,717,172	137,962,996	16,328,254
Other receivables from related parties		18,635,109	32,145,233	55,169,122	32,107,150
Other receivables		16,431,529	(11,491,989)	16,351,922	(11,878,571)
Inventories		(362,810)	85,406,445	(16,413,588)	80,974,897
Prepaid excise taxes		289,128	2,390,816	289,129	2,390,816
Other current assets		(4,119,899)	(1,591,229)	(4,256,170)	(1,920,753)
Other non-current assets		29,719,337	(2,213,064)	29,493,986	(1,353,100)
Trade accounts payable		(87,307,236)	(64,367,029)	(244,392,603)	(52,184,750)
Other payables to related parties		17,018,759	8,485,068	14,869,025	10,124,519
Other payables		(74,380,224)	20,083,586	(66,276,193)	21,698,383
Customers' deposits on bottles and cases		2,051,473	10,868,212	2,051,473	10,868,212
Other current liabilities		(14,143,966)	(5,844,677)	(12,803,855)	(7,077,996)
Provisions for employee benefits paid		(118,800,902)	(108,021,811)	(118,800,902)	(107,990,236)
Net cash from operating activities		595,062,142	733,643,335	427,508,630	716,002,794

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



Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	For the year ended		For the year ended	
	30 September		30 September	
Note	2021	2020	2021	2020
	(in Baht)			
Cash flows from investing activities				
Proceeds from sale of machinery, plant and equipment	28,928,411	22,899,453	28,679,765	22,094,444
Proceeds from sale of intangible assets	-	-	1,000	-
Acquisition of plant, machinery and equipment	(213,071,388)	(232,482,437)	(199,293,877)	(205,107,999)
Acquisition of intangible assets	(2,188,114)	(851,349)	(2,182,115)	(735,099)
Acquisition of current investment	(650,000,000)	-	(650,000,000)	-
Proceeds from sale of other equity securities	-	-	457,785,000	-
Interest received	4,735,971	6,644,190	6,508,241	10,075,016
Dividends received	69,846,032	67,329,758	69,846,032	93,367,758
Restricted deposits at financial institution	524,446	(4,167)	524,446	(4,167)
Net cash used in investing activities	(761,224,642)	(136,464,552)	(288,131,508)	(80,310,047)
Cash flows from financing activities				
Short-term loan to related party	-	-	(460,000,000)	-
Repayment from loan to related party	3,000,000	-	128,000,000	-
Payment of lease liabilities	(76,306,407)	-	(75,209,336)	-
Interest paid	(11,550,345)	-	(11,448,017)	-
Dividend paid to the owners of the Company	(85,057,818)	(66,472,988)	(85,057,818)	(66,472,988)
Net cash used in financing activities	(169,914,570)	(66,472,988)	(503,715,171)	(66,472,988)
Net increase (decrease) in cash and cash equivalents	(336,077,070)	530,705,795	(364,338,049)	569,219,759
Cash and cash equivalents at beginning of period	1,403,498,770	872,792,975	1,367,266,735	798,046,976
Cash and cash equivalents at end of period	1,067,421,700	1,403,498,770	1,002,928,686	1,367,266,735
Non-cash transactions				
Increase in dividend receivable	(30,000,000)	-	(21,000,000)	-
Increase (Decrease) in payables for acquisition of machinery and equipment	(15,711,644)	7,752,016	(8,216,955)	8,748,393

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

Notes to the financial statements

For the year ended 30 September 2021

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Notes to the financial statements

For the year ended 30 September 2021

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 18 November 2021.

1 General information

Sermsuk Public Company Limited, “the Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in June 1975. The Company’s registered office at 90 CW Tower, 31st - 32nd Floor, Ratchadapisek Road, Huay Khwang Bangkok Thailand. The Company has its factories and warehouses in the important regions in Thailand.

The immediate and ultimate parent companies during the financial year were So Water Co., Ltd. and Thai Beverage Public Company Limited. Both were incorporated in Thailand.

The principal activities of the Group are to produce and distribute soft drinks, drinking water, sport drinks, energy drinks and other beverages, including as distributor of soda, tea and other beverages. Details of the Company’s subsidiaries as at 30 September 2021 and 2020 are given in note 10.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The Group has initially applied revised TFRS that are effective for annual periods beginning on or after 1 October 2020 and disclosed impact from changes in accounting policies in note 3.

In addition to the above new and revised TFRS, the TFAC has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2021 and have not been adopted in the preparation of these financial statements.

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded in the financial statements and in the notes to the financial statements to the nearest thousand unless otherwise stated.



Notes to the financial statements

For the year ended 30 September 2021

(c) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Relevant information is included in the following notes:

- 4(k) and 13 Whether an arrangement contains a lease; reasonably certain to exercise extension or termination options; sub-lease; determining the incremental borrowing rate.
- 11 Valuation of investment properties;
- 12 Valuation of property, plant and equipment;
- 16 key actuarial assumptions;
- 22 Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.

3 Change in accounting policy

From 1 October 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16.

Impact of changes in accounting policies	Note	Consolidated financial statements		Separate financial statements	
		Retained earnings	Other components of equity (in thousand Baht)	Retained earnings	Other components of equity
At 30 September 2020 - as reported		1,281,213	3,696,000	458,510	3,531,761
<i>Increase (decrease) due to:</i>					
Adoption of TFRS - Financial instruments standards					
Classification of financial instruments	(a.1)	-	61,462	-	61,462
Impairment losses on financial assets	(a.2)	5,268	-	5,268	-
Related tax		(1,054)	(12,292)	(1,054)	(12,292)
At 1 October 2020		<u>1,285,427</u>	<u>3,745,170</u>	<u>462,724</u>	<u>3,580,931</u>

(a) TFRS - Financial instruments standards

The Group has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to other components of equity on 1 October 2020. Therefore, the Group did not adjust the information presented for the year ended 30 September 2020. The disclosure requirements of TFRS for financial instruments have not generally been applied to comparative information.



Notes to the financial statements

For the year ended 30 September 2021

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS - Financial instruments standards are as follows:

(a.1) Classification and measurement of financial assets and financial liabilities

TFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value to other comprehensive income (FVOCI) and fair value to profit or loss (FVTPL). The classification is based on the cash flow characteristics of the financial asset and the business model in which they are managed. However, the Group may, at initial recognition, irrevocably designate a financial asset as measured at FVTPL. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

Under TFRS 9, interest income and interest expenses recognised from all financial assets and financial liabilities measured at amortised cost shall be calculated using effective interest rate method. Previously, the Group recognised interest income and interest expenses at the rate specified in the contract.

The following table shows classification and measurement categories under TAS 105 and TFRS 9.

Consolidated / Separate financial statements					
Classification under TAS 105 at 30 September 2020	Carrying amounts	Classification under TFRS 9 at 1 October 2020			
		FVTPL	FVOCI	Amortised cost - net	Total
		<i>(in thousand Baht)</i>			
Financial assets					
Other long-term investments					
Non-marketable equity securities	81,799	-	143,261	-	143,261

The Group intends to hold investment in equity securities for the long-term strategic purposes. The Group has designated them as measured at FVOCI. The accumulated gain (loss) on measurement of these investments will not be reclassified to profit or loss.

(a.2) Impairment - Financial assets

TFRS 9 introduces the 'expected credit loss' (ECL) model whereas previously the Group estimated the allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which are determined on a probability-weighted basis. The new impairment model applies to financial assets measured at amortised cost.



Notes to the financial statements

For the year ended 30 September 2021

The Group has determined that the application of TFRS 9's impairment requirements at 1 October 2020 results in a decrease of allowance for impairment loss as follows:

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Allowance for impairment losses at 30 September 2020		
Allowance for doubtful debts - trade accounts receivables	20,506	20,506
Allowance for doubtful debts - other receivables	14,270	14,270
	34,776	34,776
<i>Reversal of impairment loss recognised at 1 October 2020 on:</i>		
- Trade accounts receivables	(5,268)	(5,268)
Allowance for impairment losses at 1 October 2020	29,508	29,508

The Group has opted to recognise the decrease of impairment loss as an adjustment to retained earnings as at 1 October 2020.

(b) TFRS 16 Leases

From 1 October 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases and relevant lease incentives in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group allocates the consideration in the contract based on stand-alone selling price (transaction price). As at 1 October 2020, the Group recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.

On transition, the Group also elected to use the following practical expedients:

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- apply a single discount rate to a portfolio of leases with similar characteristics; and
- exclude initial direct costs from measuring the right-of-use asset.

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Impact from the adoption of TFRS 16		
At 1 October 2020		
Increase in right-of-use assets	334,421	329,550
Decrease in prepaid rental	(11,265)	(11,265)
Increase in lease liabilities	(323,156)	(318,285)



Notes to the financial statements

For the year ended 30 September 2021

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Measurement of lease liability		
Operating lease commitment as disclosed at 30 September 2020	133,181	128,968
Operating lease commitment with related parties at 30 September 2020	207,948	206,979
Recognition exemption for short-term leases	(724)	(724)
	340,405	335,223
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 October 2020	323,156	318,285
Lease liabilities recognised at 1 October 2020	323,156	318,285
Weighted-average incremental borrowing rate (% per annum)	2.00 - 4.00	2.00 - 4.00

Right-of-use assets and lease liabilities shown above were presented as part of Carbonated soft drink segment and Non-Carbonated soft drink segment, respectively.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in an associate.

Acquisitions from entities under common control

Business combination under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the transaction date. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or discount from business combinations under common control in shareholder’s equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities, any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Notes to the financial statements

For the year ended 30 September 2021

Interests in equity-accounted investee

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

The Group recognised investments in associates using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with associate are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Investments in subsidiaries and associates

Investments in subsidiaries and associates in the separate financial statements are measured at cost less allowance for impairment losses. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

(c) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates average approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests.



Notes to the financial statements

For the year ended 30 September 2021

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(d) *Financial instruments*

Accounting policies applicable from 1 October 2020

(d.1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivables (see note 4(f))) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss, gain or loss on derecognition are recognised in profit or loss.
Debt investments measured at FVOCI	These assets are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments measured at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(d.2) Derecognition and offsetting

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Notes to the financial statements

For the year ended 30 September 2021

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Accounting policies applicable before 1 October 2020

Investments in equity securities

Marketable equity securities are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

(f) Trade accounts receivable and contract assets

A trade receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.



Notes to the financial statements

For the year ended 30 September 2021

A trade receivable is measured at transaction price less allowance for expected credit loss (2020: *allowance for doubtful accounts which is determined based on an analysis of payment histories*). Bad debts are written off when incurred.

Contract assets are measured at the amount of consideration that the Group is entitled to, less impairment losses.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(g) Inventories

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

Cost of finished goods, work in progress and other supplies are calculated using the weighted average cost principle and cost of raw materials, supplies, and spare part are calculated using the moving-average cost principle. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost is calculated using standard cost adjusted to approximate average cost and includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

The Group records an allowance for decline in value of inventories for all deteriorated and obsolete inventories.

(h) Investment properties

Investment properties are such as land and buildings that the Group held to earn rental income for capital appreciation or for both, but not for sale in the ordinary course of business or use in operation.

Investment properties are measured at cost on initial recognition and subsequently at fair value, with any change recognised in profit or loss. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Any gains and losses on disposal of investment properties are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss. When investment property that was previously classified as property, plant and equipment is sold (see Note 4(i)), the amounts included in the revaluation reserve are transferred to retained earnings.



Notes to the financial statements

For the year ended 30 September 2021

(i) *Property, plant and equipment*

Property, plant and equipment are measured at cost less accumulated depreciation, allowance for loss of marketing equipment and impairment losses except for land which are measured at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss. When there is a disposal of revalued assets, the amount recognised in revaluation reserve is reclassified to retained earnings.

Revaluations of assets are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date. Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the "revaluation reserve" in other components of equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds the revaluation reserve previously recognised in other comprehensive income in respect of the same asset. The revaluation reserve is utilised by reference to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost and transferred directly to retained earnings. Upon disposal of a revalued asset, any remaining related revaluation reserve is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

When the use of a property changes from owner-occupied to investment property that is measured at fair value, the Group shall remeasure the property to fair value and reclassified it as investment property. Property that is being constructed for future use as investment property is accounted for at fair value. Any gain arising on remeasurement is recognised in profit or loss to the extent the gain reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the "revaluation reserve" in other components of equity. Any loss is recognised in other comprehensive income and presented in the "revaluation reserve" in other components of equity to the extent that an amount had previously been included in the revaluation reserve relating to the specific property, with any remaining loss recognised immediately in profit or loss.

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.



Notes to the financial statements

For the year ended 30 September 2021

Depreciation is calculated based on the depreciable amount of buildings and equipments, which comprises the cost of an asset, or other amount substituted for cost, less its residual value, and recognised in profit or loss using a straight-line basis over the estimated useful lives of each component of an asset. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. No depreciation is provided on freehold land or assets under construction.

The estimated useful lives are as follows:

Buildings, warehouses and improvement	20 - 30 years
Machinery, equipment and tools	5 - 20 years
Vehicles	5 - 10 years
Furniture and office equipment	3 - 5 years
Plastic pallets	5 years
Container	12 - 15 years
Marketing promotion equipment	5 years

(j) *Intangible assets*

Trademarks that are acquired by the Group and have infinite useful lives are measured at cost.

Other intangible assets that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits.

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value, and is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

The estimated useful lives are as follows:

Software licenses	3 - 10 years
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(k) *Leases*

Accounting policies applicable from 1 October 2020

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

As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.



Notes to the financial statements

For the year ended 30 September 2021

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Group recognises finance lease receivables at the net investment of the leases, which includes the present value of the lease payments, and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income reflects a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of rental income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date. The Group derecognises the lease receivables as disclosed in note 4(1).



Notes to the financial statements

For the year ended 30 September 2021

Accounting policies applicable before 1 October 2020

As a lessee

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

As a lessor

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Group recognises finance lease receivables at the net investment of the leases, which includes the present value of the lease payments, and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income reflects a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income under operating leases is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

Allowance for doubtful debts is determined based on an analysis of payment histories. Bad debts are written off when incurred.

(I) Impairment of financial assets other than trade accounts receivables

Accounting policies applicable from 1 October 2020

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI, lease receivables, and loan commitments issued which are not measured at FVTPL.



Notes to the financial statements

For the year ended 30 September 2021

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Accounting policies applicable before 1 October 2020

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

(m) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.



Notes to the financial statements

For the year ended 30 September 2021

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Contract liabilities

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

(o) Employee benefits

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.



Notes to the financial statements

For the year ended 30 September 2021

(p) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(q) Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(r) Revenue

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers.



Notes to the financial statements

For the year ended 30 September 2021

(s) *Other income*

Other income, which comprises dividend, interest income and others is generally recognised based on accrual basis, except for dividend income which is recognised in profit or loss on the date on which the Group's right to receive payment is established.

(t) *Interest*

Accounting policies applicable from 1 October 2020

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Accounting policies applicable before 1 October 2020

Interest income is recognised in profit or loss at the rate specified in the contract. Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

(u) *Income tax*

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.



Notes to the financial statements

For the year ended 30 September 2021

(v) *Earnings per share*

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(w) *Related parties*

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

(x) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly other income, administrative expenses, finance costs and share of profit of an associate.

5 Related parties

Relationships with an associate and subsidiaries are described in notes 9 and 10. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Singapore/ Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Thai Beverage Public Co., Ltd.	Thailand	Parent Company and common director
So Water Co., Ltd.	Thailand	Parent Company
Thai Beverage Can Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
Sang Som Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Beer Thai (1991) PLC.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Beer Thip Brewery (1991) Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Cosmos Brewery (Thailand) Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Sura Bangyikhan Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Krittayabun Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Modern Trade Management Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Pomburapa Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Pomchok Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Pomcharoen Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Num Yuk Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Num Palang Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company



Notes to the financial statements

For the year ended 30 September 2021

Name of entities	Country of incorporation/ nationality	Nature of relationships
Num Nakorn Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Pan International (Thailand) Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thai Beverage Logistics Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thai Beverage Recycle Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thai Beverage Energy Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
ThaiBev Marketing Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
D2C Services Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Dhospaak Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thai Drinks Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Horeca Management Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Bev Tech Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Cash Van Management Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
C A C Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
C.A.I. Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Chang International Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
ASM Management Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thai Molasses Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Karnchanasingkorn Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thai Beverage Training Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Charan Business 52 Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Feed Addition Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Thanapakdi Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Oishi Group PLC.	Thailand	Direct subsidiary of the ultimate parent company
Oishi Trading Co., Ltd.	Thailand	Indirect subsidiary of the ultimate parent company
Oishi Ramen Co., Ltd.	Thailand	Indirect subsidiary of the ultimate parent company
Oishi Food Service Co., Ltd.	Thailand	Indirect subsidiary of Indirect subsidiary of the ultimate parent company
Food of Asia Co., Ltd.	Thailand	Indirect subsidiary of the ultimate parent company
Spice of Asia Co., Ltd.	Thailand	Indirect subsidiary of Indirect subsidiary of the ultimate parent company
The QSR of Asia Co., Ltd.	Thailand	Indirect subsidiary of Indirect subsidiary of the ultimate parent company
Max Asia Co., Ltd.	Thailand	Indirect subsidiary of Indirect subsidiary of the ultimate parent company
Bistro Asia Co., Ltd.	Thailand	Indirect subsidiary of Indirect subsidiary of the ultimate parent company
F&N Beverages Marketing Sdn Bhd	Malaysia	Affiliated company in associate of the ultimate parent company
F&N Foods Pte Ltd	Singapore	Affiliated company in associate of the ultimate parent company
F&N Dairies (Thailand) Limited	Thailand	Affiliated company in associate of the ultimate parent company
The Southeast Insurance PLC.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.

Notes to the financial statements

For the year ended 30 September 2021

Name of entities	Country of incorporation/ nationality	Nature of relationships
The Southeast Capital Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
The Southeast Life Insurance PLC.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
F & B International Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
T.C.C. Technology Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
BJC Specialties Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
CW Towers Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
Big C Supercenter PLC.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
North Park Golf And Sports Club Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly and common directors
The Pet Co., Ltd.	Thailand	The Company hold ordinary shares
Crown Seal PLC.	Thailand	The Company hold ordinary shares
Bangkok Glass PLC.	Thailand	The Company hold ordinary shares
Phatra-leasing PLC.	Thailand	Common directors
Berli Jucker PLC.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly and Common directors
Thai Malaya Glass Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
TCC Hotel Asset Management Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
Petform (Thailand) Co., Ltd.	Thailand	Associated Company



Notes to the financial statements

For the year ended 30 September 2021

The pricing policies for transactions with related parties are explained further below:

Transactions

Sales of goods and rendering of services

Other income

Rental income

Interest income and interest expense

Purchase of finished goods and raw materials

Subsidy for marketing expenses

Directors' remuneration representing salary,
director bonus and meeting allowance

Distribution cost

Administrative expenses

Rental expense

Pricing policies

Cost plus gross profit margin

Contractual prices, mutually agreed price

Market price, Contractual price

Rate as mutually agreed with reference to interest
rate quoted by domestic commercial bank

Cost of finished goods and raw materials plus gross
profit margin

Actual price stated in invoice

Approval by the Company's directors and shareholders

Contractual prices, mutually agreed price

Contractual prices, mutually agreed price

Market price, Contractual price



Notes to the financial statements

For the year ended 30 September 2021

Significant transactions with related parties		Consolidated financial statements		Separate financial statements	
Year ended 30 September	<i>Note</i>	2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Ultimate parent company					
Sale of goods and rendering of services		1,366	3,083	1,366	3,083
Other income		10	76	10	76
Administrative expenses		15,527	14,227	15,527	14,227
Subsidiaries					
Sale of goods and rendering of services		-	-	62	202
Gains on sale of equity securities	9	-	-	448,785	-
Other income		-	-	7,590	-
Purchase of finished goods and services		-	-	353,662	312,138
Distribution cost and administrative expenses		-	-	17,066	18,442
Dividend income		-	-	-	26,038
Interest income		-	-	1,885	3,886
Associate					
Purchase of raw materials		754,539	801,270	748,081	801,270
Dividend income		93,000	24,000	84,000	24,000
Other income		19,886	3,893	19,885	3,893
Distribution cost and administrative expenses		-	1,482	-	1,482
Key management personnel					
Key management					
personnel compensation					
Directors' remunerations		8,151	7,714	8,151	7,714
Post-employment benefits		1,744	1,566	1,744	1,566
Other long-term benefits		9	3	9	3
Total key management personnel compensation		9,904	9,283	9,904	9,283
Other related parties					
Sale of goods and rendering of services		3,094,225	3,605,273	3,041,940	3,545,005
Other income		62,170	55,922	60,720	55,020
Dividend income		6,846	7,330	6,846	7,330
Interest income		41	103	41	103
Purchase of finished goods and raw materials		3,089,870	3,323,158	2,970,310	3,224,128
Subsidy for marketing expense		393,408	467,917	393,408	467,917
Distribution cost		276,931	260,747	276,931	260,747
Administrative expenses		148,854	119,187	147,140	118,477



Notes to the financial statements

For the year ended 30 September 2021

Balances as at 30 September with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<i>Trade accounts receivable</i>				
		(in thousand Baht)		
Ultimate parent company	391	770	391	770
Other related parties	230,316	290,430	227,101	282,159
Total	230,707	291,200	227,492	282,929

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<i>Other receivables</i>				
		(in thousand Baht)		
Subsidiaries	-	-	8,552	44,770
An associate	30,276	277	21,276	277
Other related parties	64,630	83,265	64,315	83,265
Total	94,906	83,542	94,143	128,312

	Interest rate At the end of the year (% per annum)	Consolidated financial statements			
		At the beginning of the year	Increase	Decrease	At the end of the year
<i>Long-term loans to</i>					
			(in thousand Baht)		
2021					
Other related party	-	3,000	-	(3,000)	-
2020					
Other related party	2.75	3,000	-	-	3,000

	Interest rate At the end of the year (% per annum)	At the beginning of the year	Separate financial statements		At the end of the year
			Increase	Decrease	
<i>Loans to</i>					
			(in thousand Baht)		
2021					
Short-term loan					
Subsidiary	1.87	125,000	460,000	(125,000)	460,000
Long-term loan					
Other related party	-	3,000	-	(3,000)	-
Total		128,000			460,000
2020					
Short-term loan					
Subsidiary	3.10	125,000	-	-	125,000
Long-term loan					
Other related party	2.75	3,000	-	-	3,000
Total		128,000			128,000

Notes to the financial statements

For the year ended 30 September 2021

	Consolidated financial statements		Separate financial statements	
<i>Trade accounts payable</i>	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	277,475	446,088
An associate	59,114	60,189	57,530	60,189
Other related parties	261,003	330,466	248,756	308,501
Total	320,117	390,655	583,761	814,778

	Consolidated financial statements		Separate financial statements	
<i>Other payables</i>	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Ultimate parent company	4,498	4,361	4,402	4,361
Subsidiaries	-	-	1,592	5,464
Other related parties	181,691	164,809	181,537	162,837
Total	186,189	169,170	187,531	172,662

	Consolidated financial statements		Separate financial statements	
<i>Lease liabilities</i>	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Other related parties	260,571	-	259,939	-

	Interest rate	Separate financial statements			
<i>Long-term loans from</i>	At the end of the year (% per annum)	At the beginning of the year	Increase	Decrease	At the end of the year
	<i>(in thousand Baht)</i>				
2021					
Subsidiary	-	30,968	-	-	30,968
2020					
Subsidiary	-	30,968	-	-	30,968



Notes to the financial statements

For the year ended 30 September 2021

Significant agreements with related parties

Loan agreement

On 18 December 2014, the Company entered into a short-term loan agreement with Great Brands Limited, "Lender" for a loan facility of Baht 1,700 million. Interest is at rate as stipulated in the agreement or further agreed which is repayable in full after one year from the drawdown date or such other date which the Lender specifies. Subsequently on 29 June 2018, the Company and the Lender made an amendment whereby the parties agreed to extend the loan maturity date for eight years from the date acquired the loan to 24 December 2022. During 2019, the Company has repaid Baht 1,500 million to the related company. As at 30 September 2021, the Company had utilised loan facility totalling Baht 30.97 million (30 September 2020: Baht 30.97 million).

On 23 August 2021, the Company entered into a loan agreement with Sermsuk Holdings Company Limited, "Borrower" for a loan facility of Baht 460 million. Interest is at the rate as stipulated in the agreement, which is repayable on demand.

Manufacturing agreement

The Company entered into an agreement with its subsidiary in order to appoint to produce drinking water under "Crystal" trademark. The agreement ended on 31 March 2021. Currently, the parties have entered into a new agreement with the term starting from 1 April 2021 to 30 September 2022. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.

The Company entered into an agreement with its related company in order to appoint to produce drinking water under "Crystal" trademark. The Company has to comply with conditions as specified in the agreement. The agreement is effective from 16 November 2018 to 15 November 2021. Currently, the agreement has been renewed for 3 years effective from 16 November 2021 to 30 September 2024. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.

The Company entered into various agreements with related companies in order to appoint to produce drinking water under "Crystal" trademark. The Company has to comply with conditions as specified in the agreement. The agreement is effective from 1 March 2020 to 30 September 2021. Currently, the agreement has been renewed for 3 years effective from 1 October 2021 to 30 September 2024. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.

The Company entered into an agreement with its related company in order to appoint to produce drinking water under "Crystal" trademark. The Company has to comply with conditions as specified in the agreement. The agreement is effective from 28 January 2020 to 30 September 2021. Currently, the agreement has been renewed for 3 years effective from 1 October 2021 to 30 September 2024. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.

A subsidiary entered into an agreement with a related company in order to appoint to produce the energy drink under "Ranger" trademark with the term starting from 1 June 2021 to 30 September 2022. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.



Notes to the financial statements

For the year ended 30 September 2021

The Company entered into an agreement with a related company in order to appoint to produce beverages under "Oishi Chakulza" trademark. The Company has to comply with conditions as specified in the agreement. The agreement is effective from 1 June 2021 to 30 September 2023. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.

Distributor appointment agreement

The Company entered into an agreement with a related company, appointing the Company to distribute packaged green tea. The agreement ended on 28 February 2021. Currently, the parties have entered into a new agreement with the term starting from 1 March 2021 to 29 February 2024. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.

The Company entered into an agreement with a related company, appointing its related company to distribute the products under "Crystal" "Ranger" and "Est" trademarks. The parties have to comply with conditions as specified in the agreement. The agreement is effective from 1 January 2020 to 31 December 2021. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.

The Company entered into an agreement with a related company, appointing its related company to distribute the products under "Crystal" "Ranger" and "Est" trademarks. The Company has to comply with conditions as specified in the agreement. This agreement ended on 31 December 2020. Currently, the agreement has been automatically renewed for 1 year effective from 1 January 2021 to 31 December 2021.

The Company entered into an agreement with a related company, appointing the Company to distribute the products under "Tea pot" and "Carnation" trademarks with the term starting from 17 August 2020 to 16 August 2022. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.

The Company entered into an agreement with a related company, appointing the Company to distribute the products under "Oishi Chakulza" trademark with the term starting from 1 March 2021 to 29 February 2024. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.

Product sale and purchase agreement

The Company entered into an agreement with a related company to sell and purchase soda product. The Company has to comply with conditions as specified in the agreement. The agreement is effective from 1 October 2020 to 30 September 2021. Currently, the agreement has been renewed for 1 years effective from 1 October 2021 to 30 September 2022. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.

The Company entered into an agreement with a related company to sell and purchase the products under "Sarsi" trademark. The parties have to comply with conditions as specified in the agreement. This agreement ended on 31 May 2021. Currently, the agreement has been renewed for 1 year effective from 1 June 2021 to 31 May 2022.



Notes to the financial statements

For the year ended 30 September 2021

Co-packing and Distribution agreement

The Company and its subsidiary entered into an agreement with a related company, appointing the Company and its subsidiary to produce and distribute returnable glass bottled tea drinks. The Company and its subsidiary have to comply with conditions as specified in the agreement. The agreement is effective from 1 October 2020 to 30 September 2022.

The Company entered into an agreement with a related company, appointing the Company to produce and distribute product under “Est” “Sarsi” and “100Plus” trademarks. The agreement is effective from 1 June 2021 to 30 September 2024. The agreement term shall be automatically renewed for a period of 3 years each time if neither party express their objection to the extension to the other party in advance.

The Company and its subsidiary entered into an agreement with a related company, appointing the Company and its subsidiary to produce and distribute the products under "V-Boost" trademark. The agreement is effective from 1 June 2021 to 30 September 2024. The agreement term shall be automatically renewed for a period of 3 years each time if neither party express their objection to the extension to the other party in advance.

Management and distribution agreement

The Company entered into a management and distribution service for green tea syrup and concentrate agreement with a related company. This agreement ended on 31 December 2020. Currently, the agreement has been renewed for 7 months effective from 1 January 2021 to 31 July 2021.

The Company entered into a management and distribution service agreement with a related party in order to provide distribution service for green tea syrup and concentrate in the specific area as specified in the agreement. The agreement is effective from 1 July 2021 to 30 June 2022.

Land lease agreement, Sublease agreement for office space and service agreement

The Company entered into a sublease agreement for office space, storage space and service agreement with a related company. The Company is committed to pay rental and service fee on the rates as stipulated in the agreement. This agreement will be renewed conditional in a prior notice being provided advance at least 90 days. This agreement ended on 22 May 2020. Currently, the agreement has been renewed for 2 years effective from 23 May 2020 to 22 May 2022.

The Company entered into a renewal sublease agreement for office space and warehouse with a related company. The agreement is for 3 years from 1 March 2019 to 28 February 2022. The Company is committed to pay rental and service fee and has to comply with terms and conditions as stipulated in the agreement.

The Company entered into a lease agreement with a related company as a lessee. The agreement has been effective from the first date the lessee stored its assets at the leased premises 24 July 2019 to 31 May 2022. In the event that the lessee intends to extend the agreement, the lessee shall submit a written notice a least 60 days to the lessor prior to the expiry date to the agreement. Once submitted, the agreement shall be extended for another 3 years term with the same conditions. The parties have to comply with conditions as specified in the agreement.

Sale and purchase agreement

The Company entered into a waste materials sale and purchase agreement with a related company. The agreement is effective from 1 June 2021 to 30 September 2022.



Notes to the financial statements

For the year ended 30 September 2021

Service agreement related sales promotion

The Company entered into an agreement with a related company to provide sales promotion of soda product under "Rock Mountain" trademark with the term starting from 1 October 2020 to 30 September 2021. Currently, the agreement has been renewed for 1 year effective from 1 October 2021 to 30 September 2022. The agreement term shall be automatically renewed for a period of 1 year each time if neither party express their objection to the extension to the other party in advance.

Consultancy services agreement

The Company entered into a software licensing with a related company to manage the permission and maintenance the system with service fee. This agreement ended on 31 August 2020. Currently, the agreement has been renewed for 3 years effective from 1 September 2020 to 31 August 2023.

Other commitments

As at 30 September 2021, the Company had commitments for purchase orders for goods with related parties amounting to Baht 61.44 million (2020: Baht 242.51 million).

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Cash on hand	3,703	4,653	3,638	4,603
Cash at banks - current accounts	127,789	63,672	127,150	63,106
Cash at banks - savings accounts	935,930	1,335,174	872,141	1,299,558
Cash and cash equivalents in the statement of financial position and cash flows	1,067,422	1,403,499	1,002,929	1,367,267

7 Trade accounts receivable

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
At 30 September 2021		
Related parties		
Within credit terms	230,707	227,492
Other parties		
Within credit terms	164,841	164,841
Overdue:		
Less than 3 months	5,512	5,512
3 - 6 months	6,997	6,997
Over 6 months	18,831	18,801
Total	196,181	196,151
Less allowance for expected credit loss	(15,408)	(15,408)
Net	180,773	180,743
Total	411,480	408,235



Notes to the financial statements

For the year ended 30 September 2021

	Consolidated financial statements (in thousand Baht)	Separate financial statements
At 30 September 2020		
Related parties		
Within credit terms	<u>291,200</u>	<u>282,929</u>
Other parties		
Within credit terms	241,226	241,225
Overdue:		
Less than 3 months	17,215	17,215
3 - 6 months	2,936	2,936
Over 6 months	<u>17,641</u>	<u>17,612</u>
Total	<u>279,018</u>	<u>278,988</u>
Less allowance for doubtful accounts	<u>(20,506)</u>	<u>(20,506)</u>
Net	<u>258,512</u>	<u>258,482</u>
Total	<u>549,712</u>	<u>541,411</u>
 Allowance for expected credit loss		
	Note	
At 1 October 2020 - restated	3(a.2)	
Addition	15,238	15,238
	<u>170</u>	<u>170</u>
At 30 September 2021	<u>15,408</u>	<u>15,408</u>

Notes to the financial statements

For the year ended 30 September 2021

8 Inventories

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Finished goods	321,816	338,492	316,093	333,100
Work in progress	-	1,826	-	1,826
Raw materials and supplies	269,797	245,084	242,248	203,966
Spare parts	89,668	93,990	86,455	87,963
Other supplies	1,017	2,544	1,017	2,544
	682,298	681,936	645,813	629,399
Less allowance for decline in value	(64,849)	(94,852)	(64,705)	(94,852)
Net	617,449	587,084	581,108	534,547
Inventories recognised in 'cost of sales of goods'				
- Cost	6,672,680	7,592,775	6,664,951	7,561,451
- Write-down to net realisable value	8,747	12,496	8,747	12,496
- Reversal of write-down	(38,750)	(8,500)	(38,895)	(5,892)
Net	6,642,677	7,596,771	6,643,803	7,568,055



Notes to the financial statements

For the year ended 30 September 2021

9 Investment in an associate

Consolidated financial statements

	Ownership interest		Paid-up capital		Cost		Equity		Dividend income for the year	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	(%)									
Petform (Thailand) Limited	40	40	75,000	75,000	30,000	30,000	863,403	802,280	93,000	24,000

Separate financial statements

	Ownership interest		Paid-up capital		Cost		Dividend income for the year	
	2021	2020	2021	2020	2021	2020	2021	2020
	(%)							
Petform (Thailand) Limited	28	40	75,000	75,000	21,000	30,000	84,000	24,000

Petform (Thailand) Limited was incorporated in Thailand and mainly manufactures and distributes PET preforms, closures, and PET bottles. This associate is not publicly listed and consequently does not have published price quotation.

Notes to the financial statements

For the year ended 30 September 2021

In August 2021, the Company sold 12% of its 40% interest in the issued and paid up capital of Petform (Thailand) Limited to its subsidiary for a consideration of Baht 457.79 million. The Company recognised a gain on disposal of Baht 448.79 million.

Associates

The following table summarises the financial information of the associate as included in its own financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in this company.

	Petform (Thailand) Limited	
	2021	2020
	<i>(in thousand Baht)</i>	
Revenue	3,042,289	2,971,533
Profit from continuing operations	387,239	472,768
Other comprehensive income	(4,076)	(4,110)
Total comprehensive income (100%)	<u>383,163</u>	<u>468,658</u>
Attributable to NCI	233,116	284,799
Group's share of total comprehensive income	154,123	187,969
Current assets	855,135	720,189
Non-current assets	1,669,180	1,721,984
Current liabilities	(265,834)	(330,788)
Non-current liabilities	(88,811)	(92,378)
Net assets (100%)	<u>2,169,670</u>	<u>2,019,007</u>
Attributable to NCI	1,301,802	1,211,404
Carrying amount of interest in associate	867,868	807,603



Notes to the financial statements

For the year ended 30 September 2021

10 Investments in subsidiaries

Subsidiaries	Type of business	Ownership interest (%)		Separate financial statements				Dividend income for the year	
		2021	2020	Paid-up capital		Cost		2021	2020
				2021	2020	2021	2020		
<i>(in thousand Baht)</i>									
Direct subsidiaries									
Sermasuk Holdings Co., Ltd.	Investment and holding shares in other companies	99.99	99.99	600,000	600,000	600,000	600,000	-	-
Great Brands Limited	Manage brands	100.00	100.00	HKD 1,000	HKD 1,000	4,134	4,134	-	26,038
Sermasuk Training Co., Ltd.	Human resources development and organisation	99.99	99.99	2,500	2,500	2,500	2,500	-	-
Total				606,634	606,634	606,634	606,634	-	26,038
Indirect subsidiaries									
Serm Suk Beverage Co., Ltd.	Produce and distribute tea, and sports drinks	99.99	99.99	689,586	689,586	-	-	-	-
Wrangyer Beverage (2008) Co., Ltd.	Produce and distribute energy drink	99.99	99.99	200,000	200,000	-	-	-	-

All subsidiaries were incorporated in Thailand, except Great Brands Limited which was incorporated in Hong Kong.

Notes to the financial statements

For the year ended 30 September 2021

11 Investment properties

	Consolidated and Separate financial statements		
	Land	Building	Total
	<i>(in thousand Baht)</i>		
At 1 October 2019	317,885	5,100	322,985
Gain (loss) on fair value adjustments	865	(200)	665
At 30 September 2020 and 1 October 2020	318,750	4,900	323,650
Gain on fair value adjustments	16,894	900	17,794
At 30 September 2021	335,644	5,800	341,444

	Consolidated financial statements		Separate financial statements	
<i>Year ended 30 September</i>	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Rental income	971	913	971	913

The fair value of investment properties was determined by independent professional valuers, at open market values on an existing use basis. The fair value of investment property has been categorised as a Level 3 fair value.

Significant unobservable inputs

- Asking price of comparable property

Inter-relationship between key unobservable inputs and fair value measurement

The estimated fair value increase (decrease) if:

- Asking prices of comparable property were higher (lower).



Notes to the financial statements

For the year ended 30 September 2021

12 Property, plant and equipment

	Consolidated financial statements										
	Historical cost	Land Surplus on revaluation	Buildings, warehouses and improvement	Machinery, equipment and tools	Vehicles	Furniture and office equipment	Plastic pallets	Container	Marketing promotion equipments	Assets under construction and installation	Total
<i>(in thousand Baht)</i>											
Cost/revaluation											
At 1 October 2019	500,266	4,600,628	2,716,543	6,766,658	1,610,520	328,966	371,798	1,309,332	3,673,592	100,853	21,979,156
Additions	-	-	20,990	63,390	10,252	18,706	-	32,582	4,608	89,706	240,234
Transfers	-	-	18,631	84,677	116	201	-	-	(385)	(103,240)	-
Disposals	-	-	(2,660)	(38,065)	(30,170)	(4,268)	(39,476)	(77,167)	(45,324)	-	(237,130)
At 30 September 2020 and 1 October 2020	500,266	4,600,628	2,753,504	6,876,660	1,590,718	343,605	332,322	1,264,747	3,632,491	87,319	21,982,260
Additions	-	-	20,501	44,538	6,521	12,489	-	9,431	-	103,879	197,359
Transfers	(14,900)	-	37,708	64,257	148	6,239	-	(6)	-	(123,973)	(30,527)
Disposals	-	-	(255)	(8,750)	(40,581)	(13,100)	(36,589)	(152,384)	(35,659)	(173)	(287,491)
At 30 September 2021	485,366	4,600,628	2,811,458	6,976,705	1,556,806	349,233	295,733	1,121,788	3,596,832	67,052	21,861,601

Notes to the financial statements

For the year ended 30 September 2021

Consolidated financial statements											
	Land		Buildings, warehouses and improvement	Machinery, equipment and tools	Vehicles	Furniture and office equipment	Plastic pallets	Container	Marketing promotion equipments	Assets under construction and installation	Total
	Historical cost	Surplus on revaluation									
<i>(in thousand Baht)</i>											
Depreciation											
At 1 October 2019	-	-	1,644,713	5,446,565	1,521,314	301,349	358,229	374,693	3,583,859	-	13,230,722
Depreciation charge for the year	-	-	86,657	257,327	36,031	18,322	4,078	127,888	54,517	-	584,820
Disposals	-	-	(500)	(37,941)	(30,167)	(4,224)	(39,464)	(36,033)	(45,314)	-	(193,643)
At 30 September 2020											
At 1 October 2020	-	-	1,730,870	5,665,951	1,527,178	315,447	322,843	466,548	3,593,062	-	13,621,899
Depreciation charge for the year	-	-	94,309	247,999	20,256	20,066	3,281	114,888	21,602	-	522,401
Transfer	-	-	20	(3,480)	-	3,460	-	-	-	-	-
Disposals	-	-	(238)	(8,749)	(40,581)	(13,081)	(36,573)	(104,062)	(35,655)	-	(238,939)
At 30 September 2021	-	-	1,824,961	5,901,721	1,506,853	325,892	289,551	477,374	3,579,009	-	13,905,361
Impairment losses											
At 1 October 2019	-	-	-	-	-	-	-	-	5,330	-	5,330
Impairment losses	-	-	-	-	-	-	-	43,756	-	-	43,756
At 30 September 2020											
At 1 October 2020	-	-	-	-	-	-	-	43,756	5,330	-	49,086
Impairment losses	-	-	-	-	-	-	-	23,413	-	-	23,413
Disposals	-	-	-	-	-	-	-	(13,187)	(5,330)	-	(18,517)
At 30 September 2021	-	-	-	-	-	-	-	53,982	-	-	53,982
Net book value											
At 30 September 2020	500,266	4,600,628	1,022,634	1,210,709	63,540	28,158	9,479	754,443	34,099	87,319	8,311,275
At 30 September 2021	485,366	4,600,628	986,497	1,074,984	49,953	23,341	6,182	590,432	17,823	67,052	7,902,258



Notes to the financial statements

For the year ended 30 September 2021

<i>Cost/revaluation</i>											
At 1 October 2019	375,763	4,393,811	2,394,470	6,114,515	1,603,706	317,769	347,940	1,425,376	3,673,592	89,542	20,736,484
Additions	-	-	18,465	48,164	10,252	17,885	-	32,582	4,608	81,900	213,856
Transfers	-	-	16,347	69,782	116	(210)	-	-	(385)	(85,650)	-
Disposals	-	-	(2,660)	(36,702)	(27,906)	(4,268)	(39,476)	(71,071)	(45,324)	-	(227,407)
At 30 September 2020											
At 1 October 2020	375,763	4,393,811	2,426,622	6,195,759	1,586,168	331,176	308,464	1,386,887	3,632,491	85,792	20,722,933
Additions	-	-	18,804	40,507	6,521	12,177	-	9,431	-	103,637	191,077
Transfers	(14,900)	-	37,541	69,544	148	(482)	-	-	-	(122,378)	(30,527)
Disposals	-	-	(30)	(8,751)	(40,581)	(12,634)	(36,589)	(146,765)	(35,660)	-	(281,010)
At 30 September 2021	360,863	4,393,811	2,482,937	6,297,059	1,552,256	330,237	271,875	1,249,553	3,596,831	67,051	20,602,473

Notes to the financial statements

For the year ended 30 September 2021

Depreciation

	Historical cost	Land	Buildings, warehouses and improvement	Machinery, equipment and tools	Vehicles	Furniture and office equipment	Plastic pallets	Container	Marketing and installation	Assets under construction and installation	Total
At 1 October 2019	-	-	1,401,646	4,879,837	1,514,720	292,169	334,369	513,601	3,583,859	-	12,520,201
Depreciation charge for the year	-	-	77,896	240,214	35,930	17,658	4,078	126,860	54,517	-	557,153
Disposals	-	-	(500)	(36,579)	(27,903)	(4,225)	(39,464)	(30,151)	(45,314)	-	(184,136)
At 30 September 2020											
At 1 October 2020	-	-	1,479,042	5,083,472	1,522,747	305,602	298,983	610,310	3,593,062	-	12,893,218
Depreciation charge for the year	-	-	89,388	232,029	43,555	9,396	3,591	97,046	21,616	-	496,621
Transfer	-	-	24	111	-	(135)	-	-	-	-	-
Disposals	-	-	(13)	(8,749)	(40,581)	(13,080)	(36,573)	(102,023)	(35,669)	-	(236,688)
At 30 September 2021											
	-	-	1,568,441	5,306,863	1,525,721	301,783	266,001	605,333	3,579,009	-	13,153,151

Impairment losses

At 1 October 2019	-	-	-	-	-	-	-	-	5,330	-	5,330
Impairment losses	-	-	-	-	-	-	-	43,756	-	-	43,756
At 30 September 2020											
At 1 October 2020	-	-	-	-	-	-	-	43,756	5,330	-	49,086
Impairment losses	-	-	-	-	-	-	-	23,413	-	-	23,413
Disposals	-	-	-	-	-	-	-	(13,187)	(5,330)	-	(18,517)
At 30 September 2021											
	-	-	-	-	-	-	-	53,982	-	-	53,982
Net book value											
At 30 September 2020	375,763	4,393,811	947,580	1,112,287	63,421	25,574	9,481	732,821	34,099	85,792	7,780,629
At 30 September 2021	360,863	4,393,811	914,496	990,196	26,535	28,454	5,874	590,238	17,822	67,051	7,395,340



Notes to the financial statements

For the year ended 30 September 2021

The gross amount of the Group's fully depreciated buildings and equipment that was still in use as at 30 September 2021 and 2020 are summarised as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Buildings and equipment	10,146,555	9,768,688	9,430,904	9,056,921

Information relating to leases are disclosed in note 13.

The fair value measurement for property as at 30 September 2021 in the consolidated financial statements of Baht 5,085.99 million (2020: Baht 5,085.99 million) and separate financial statements of Baht 4,754.67 million (2020: Baht 4,754.67 million) was determined by independent professional valuers, at open market values on an existing use basis. The fair value of property has been categorised as a Level 3 fair value.

Significant unobservable inputs		Inter-relationship between key unobservable inputs and fair value measurement
<ul style="list-style-type: none"> Asking price of comparable property 		The estimated fair value increase (decrease) if:
		<ul style="list-style-type: none"> Asking price of comparable property were higher (lower)

13 Leases

	Consolidated financial statements	Separate financial statements
<i>Right-of-use assets at 30 September 2021</i>	<i>(in thousand Baht)</i>	
Buildings	75,544	75,544
Equipment	8,287	8,287
Vehicles	275,611	271,881
Total	359,442	355,712

In 2021, additions to the right-of-use assets of the Group and the Company were Baht 110 million and Baht 110 million, respectively.

The Group leases a number of land, buildings, structure and other assets for 1 - 30 years and expiring in various periods up to December 2038, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

	Consolidated financial statements	Separate financial statements
<i>Year ended 30 September 2564</i>	<i>(in thousand Baht)</i>	
Recognised through profit or loss		
Interest on lease liabilities	11,550	11,448
Expenses relating to short-term leases	710	710

Notes to the financial statements

For the year ended 30 September 2021

In 2021, total cash outflow for leases of the Group and the Company were Baht 76 million and Baht 75 million, respectively.

14 Intangible assets

	Consolidated financial statements		
	Trademark	Software licenses	Total
	<i>(in thousand Baht)</i>		
Cost			
At 1 October 2019	2,000	63,560	65,560
Additions	-	852	852
At 30 September 2020 and 1 October 2020	2,000	64,412	66,412
Additions	-	2,189	2,189
Transfer	-	30,527	30,527
Disposals	-	(466)	(466)
At 30 September 2021	2,000	96,662	98,662
Amortisation			
At 1 October 2019	-	47,145	47,145
Amortisation for the year	-	2,956	2,956
At 30 September 2020 and 1 October 2020	-	50,101	50,101
Amortisation for the year	-	2,771	2,771
Disposals	-	(466)	(466)
At 30 September 2021	-	52,406	52,406
Net book value			
At 30 September 2020	2,000	14,311	16,311
At 30 September 2021	2,000	44,256	46,256



Notes to the financial statements

For the year ended 30 September 2021

	Separate financial statements Software licenses (in thousand Baht)
Cost	
At 1 October 2019	59,134
Additions	735
At 30 September 2020 and 1 October 2020	59,869
Additions	2,183
Transfer	30,527
Disposals	(466)
At 30 September 2021	92,113
Amortisation	
At 1 October 2019	43,110
Amortisation for the year	2,642
At 30 September 2020 and 1 October 2020	45,752
Amortisation for the year	2,781
Disposals	(466)
At 30 September 2021	48,067
Net book value	
At 30 September 2020	14,117
At 30 September 2021	44,046

15 Interest-bearing liabilities

Consolidated financial statements							
	Note	Secured	2021 Unsecured	Total (in thousand Baht)	Secured	2020 Unsecured	Total
Long-term loans from related parties	5	-	-	-	-	-	-
Lease liabilities (2020: Finance lease liabilities)		-	356,381	356,381	-	-	-
Total interest-bearing liabilities		-	356,381	356,381	-	-	-
Separate financial statements							
	Note	Secured	2021 Unsecured	Total (in thousand Baht)	Secured	2020 Unsecured	Total
Long-term loans from related parties	5	-	30,968	30,968	-	30,968	30,968
Lease liabilities (2020: Finance lease liabilities)		-	352,606	352,606	-	-	-
Total interest-bearing liabilities		-	383,574	383,574	-	30,968	30,968

As at 30 September 2021, the Group and the Company had unutilised credit facilities totalling Baht 3,104 million and Baht 3,102 million, respectively (2020: Baht 4,076 million and Baht 4,075 million, respectively).

Notes to the financial statements

For the year ended 30 September 2021

16 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Post-employment benefit				
- retirement benefit	945,928	1,047,800	930,416	1,034,084
Other long-term employee benefit				
- long service award	70,906	90,952	70,775	90,889
Total	1,016,834	1,138,752	1,001,191	1,124,973

Employee benefit - Retirement benefit

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk and interest rate risk.

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
At the beginning of the year	1,047,800	1,143,519	1,034,084	1,131,350
Include in profit or loss:				
Current service costs	54,274	63,937	52,912	62,694
Interest on obligation	13,621	16,093	13,443	15,911
	67,895	80,030	66,355	78,605
Included in other comprehensive income				
Actuarial (gains) losses				
- Demographic assumptions	(67,700)	(19,348)	(68,195)	(20,023)
- Financial assumptions	1,011	22,196	1,011	21,870
- Experience adjustment	1,632	(77,297)	1,775	(76,418)
	(65,057)	(74,449)	(65,409)	(74,571)
Others				
Benefit paid	(104,474)	(101,298)	(104,474)	(101,298)
Transfer out to the related company	(236)	(2)	(140)	(2)
	(104,710)	(101,300)	(104,614)	(101,300)
At the end of the year	945,928	1,047,800	930,416	1,034,084

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(%)</i>			
Discount rate	1.40	1.30	1.40	1.30
Future salary growth	0.00 and 4.00	0.00 and 4.00	0.00 and 4.00	0.00 and 4.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.



Notes to the financial statements

For the year ended 30 September 2021

At 30 September 2021, the weighted-average duration of the defined benefit obligation was 7 years (2020: 9 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	(in thousand Baht)			
Effect to the defined benefit obligation				
At 30 September 2021				
Discount rate (0.5% movement)	(33,826)	35,932	(32,987)	35,020
Future salary growth (1% movement)	84,004	(63,021)	82,423	(61,688)
Effect to the defined benefit obligation				
At 30 September 2020				
Discount rate (0.5% movement)	(35,379)	37,534	(34,583)	36,668
Future salary growth (1% movement)	82,613	(68,448)	81,079	(67,143)

17 Share capital

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

18 Reserves

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

General reserve

The general reserve comprises amounts appropriated from profit for expansion of the Company's operations.

Other components of equity

Translation reserve

The translation reserves comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value reserve of 2021

The fair value reserve comprise:

- the cumulative net change in the fair value of equity securities designated at FVOCI; and
- the cumulative net change in fair value of debt securities at FVOCI until the assets are derecognised or reclassified. This amount is adjusted by the amount of loss allowance.

Notes to the financial statements

For the year ended 30 September 2021

Fair value reserve of 2020

The fair value changes in available-for-sale investments comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

Revaluation reserve

The revaluation reserve comprises the cumulative net change in the valuation of property, plant and equipment included in the financial statements at valuation until such property, plant and equipment is sold or otherwise disposed of.

19 Segment information

Management determined that the Group has two reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Carbonated soft drink: Produce and distribute soft drinks, and sport drink, including as distributor of soda
- Segment 2 Non-Carbonated soft drink: Produce and distribute drinking water, energy drink, and other beverages, including as distributor of tea

None of the other operations segments meets the quantitative thresholds for determining reportable segments in 2021 or 2020.

Each segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.



Notes to the financial statements

For the year ended 30 September 2021

<i>For the year ended 30 September</i>	Consolidated financial statements					
	Carbonated soft drink		Non-Carbonated soft drink		Total reportable segments	
	2021	2020	2021	2020	2021	2020
	<i>(in million Baht)</i>					
Information about reportable segments						
External revenue	3,708	4,615	5,910	6,250	9,618	10,865
Total revenue	3,708	4,615	5,910	6,250	9,618	10,865
Timing of revenue recognition						
At a point in time	3,708	4,615	5,910	6,250	9,618	10,865
Over time	-	-	-	-	-	-
Total revenue	3,708	4,615	5,910	6,250	9,618	10,865
Segment profit before income tax	624	747	2,350	2,519	2,974	3,266
Depreciation and amortisation recorded in distribution cost and administrative expenses	84	80	132	108	216	188
Distribution cost	873	1,064	1,394	1,440	2,267	2,504

- (a) *Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items*

	2021	2020
	<i>(in million Baht)</i>	
Profit for reportable segments	2,974	3,266
Depreciation and amortisation recorded in distribution cost and administrative expenses	(216)	(188)
Distribution cost	(2,267)	(2,504)
	491	574
Unallocated revenue and expenses		
- Other income	143	129
- Administrative expenses	(604)	(732)
- Finance costs	(12)	-
- Share of profit of investment in an associate, net of income tax	154	188
Total	172	159

- (b) *Geographical segments*

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

- (c) *Major customer*

Revenue from one customer of the group's 1 and 2 segments represents approximately Baht 2,687.47 million (2020: Baht 3,180.20 million) of the group's total revenue.

Notes to the financial statements

For the year ended 30 September 2021

20 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Salaries and wages		1,269,483	1,301,758	1,239,209	1,275,144
Overtime and allowance expense		89,785	102,541	83,125	97,331
Bonus		120,692	144,255	116,212	142,155
Pension costs - defined contribution plans		80,152	83,159	77,201	81,356
Pension costs - defined benefit plans	16	67,895	80,030	66,355	78,605
Others		224,365	290,822	223,683	289,042
Total		1,852,372	2,002,565	1,805,785	1,963,633

Defined contribution plans

The Group has a provident fund for those employees who indicate their willingness to join. Contributions are made monthly by the employees at 3% of their basic salaries and by the Group at from 5% to 12% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

21 Expenses by nature

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress		1,676,763	1,812,293	2,008,528	2,101,860
Raw materials and consumables used		3,940,505	4,662,619	3,687,238	4,425,223
Employee benefit expenses	20	1,852,372	2,002,565	1,805,785	1,963,633
Depreciation and amortisation		580,957	554,600	551,506	535,038
Marketing expenses		293,012	315,957	291,720	315,957
Distribution		402,836	450,133	400,743	447,072
Fuel		179,273	193,556	179,019	193,428
Lease-related expenses (2020: Rental expenses)		32,598	146,418	30,671	143,797
Maintenance expenses		95,400	101,493	95,062	101,139
Others		677,619	783,403	635,451	735,865
Total cost of sales of goods, distribution costs and administrative expenses		9,731,335	11,023,037	9,685,723	10,963,012



Notes to the financial statements

For the year ended 30 September 2021

22 Income tax

Income tax recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	10	60	-	60
Deferred tax expense				
Movements in temporary differences	88,815	(10,433)	87,518	(10,030)
Total income tax	88,825	(10,373)	87,518	(9,970)

	Consolidated financial statements					
	2021			2020		
<i>Income tax</i>	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
	<i>(in thousand Baht)</i>					
Recognised in other comprehensive income						
Financial assets at FVOCI	799	(160)	639	-	-	-
Available-for-sale assets	-	-	-	1,851	(370)	1,481
Defined benefit plan actuarial gains (losses)	65,058	(13,119)	51,939	74,448	(14,884)	59,564
Total	65,857	(13,279)	52,578	76,299	(15,254)	61,045

	Separate financial statements					
	2021			2020		
<i>Income tax</i>	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
	<i>(in thousand Baht)</i>					
Recognised in other comprehensive income						
Financial assets at FVOCI	799	(160)	639	-	-	-
Available-for-sale assets	-	-	-	1,851	(370)	1,481
Defined benefit plan actuarial gains (losses)	65,409	(13,082)	52,327	74,571	(14,914)	59,657
Total	66,208	(13,242)	52,966	76,422	(15,284)	61,138

Notes to the financial statements

For the year ended 30 September 2021

Reconciliation of effective tax rate

	Rate (%)	Consolidated financial statements		Rate (%)	(in thousand Baht)
		2021	2020		
Profit before income tax expense		172,060	158,759		
Income tax using the Thai corporation tax rate	20.00	34,412	31,752	20.00	
Income not subject to tax		(30,274)	(39,165)		
Expenses not deductible for tax purposes		1,515	2,662		
Expenses for tax incentives		(6,585)	(10,845)		
Utilized deferred tax assets		89,757	5,208		
Reversal of previously recognised deferred tax assets		-	15		
Total	51.62	88,825	(6.53)		(10,373)

Reconciliation of effective tax rate

	Rate (%)	Separate financial statements		Rate (%)	(in thousand Baht)
		2021	2020		
Profit before income tax expense		552,401	21,292		
Income tax using the Thai corporation tax rate	20.00	110,480	4,258	20.00	
Income not subject to tax		(18,169)	(6,266)		
Expenses not deductible for tax purposes		1,343	2,669		
Expenses for tax incentives		(6,136)	(10,631)		
Total	15.84	87,518	(46.83)		(9,970)

Deferred tax At 30 September	Consolidated financial statements			
	Assets		Liabilities	
	2021	2020	2021	2020
		(in thousand Baht)		
Total	473,132	579,626	(1,056,826)	(1,047,879)
Set off of tax	(473,111)	(579,529)	473,111	579,529
Net deferred tax assets (liabilities)	21	97	(583,715)	(468,350)

Deferred tax At 30 September	Separate financial statements			
	Assets		Liabilities	
	2021	2020	2021	2020
		(in thousand Baht)		
Total	466,802	571,962	(1,015,460)	(1,006,514)
Set off of tax	(466,802)	(571,962)	466,802	571,962
Net deferred tax liabilities	-	-	(548,658)	(434,552)



Notes to the financial statements

For the year ended 30 September 2021

<i>Deferred tax</i>	At beginning of period	Consolidated financial statements (Charged) / Credited to:		At end of period
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
2021				
<i>Deferred tax assets</i>				
Property, plant and equipment	8,751	2,045	-	10,796
Inventories	19,170	(6,001)	-	13,169
Employee benefit obligations	225,470	(11,416)	(13,119)	200,935
Loss carry forward	315,820	(78,683)	-	237,137
Others	9,361	1,734	-	11,095
Total	578,572	(92,321)	(13,119)	473,132
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(920,125)	-	-	(920,125)
Investment properties	(27,343)	(3,559)	-	(30,902)
Long-term investments	(16,471)	-	(160)	(16,631)
Others	(96,232)	7,064	-	(89,168)
Total	(1,060,171)	3,505	(160)	(1,056,826)
Net	(481,599)	(88,816)	(13,279)	(583,694)

<i>Deferred tax</i>	At beginning of period	Consolidated financial statements (Charged) / Credited to:		At end of period
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
2020				
<i>Deferred tax assets</i>				
Property, plant and equipment	-	8,751	-	8,751
Inventories	18,370	800	-	19,170
Employee benefit obligations	234,751	5,603	(14,884)	225,470
Loss carry forward	329,020	(13,200)	-	315,820
Others	9,785	630	-	10,415
Total	591,926	2,584	(14,884)	579,626
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(920,125)	-	-	(920,125)
Investment properties	(27,210)	(133)	-	(27,343)
Long-term investments	(3,809)	-	(370)	(4,179)
Others	(104,213)	7,981	-	(96,232)
Total	(1,055,357)	7,848	(370)	(1,047,879)
Net	(463,431)	10,432	(15,254)	(468,253)

Notes to the financial statements

For the year ended 30 September 2021

<i>Deferred tax</i>	At beginning of period	Separate financial statements (Charged) / Credited to:		At end of period
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
2021				
<i>Deferred tax assets</i>				
Property, plant and equipment	8,751	2,045	-	10,796
Inventories	19,171	(6,030)	-	13,141
Employee benefit obligations	226,595	(11,675)	(13,082)	201,838
Loss carry forward	307,030	(77,092)	-	229,938
Others	9,361	1,728	-	11,089
Total	570,908	(91,024)	(13,082)	466,802
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(878,762)	-	-	(878,762)
Investment properties	(27,343)	(3,559)	-	(30,902)
Long-term investments	(16,471)	-	(160)	(16,631)
Others	(96,230)	7,065	-	(89,165)
Total	(1,018,806)	3,506	(160)	(1,015,460)
Net	(447,898)	(87,518)	(13,242)	(548,658)

<i>Deferred tax</i>	At beginning of period	Separate financial statements (Charged) / Credited to:		At end of period
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
2020				
<i>Deferred tax assets</i>				
Property, plant and equipment	-	8,751	-	8,751
Inventories	17,850	1,321	-	19,171
Employee benefit obligations	236,160	5,349	(14,914)	226,595
Loss carry forward	320,900	(13,870)	-	307,030
Others	9,785	630	-	10,415
Total	584,695	2,181	(14,914)	571,962
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(878,762)	-	-	(878,762)
Investment properties	(27,210)	(133)	-	(27,343)
Long-term investments	(3,809)	-	(370)	(4,179)
Others	(104,212)	7,982	-	(96,230)
Total	(1,013,993)	7,849	(370)	(1,006,514)
Net	(429,298)	10,030	(15,284)	(434,552)



Notes to the financial statements

For the year ended 30 September 2021

The recoverability of deferred income tax assets resulting from tax losses carry-forward and temporary differences is reviewed and assessed, using forecasts that are based on the actual operating results and the expected future performance based on management's estimates and assumptions of revenue growth and the development of operating margins of the Group companies concerned. The Group has recognised tax losses as deferred tax assets because the Group considers that it is probable that future taxable profit will be available against which such losses can be used. These were following the Group's business plan to increase the Group's profit from operating activities in the future. Deviations from these estimates and assumptions can affect the value of deferred tax assets. The actual outcome may differ significantly from the outcome estimated by management. The tax losses expire in 2022 to 2023.

23 Earnings per share

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	(in thousand Baht/thousand shares)			
Profit attributable to ordinary shareholders				
Profit attributable to ordinary shareholders of the Company (basic)	83,235	169,131	464,883	31,262
Number of ordinary shares outstanding	265,900	265,900	265,900	265,900
Earnings per share (in Baht)	0.31	0.64	1.75	0.12

24 Dividends

Details of dividends during 2021 and 2020 are as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
2021				
2020 Annual dividend	28 January 2021	February 2021	0.32	85,087
2020				
2019 Annual dividend	30 January 2020	February 2020	0.25	66,474

Notes to the financial statements

For the year ended 30 September 2021

25 Financial instruments

(a) *Carrying amounts and fair values*

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

At 30 September 2021	Carrying amount Financial instruments measured at FVOCI	Consolidated financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
		(in thousand Baht)			
Financial assets					
Other financial assets					
Equity instruments	194,837	51,300	-	143,537	194,837
Unit trust:					
- Debt instruments	651,846	-	651,846	-	651,846
Total other financial assets	846,683				846,683



Notes to the financial statements

For the year ended 30 September 2021

At 30 September 2021	Note	Carrying amount		Separate financial statements				Fair value
		Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total	Level 1 (in thousand Baht)	Level 2	Level 3	
Financial assets								
Loans to related parties	5	-	460,000	460,000	-	-	460,000	460,000
Other financial assets								
Equity instruments		194,837	-	194,837	51,300	-	143,537	194,837
Unit trust:								
- Debt instruments		651,846	-	651,846	-	651,846	-	651,846
Total other financial assets		846,683		1,306,683				1,306,683

Loan to a related party is the loan to Sermsuk Holding Co., Ltd. The fair value of said loan is determined to be Level 3 under the fair value hierarchy because the fair value of loan has inputs for the asset that are unobservable.

The fair value of investment in equity instrument which listed on an exchange is determined to be Level 1 under the fair value hierarchy because the equity shares have a published price quotation in an active market at the measurement date that the Group can access at the measurement date and is currently actively traded in market.

The fair value of investment in equity instruments which do not listed on an exchange are determined to be Level 3 under the fair value hierarchy because the fair value of equity shares have inputs for the asset that are unobservable.

The fair value of investment in unit trust debt instrument is determined to be Level 2 under the fair value hierarchy because the fair value of the said investment has other inputs that are directly observable for the investment other than quoted prices.

Notes to the financial statements

For the year ended 30 September 2021

	Consolidated / Separate financial statements	
	Carrying amount (in thousand Baht)	Fair value Level 1
30 September 2020		
<i>Financial asset measured at fair value</i>		
Equity security available for sale	52,623	52,623
	Separate financial statements	
	Carrying amount (in thousand Baht)	Fair value Level 3
30 September 2020		
<i>Financial liability not measured at fair value</i>		
Long-term loan from a related party	30,968	27,175

Equity security available for sale is an investment in equity shares of Crown Seal Public Company Limited which listed its equity shares on an exchange and is currently actively traded in the market. The fair value of the said investment is determined to be Level 1 under the fair value hierarchy because the equity shares have a published price quotation in an active market at the measurement date that the Group can access at the measurement date.

Long-term loan from a related party is the long-term loan from Great Brands Limited. The fair value of said long-term loan is determined to be Level 3 under the fair value hierarchy because the fair value of long-term loan has inputs for the liability that are unobservable.

(b) *Financial risk management policies*

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the sustainability and risk management committee, which is responsible for supervising and monitoring the Group's risk management. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group sustainability and risk management committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in reviewing its operations oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(c.1) *Credit risk*

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.



Notes to the financial statements

For the year ended 30 September 2021

(c.1.1) Trade accounts receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The executive committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's trade terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed regularly. Any sales exceeding the established limits require approval from the executive committee.

Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 2 months. (2020: period between 15 to 60 days)

(c.1.2) Investment in debt securities

The Group considers that all debt investments measured at amortised cost and FVOCI have low credit risk. Then the credit loss allowance assessed during the year was therefore limited to 12 months expected losses or 'low credit risk'. Marketable bonds are considered to be an investment grade credit rating published by external credit rating agencies. The credit risk of other instruments are considered to be low when the risk of default is low and the issuer has a strong capacity to meet its contractual cash flow obligations.

(c.1.3) Cash and cash equivalent

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

(c.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Notes to the financial statements

For the year ended 30 September 2021

Consolidated financial statements					
At 30 September 2021	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 years but less than 5 years	More than 5 years	
			(in thousand Baht)		
			Non-derivative financial liabilities		
Trade payables	489,099	489,099	-	-	489,099
Lease liabilities	356,381	98,151	258,230	-	356,381
	<u>845,480</u>	<u>587,250</u>	<u>258,230</u>	<u>-</u>	<u>845,480</u>
Separate financial statements					
At 30 September 2021	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 years but less than 5 years	More than 5 years	
			(in thousand Baht)		
			Non-derivative financial liabilities		
Trade payables	736,730	736,730	-	-	736,730
Lease liabilities	352,606	96,996	255,610	-	352,606
	<u>1,089,336</u>	<u>833,726</u>	<u>255,610</u>	<u>-</u>	<u>1,089,336</u>

(c.3) Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(c.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to sales of goods and purchases of assets which are denominated in foreign currencies. The Group expects that changes in exchange rates for assets and liabilities denominated in foreign currencies in the statement of financial position will not materially affect its financial position and results of operations since the Group does not have any foreign currency loans and most of the spending and purchases of raw and packing materials are transacted in local currency. Exchange rate risks are limited only to those related to imported spare parts and equipment.



Notes to the financial statements

For the year ended 30 September 2021

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
United States Dollars				
Financial liabilities	(5,660)	(12,171)	(5,615)	(12,129)
Gross statement of financial position exposure	(5,660)	(12,171)	(5,615)	(12,129)
Euro				
Financial liabilities	(2,523)	(4,121)	(2,523)	(4,121)
Gross statement of financial position exposure	(2,523)	(4,121)	(2,523)	(4,121)
Hong Kong Dollars				
Financial assets	2,020	2,188	-	-
Financial liabilities	(27)	(25)	-	-
Gross statement of financial position exposure	1,993	2,163	-	-
Pound Sterling				
Financial liabilities	(18)	(17)	-	-
Gross statement of financial position exposure	(18)	(17)	-	-

(c.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see Note 5). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates.

26 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

27 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Capital commitments				
Buildings, warehouses and improvement	2,069	9,617	2,069	9,617
Machinery, equipment and office equipment	7,797	8,669	7,797	8,669
Total	9,866	18,286	9,866	18,286
Other commitments				
Bank guarantees	29,075	39,460	25,845	35,184

Notes to the financial statements

For the year ended 30 September 2021

28 Contingent liabilities

- (a) A third party lodged a civil lawsuit against the Company requesting service fees which the Company was contractually bound to pay to its contracting party to be payable to such third party on a ground of factoring contract. The total claimed amount is approximately Baht 3 million. Currently, the case is under consideration of the Court of First Instance. Hence, there is no provision has been made at 30 September 2021.
- (b) The Company's salesman operated the truck crashing causing accident. The plaintiffs lodged a lawsuit against the Company, as an employer. The total claim amount is approximately Baht 7.75 million. Currently, the case is under consideration of the Court of First Instance. However, the Company has set aside a provision, based on opinions of management and legal department, of Baht 5.75 million for contingent liability which may arise as a result of these cases.

29 Events after the reporting period

At the Board of Directors' meeting of the Company held on 18 November 2021, the Board of Directors agreed to propose a dividend payment of Baht 0.34 per share, totalling Baht 90.41 million. The Board of Directors will propose this matter to the shareholders' meeting for further approval.



Part 4 Attachment

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Somchai Bulsook	• 2013 - 2015	Independent Chairman
Age	79		Kasikornbank PCL
Positions	Chairman / Chairman of Corporate Governance Committee	• 1993 - 2015	Director Kasikornbank PCL
Date Appointed	3 January 1996	<u>Positions in other unlisted companies</u>	

Educational Credentials and Training Experience

- Bachelor of Science Degree in Business Administration, Menlo College
- Director Certification Program (DCP), Class 37/2003, Thai Institute of Directors
- Certificate of Chief Executive, Class 15/2012, Capital Market Academy
- Certificate of Senior Executive Program in Trade and Commerce, Class 7/2014, Commerce Academy, The University of the Thai Chamber of Commerce
- Certificate of Senior Executive Program in Energy Literacy, Class 7/2015, Thailand Energy Academy

Share Holding

- None -

Relation to the Executive

Relative of Vice Chairman of Executive Committee
No. 3

Work experience within the 5 preceding years

Positions in other listed companies

- **2015 - 2019** Chairman
Royal Orchid Hotel (Thailand) Plc.
- **2009 - 2019** Independent Director
Royal Orchid Hotel (Thailand) Plc.
- **2013 - 2015** Vice Chairman
Kasikornbank PCL

- **2017 - Present** Director
Porganic Life Science Co., Ltd.
- **2016 - Present** Director
P. Chemitech Co., Ltd.
- **2016 - Present** Director
Thai Herbicide Co., Ltd.
- **2014 - Present** Vice Chairman No. 1
Thai Drinks Co., Ltd.
- **2013 - Present** Chairman
Wrangyer Beverage (2008) Co., Ltd.
- **2006 - Present** Chairman
Sermasuk Holdings Co., Ltd.
- **2002 - Present** Chairman
Petform (Thailand) Co., Ltd.
- **1997 - Present** Chairman
Sermasuk Beverage Co., Ltd.
- **1995 - Present** Director
Ngow Hock Co., Ltd.
- **1995 - Present** Director
Ngow Hock Agency Co., Ltd.
- **1995 - Present** Director
Panjamitr Holding Co., Ltd.
- **2003 - 2019** Director
Royal Orchid Sheraton Hotel Co., Ltd.
- **2003 - 2019** Director
Thai Royal Orchid Real Estate Co., Ltd.

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Suchin Wanglee	<ul style="list-style-type: none"> ● 2018 - Present Chairman Thai Metal Drum MFG. Public Co., Ltd.
Age	85	
Positions	Vice Chairman No. 1 and Independent Director / Chairman of Nomination and Remuneration Committee / Member of Audit Committee	<ul style="list-style-type: none"> ● 2010 - Present Audit Committee Member BTS Group Holdings Public Company Limited ● 2010 - Present Independent Director BTS Group Holdings Public Company Limited ● 2001 - Present Chairman The Navakij Insurance Public Company Limited ● 1999 - Present Chairman Thaire Life Assurance Public Company Limited ● 2010 - January 2021 Nomination and Remuneration Committee Member BTS Group Holdings Public Company Limited ● 1994 - 2019 Independent Director Varopakorn Public Company Limited ● 2010 - 2018 Vice Chairman Thai Metal Drum MFG. Public Co., Ltd. ● 2009 - 2018 Chairman of Compensation and Nominating Committee Thai Metal Drum MFG. Public Co., Ltd. ● 1978 - 2016 Chairman and Independent Director Thai Reinsurance Public Company Limited ● 1969 - 2013 Independent Director Thai-German Ceramic Industry Plc.
Date Appointed	20 April 2010	
Educational Credentials and Training Experience	<ul style="list-style-type: none"> ● B.S. Electrical Engineering, Northrop Institute of Technology, USA ● Role of the Chairman Program (RCP) 2001, Thai Institute of Directors ● Directors Certification Program (DCP) 2002, Thai Institute of Directors ● Senior Executive Program (CMA 9) 2009, Capital Market Academy ● Senior Executive Program in Trade and Commerce, Commerce Academy 2010 ● Senior Executive Program in Urban Development Administration, "Mahanakorn" Institute of Metropolitan Development 2011 ● Advance Insurance Program (OIC 2) 2012, Office of Insurance Commission ● Director Accreditation Program (DAP) 2013, Thai Institute of Directors 	
Share Holding	- None -	
Relation to the Executive	- None -	
Work experience within the 5 preceding years		
Positions in other listed companies	<ul style="list-style-type: none"> ● February 2021 - Present Acting Chairman of the Nomination and Remuneration Committee BTS Group Holdings Public Company Limited 	Positions in other unlisted companies <ul style="list-style-type: none"> ● 2017 - Present Director Poon Phol Co., Ltd. ● 2017 - Present Chairman C.E.S. Co., Ltd. ● 2017 - Present Director Pipatanasin Co., Ltd. ● 2007 - Present Director Aqua Infinite Co., Ltd.



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- | | |
|---|--|
| <ul style="list-style-type: none"> ● 2006 - Present Director
Wanglee Pattana Co., Ltd. | <ul style="list-style-type: none"> ● 1982 - Present Chairman
Sathorn Thani Co., Ltd. |
| <ul style="list-style-type: none"> ● 2005 - Present Director
Rajadamri Hotel Public Company Limited | <ul style="list-style-type: none"> ● 1968 - Present Director
Wanglee Co., Ltd. |
| <ul style="list-style-type: none"> ● 1991 - Present Chairman
Rangsit Plaza Co., Ltd. | <ul style="list-style-type: none"> ● 2007 - 2014 Chairman
Falcon Insurance Plc. |
| <ul style="list-style-type: none"> ● 1988 - Present Director
The Pet Co., Ltd. | |



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Chotiphat Bijananda	● 1994 - Present	Chairman
Age	58		Pro Garage Company Limited
Positions	Vice Chairman No. 2	● 2003 - Present	Director
Date Appointed	14 September 2011		Charm Corp Circle Co., Ltd.
Educational Credentials and Training Experience		● 2008 - Present	Vice Chairman /
● MBA in Finance and Banking,			Chairman of the Executive Board /
University of Missouri, USA			Member of the Risk Management
● Bachelor Degree of Laws, Thammasat University			Committee
● Director Certification Program (DCP),			Sotheast Insurance Public Company Limited
Class 155/2012, Thai Institute of Directors		● 2008 - Present	Vice Chairman /
			Chairman of the Executive Board /
Share Holding			Member of the Risk Management
- None -			Committee
Relation to the Executive			Sotheast Life Insurance Public Company Limited
- None -		● 2008 - Present	Vice Chairman /
Work experience within the 5 preceding years			Chairman of the Executive Board /
			Member of the Risk Management
Positions in other listed companies			Committee
● 2017 - Present	Director		Sotheast Capital Co., Ltd.
Frasers Property (Thailand) Public Company		● 2014 - Present	Chairman
Limited			Concept Land 5 Co., Ltd.
● 2013 - Present	Director	● 2012 - Present	Chairman
Frasers Centre Point Limited			Dhamma Land Property Company Limited
● 2013 - Present	Director	● 2013 - Present	Director
Fraser and Neave, Limited			Golden Land Property Development Public Company
● 2018 - Present	Director /		Limited
Chairman of the Executive		● 2013 - Present	Chairman
Board /			Asiatic House Co., Ltd.
Member of the Nomination		● 2013 - Present	Chairman
and Remuneration			Pattana Bovornkij 4 Co., Ltd.
Committee		● 2014 - Present	Chairman
Thai Group Holding Public Company Limited			TCC Privilege Card Co., Ltd.
● 2021 - Present	Director /	● 2014 - Present	Chairman
Chairman of Executive			Southeast Joint Venture Co., Ltd.
Committee		● 2015 - Present	Chairman
Siam Food Products Public Company Limited			Permsub Siri 3 Co., Ltd.
Positions in other unlisted companies		● 2015 - Present	Chairman
● 1993 - Present	Director		Permsub Siri 5 Co., Ltd.
Tep Nimitr Thanakorn (2001) Co., Ltd.			



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- | | |
|--|--|
| <ul style="list-style-type: none"> ● 2015 - Present Chairman
Southeast Academic Center Company Limited ● 2015 - Present Chairman
DL Engineering Solutions Co., Ltd. ● 2015 - Present Chairman
Suansilp Pattana 1 Co., Ltd. ● 2016 - Present Chairman
OHCHO Co., Ltd. ● 2016 - Present Chairman
Southeast Advisory Co., Ltd. ● 2018 - Present Chairman
S Sofin Co., Ltd. ● 2018 - Present Director
TCC Assets (Thailand) Company Limited ● 2019 - Present Chairman
Southeast Property Co., Ltd. ● 2019 - Present Director
Pholmankhong Business Co., Ltd. ● 2020 - Present Chairman
Southeast Money Company Limited ● October 2021 - Present Chairman
Sentrics Consulting Company Limited | <ul style="list-style-type: none"> ● October 2021 - Present Chairman
ME Innovation Service Company Limited
(formerly named Big C Services Company Limited) ● January 2008 - September 2018 Director
T.C.C. Technology Co., Ltd. ● March 2016 - May 2016 Director
Kaset Thip (2017) Co., Ltd. ● January 2016 - July 2016 Director
TCC Property Development Co., Ltd. ● March 2016 - April 2016 Director
Permsub Siri 4 Co., Ltd. ● March 2016 - May 2016 Director
Sirisub Pattana 4 Co., Ltd. ● April 2017 - October 2017 Director
Nantapat Development Co., Ltd. ● May 2015 - February 2020 Director
TCC Holdings (2519) Co., Ltd. ● 1994 - 2021 Chairman
Pro Checker Company Limited ● 2020 - September 2021 Chairman
Sentrics Consulting Company Limited |
|--|--|

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mr. Thapana
 Sirivadhanabhakdi
Age 46
Positions Vice Chairman No. 3 /
 Chairman of Executive
 Committee /
 Member of Nomination
 and Remuneration
 Committee /
 Member of
 Sustainability and Risk
 Management Committee

Date Appointed 14 September 2011

Educational Credentials and Training Experience

- Honorary Doctorate Degree in Business Administration from Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Honorary Doctoral Degree in Science (Logistics Management) from King Mongkut's Institute of Technology Ladkrabang
- Honorary Doctoral Degree of Arts from Rajamangala University of Technology Phra Nakhon
- Honorary Doctoral Degree in Hospitality from Rajamangala University of Technology Krungthep
- Honorary Doctoral Degree in Community Development from Chiang Mai Rajabhat University
- Honorary Doctoral Degree of Business Administration in Strategic Logistic and Supply Chain Management from Suan Sunandha Rajabhat University
- Honorary Doctoral Degree of Philosophy in General Management from Ramkhamhaeng University

- Master of Science Administration in Financial Economics from Boston University, USA
- Bachelor of Business Administration (Finance) from Boston University, USA
- Director Accreditation Program (DAP) 2004 Thai Institute of Directors (IOD)

Share Holding

- None -

Relation to the Executive

- None -

Work experience within the 5 preceding years

Positions in other listed companies

- **October 2020 - Present** Chairman of the Executive Committee
Univentures Public Company Limited
- **June 2020 - Present** Independent Director
The Siam Cement Public Company Limited
- **July 2018 - Present** Director
Thai Group Holdings Public Company Limited
- **November 2017 - Present** Vice Chairman /
Chairman of the Executive Committee
Amarin Printing and Publishing Public Company Limited
- **July 2007 - Present** Vice Chairman of
the Board
Univentures Public Company Limited
- **February 2011 - February 2020** Chairman of the
Executive Committee
Oishi Group Public Company Limited
- **January 2006 - February 2020** Vice Chairman of the
Board
Oishi Group Public Company Limited
- **December 2001 - February 2017** Director
Berli Jucker Public Company Limited
- **May 2007 - August 2015** Vice Chairman
Siam Food Products Public Company Limited



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Positions in other unlisted companies

- | | |
|---|--|
| <ul style="list-style-type: none"> ● January 2007 - Present President and CEO
Thai Beverage Public Company Limited ● October 2021 - Present Chairman
Bistro Asia Co., Ltd. ● August 2021 - Present Director
SCG Chemicals Co., Ltd. ● July 2021 - Present Director
Chang Corporation Co., Ltd. ● June 2021 - Present Chairman
South East Asia Logistics Pte. Ltd. ● May 2021 - Present Director <ul style="list-style-type: none"> - Asia Breweries Limited - Siam Breweries Limited ● October 2020 - Present Director <ul style="list-style-type: none"> - Chang Beer Company Limited - Food and Beverage United Co., Ltd. ● April 2020 - Present Director
BeerCo Training Co., Ltd. ● December 2019 - Present Director
BeerCo Limited (Incorporated in Singapore) ● June 2018 - Present Chairman
Red Bull Distillery Group of Companies ● February 2018 - Present Vice Chairman /
Executive Chairman
Beer Thai (1991) Public Company Limited ● October 2016 - Present Chief Center of
Excellence
Thai Beverage Public Company Limited ● April 2016 - Present Director
Pracharath Rak Samakkee Social Enterprise
(Thailand) Co., Ltd. ● March 2013 - Present Vice Chairman
Times Publishing Limited ● February 2013 - Present Director
Fraser and Neave, Limited | <ul style="list-style-type: none"> ● November 2012 - Present Director
InterBev Investment Limited ● September 2011 - Present Director
Plantheon Co., Ltd. ● January 2008 - Present Vice Chairman
South East Group of Companies ● July 2007 - Present Director
Adelfos Co., Ltd. ● September 2003 - Present President
International Beverage Holdings Limited ● Present Director
TCC Group of Companies ● October 2018 - September 2020 Chief Beer
Product Group
Thai Beverage Public Company Limited ● December 2017 - November 2020 Director /
Executive Chairman
GMM Channel Holding Co., Ltd. ● April 2013 - February 2020 Director
Golden Land Property Development Public
Company Limited ● 2004 - June 2018 Vice Chairman
Red Bull Distillery Group of Companies ● April 2004 - February 2018 Director /
Executive Vice Chairman
Beer Thai (1991) Public Company Limited ● October 2003 - January 2008 Director and
Executive Vice Presiden
Thai Beverage Public Company Limited |
|---|--|

Others

- Royal Thai Decorations
 - Royal Thai Decorations, Knight Grand Cross (First Class) of the Most Noble Order of the Crown of Thailand
 - Royal Thai Decorations, Companion (Fourth Class) of the Most Admirable Order of the Direkgunabhorn

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- Knight of Legion of Honor (Chevalier de la Légion d'Honneur)
- Awards
 - "Diamond Commerce" Award from Ministry of Commerce in 2017
 - Asia's Top CEO of the Year 2017 Award from Influential Brands in 2017
 - Asian Corporate Director Recognition Award from the Corporate Governance Asia Magazine in 2011
 - Asian Excellence Recognition Awards: Asia's Best CEO (Investor Relations) from the Corporate Governance Asia Magazine for five consecutive years in 2011, 2012, 2013, 2014 and 2015
 - Asia's Best Company 2009, Thailand: Best CEO award by FinanceAsia in 2009



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Ueychai Tantha-obhas		
Age	72		
Positions	Vice Chairman No. 4 / Vice Chairman No. 1 of Executive Committee / Member of Corporate Governance Committee	<ul style="list-style-type: none"> October 2021 - Present 1st Vice Chairman Bistro Asia Co., Ltd. Chairman Vietnam Logistics and Supply Chain Company Limited August 2021 - Present Director Mee Chai Mee Chok Co., Ltd. June 2021 - Present Director South East Asia Logistics Pte. Ltd. May 2021 - Present Director <ul style="list-style-type: none"> - Asia Breweries Limited - Siam Breweries Limited October 2020 - Present Director <ul style="list-style-type: none"> - Chang Beer Company Limited - Sermsuk Training Co., Ltd. - Wrangyer Beverage (2008) Co., Ltd. April 2020 - Present Vice Chairman BeerCo Training Co., Ltd. February 2020 - Present Chairman <ul style="list-style-type: none"> - Oishi Trading Co., Ltd. - Oishi Ramen Co., Ltd. - Oishi Food Service Co., Ltd. September 2019 - Present Vice Chairman Thai Beverage Training Co., Ltd. June 2019 - Present Vice Chairman Traditional Trade Management Co., Ltd. March 2019 - Present Director <ul style="list-style-type: none"> - Green Bean Co., Ltd. - Food and Beverage Holding Co., Ltd. 1st Vice Chairman ThaiBev Marketing Co., Ltd. January 2019 - Present 1st Vice Chairman / Executive Chairman Thai Beverage Logistics Co., Ltd. November 2018 - Present Executive Chairman Thai Drinks Co., Ltd. May 2018 - Present Vice Chairman / Executive Chairman Cash Van Management Co., Ltd. 	
Date Appointed	16 November 2018		
Educational Credentials and Training Experience	<ul style="list-style-type: none"> Master of Business Administration from Thammasat University Bachelor of Science in Accounting from St. Louis University, Missouri, USA Advance Management Program from INSEAD, France Director Certification Program (DCP) 2007 Director Accreditation Program (DAP) 2004 Role of the Chairman Program Thai Institute of Directors (IOD) 		
Share Holding	- None -		
Relation to the Executive	- None -		
Work experience within the 5 preceding years			
Positions in other listed companies	<ul style="list-style-type: none"> February 2020 - Present Vice Chairman / Executive Chairman Oishi Group Public Company Limited January 2006 - Present Director Oishi Group Public Company Limited 		
Positions in other unlisted companies	<ul style="list-style-type: none"> October 2018 - Present Director and Senior Executive Vice President, Chief Operating Officer - Thailand Thai Beverage Public Company Limited 		

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- | | |
|---|---|
| <ul style="list-style-type: none"> ● October 2017 - Present Director and Co-Chairman <ul style="list-style-type: none"> - Grand Royal Group International Company Limited - Myanmar Supply Chain and Marketing Services Company Limited ● June 2017 - Present Director <ul style="list-style-type: none"> Traditional Trade Management Co., Ltd. ● May 2017 - Present 1st Vice Chairman <ul style="list-style-type: none"> BevTech Co., Ltd. ● July 2015 - Present Vice Chairman <ul style="list-style-type: none"> Red Bull Distillery Group of Companies ● December 2014 - Present Vice Chairman / Executive Chairman <ul style="list-style-type: none"> Horeca Management Co., Ltd. ● March 2014 - Present 2nd Vice Chairman <ul style="list-style-type: none"> Thai Drinks Co., Ltd. ● 2014 - Present Director <ul style="list-style-type: none"> Oishi Food Service Co., Ltd. ● November 2013 - Present Director <ul style="list-style-type: none"> International Beverage Holdings Limited ● December 2012 - Present Vice Chairman / Executive Chairman <ul style="list-style-type: none"> Modern Trade Management Co., Ltd. ● January 2010 - Present Director <ul style="list-style-type: none"> Thai Beverage Training Co., Ltd. | <ul style="list-style-type: none"> ● January 2006 - Present Director <ul style="list-style-type: none"> - Oishi Trading Co., Ltd. - Oishi Ramen Co., Ltd. ● 2014 - February 2020 Vice Chairman <ul style="list-style-type: none"> - Oishi Food Service Co., Ltd. ● 2006 - February 2020 Vice Chairman <ul style="list-style-type: none"> - Oishi Trading Co., Ltd. - Oishi Ramen Co., Ltd. ● May 2014 - January 2020 1st Vice Chairman <ul style="list-style-type: none"> Thai Beverage Marketing Co., Ltd. ● August 2015 - January 2019 2nd Vice Chairman <ul style="list-style-type: none"> Thai Beverage Logistics Co., Ltd. ● October 2016 - September 2018 Director and Senior Executive Vice President, Chief Route-to-Mark <ul style="list-style-type: none"> Thai Beverage Public Company Limited ● May 2010 - September 2016 Director and Executive Vice President <ul style="list-style-type: none"> Thai Beverage Public Company Limited ● July 2005 - May 2010 Director and Senior Vice President <ul style="list-style-type: none"> Thai Beverage Public Company Limited |
|---|---|



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Prof. Dr. Khunying Suchada Kiranandana	May 2019 - Present	Chairman of Nomination Committee /
Age	75		Remuneration and
Positions	Independent Director / Chairman of Audit Committee / Chairman of Sustainability and Risk Management Committee		Corporate Governance Committee
Date Appointed	5 February 2008		Dusit Thani Public Company Limited
Educational Credentials and Training Experience		March 2017 - Present	Independent Director Dusit Thani Public Company Limited
<ul style="list-style-type: none"> Master and Ph.D. (Statistics) Harvard University, USA Bachelor of Commerce (First Class Honor), Chulalongkorn University Advance Audit Committee Program (AACP) 2021 Directors Certification Program (DCP) 2000 Thai Institute of Directors (IOD) 		April 2015 - March 2018	Vice Chairman / Chairman of Independent Director / Chairman of Human Resource and Compensation Committee Kasikornbank Public Company Limited
Share Holding		Positions in other unlisted companies	
- None -		October 2015 - Present	Chairman of Human Resource Committee The Thai Red Cross Society
Relation to the Executive		September 2015 - Present	Director and Treasurer The Information Technology Foundation under the Initiative of Her Royal Highness Princess Maha Chakri Sirindhorn
- None -		2006 - Present	Director and Audit Committee Member The Thai Red Cross Society
Work experience within the 5 preceding years		August 2001 - Present	Chairman of Operations Committee Phufa
Positions in other listed companies		February 2012 - February 2018	Chairman of University Council Chulalongkorn University
<ul style="list-style-type: none"> April 2021 - Present Member of Nomination and Compensation Committee B.Grimm Power Public Company Limited November 2020 - Present Independent Director B.Grimm Power Public Company Limited 			

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Prof. Rawat Chamchalerm	<ul style="list-style-type: none"> ● 1997 - Present Professor The Thai Bar under The Royal Patronage ● 2004 - Present Professor Faculty of Law, Mahidol University ● 1998 - Present Professor Faculty of Law, Mae Fah Luang University ● 2004 - Present Lecturer of Justice Affairs Ministry of Justice ● 1999 - Present Lecturer of Department Department of Special Investigation of Special Investigation ● 2004 - Present Lecturer of Institute Ministry of Interior of Administration and Development ● 1994 - Present Guest Lecturer of Office Office of the Attorney-General, Attorney-General ● 2004 - Present Qualify Committee Ministry of Public Health ● 2004 - Present Executive Director National Science and Technology Development Agency ● 2004 - Present Advisor Athletic Association of Thailand ● 1997 - Present Director Member Office of the Council of State, the Council of State ● 1997 - Present Committee Office of the Council of State, the Council of State (Special Affairs Section) ● 2019 - Present Chairman the Amendment Criminal Procedure Code Committee ● 2004 - 2017 Director Committee of Agriculture Commodity and Food Standard ● 1999 - Present Asset Management Committee The Thai Red Cross ● 1999 - Present Director Organ Donation Center The Thai Red Cross
Age	77	
Positions	Independent Director	
Date Appointed	29 April 2011	
Educational Credentials and Training Experience		
<ul style="list-style-type: none"> ● Bachelor of Laws, Thammasat University ● Master of Laws, Chulalongkorn University ● Thai Barrister-at-Law ● Diploma, National Defence College, The Joint State - Private Sector Course Class 1 ● Directors Accreditation Program Class 26/2004 Thai Institute of Directors 		
Share Holding		
- None -		
Relation to the Executive		
- None -		
Work experience within 5 preceding years		
Positions in other listed companies		
<ul style="list-style-type: none"> ● September 2017 - Present Director Loxley PLC ● August 2019 - Present Director Siam Makro PLC ● 2010 - Present Chairman Sino-Thai Engineering & Construction PLC. ● 2004 - Present Vice Chairman Don Muang Tollway PLC. ● 2008 - October 2021 Director True Corporation PLC. ● Present Advisor True Corporation PLC. ● 2010 - March 2021 Advisor Bangkok Airways PLC. 		
Positions in other unlisted companies		
<ul style="list-style-type: none"> ● 1985 - Present Professor Faculty of Law, Chulalongkorn University 		



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

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|--|--|
| <ul style="list-style-type: none"> ● 1999 - Present Chairman
Legal Director, Organ Donation Center The Thai Red Cross | <ul style="list-style-type: none"> ● Present Chairman
The Scrutiny Committee for Bills Presented to the Cabinet |
|--|--|



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mrs. Siripen Sitasuwan
Age 73
Positions Independent Director /
 Member of Audit
 Committee /
 Member of Sustainability
 and Risk Management
 Committee
Date Appointed 13 August 2013

Educational Credentials and Training Experience

- Master of Business Administration Wichita State University, Kansas, USA
- Bachelor of Commerce, Chulalongkorn University
- LCD 5 Remuneration Committee Essentials, Singapore Institute of Directors (SID) (15 March 2018)
- LCD 3 Risk Management Essentials, Singapore Institute of Directors (SID) (14 March 2018)
- LCD 4 Nominating Committee Essentials, Singapore Institute of Directors (SID) (14 July 2016)
- LCD 2 Audit Committee Essentials, Singapore Institute of Directors (SID) (13 July 2016)
- Listed Company Director Essential – Understanding the Regulatory Environment in Singapore: What Every Director Ought to Know, Singapore Institute of Directors (SID) (9 July 2013)
- Audit Committee Program (ACP) Class 32/2010, Thai Institute of Directors
- Role of the Compensation Committee (RCC) Class 4/2007, Thai Institute of Directors

- Directors Certification Program (DCP) Class 33/2546, Thai Institute of Directors

Share Holding

- None -

Relation to the Executive

- None -

Work experience within 5 preceding years

Positions in other listed companies

- **January 2014 - Present** Chairman of Audit Committee / Nominating Committee Member
Fraser and Neave, Limited (Singapore)
- **June 2013 - Present** Compensation Committee
Fraser and Neave, Limited (Singapore)
- **May 2013 - Present** Director
Fraser and Neave, Limited (Singapore)
- **2009 - Present** Chairman of Audit Committee / Nomination Remuneration and Corporate Governance Committee
Thanachart Capital Public Company Limited
- **2000 - Present** Director
Thanachart Capital Public Company Limited
- **August 2013 - February 2021** Director / Chairman of Audit Committee
Thai Solar Energy Public Company Limited

Positions in other unlisted companies

- **2008 - April 2017** Chairman
Solaris Asset Management Co., Ltd.



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Pramoad Phornprapha	2017 - Present	Independent Director /
Age	55		Chairman of Nomination and
Positions	Independent Director / Member of Corporate Governance Committee / Member of Nomination and Remuneration Committee / Member of Sustainability and Risk Management Committee		Remuneration Committee / Member of Corporate Governance Committee
Date Appointed	19 April 2012		Amarin Printing and Publishing PCL.
Educational Credentials and Training Experience		2018 - Present	Independent Director / Chairman of Audit Committee
<ul style="list-style-type: none"> • MBA (Marketing) Kellogg School of Management, Northwestern University, USA • MPA, Kennedy School of Government, Harvard University, USA • BS in Electrical Engineering, Northwestern University, USA • Directors Certificate Program Class 55/2005, Thai Institute of Directors (IOD) • Advance Audit Committee Program Class 41/2021, Thai Institute of Directors (IOD) • Senior Executive Program (CMA 10), Capital Market Academy 			Saigon beer - Alcohol and - Beverage Corporation
Share Holding		Positions in other unlisted companies	
- None -		1989 - Present	Director Plimboonluck Co., Ltd.
Relation to the Executive		1992 - Present	Director Plim 369 Co., Ltd.
- None -		1997 - Present	Director P Landscape Co., Ltd.
Work experience within 5 preceding years		1997 - May 2019	Director The Progress Watch Co., Ltd.
Positions in other listed companies		2000 - Present	Director Danpundao Co., Ltd. (Former name as "P Garden Co., Ltd.")
2017 - Present	Independent Director / Member of Audit Committee Univanich Palm Oil Public Company Limited	2002 - Present	Managing Director Wanwarin & Associate Co., Ltd.
		2002 - Present	Director Pornmit Co., Ltd.
		2004 - Present	Managing Partner and Director Claris Co., Ltd.
		2005 - January 2022	Independent Director / Member of the Audit Committee Thai Summit Harness PCL.
		2008 - Present	Director Eco Future Co., Ltd.
		2011 - Present	Managing Director My DNA Co., Ltd.
		2015 - Present	Chairman Talaypu Natural Products Co., Ltd.

Attachment 1 Information of the Company’s Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- | | | | |
|------------------------|----------|--|----------------------|
| ● 2016 - Present | Director | ● October 2020 - Present | Independent Director |
| Conservatory Co., Ltd. | | Food and Beverage United Company Limited | |
| ● 2019 - Present | Director | | |
| Claris EA Co., Ltd. | | | |



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mr. Sithichai Chaikriangkrai

Age 67

Positions Director /

Vice Chairman of

Executive Committee

No. 2 /

Member of Sustainability
and Risk Management

Committee

Date Appointed 14 September 2011

Educational Credentials and Training Experience

- Bachelor of Accountancy (First Class Honors) from Thammasat University
- Diploma in Computer Management from Chulalongkorn University
- Certificate of the Mini MBA Leadership Management from Kasetsart University
- Director Certification Program (DCP) 2003
DCP Refresher Course (DCP-Re) 2006
Thai Institute of Directors (IOD)

Share Holding

- None -

Relation to the Executive

- None -

Work experience within 5 preceding years

Positions in other listed companies

- **December 2019 - Present** Director
Fraser's Property (Thailand) Public Company Limited
- **September 2018 - Present** Director
Asset World Corp Public Company Limited
- **July 2007 - Present** Director
Univentures Public Company Limited
- **April 2007 - Present** Director
Siam Food Products Public Company Limited
- **January 2006 - Present** Director
Oishi Group Public Company Limited

- **December 2001 - Present** Director
Berli Jucker Public Company Limited

Positions in other unlisted companies

- **October 2016 - Present** Director and Senior
Executive Vice President,
Group CFO
Thai Beverage Public Company Limited
- **June 2021 - Present** Director
South East Asia Logistics Pte. Ltd.
- **May 2021 - Present** Director
 - Asia Breweries Limited
 - Siam Breweries Limited
 - Thai Breweries Limited
- **October 2020 - Present** Director
Chang Beer Company Limited
- **December 2019 - Present** Director
BeerCo Limited (Incorporated in Singapore)
- **March 2019 - Present** Director
Food and Beverage Holding Co., Ltd.
- **August 2013 - Present** Director
Fraser's Property Limited
- **February 2013 - Present** Director
Fraser and Neave, Limited
- **August 2012 - Present** Director
Petform (Thailand) Co., Ltd.
- **September 2007 - Present** Director
Eastern Seaboard Industrial Estate (Rayong)
Company Limited
- **Present** Director
 - Big C Retail Holding Company Limited
 - TCC Assets (Thailand) Company Limited
 - Thai Beverage Can Co., Ltd.
 - Fraser's Property Commercial Asset
Management (Thailand) Co., Ltd.
(formerly Univentures REIT Management Co., Ltd.)
- **December 2012 - November 2020** Director
Golden Land Property Development Public
Company Limited

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

	Director	Others
<ul style="list-style-type: none"> March 2016 - January 2018 Big C Supercenter Public Company Limited 		
<ul style="list-style-type: none"> May 2010 - September 2016 Thai Beverage Public Company Limited 	<p>Director and Executive Vice President</p>	<ul style="list-style-type: none"> Over 30 years of experiences in accounting and finance, with many international recognition awards <ul style="list-style-type: none"> - Best CFO in Thailand - Finance Asia Magazine (2009) - Asia's Best CFO (Investor Relations) - Corporate Governance Asia Magazine (2011 and 2012) - Best CFO in Southeast Asia - Alpha Southeast Asia Magazine (2015) - Best CFO in Thailand - Alpha Southeast Asia Magazine (2014, 2015, 2016, 2018 and 2019) - Best CFO in Singapore - Alpha Southeast Asia Magazine (2021)
<ul style="list-style-type: none"> October 2003 - May 2010 Thai Beverage Public Company Limited 	<p>Director and Senior Vice President</p>	



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mr. Sakchai Thanaboonchai

Age 65

Positions Director

Date Appointed 29 April 2011

Educational Credentials and Training Experience

- Certificate in Applied Social Sciences, Thammasat University
- Honorary Doctorate Degree in Management from the United States of America
- 2009 Top Executive Program Class 2, Commerce and Trade (TEPCoT)
- 2009 Certificate of Chief Executive Class 9, Capital Market Academy
- 2004 Directors Certification Program (DCP), Class 12/2004, Thai Institute of Directors

Certified in

- Phase III-Participative Organizational Council. Creates and formalizes a bottom-up Communication channel to establish a more responsive and creative organization (2563)
- Phase I-Synergistic Diagnosis. To conduct a comprehensive analysis of organization's problems and its current stage in the life cycle (2562)
- Phase II-Synerteam Integration. Facilitation of cross functional teams formed to address priority of problems (2562)
- Basic Foundation of Adizes Methodology (2550)

Share Holding

- None -

Relation to the Executive

- None -

Work experience within 5 preceding years

Positions in other listed companies

- **Present** Vice Chairman of Executive Committee

Sikarin PLC.

Positions in other unlisted companies

- **2007 - 2014** Vice Chairman
Thailand - Vietnam Friendship Association
Committee
Meechai - Khunying Amporn Ruchupan
Foundation
Central Committee
Ramathibodi Foundation
Executive
General Prem Tinsulanonda Historical Park
Executive Director
King Prajadhipok's Institute

Politics

- **1996 - 2000** Senator
- **2006 - 2008** Member
National Legislative Assembly
- **1996 - Present** Secretary - General
Association of the Senate 39-43
- **2006 - Present** Secretary
Association of the Senate Registrar 49-51
- **2014 - 2019** Member
National Legislative Assembly
- **2014 - 2019** Chairman of the Welfare
Works Committee
National Legislative Assembly
- **2014 - 2019** Chairman
Thailand - Vietnam Parliamentary Friendship
- **2014 - 2019** Commissioner
Commerce, industry and labor
- **2014 - 2019** Commissioner
Science, Information Technology and Mass
Communication
- **2017 - 2019** Vice Chairman
Thailand - China Parliamentary Friendship
- **Present** Senator
- **Present** Commissioner
Commission Labor Commission

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- | | | | |
|------------------|---|------------------|---|
| ● Present | Commissioner | ● Present | Vice Chairman |
| | Mass Communication, Science, Technology | | Thailand - Vietnam Parliamentary Friendship |
| | and Information | ● Present | Executive Committee |
| | | | Thailand - China Parliamentary Friendship |



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mr. Rangsang
Thammaneeuwong

Age 60

Positions Director

Date Appointed 29 April 2011

Educational Credentials and Training Experience

- 1987-1988 Master of Business Administration, Joseph M. Katz, Graduate School of Business, University of Pittsburgh, Pittsburgh, Pennsylvania, USA
- 1982-1985 Bachelor of Business Administration, Brigham Young University, Provo, Utah, USA
- Director Accreditation Program (DAP) 2017, Thai Institute of Directors Association
- Blue Ocean Strategic Initiative Center, London (2012)
Confirmed understanding to practice concepts, tools, and frameworks
- Adizes Institute Worldwide Certification

Certified in

- Phase III-Participative Organizational Council. Creates and formalizes a bottom-up Communication channel to establish a more responsive and creative organization (2563)
- Phase I-Synergistic Diagnosis. To conduct a comprehensive analysis of organization's problems and its current stage in the life cycle (2562)
- Phase II-Synerteam Integration. Facilitation of cross functional teams formed to address priority of problems (2562)
- Basic Foundation of Adizes Methodology (2550)

Trainings in

- Phase IV-Mission. Identify an organization's value added and competitive advantage (2563)

- Phase V+ create KPIs, goals, OKR that support structure above (2562)
- Phase V-Structure. Design a structure that supports the mission for vitality and entrepreneurship and growth (2561)
- Phase VI-Redesign management information so data match the responsibilities of the new structure and are delivered in a format that is useful to managers by clearly defining individual

Shareholding

- None -

Relation to the Executive

- None -

Work experience within 5 preceding years

Positions in other listed companies

- **2014 - Present** Director
Patkol PLC.

Positions in other unlisted companies

- **2004 - Present** Founder
Chartered, Society of Advancement for Consulting, USA
- **2000 - Present** Director
Prudent Capital Limited
- **1998 - Present** Chairman
Prudent Advisory Limited

Lecturer

- **2020 - Present** Co-speakers
The Adizes 44th Global Convention Bangkok Thailand หัวข้อ "กัปตัน Democraship"
- **2020 - Present** Lecturer
Prudent Advisory Seminar Topic : "Mastering Change"
- **2020 - Present** Lecturer
Webinar with Hubba Thailand
Topic "Organization Transformation"

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- **2020 - Present** Lecturer
Webinar of Project "The Founders Square" by
Hubba Thailand
- **2017 - Present** Lecturer
FEFConnection Topic "From Good to Great
CEO"



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Dhitivute Bulsook	Work experience	
Age	53	<u>Positions in other listed companies</u>	
Positions	Director / Vice Chairman No. 3 of Executive Committee / Member of Sustainability and Risk Management Committee	<ul style="list-style-type: none"> Director Crown Seal Public Company Limited 	
Date Appointed	20 April 2010	<u>Positions in other unlisted companies</u>	
Educational Credentials and Training Experience	<ul style="list-style-type: none"> MBA, Babson College, USA Certificate of Directors Certification Program (DCP) Class 78/2006 The Thai Institute of Directors Association (IOD) 	<ul style="list-style-type: none"> Director Petform (Thailand) Co., Ltd. Director Sermasuk Holding Co., Ltd. Director Sermasuk Beverage Co., Ltd. Director Wrangyer Beverage (2008) Co., Ltd. Director Thai Drinks Co., Ltd. 	
Share Holding	- None -	<u>Work experience within 5 preceding years</u>	
Relation to the Executive	Relative of Chairman	<ul style="list-style-type: none"> 5 June 2012 - 31 July 2020 Director Sermasuk Training Co., Ltd. 1 June 2012 - 31 July 2020 Director Great Brands Limited 2011 - 2015 President Sermasuk Plc. 	

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mrs. Tongjai Thanachanan	Positions in other unlisted companies
Age	55	<ul style="list-style-type: none"> October 2020 - Present Senior Vice President, Chief Sustainable Business Development
Positions	Director	
Date Appointed	23 January 2017	
Educational Credentials and Training Experience		Thai Beverage Public Company Limited
<ul style="list-style-type: none"> Masters of Management (MBA) in Finance and International Business from Kellogg Graduate School of Management, U.S.A. Bachelor of Arts (Magna Cum Laude) in Economics and East Asian Studies from Princeton, U.S.A. Director Certification Program (DCP) 2014 Thai Institute of Directors Association (IOD) 		<ul style="list-style-type: none"> January 2019 - Present Director C.A.I. Co., Ltd. 2016 - Present Managing Director Pracharath Rak Samakkee Social Enterprise (Thailand) Co., Ltd. Present Advisor to Executive Committee Mae Fah Luang Foundation Under Royal Patronage Secretary Foundation for the Institute of Social Enterprise Development
Share Holding		Advisor
- None -		The Thai Red Cross Society
Relation to the Executive		
- None -		
Work experience within the 5 preceding years		
Positions in other listed companies		
- None -		<ul style="list-style-type: none"> 2014 - 2018 Senior Advisor The Boston Consulting Group (Thailand) Ltd. 2014 - 2016 Speaker Thai Institute of Directors Association 2011 - 2014 Partner & Managing Director The Boston Consulting Group (Thailand) Ltd.



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Kosit Suksingha	Positions in other unlisted companies	
Age	55		
Positions	Director / Member of Sustainability and Risk Management Committee / Member of Executive Committee / President	<ul style="list-style-type: none"> October 2016 - Present Executive Vice President, Center of Excellence and Chief Supply Chain Management Thai Beverage Public Company Limited October 2020 - Present Executive Vice President, Chief Non-Alcoholic Beverage Business - Thailand, and Chief Route to Market Thai Beverage Public Company Limited October 2021 - Present Director Vietnam Logistics and Supply Chain Company Limited August 2021 - Present Director Mee Chai Mee Chok Co., Ltd. June 2021 - Present Director South East Asia Logistics Pte. Ltd. October 2020 - Present Director <ul style="list-style-type: none"> Sermsuk Holdings Co., Ltd. Sermsuk Beverage Co., Ltd. Sermsuk Training Co., Ltd. Wrangyer Beverage (2008) Co., Ltd. Great Brands Limited Chang Beer Company Limited 	
Date Appointed	11 August 2020		
Educational Credentials and Training Experience	<ul style="list-style-type: none"> Master of Business Administration (Honors) from Oklahoma City University, USA Bachelor of Veterinary Science from Chulalongkorn University LOGTECH - Program for Executives in Logistics & Technology from University of North Carolina, Chapel Hill, North Carolina, USA CEDI - Babson Entrepreneurial Leadership Program from Babson College, Massachusetts, USA Director Certification Program (DCP) 2007 Thai Institute of Directors Association (IOD) Listed Company Director Program (Module 3) Masterclass for Directors (MCD 5) Singapore Institute of Directors (SID) 		
Share Holding	- None -		
Relation to the Executive	- None -		
Work experience within the 5 preceding years			
Positions in other listed companies			
<ul style="list-style-type: none"> 2011 - 2012 Senior Vice President - Technical Supply Chain Berli Jucker Public Company Limited 		<ul style="list-style-type: none"> May 2020 - Present Director D2C Services Co., Ltd. April 2020 - Present Director BeerCo Training Co., Ltd. 	

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- **February 2020 - Present** Director
Super Beer Brands Limited
- **January 2020 - Present** Director
Chang Holding Co., Ltd.
- **June 2019 - Present** Director
Traditional Trade Management Co., Ltd.
- **March 2019 - Present** Director
Food and Beverage Holding Co., Ltd.
- **February 2019 - Present** Director
C.A.I. Co., Ltd.
- **January 2019 - Present** Director
 - Dhospaak Co., Ltd.
 - Thai Beverage Training Co., Ltd.
- **December 2018 - Present** Director
 - Horeca Management Co., Ltd.
- **October 2018 - Present** Director
 - Chang International Co., Ltd.
- **February 2018 - Present** Director
 - Havi Logistics (Thailand) Limited
 - Havi Food Distribution (Thailand) Co., Ltd.
- **December 2016 - Present** Director
 - BevTech Co., Ltd.
 - Petform (Thailand) Co., Ltd.
- **October 2016 - Present** Director
Food of Asia Co., Ltd.
- **February 2015 - Present** Director
Cash Van Management Co., Ltd.
- **April 2014 - Present** Director
 - Feed Addition Co., Ltd.
 - Pan International (Thailand) Co., Ltd.
 - Thai Beverage Energy Co., Ltd.
- Thai Beverage Recycle Co., Ltd.
- Thai Cooperage Co., Ltd.
- Charun Business 52 Co., Ltd.
- Thai Molasses Co., Ltd.
- Thai Drinks Co., Ltd.
- **March 2014 - Present** Director
Times Publishing Limited
- **December 2013 - Present** Director
Shinasab Co., Ltd.
- **November 2013 - Present** Director and Managing Direc
Thai Beverage Logistics Co., Ltd.
- **August 2013 - Present** Director
Modern Trade Management Co., Ltd.
- **February 2013 - Present** Vice President - Centre of
Excellence
Thai Beverage Public Company Limited
- **August 2001 - Present** Director
T.C.C. Technology Co., Ltd.
- **Present** Director
 - TSpace Digital Co., Ltd.
 - Tarad Dot Com Group Co., Ltd.
- **October 2018 - September 2020** Executive Vice
President, Chief Beer
Business - Thailand
Thai Beverage Public Company Limited
- **May 2013 - August 2019** Director
C A C Co., Ltd.
- **November 2013 - September 2016** Senior Vice
President -
Related Business
Thai Beverage Company Limited



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Information of the Executives

Name - Surname	Mr. Phromson Ayanaputra	• May 2018 - July 2019	National
Age	53		Sales Director
Positions	Member of Executive Committee		and Sales Director (R7, R8) (Acting)
Date Appointed	8 July 2019		
Educational Credentials and Training Experience	Sermsuk Public Company Limited	• March 2018 - May 2018	Senior Sales Director
University of Sheffield, UK M.SC Engineering Management / MBA			
Share Holding	Sermsuk Public Company Limited	• February 2017 - February 2018	Sales Operations Director
- None -			
Relation to the Executive	Sermsuk Public Company Limited	• March 2016 - February 2017	Business Development Director & Project Director
- None -			
Work experience within the 5 preceding years			
• July 2019 - Present	Senior Vice President RTM Non-Alcohol Beverage Business Thailand	• May 2015 - March 2016	Business Development
	Sermsuk Public Company Limited		
	Thai Drinks Company Limited	• August 2011 - January 2015	Sales Director
• July 2019 - Present	Member of Executive Committee		
	Sermsuk Public Company Limited		

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mrs. Prangnee Chaipidej	Relation to the Executive
Age	61	- None -
Positions	Marketing Director	
Date Appointed	1 October 2018	
Educational Credentials and Training Experience		Work experience within the 5 preceding years
Bachelor of Arts (Communication Arts), Chulalongkorn University		<ul style="list-style-type: none"> October 2018 - Present Marketing Director Sermasuk Public Company Limited October 2012 - September 2018 Assistant Marketing Director Sermasuk Public Company Limited
Share Holding		
- None -		

Name - Surname	Mr. Thepsiri Phengtieng	Work experience within the 5 preceding years
Age	49	<ul style="list-style-type: none"> January 2021 - Present Supply Chain Director Sermasuk Public Company Limited February 2020 - December 2021 Acting Supply Chain Director Sermasuk Public Company Limited July 2019 - February 2020 Acting Supply Chain Director Thai Drinks Company Limited 2006 - 2019 Supply Chain Director F&N Dairies (Thailand) Limited
Positions	Supply Chain Director	
Date Appointed	1 January 2021	
Educational Credentials and Training Experience		
Industrial Engineer, University of Houston, USA		
Share Holding		
- None -		
Relation to the Executive		
- None -		



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Thanee Pornphisutsak	Work experience within the 5 preceding years	
Age	52	● February 2020 - Present	Production Director
Positions	Production Director		
Date Appointed	20 February 2020		Sermsuk Public Company Limited
Educational Credentials and Training Experience	Food Science & Technology, Kasetsart University	● May 2016 - Present	Vice President - Production
Shareholding			Oishi Trading Company Limited
- None -		● May 2011 - May 2016	General Manager
Relation to the Executive			Oishi Trading Company Limited
- None -			
<hr/>			
Name - Surname	Mr. Kwanchai Mahapornprachak	Work experience within the 5 preceding years	
Age	62	● July 2019 - Present	National Sales Director
Positions	National Sales Director		Sermsuk Public Company Limited
Date Appointed	8 July 2019	● May 2018 - July 2019	Sales Director (R2, R3, R4)
Educational Credentials and Training Experience	BA in Marketing, Assumption Business Administration College		Sermsuk Public Company Limited
Share Holding		● May 2018 - May 2018	General Sales Manager (R2, R3, R4)
- None -			Sermsuk Public Company Limited
Relation to the Executive		● February 2017 - April 2018	General Manager - Sales (Northeastern)
- None -			Sermsuk Public Company Limited
		● January 2009 - February 2017	General Manager - Nakhornratchasima
			Sermsuk Public Company Limited

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Ms. Rewadee Chaihetphon

Age 44

Positions Finance Director

Date Appointed 1 October 2020

Educational Credentials and Training Experience

Bachelor of Business Administration

(International Program), Thammasat University

Master of Business Administration, Ann Arbor,

Michigan, USA

Share Holding

- None -

Relation to the Executive

- None -

Work experience within the 5 preceding years

- **October 2020 - Present** Finance Director
Sermasuk Public Company Limited
- **October 2020 - Present** AVP - Finance
Thai Drinks Company Limited
- **February 2020 - September 2020** Acting Finance Director
Sermasuk Public Company Limited
- **January 2020 - September 2020** Acting AVP - Finance
Thai Drinks Company Limited
- **July 2018 - December 2020** Senior Business
Finance Manager
Thai Drinks Company Limited
- **July 2015 - June 2018** Business Analysis
Manager
Thai Drinks Company Limited

Name - Surname Mr. Nitipat Putthong

Age 46

Positions Human Capital Director

Date Appointed 23 January 2017

Educational Credentials and Training Experience

Master's Degree, majoring in Marketing - Eastern

Michigan University, USA

Share Holding

- None -

Relation to the Executive

- None -

Work experience within the 5 preceding years

- **January 2017 - Present** Human Capital Director
Sermasuk Public Company Limited
- **June 2016 - Present** Division Head of Human
Capital - NAB Thailand
Thai Beverage Public Company Limited
- **November 2017 - Present** Division Head of Human
Capital - Food Thailand
Thai Beverage Public Company Limited



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Pongwit Sumethmethachai	• May 2018 - July 2020	Sales Director (R5, R6)
Age	57		Sermsuk Public Company Limited
Positions	Group Commercial Support Director	• May 2018 - May 2018	General Manager (R5, R6)
Date Appointed	3 July 2020		Sermsuk Public Company Limited
Educational Credentials and Training Experience	Mini MBA, Mahidol University	• February 2017 - April 2018	General Manager - Sales (Nakornsawan)
Share Holding	- None -		Sermsuk Public Company Limited
Relation to the Executive	- None -	• April 2015 - February 2017	General Manager - Nakornsawan
Work experience within the 5 preceding years			Sermsuk Public Company Limited
• July 2020 - Present	Group Commercial Support Director Sermsuk Public Company Limited	• 2011 - 2015	General Sales Manager Friesland Campina (Thailand) Co., Ltd.

Name - Surname	Mr. Thosaphol Maneerat	Share Holding
Age	45	- None -
Positions	Acting Sales Director R1 / R2 / R3 / R4	Relation to the Executive
Date Appointed	3 July 2020	- None -
Educational Credentials and Training Experience	Bachelor of Economics, The University of the Thai Chamber of Commerce Master of Political Science, Bangkokthonburi University	Work experience within the 5 preceding years
Training	The 7 Habits of highly effective people	• July 2020 - Present
		Acting Sales Director R1 / R2 / R3 / R4 Sermsuk Public Company Limited
		• July 2018 - July 2020
		Regional Sales Manager R2 Sermsuk Public Company Limited
		• February 2015 - June 2018
		Sales Manager Sermsuk Public Company Limited

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Vinij Thawilpaibul	Relation to the Executive
Age	47	- None -
Positions	Sales Director R5 / R6 / R7 / R8	Work experience within the 5 preceding years
Date Appointed	3 July 2020	<ul style="list-style-type: none"> July 2020 - Present Sales Director R5 / R6 / R7 / R8 Sermasuk Public Company Limited July 2019 - July 2020 Senior Regional Sales Manager R1 & R7 Sermasuk Public Company Limited May 2015 - July 2019 Assistant General Manager - Sales of Patumthani Plant Sermasuk Public Company Limited
Educational Credentials and Training Experience	Master of Business Administration, Assumption University	
Share Holding	- None -	

Accounting Supervise Person

Name - Surname	Mrs. Panida Suesakulchockchai	Share Holding
Age	55	- None -
Positions	Accounting Manager	Relation to the Executive
Educational Credentials and Training Experience	<ul style="list-style-type: none"> The University of the Thai Chamber of Commerce Master of Business Administration. (Accounting) 	Work experience within the 5 preceding years
		<ul style="list-style-type: none"> 2019 – Present Accounting Manager Sermasuk Public Company Limited 2001 – 2019 Internal Audit Manager Sermasuk Public Company Limited



Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Company Secretary

Name-surname Mr. Krit Julapanichakum

Age 46

Position(s) Assistant Vice President, Office of Legal Affairs, Compliance and Company Secretary

Educational Credentials and Training Experience

- Bachelor of Laws, Chulalongkorn University
- Master of Laws, (LL.M. International and Comparative Laws, Indiana University, USA
- Master of Laws, (LL.M. International Banking and Finance Laws), Boston University, USA
- Company Secretary Program (CSP) 2563

Share Holding

- None -

Relation to Executive

- None -

Work experience within 5 preceding years

- **2020 - Present** Company Secretary
Sermasuk Public Company Limited
- **2018 - Present** Assistant Vice President,
Office of Legal Affairs & Compliance
Sermasuk Public Company Limited
- **October 2017 - Present** Assistant Vice President, Office of Legal Affairs
Thai Beverage Public Company Limited

Company Secretary Responsibilities

Prepare and safekeeping the following documents:

- Registration of directors;
- Invitation letters to the Board of Directors' meetings;
- Meeting minutes and the Company's annual report;
- Invitation letters to the shareholders' meeting and minutes of the shareholders' meeting.

Company Secretary also conducts other duties which are / will be assigned by the Company (or the Board of Directors), as follows:

- Providing regulations related advices along with information relevant to rules and corporate governance practice to ascertain matters carried out / decided by the board of directors comply with the relevant rules & regulations.
 - Arranging meetings for the board of directors and shareholders.
- Board of Directors and Shareholders
 - Coordinating internally between corporate functions ensuring compliance with the resolutions of the board of directors' meetings and the shareholders' meetings.
- Compliance with resolutions of the board of directors' meetings and the shareholders' meetings
 - Liaison with the regulators ie the Securities and Exchange Commission, ensuring information disclosed to regulators and to public complies with the legal requirements.
 - Undertaking other duties as assigned by the Company from time to time.

Attachment 2 Information on Directors of the Subsidiaries and the Associates

Sernsuk Public Company Limited		Subsidiaries					Associates
		Directly	Directly	Directly	Indirectly	Indirectly	
		Sernsuk Holdings Company Limited	Sernsuk Training Company Limited	Great Brands Limited	Sernsuk Beverage Company Limited	Wrangyer Beverage (2008) Company Limited	Petform (Thailand) Company Limited
Mr. Somchai Bulsook	Chairman	X	-	-	X	X	X
Mr. Thapana Sirivadhanabhakdi	Vice Chairman / Chairman of Executive Committee	/	/	/	/	/	X
Mr. Ueychai Tantha-obhas	Vice Chairman / Vice Chairman of Executive Committee	/	-	-	/	/	-
Mr. Dhitivute Bulsook	Director / Vice Chairman of Executive Committee	/	-	-	/	/	/
Mr. Sithichai Chaikriangkrai	Director / Vice Chairman of Executive Committee	/	/	/	/	/	/
Mr. Kosit Suksingha	President / Director / Member of Executive Committee	/	/	/	/	/	/
Ms. Rewadee Chaihetphon	Executive	-	/	-	-	-	-
Mr. Nitipat Putthong	Executive	-	/	-	-	-	-
Mr. Krit Julapanichakum	Executive	-	-	/	-	-	-

Remarks

(1) / = Director X = Chairman // = Member of Executive Committee

(2) The Subsidiary means the significant subsidiary such as the income of such subsidiary is more than 10% of total income as declared in the latest statement of income.



Attachment 3 Head of Internal Audit

Head of Internal Audit

- 1) The Board of Directors has appointed the Head of Internal Audit as follows:
Ms. Duangkamon Pornsuksawang Internal Audit Manager
 - 2) Education Credentials, Relevant Diplomas and Certificates
 - Master of Business Administration, Ramkhamhaeng University, Faculty of Business Administration.
 - Bachelor of Business Administration (Finance), Ramkhamhaeng University, Faculty of Business Administration.
 - Certificate of Internal Auditor of Thailand, the Institute of Internal Auditors of Thailand.
 - 3) Work experience
 - October 2019 - Present Internal Audit Manager
 - Sermasuk Public Company Limited
 - July 2016 - Present Internal Audit Senior Manager (Western) / Distillery Group of Plants
 - Thai Beverage Public Company Limited
- Training
- Internal Auditing Certificate Program

Head of Compliance

- 1) The Board of Directors has appointed the Head of Compliance as follows:
Mr. Krit Julapanichakum Assistant Vice President, Office of Legal Affairs, Compliance and
Company Secretary
- 2) Education Credentials, Relevant Diplomas and Certificates
 - Bachelor of Laws, Chulalongkorn University
 - Master of Laws, (LL.M. International and Comparative Laws, Indiana University, USA
 - Master of Laws, (LL.M. International Banking and Finance Laws), Boston University, USA
 - Company Secretary Program (CSP) 2563
- 3) Work experience
 - 2020 - Present Company Secretary
 - Sermasuk Public Company Limited
 - 2018 - Present Assistant Vice President, Office of Legal Affairs & Compliance
 - Sermasuk Public Company Limited
 - October 2017 - Present Assistant Vice President, Office of Legal Affairs
 - Thai Beverage Public Company Limited
 - 2011 - 2017 Legal Advisor
 - Watson Farley & Williams (Thailand) Limited

Attachment 4 Assets used in Business Operation and Information on Asset Appraisal

Assets used in Business Operation and Information on Asset Appraisal

Asset Appraisal for Investment

Company	Book Value (as appraised on 30 September 2021) (Million Baht)	Book Value (as appraised on 30 September 2020) (Million Baht)	Value Variance (Million Baht)
Sermsuk Public Company Limited	341.44	323.65	17.79
Total	341.44	323.65	17.79

1. The Independent Asset Appraiser: Thai Property Appraisal Lynn Phillips Co., Ltd.
2. The Appraiser Controller: Mr. Viraj Tritanawat
3. The Objectives of the Appraisal: To ensure that the Book Value of the above property has no significant variance from Market Value on the reported date
4. Date in the Appraisal Report: 23 and 29 July 2021 and 6, 13, 18, 19, 20 and 23 August 2021



Attachment 5 Business Ethics

The Business Ethics of the Company and its subsidiaries is disclosed on the Company's website under the heading "About Us" subheading "About us", and subheading "Business Ethics" (<http://www.sermsukplc.com/en/about/page/ethics>). , and also attached in an attachment 5.



Attachment 6 Report of the Board of Director's Responsibility on the Financial Statements

Report of the Board of Director's Responsibility on the Financial Statements

As a listed company, the Board of Directors realizes the duties and responsibilities for preparation of financial statements of Sermsuk Public Company Limited and its subsidiaries, in accordance with Thailand Financial Reporting Standard, by selecting an appropriate accounting policy, to which the company has strictly adhered on a regular basis.

The Board of Directors has exercised due care and reasonable projection in preparing the reports. There is adequate disclosure of material information in the Notes to Financial Statements as well as explanations and analysis as regards to the financial status and operating results of the Company and its subsidiaries, for the benefits of shareholders and general investors alike. The financial statements have been audited, with unqualified opinion by independent certified public accountants. In addition, the Board of Directors has promoted actions in accordance with Corporate Governance Principles, and assured that the company has adopted efficient and effective risk management and internal control systems. These will ensure that the accounting data recording procedures are accurate, complete and sufficient for maintaining assets of the Company and its subsidiaries, including prevention of material frauds and irregularities.

In so doing, the Audit Committee of the Company, consisting of independent directors as members, has reviewed the quality of financial reports and the internal control system, and hereby expressed their opinion in the Report of Audit Committee, as shown in the Annual Report (56-1 One Report Form). The Board of Directors is of the opinion that Corporate Governance, risk management and internal control systems of the company are adequate and appropriate, thereby providing reasonable assurances that the Financial Statements of the Company and its subsidiaries, for the Year Ending 30 September 2021, had been prepared and disclosed accurately, as deemed fully complaint to the financial reporting standard.



Attachment 7 Report of Audit Committee

Report of Audit Committee

Dear Shareholder
Sermasuk Public Company Limited

The Audit Committee appointed by the Board of Directors consisted of three independent directors, Professor Dr. Khunying Suchada Kiranandana, Mr. Suchin Wanglee and Mrs. Siripen Sitasuwan.

In 2021, the Audit Committee held 5 meetings, 4 ordinary meetings and 1 special meeting. The four ordinary meetings reviewed the operations of the Company and its subsidiaries, including the assessment of the adequacy and efficiency of the internal audit plan and audit reports, following up on issues raised by the auditors and providing corrective suggestions; endorsing the quarterly and annual financial statements by working with the management, the auditor and the internal auditor, to ensure the adequacy and correctness of the financial statements and the disclosures according to the generally accepted accounting principles, including the review of related party transactions or transactions which could possibly lead to conflict of interest; the execution to ensure compliance with related laws and regulatory requirements in overall operations ; and recommended the appointment of the external auditor and annual audit fee to the Board of Directors

The Company operations and its subsidiaries in 2021 revealed that the company had an adequate internal control system. The financial statement were prepare and reported in accordance with the Statements of Thai Financial Reporting Standards. The disclosures and related transaction complied with the appropriate laws and regulatory requirements.

- Signature -

Professor Dr. Khunying Suchada Kiranandana
Chairman of Audit Committee



Attachment 8 Report of Sustainability and Risk Management Committee

Report of Sustainability and Risk Management Committee

Dear Shareholder
Sermasuk Public Company Limited

The Sustainability and Risk Management Committee appointed by the Board of Directors Meeting Resolution consists of 13 committee members, including 7 committee members and 6 Executive members.

The Sustainability and Risk Management Committee performed the duties assigned by the Company's Board of Directors. In 2021, the Sustainability and Risk Management Committee held four meetings, developed the principles and guidelines to undertake more efficient risk management on a continual basis and reviewed risk factors scopes and external and internal risk levels both internal and external as well as followed up on the operations in conjunction with the risk management principles and made appropriate adjustments to strategic planning for sustainable management.

Given the operations of the Company and its subsidiaries in 2021, the Sustainability and Risk Management Committee reported that the Company has prepared a Sustainability and risk management plan and implemented a policy to manage risk more efficiently and continually in line with good corporate governance requirements while undertaking adequate internal controls that best suited the Company's businesses.

- Signature -

Professor Dr. Khunying Suchada Kiranandana
Chairman of Sustainability and Risk Management Committee



Attachment 9 Report of Nomination and Remuneration Committee

Report of Nomination and Remuneration Committee

Dear Shareholder
Sermasuk Public Company Limited

The Nominating and Remuneration Committee of Sermasuk Public Company Limited (“the Company”) consists of 3 members, of which Mr. Suchin Wanglee served as the Chairman of the Committee and Mr. Thapana Sirivadhanabhakdi, Mr. Pramoad Phornprapha as the member of the Committee. The Nominating and Remuneration Committee has carried out duties under the framework and responsibilities assigned by the Board of Directors to recruit and nominate qualified and knowledgeable person and improve in considering remuneration and other benefits of all directors and senior executives for proposal to the Board of Directors and/or Shareholders, as the case may be.

In 2021, the Remuneration Committee held 2 meetings in accordance with the plan. All Committee members attended every meeting and the result of the meeting has consistently been reported to the Board of Directors. Summary of key actions are as follow:

1. Consideration the nomination of a candidate with qualifications and experience expertise appropriate to the Company’s business needs, for the Board of Directors consideration and appointment in replacement of the Company’s Director who resigned from position.
2. Consideration to contemplate the yearly remuneration establishment, committee meeting including the committee pension for 2022, including the bonus for 2022 (2021 performance).
3. Consideration to contemplate the salary adjustment for 2022 and Employee Reward for 2021

The Nominating and Remuneration Committee performed its duties in full scope of responsibilities with careful considerations, taking into account of guidelines and referencing to other companies of similar business size in the same and/or similar industry with suitability and alignment to the economic situation, performance and assigned responsibilities for stakeholder’s confidence that the Company’s remuneration practice has been properly and equitably implemented.

- Signature -

Mr. Suchin Wanglee

Chairman of Nomination and Remuneration Committee

Attachment 10 Report of Corporate Governance Committee

Report of Corporate Governance Committee

Dear Shareholder
Sermasuk Public Company Limited

The Corporate Governance Committee which has been appointed by the Board of Directors consisting of 2 directors and 1 independent director which are Mr. Somchai Bulsook, Mr. Ueychai Tantha-obhas and Mr. Pramoad Phornprapha respectively.

During the year 2021, the Corporate Governance Committee held 4 meetings. The results of the meeting has been reported to the Board of Directors. The Corporate Governance Committee performed its duties and responsibilities within the framework assigned by the Board of Directors to improve and recommend the Board of Directors on Corporate Governance, with the following summary of key actions:

1. Reconsideration and providing advices with regard to the Company's good corporate governance in order for it to be in line with the 2017 good corporate governance principle of listed company issued by Thailand Securities and Exchange Commission.
2. Acknowledgment of the assessment of the Annual Shareholders' meeting of the year 2021 by the Thai Investors Association and providing advices on the improvement of the Company's assessment score.
3. Acknowledgment of the evaluation of the corporate governance report of listed company, as assessed by the Institute of Directors including reconsideration and providing advices on the improvement of the Company's assessment score.
4. Endorsement of the Corporate Governance's charter and report to the Board of Directors for approval.

The Corporate Governance Committee has performed in accordance with the scope of duties and responsibilities independently with high thoroughness, taking into consideration the maximum benefits to the company and all stakeholders.

- Signature -

Mr. Somchai Bulsook

Chairman of Corporate Governance Committee



Attachment 11 Report of Executive Committee

Report of Executive Committee

Dear Shareholder
Sermasuk Public Company Limited

The Executive Committee which has been appointed by the Board of Directors consists of 6 members, of which Mr. Thapana Sirivadhanabhakdi, Mr. Ueychai Tantha-obhas, Mr. Sithichai Chaikriangkrai, Mr. Dhitivute Bulsook, Mr. Kosit Suksingha and Mr. Phromson Ayanaputra.

In the fiscal year 2021, the Executive Committee held 12 meetings in accordance with the plan. The result of the meeting has been quarterly reported to the Board of Directors. The Executive Committee was implementing the corporate Board of Directors' policy that is in accordance with the Company's by-laws terms rules and regulations and Article of Association. The summary of key actions the Executive Committee of are as follows:

1. Manage and supervise the business performance of the Company and its subsidiary companies in accordance with business policy, target, action plan, business strategy, budget and managerial authorization as per the approval of the Board of Directors in efficient and business able manner.
2. Monitor and oversee the company's operations performance, sales and marketing performance, production and supply chain performance including with litigation status on a monthly basis.

The Executive Committee has performed its duties in accordance with the scope of duties and responsibilities in a complete and prudent, by taking into consideration the maximum benefits to the Company and all stakeholders.

- Signature -

Mr. Thapana Sirivadhanabhakdi

Chairman of Corporate Governance Committee



Part 5 Sustainability Report

About This Report

Sermsuk Public Company Limited (the “**Company**”) strives to promote sustainable development. 2021 marks the first year that it produced a sustainability report to communicate this aspect of its operations to stakeholders from October 1, 2020 to September 30, 2021. This report is prepared in accordance with the Global Reporting Initiative (GRI) Standards for Sustainability Reporting.



The Company's Sustainable Development Principles

The Company carries on H.M. the late King Bhumibol Adulyadej's Sustainable Development Principles and Sufficiency Economy Philosophy as well as adheres to the 17 Sustainable Development Goals (SDGs) of the United Nations (UN), thereby formulating a sustainable development policy that not only encompasses economic, environmental, and social dimensions but is also aligned with ThaiBev's PASSION 2025 roadmap seeking to build its new capabilities, strengthen its leading position, and unlock its potential in order for the Group to move forward as an international Stable & Sustainable level.



Organizational Strategy to Achieve Sustainable Development Goals

The Company embraces the “Growing Sustainably, Rising Towards Digital Future” concept by applying digital technology in its management and devising a plan to modernize its business practices to improve its operational efficiency as follows:

1. **Brands & Reach:** The Company is determined to develop new products and brands that are responsive to consumer needs and to expand into sales and distribution channels by adopting digital technology in its operations to ensure the timely delivery of products to consumers.
2. **Production and Supply Chain Excellence:** The Company aims to strengthen the linkage between its production base and ThaiBev’s large logistics networks while adopts integrating artificial intelligence (AI) into its analysis and development of the production and distribution systems.
3. **Sustainability:** The Company attaches importance to its value chain management and development from the material procurement process up until post-consumption packaging management in order to benefit stakeholders in operational, environmental, natural resource management, social, and/or community aspects. It also presses ahead with the development of the local economy and the promotion of human resources development and the cultivation of all dimensions of sustainable culture.



The Company's Value Chain



The Company's Sustainability Management Structure



The Company commits to developing continually, growing sustainably, and operating its business in a responsible manner in line with sustainability development principles encompassing the three core dimensions of the economic, social, and environmental through the seven areas of operation comprising corporate governance, human rights protection, labor relations, environmental conservation, fair business practices, consumer engagement, and community development that uphold the UN's 17 SDGS. Ultimately, the Company aspires to create an organizational culture that cherishes acceptance and harmony as guided by its philosophy: **"Fulfilling Happiness"**

Sustainability and Risk Management Committee

Structure

The Company's Sustainability and Risk Management Committee comprises of 13 members, further consisting of representatives of the Board of Directors, including Independent Directors, and high-ranking executives holding a directorial position or above appointed by the Board of Directors.

Authority, Duties, and Responsibilities of the Sustainability and Risk Management Committee

- Formulates a sustainability and risk management policy for the Group to be presented to the Company's Board of Directors for approval.
- Devises a sustainability and risk management framework and aligns the related strategy and resources with the Group's policy, ensuring that the framework, strategy, and resources will permit effective identification, analysis, evaluation, and follow-up of all sustainability and risk management processes of the Group.
- Determines the levels of risk tolerance and acceptable risks in various dimensions that may have significant impact on the organization and/or its business to be presented to the Company's Board of Directors for approval.
- Supervises the management in terms of the design, operations, and follow-up of the sustainability and risk management system to achieve efficiency and effectiveness.
- Appoints a working group from the Company's employees and determines its duties and responsibilities with the principal aim of promoting operational efficiency
- Reports to the Company's Board of Directors on a quarterly basis.
- Documents the Group's sustainability and risk management strategy and activities and discloses the information in the Company's 56-1 One Report and/or Sustainability Report as deemed appropriate.

Sustainability and risk Management Working Group

The Sustainability and Risk Management Working Group comprises the President, serving as the chairperson, and department directors and representatives.



Stakeholder Engagement

Stakeholder Group	Engagement Approach	Need & Expectations	Responses to Need & Expectations
1. Employees	<ul style="list-style-type: none"> Organize quarterly town hall meetings to provide employees with important updates. Conduct an employee engagement survey on a quarterly basis (under the responsibility of the Human Resources Department). Carry out focus group interviews with the employees and management to elicit responses relating to their needs and factors that truly bring them happiness in the workplace. Develop an engagement action plan for each department to promote a positive attitude toward and a strong bond with the organization. Run engagement promotion activities and improve the work environment to create a pleasant experience in the workplace. Update important information through various communication channels, such as e-mails, Line groups, and the Beverest Life application. 	<ul style="list-style-type: none"> Remuneration and welfare benefits Career development plans and opportunities for employees responsive to business changes Occupational safety and health The organization's operational direction and adaptation approach Human rights compliance 	<ul style="list-style-type: none"> Motivation and retention of talented employees Diversification of the modalities of capacity development for employees Promotion of occupational safety and health Communication relating to the organization's goal, moves, and operational direction

Stakeholder Group	Engagement Approach	Need & Expectations	Responses to Need & Expectations
2. Supplier and Contractor	<ul style="list-style-type: none"> ● Conduct a business continuity risk assessment. ● Organize meetings with trade and business partners. ● Collectively devise eco-friendly packaging development and material procurement processes to promote sustainable business operations. ● Maintain quality, delivery, service, and sustainability standards in business operations. 	<ul style="list-style-type: none"> ● Mitigation of short supply risks, management of trade and business partners' potential, and promotion of innovations 	<ul style="list-style-type: none"> ● Involving trade and business partners in the business continuity risk assessment process to maintain a continuous supply ● Monitoring trade and business partners in the documentation and submission of risk assessment reports to prevent short supply risks ● Promoting the application of innovations by trade and business partners to ensure sustainable utilization of resources ● Auditing trade and business partners' facilities on an annual basis to collectively determine a higher facility standard



Stakeholder Group	Engagement Approach	Need & Expectations	Responses to Need & Expectations
3. Customers	<ul style="list-style-type: none"> ● Carry out customer satisfaction surveys and receive complaints from stores through questionnaires distributed by district heads. ● Run marketing and promotional activities in online platform, (Sermasuk Family). ● Create and maintain digital and social networking channels to enhance communication with stores, such as the Company's Facebook, website, and/or Instagram, and the "SSC Family" mobile application. 	<ul style="list-style-type: none"> ● Product safety ● Clarity of the Company's business policy ● Transparency in the Company's business operations ● Customer welfare being an important priority ● Flexible trade practices responsive to the need of market 	<ul style="list-style-type: none"> ● Customer relationship management ● Product and service innovation ● Transparent and ethical business operations ● Development of various digital marketing innovations through online channels, such as "Sermasuk Family" and "Sermasuk Camp"
4. Consumers	<ul style="list-style-type: none"> ● Create and maintain digital and social networking channels to enhance communication with consumers, such as the Company's Facebook, website, and/or Instagram. ● Run marketing and promotional activities in both offline and online formats. 	<ul style="list-style-type: none"> ● Product safety ● Clarity of the Company's business policy ● Transparency in the Company's business operations ● Customer welfare being an important priority ● Flexible trade practices responsive to the need of market ● Product and service quality ● Fair and reasonable pricing 	<p>Developing digital marketing innovations, especially those involving home delivery services, via online platform www.shopteenee.com</p>

Stakeholder Group	Engagement Approach	Need & Expectations	Responses to Need & Expectations
5. Investors	<ul style="list-style-type: none"> ● Hold annual shareholders general meeting. ● Announce the Company's business performance on a quarterly basis. ● Attend the Opportunity Day, organized by the Securities Exchange of Thailand (SET). ● Review sustainability issues on an annual basis. 	<ul style="list-style-type: none"> ● The Company's business performance ● The Company's business information ● The Company's goal and vision 	<ul style="list-style-type: none"> ● Oversee the compliance with relevant laws, rules, and regulations ● Announcement of dividend payment to shareholders
6. Community	<ul style="list-style-type: none"> ● Organize activities with the communities and schools around the Company's facilities. ● Hold meetings with community representatives. ● Compile and disseminate a body of knowledge that will lead to growth and enhance the quality of life of the surrounding communities. ● Put complaint and whistleblowing channels in place. 	<ul style="list-style-type: none"> ● Job creation and career promotion for the surrounding communities ● Economic development for the surrounding communities ● Enhancement of the quality of life of the surrounding communities ● Hygiene promotion for the surrounding communities ● Creation of educational opportunities for the surrounding communities ● Environmental conservation for the surrounding communities 	<ul style="list-style-type: none"> ● Carrying out projects aimed at job creation, career promotion, and economic development for the surrounding communities ● Strengthening community relations through various projects ● Running projects to promote good hygiene and create educational opportunities for the surrounding communities



Stakeholder Group	Engagement Approach	Need & Expectations	Responses to Need & Expectations
7. Government Agency	<ul style="list-style-type: none"> ● Operate and manage the Company in compliance with the relevant laws, rules, and regulations. ● Participate in various regulatory agencies' and private enterprises' projects and activities on a regular basis. 	<ul style="list-style-type: none"> ● Labor welfare and safety ● Human rights protection and compliance with labor laws ● Transparent tax administration and management ● Appropriate social and environmental management 	<ul style="list-style-type: none"> ● Oversee the compliance with relevant laws, rules, and regulations
8. Media and NGOs	<ul style="list-style-type: none"> ● Establish relations with various regulatory agencies, customers, trade and business partners, and media. 	<ul style="list-style-type: none"> ● Disclosure of information in an accurate manner ● Advertising and sales meeting accepted legal and ethical standards 	<ul style="list-style-type: none"> ● Ethical business operations

Summary of Key Sustainability Issues

Key Sustainability Issues											
Sustainability Dimensions	Key Issues	Chapters	Scope of Impact								
			Internal		External						
			The Company	Employees	Supplier and Contractor	Customers	Consumers	Communities	Investors	Government Agency	Media and NGOs
Economic	1. Consumer Health and Safety	Consumer Health and Safety	✓	✓	✓	✓	✓			✓	✓
	2. Capacity Development of Business Partners	Capacity Development of Business Partners	✓	✓	✓	✓					
	3. Products' Health Impacts and Nutritional Values	Consumer Health and Safety	✓	✓	✓	✓	✓			✓	✓



Key Sustainability Issues											
Sustainability Dimensions	Key Issues	Chapters	Scope of Impact								
			Internal		External						
			The Company	Employees	Supplier and Contractor	Customers	Consumers	Communities	Investors	Government Agency	Media and NGOs
Economic	4. Sustainable Supply Chain Management	Sustainable Supply Chain Management	✓	✓	✓			✓		✓	✓
	5. Data Security and Privacy	Information Technology (IT) Security and Cybersecurity	✓	✓	✓	✓	✓				
	6. Corporate Governance and Business Ethics	Corporate Governance and Compliance with the Relevant Laws, Rules, and Regulations	✓	✓	✓	✓	✓	✓	✓	✓	✓

Key Sustainability Issues											
Sustainability Dimensions	Key Issues	Chapters	Scope of Impact								
			Internal		External						
			The Company	Employees	Supplier and Contractor	Customers	Consumers	Communities	Investors	Government Agency	Media and NGOs
Economic	7. Corporate Innovations	Innovations for Sustainable Development	✓	✓	✓	✓	✓	✓			
Environment	8. Energy Management	Environment Conservation	✓	✓	✓			✓		✓	✓
	9. Climate Change Strategy	Environment Conservation	✓	✓	✓			✓		✓	✓



Key Sustainability Issues											
Sustainability Dimensions	Key Issues	Chapters	Scope of Impact								
			Internal		External						
			The Company	Employees	Supplier and Contractor	Customers	Consumers	Communities	Investors	Government Agency	Media and NGOs
Environment	10. Waste, Packaging, and Circular Economy Management	Packaging Development according to the Circular Economy Principle	✓	✓	✓	✓	✓	✓		✓	✓
	11. Water Stewardship and Water Resources Management	Environment Conservation	✓	✓	✓			✓		✓	✓
Social	12. Corporate Consumer Accountability	Corporate Consumer Accountability	✓	✓	✓	✓	✓			✓	✓

Key Sustainability Issues											
Sustainability Dimensions	Key Issues	Chapters	Scope of Impact								
			Internal		External						
			The Company	Employees	Supplier and Contractor	Customers	Consumers	Communities	Investors	Government Agency	Media and NGOs
Social	13. Talent Employees Attraction and Retention	Human Resources Management	✓	✓							
	14. Employee Health and Well-being	Employee Health and Safety	✓	✓							
	15. Community Development and collaboration	Community Development and collaboration	✓	✓				✓			
	16. Human Resources Development	Human Resources Management	✓	✓							
	17. Human Rights	Human Rights	✓	✓	✓	✓	✓	✓	✓	✓	✓



Sermsuk Material Matrix



1. Consumer Health and Safety
2. Capacity Development for Business Partners
3. Products Health Impacts and Nutritional Values
4. Sustainable Supply Chain Management
5. Data Security and Privacy
6. Corporate Governance and Business Ethics
7. Corporate Innovations
8. Energy Management
9. Climate Change Strategy
10. Waste, Packaging, and Circular Economy Management
11. Water Stewardship and Water Resources Management
12. Corporate Consumer Accountability
13. Talent Attraction and Retention
14. Employee Well-being
15. Community Development and collaboration
16. Human Resources Development
17. Human Rights

Economic Dimension

Sustainability Risk Management

Recognizing the importance of its roles in sustainability risk management, the Company has established the Sustainability and Risk Management Committee, comprising 13 highly knowledgeable and experienced members. To ensure an efficient and effective process responsive to all major risks and to be able to maintain an acceptable risk level, the Sustainability and Risk Management Committee follows up, evaluates, and manages business uncertainties posing potential risks to the Company, foresees opportunities for continual and sustainable growth amid challenges and mitigates their adverse impacts, and takes full advantage of arising circumstances. Ultimately, the Sustainability and Risk Management Committee plays a vital part in enabling the Company to achieve its goal to be a total beverage producer and distributor par excellence in Thailand and to “Fulfill Happiness” for consumers.

Sustainable Future

Sermsuk Group commits to sustainable development through socially, economically, and environmentally responsible business operations guided by its sustainability management strategy, corporate governance principles, and risk management approaches to ever-changing circumstances in accordance with the COSO Enterprise Risk Management Framework, comprising the following five major components:

- 1. Overseeing and Compliance Structure.** This constitutes representatives of the Board of Directors delegated the responsibility for compliance oversight, the Sustainability and Risk Management Committee, the Audit Committee, the Executive Committee, the Corporate Governance Committee, and the Sustainability and Risk Management Working Group.
- 2. Comprehending the Sustainability Development context and strategy.** All units are expected to understand how to operate a beverage business under the “Growing Sustainably, Rising towards a Digital Future” concept and achieve sustainability objectives by analyzing and following up risk factors and trends that will potentially affect the Company’s business operations and/or strategy implementation.
- 3. Carrying out a holistic risk management process.** From corporate to managerial and operational levels, not only is risk management to be conducted in line with the strategy and materiality formulated by the Company, but it should also identify arising circumstances, impacts, and reasonable risk appetites while complying with the relevant laws, rules, and regulations. This is to avoid reputational risk and other adverse risk impact of the Company.
- 4. Monitoring, reporting, and evaluating sustainability and risk management measures.** All units from departmental to business group and corporate levels are expected to constantly and



clearly communicate their sustainability and risk management, applying a strategy that effectively adds value to the Company.

5. **Cultivating a sustainability and risk management culture.** This involves raising awareness of the importance of sustainable development and fostering a sustainability and risk management culture among executives and employees at all levels throughout the organization as well stakeholders to encourage their engagement in the Company's efforts.

Risk Management Process

The risk management process comprises of five steps:

1. Formulation of the objectives
2. Identification of business risks and opportunities
3. Assessment of risks
4. Determination of risk management and control measures
5. Reporting and monitoring

Intention and Achievement

Sermsuk Group has devised responsive risk management measures through its scrupulous consideration of the three core dimensions of sustainable development, namely the economic, social, and environmental. Such measures serve as a foundation for the identification and assessment of risks in terms of their impact and likelihood in conjunction with the Company's risk assessment and management framework, which classifies sustainability risks into the four levels of extreme (E), high (H), moderate (M), and low (L), and specifies the countermeasures together with the person(s) in charge accordingly.

The Company's Risk Diagram

Risk Likelihood/Frequency			Risk Countermeasure(s)			
Impact Level	1 (very low)	2 (low)	3 (moderate)	4 (rather high)	5 (high)	Risk level/Measure
5 (extreme)	M5	H10	H15	E20	E25	Extream (E) Having measure to immediately perform risk mitigation
4 (high)	M4	H8	H12	E16	E20	High (h) senior executive has to be significantly concerned
3 (moderate)	L3	M6	H9	H12	E15	Moderate (M) having personal responsibility namely management, director level
2 (low)	L2	L4	M6	H8	H10	Low (L) regularly perform in its business
1 (not affected)	L1	L2	L3	M4	M5	

Water Stewardship and Water Resources Management for Social Sustainability

As regards the current global water situation, the alarming rise in population size, coupled with unprecedented economic growth, has resulted in increasing consumption needs in various sectors and an acute water crisis for all nations. Moreover, the greater frequency and magnitude of natural disasters, such as drought and flooding, triggered by climate change, warmer global temperature, higher sea level from ablation, and larger ocean water volume have had grave impacts on the agricultural and industrial sectors, which are the pillars of economic stability for many countries around the world.

In a number of decades, Thailand has not been able to avoid major water difficulties. Apart from severe drought and flooding and the previously-mentioned problems, insufficient water reserves in dams, water resources deterioration and contamination caused by the expansion of cities, the agricultural and industrial sectors, and inefficient water management have all wrought terrible havoc on the economy, society, and people's quality of life.



Water Sustainability Assessment: WSA

The Company has been part of the efforts to conserve freshwater. To ensure efficient water management capable of sustaining the balance of the ecosystem and preserving this limited resource, the Company, in collaboration with ThaiBev, conducted water sustainability assessment (WSA). This enables to know and acknowledge the impacts of water consumption on bodies of water in communities through the application of advanced technology, such as satellite imaging, in topography and the analysis of flow direction, watersheds, drainage, slope patterns, area utilization trends, and potential risks stemming from such factors. Thus, it enables the parties involved to formulate a comprehensive and responsive risk mitigation strategy that can be adapted to suit different local conditions and to deal with both existing and future risks.

Participation in ‘Shallow Groundwater Restoration by Industrial Sector’ Project

In 2021, the Company participated in the “Shallow Groundwater Restoration by Industrial Sector” project, co-organized by the Federation of Thai Industries (FTI) and the Department of Groundwater Resources. Furthermore, the Company selected by the Water and Environment Institute for Sustainability to be a model for other groundwater conservation projects.



Information Technology Security and Cybersecurity Protection

Most businesses are facing challenges from intense business competition and accelerated technological advances allowing unfettered access to digital and information services. For instance, threats to information technology (IT) security and cybersecurity, including data security breaches and personal data leakage exposing the information of employees, business partner, consumers, and stakeholders to unauthorized persons, is on the rise, causing damage to business operations and continuity, service provision, and corporate reputation and image, or even leading to lawsuits.

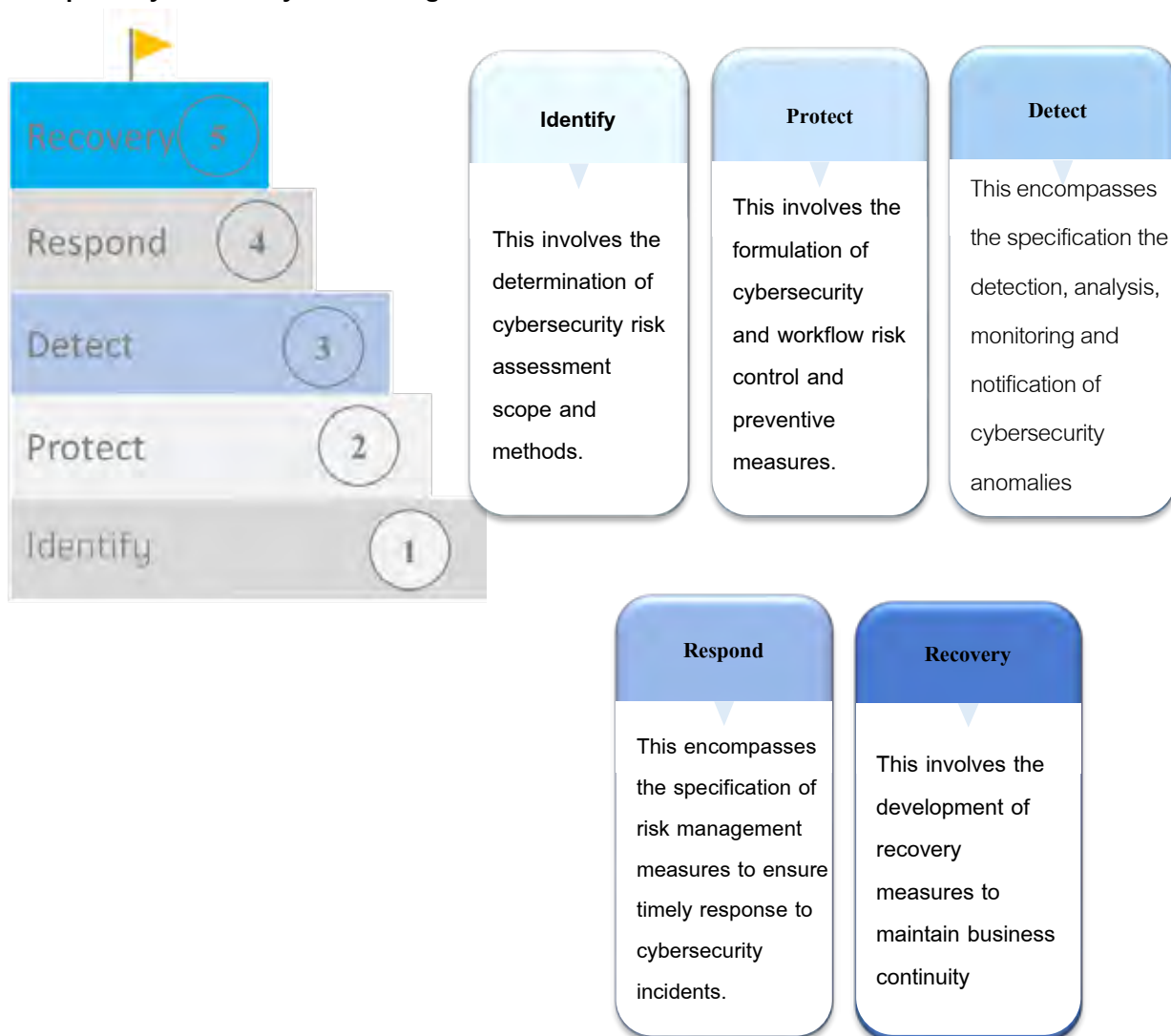
The Company realizes the importance of cybersecurity risk management and protection. Thus, the Company has planned and detailed response measures that keep abreast of technological advances and corresponding threats.



Cybersecurity Risk Management Approach

The Company synergizes with Thai Beverage Public Company Limited in dealing with cybersecurity issues and developing a cybersecurity risk management approach in accordance with the criteria set forth in the ISO27001 and the National Institute of Standards and Technology Cybersecurity Framework. The risk management approach enables timely and standardized detection, prevention, and management of cybersecurity threats, comprising five steps:

5 Steps of Cybersecurity Risk Management



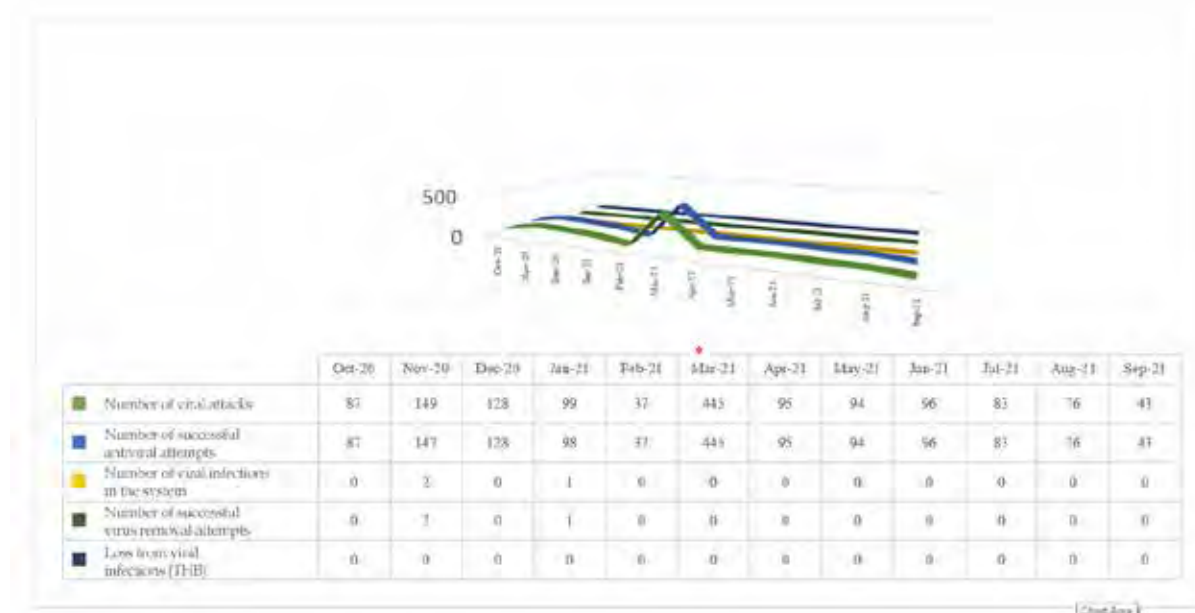
The Company's Board of Directors and executives has established a strategy to ensure IT security, cybersecurity, and the safety of all processes in line with listed companies' corporate governance principles. This is to ensure that business strategy and measure has covered cybersecurity circumstance possibility to incur.

In addition, the Sustainability and Risk Management Committee serves to supervise efforts to tackle cybersecurity incidents, while experienced IT personnel conduct their duties at the operational level to create an IT system that efficiently responds to cybersecurity risks and mitigates the adverse impacts of cybersecurity threats on the Company and its business operations.

IT Security Policy

The IT security policy of the Company emphasizes on both data security and other aspects of IT security not directly connected to cybersecurity, such as the stipulation of rules and regulations relating to the protection of IT assets, the destruction and discharge of IT assets no longer in use, and authorized and unauthorized access to IT assets. At the heart of the IT security policy are its clarity and compatibility with all the mechanisms throughout the organization.

Performance of IT Security



Recognizing the importance of IT security protection on its business operations, the Company utilizes a top-notch anti-virus system, regularly updates the system, and continually inspects potential IT security breaches. Because of its unstinting efforts, it has successfully shrunk the number of viral attacks by over 90% from March 2021 onwards.



Performance of IT Security Project



Capacity Development for Cybersecurity Personnel

In addition to the presence of a vision, approach, method, and tool aiming to sustain cybersecurity, capacity development is another driving force behind the establishment of an efficient preventive system without which cybersecurity would be an untenable goal. To enhance its personnel's acumen and raise their awareness and engagement in this aspect, the Company constantly runs compulsory cybersecurity training and assessment programs.

Future Goals and Operational Direction

Upskill	Awareness Training Modalities
<p>Security Awareness Training focuses on three areas:</p> <ul style="list-style-type: none"> • Practical application of IT and devices • Types of cybersecurity and IT security threats • Preventive and response measures for handling suspicious activities and cyber-attacks in real-world situations 	<ul style="list-style-type: none"> • Online courses or instructional VDO clips • Post-training assessment in the form of tests to plan further training • Constant reminders of cybersecurity issues and incidents sent through e-mails and/or posted on a noticeboard placed at a readily visible spot in the office.

Personal Data Protection Guidelines

The Company has complied with the Personal Data Protection Act B.E. 2562 (2019) the Cybersecurity Act B.E. 2562(2019) to protect personal data processed in our system from cyber threat and data leakage. We have implement our internal procedure in accordance with such data protection law as well as clearly communicated to staff at all levels and strictly enforced with the said procedure. Such information is also disseminated to customers to gain their confidence in the Company and assure them of its compliance with relevant laws, rules, and regulations. To this end, personal data protection including below customer surveys implementation were carried out since April 2021 onwards.

Operation Results and Future Operational Direction



Raising awareness of the Company' personal data security compliance among customers with the survey response rate reaching

148,587 Customers

or more than **46 %**

	No. of Customers Returning the Questionnaire
Apr-21	64,771
May-21	44,210
Jun-21	14,260
Jul-21	9,100
Aug-21	6,692
Sep-21	6,380

Goal for 2022



Raising awareness of the Company' personal data security compliance among customers with the survey response rate reaching

100 %



Data security breach prevention through an efficient access detection system

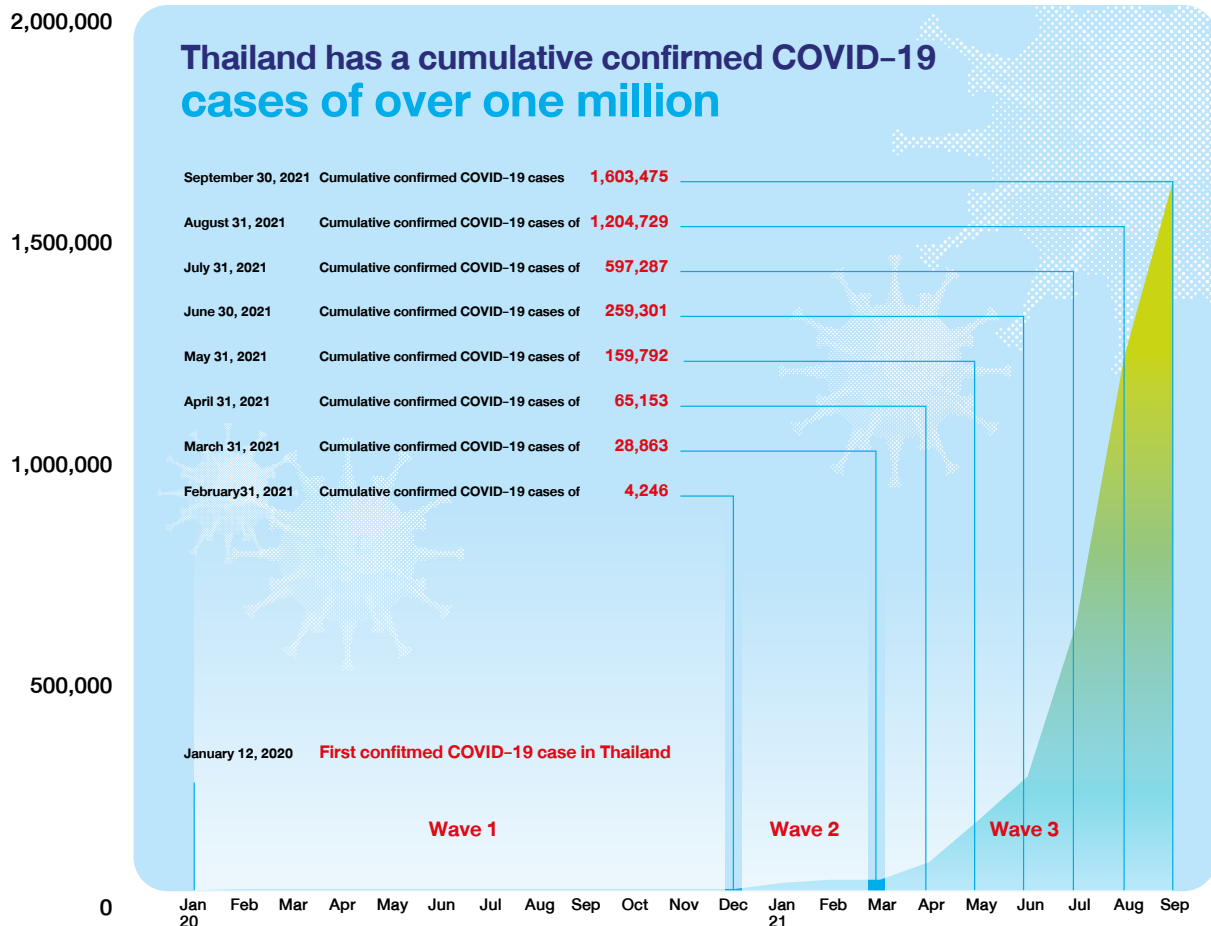


Establishment of measures to curb improper handling and exploitation of customers' personal data



Sermsuk On COVID-19

Thailand has a cumulative confirmed COVID-19 cases of over one million



Source : The Ministry of Public Health

Since the discovery of the first known COVID-19 infections in late-2019, the pandemic has swept across the world. On January 12, 2020, Thailand saw the first confirmed cases. As a result of the first and second waves of transmission, the cumulative confirmed cases rose to 4,246. Following the third wave, the figure rocketed to over one million. Not only has the coronavirus mutated into several variants from its adaptation to human hosts leading in some cases to more severe symptoms and the ability to evade immune response and/or spread more easily, but it has also caused the stagnation of economic activities, disruption to supply chains, closure of businesses, dismissal, and/or deteriorating purchasing power to all nations alike.

In addition to enormous economic loss, this public health crisis has placed tremendous pressures on the Company's business operations, continuity, and confidence. Thus, the management of risks stemming from the COVID-19 pandemic to prevent and mitigate impacts on the employees, customers, stakeholders, and parties involved is vital to its survival. To optimize its risk management efforts, the Company has in collaboration the following special operations centers with Thai Beverage Public Company Limited and implement the following directions for the risk management of the Company:

- Special procurement operations center, serving to assess the risks related to trade and business partners posed by the pandemic;
- Special production operations center, responsible for aligning production with the market needs, controlling costs, and planning production management and sales during the pandemic;
- Special distribution operations center, serving to ensure that product distribution complies with the Emergency Decree and provincial notifications;
- Special human resources operations center, responsible for the work from home procedures, the use of the COVID-19 application, and the suspension and resumption of office openings; and
- Special IT operations center, serving to develop digital applications in response to the pandemic situation and put them in place, provide IT support to COVID-19 test centers, and closely monitor and assess the potential risks to respond to the situation in a timely manner.



Sustainable Supply Chain Management

The Company has set out a sustainable supply chain management policy encompassing, for instance, its material selection, production, distribution, and waste management from upstream to downstream stages to ensure efficient and effective utilization of natural resources, desirable product quality and safety, and ultimately customer satisfaction. Special emphasis is placed on transparent and fair procurement as it is an integral part of the Company's supply chain management that determines pricing reasonableness and delivery punctuality. Also, trade and business partners are constantly involved in its environmental conservation programs, such as its 'reduce, reuse, and recycle' or 3Rs activities, to promote harmonious cohabitation between businesses and communities.

Sustainable Supplier and Contractor Management

The Company strictly screens Suppliers and contractors and selects those that not only exhibit strong potential but also comply with relevant procurement laws, rules, regulations, and code of ethics, such as safety management for the food and beverage industry under the FSSC22000 Standards. Its screening and selection procedures are as follows.

- **Suppliers and contractors screening:** Suppliers and contractors are classified according to their risk levels and business potential based on the following criteria:
 - Demonstrating financial stability
 - Fulfilling recognized production standards and earning accredited certifications, such as ISO, HACCP, FSSC, and Halal
 - Having a policy that attaches importance to socially, economically, and environmentally responsible operations
 - Exhibiting competitive advantage, especially in terms of the ability to provide a constant supply of raw materials despite market fluctuations
 - Thinking creatively and applying innovations to add business value
- **Purchasing decisions.** Purchasing decisions are made based in part on suppliers and contractors' fulfillment of the sustainability agreements stipulated in business contracts to ensure compliance with the code of ethics relating to business operations, environmental conservation, and human rights protection.
- **Performance assessment.** Trade and business partners are assessed after the completion of business transactions and classified accordingly.
- **Follow-up and capacity development.** The findings from the performance assessment are employed to inform suppliers and contractors of problem areas and assist them in devising a corrective plan and taking remedial measures within the required time frame.

Efficient Material Sourcing

As raw materials are indispensable to the production of beverages, the Company has laid out a material sourcing strategy to guide its purchase operations and purchase agreements. Annual and shorter-term production plans and material delivery schedules are also communicated to suppliers and contractors during monthly or periodic meetings to ensure an adequate and constant supply of raw materials. In addition, at least two suppliers are sourced for a certain core raw material to prevent supply shortages and hold monopolies at bay. Importantly, sourcing collaboration has been established with Thai Beverage Public Company Limited and other business partners to increase bargaining power and enhance the ability to secure quality raw materials

Sustainable Procurement

In addition to quality, pricing, and delivery considerations, the Company takes into account the economic, social, and environmental impacts of its procurement process to aid the Company itself, stakeholders, and all other parties involved in achieving their sustainability goal.

Economic Dimension

The Company performs its business operations fairly and transparently in accordance with good governance principles. In the pursuit of its goal to sustain economic stability and growth, the Company, thus goes the full distance to enter into transactions only with supplier and contractor that strictly comply with legal requirements and ethical standards, especially those compliance with intellectual property rights, anti-corruption and anti-bribery, and local employment promotion.

Social Dimension

The Company aspires to build a caring society treating its members with equal dignity, as reflected by its procurement policy that requires supplier and contractor to observe fair employment practices, human rights protection, equal opportunity and anti-discrimination principles, and health and safety standards, and to refrain from labor abuse and exploitation of any sort, including child labor.

Environment Dimension

To achieve its natural resource management and environmental conservation goals, the Company promotes eco-friendly practices in carrying out its procurement, for instance, through the selection of environmentally responsible supplier and contractor that seek to reduce dependence on natural resources in order to cushion the environmental impacts of their business.



In addition to those for the normal course of business, plans for emergency situations, including the COVID-19 pandemic, are also in place to minimize supply fluctuations. Thus, the Company adopts the following plans regarding raw material supply.

- Documenting core raw materials integral to the production process
- Surveying trade and business partners' preparedness and facilitating their risk management processes
- Identifying alternatives, substitutes, and replacements for materials in limited supply
- Planning material inventory and delivery and integrating advanced procurement technology to ensure that the material sourcing goal is met

Production

The Company takes meticulous care in all its production processes to meet internationally accepted standards by performing the following measures:

- Quality assurance from the stage of material selection through the warehousing, inventory management, production, delivery, earning the Company recognized food, safety, and environmental certifications, including NSF, FSSC22000, ISO22000, HACCP, GMP, and ISO14001;
- Continuous process improvement, including, but not confined to, the implementation of production and energy efficiency used and emission reduction measures, collaboration with greenhouse gas management associations, and the documentation of the carbon footprints of the Company and its products
- Application of the 3R principle and concepts relating to innovation for sustainability

Post-Consumption-Packaging Management

The Company fulfills its social and environmental responsibility through its comprehensive post-consumption packaging management measures, exemplified by its investment in advanced glass bottle recycling technology to prevent over-reliance on plastic materials and its collaboration with the Thailand Institute of Packaging and Recycling Management for Sustainable Environment (TIPMSE) to optimize its recycling operations.

Capacity Development for Business Partners

Sermsuk Family and Sermsuk Camp new online communication channels to thrive in digital era

The advent of the digital era is redefining the business sector and its practices. To thrive, organizations cannot cease in devising innovations to meet customer needs.

The Company launched two Line OAs, namely Sermsuk Family and Sermsuk Camp, to connect with its employees, trade and business partners, customers, and stores and provide them with updates on product information, promotional programs, and activities.

The Company, in collaboration with the IT team of ThaiBev, introduced Sermsuk Family in February 2020. One main feature of the Line OA is online store registration – a novel channel that allows direct communication with business partners. The Line OA also helps to increase store retention and sales volumes, enable proactive customer services and promotional activities, reduce paperwork, improve database management, and boost participation in marketing campaigns, point collection and redemption.

The Company also inaugurated Sermsuk Camp which aims at easing its employees' chores, this all-around Line OA links marketing and sales data to streamline communication with salespeople. With Sermsuk Camp, it is possible to publicize monthly promotional campaigns and product highlights, determine the direction for different sales districts in each region, help sales teams at all levels to set and realize their goals, keep track of monthly, quarterly, and yearly sales records, and monitor progress toward target sales volumes, and much more.

Sustainable Supplier and Contractor Development

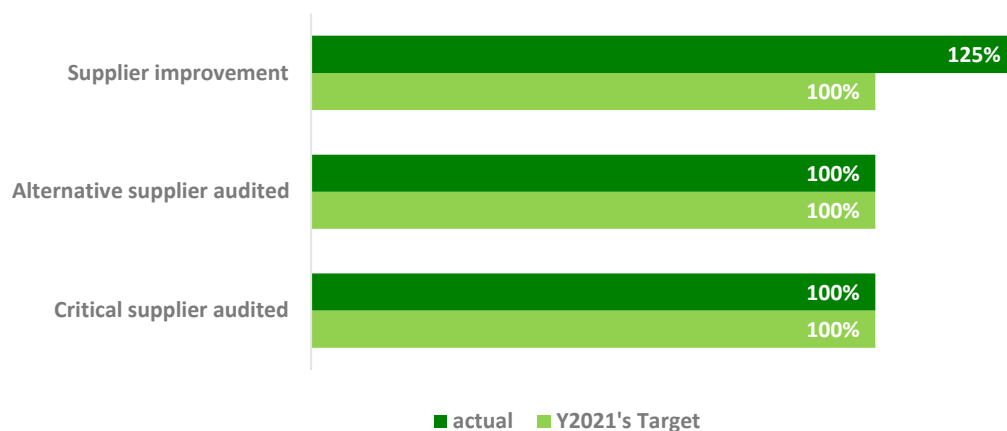
Capacity building for Supplier and Contractor in tandem with continuous organizational development will help to reinforce stability and growth. For this reason, The Company works closely with its Supplier and Contractor in a wide variety of areas, including process analysis and improvement, the fulfillment of quality standards, such as FSSC22000, and participation in the Supplier and Contractor Award, classified into 3 levels i.e. platinum, gold and silver award. Such well-received program initiated by Thai Beverage Public Company Limited to promote capacity building and sustainable business growth for suppliers.

Supplier and Contractor Evaluation

Since suppliers and contractors supplying raw and packaging materials are regarded as important constituents of the supply chain, the Company carefully selects Suppliers and Contractors with strong potential meeting its rigorous criteria for material sourcing and handling, production and delivery. Furthermore, over 70 suppliers and contractors and their product traceability are evaluated periodically



to maximize material, product, and packaging quality and devise capacity development plans as deemed appropriate.



Innovations for Sustainability

The Company dedicates to its pursuit of excellence in Research and Development and innovation to offer quality products to consumers and to sustainably add value to not only the Company itself but also its stakeholders through enhanced competitive advantage, greater process efficiency, and refined measures to reduce industrial impacts on the environment and natural resources in line with the circular economy principle.

Production Innovation

Through cutting-edge technology and ongoing product innovation, the Company never fails to satisfy customers with products that go beyond traditional refreshing beverages. To illustrate, the launch of the very first soda jelly in Thailand met with remarkable success in 2021. This fun, novel interpretation of fizzy drinks with a pleasant texture is available in flavorful lychee and grape-berry choices that consumers can choose from to tantalize their taste buds. With added vitamins B6 and B12, the soda jelly was also awarded a healthy drink label.



Process Innovation

Drawing on the concerted effort of its experienced staff, the Company integrates innovation into all stages of its production process to guarantee product quality, consumption safety, and environmental and social well-being. This is showcased by its comprehensive production line driven by groundbreaking digital technology, such as the fully automated operations performance system (OPS), which maximizes production efficiency and minimizes costs per unit by identifying and analyzing process flaws in real time.

Also, the Company initiated an alternative energy project in 2021 to generate electricity from solar energy using photovoltaic panels installed on its premises for use in the production process. In addition, the traditional boiler powered by fuel oil at its Nakhon Ratchasima facility was replaced with heat pump technology to supply hot steam to the warmer in the production of polyethylene terephthalate (PET) bottles. Additionally, investment was made in the installation of a PET bottle production line at Surat Thani plant to in substitute PET bottle supply from its supplier. More environmental conservation initiatives, such as carbon emissions reduction projects, are underway to pave the way for a greener environment.



Environmental Sustainability Dimension

Environmental Conservation

Regarding environmental conservation as one of its top priorities, The Company has established an environmental policy to guide various dimensions of its operations to prevent, curb, and mitigate potential environmental impacts throughout the production process, value chain, and all public spheres. Such a recognizable effort has earned the Company the ISO14001: 2015 Environmental Management Systems Standard and the status as an exemplary organization for raising environmental awareness in Thai society and sustaining the environment.

The Company's environmental policy, referred to as "Sermsuk Green Dimensions", comprises five areas of operations: water, energy, greenhouse gas emissions, packaging, and human capital.

1st Dimension: Water

• Water Use



- Water Use Reduction Target: 3%
- Water Use Reduction Achieved: 10%

FY2019	FY2020	FY2021
3,480,684,300	3,166,972,000	2,850,682,000

Unit: m³

Water is a natural resource of the utmost importance since it is vital to not only the operations of The Company but also all known forms of life. Thus, the Company runs various projects to promote the reduction of water use, thoughtful use of water, wastewater treatment before discharge into the environment, and ultimately efficient water use.

To this end, it has determined certain goals and indicators to ensure concrete outcomes. It has also embraced the water footprint principle, analyzing and evaluating, in accordance with internationally accepted standards, the total volume of freshwater directly and indirectly consumed, evaporated, and polluted to manufacture a product as well as the impacts of water use and the quality of effluent discharged into natural bodies of water. The Company was the first manufacturer to receive water footprint certification for its 600 ml, 1 Liter, and 1.5 Liter bottled water.

In 2021, the Company, in collaboration with ThaiBev, carried out WSA for four production plants, namely Pathum Thani, Nakhon Ratchasima, Chonburi, and Sermsuk Beverage, to gain insights into



water adequacy, water quality, rules and regulations relating to water use, and the attitudes of stakeholders in the surrounding communities. From the findings, guidelines for the water management and long- and short-term risk reduction and impact mitigation measures at these four locations were formulated that would be extended to all seven plants of The Company in 2022.

2nd Dimension: Energy

• Electricity Use



- Electricity Use Reduction Target: 3%
- Electricity Use Reduction Achieved: 17%

FY2019	FY2020	FY2021
31,448,832	27,371,733	22,653,365

Unit: kWh

• Energy Use



- Energy Use Reduction Target: 3%
- Energy Use Reduction Achieved: 16%

FY2019	FY2020	FY2021
28,051,013	22,495,842	18,866,230

Unit: kWh
 Types of Energy: Steam, LPG, Fuel Oil

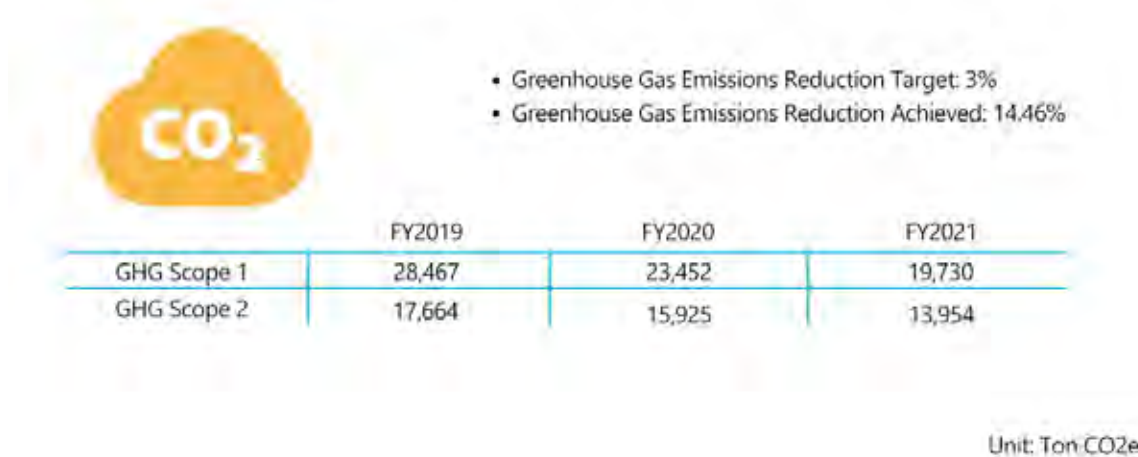
Energy is the lifeblood of most, if not all, business operations in the modern world. However, the energy crisis, especially fossil fuel depletion, is putting great strain on large and small companies alike in terms of the availability and variety of energy resources, production costs, and contribution to conservation efforts.



For this reason, the Company expends unwavering effort to advancing energy conservation, innovating energy-efficient technology, and shifting toward alternative, renewable, and/or circular energy. In 2021, the Company joined forces with ThaiBev Energy Company Limited to install solar rooftops at its facilities with electricity generation scheduled to commence in 2022. In the same year, it also succeeded in trimming electricity use by 17% and energy use by 16% thanks to its various energy conservation projects.

3rd Dimension: Greenhouse Gas Emissions

• Greenhouse Gas Emissions



As the Company at the forefront of greenhouse gas emissions reduction, the Company carries out an organizational carbon footprint project to evaluate the overall greenhouse gas emissions from the Company, a product carbon footprint project to measure the levels of greenhouse gas emitted from the manufacture of its products throughout their life cycles, and a global warming reduction label project to assess its progress in this aspect.

The Company earned carbon footprint certifications not only for itself but also for all its products. Its Crystal was also the first bottled water brand to win the global warming reduction label from the Thailand Greenhouse Gas Management Organization, granted to manufacturers able to cut down greenhouse gas emissions by over 2% compared to the base year.

The Company's achievements reflect its awareness of the importance of global warming issues, highlight its hands-on, concrete involvement in the climate change dynamic, and mark its giant leap toward being a "low-carbon" organization in the beverage industry of Thailand.

Carbon Footprint for Organization : CFO	Carbon Footprint for Product : CFP	Carbon Footprint Reduction: CFR
7 Plants	126 products	41 products
<small>Approved carbon footprint level for the organization as a whole</small>	<small>Approved carbon footprint levels for most products</small>	<small>Approved carbon footprint reduction levels for a substantial number of products</small>

4th Dimension: Packaging

To ensure sustainability, the Company devotes attention to every single stage of waste management from upstream raw material selection to downstream effluent discharge. Measures are taken both internally and externally with cooperation from communities to minimize unnecessary packaging and resources applying the 3Rs principle as follows.

1. Reducing. R&D collaboration is established with business partners to come up with packaging innovations to reduce and optimize the use of plastic material.
2. Reusing. Business partners and customers are encouraged to opt for returnable glass bottles as they are reusable.
3. Recycling. Materials that would otherwise be discarded as trash are collected, separated, processed, and converted into new products to make the best use of resources. 100% recyclable packaging to supplement the traditional plastic bottles is constantly developed, as featured by the Crystal water now available in novel aluminum cans.

Most notably, The Company has partnered up with leading companies and associations to establish the TIPMSE, an agency under the supervision of the FTI aiming to promote sustainable management of unused packaging and materials and to minimize their impacts on the environment.



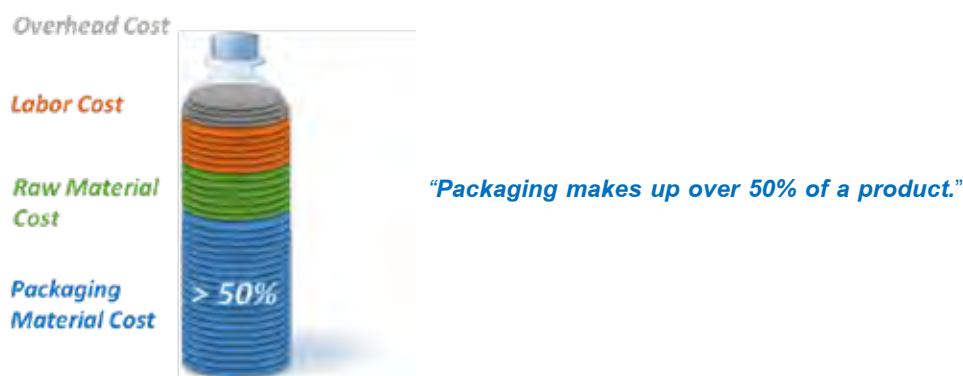
5th Dimension: Human Capital

One of the most vital driving forces of any organization is human capital, without whose determination and efforts environmental conservation would not become a reality. Thus, The Company strives to cultivate environmental awareness in its employees through a working group established to conduct environmental programs at each of its plants. The working group members are also regularly trained by well-versed individuals from within the organization or from external agencies to ensure that they have the necessary knowledge and skills to help The Company achieve its sustainability goals.



Packaging Development according to the Circular Economy Principle

The Company appreciates the value of natural resources and the fact that all sectors and enterprises equally shoulder environmental responsibility. To ensure optimal utilization of natural resources, the Company established a packaging engineering department in 2016 to take charge of packing development and management in line with the circular economy principle in order to bring down packaging material to a minimum.



To reduce the amount of packaging material in its production process, the Company, with the cooperation of packaging manufacturers, organized a primary packaging project and a secondary packaging project in 2021. The details are as follows.

1. Primary Packaging

- 350 ml. and 1 Liter Water Bottle Plastic Use Reduction



The Nakhon Ratchasima plant succeeded in shrinking the production of 350 ml. water bottles by 17%, leading to a drop in the use of PET material of 10 tons from 56 to 46 tons.

At the Pathum Thani plant the manufacture of 1 Liter water bottles was cut down by 7%, contributing to a reduction in the use of PET material of 7 tons from 91 to 84 tons.



● **•1 Litre Soda Bottle Plastic Use Reduction**



The plants in Pathum Thani, Chonburi, Nakhon Ratchasima, and Nakhon Sawan were able to lower 1 Liter soda bottle production by 16%, translating into a drastic decline in PET material use of as many as 42 tons from 261 to 219 tons.



2. Secondary Packaging

- To reduce the width and thickness of low-density polyethylene (LDPE) plastic wraps for bottled water and soda packs without compromising on the quality and durability of the material.
- To increase the use of recycled material in the production of LDPE plastic wraps for bottled water and soda products.



Social Sustainability

Human Resources Management

With its awareness of the importance of employee journey and experience, the Company is committed to human resources development to ensure performance delivery and employee engagement for organizational unity in line with its PASSION 2025 roadmap toward becoming a 'leading total food and beverage producer in ASEAN in a stable and sustainable manner'. Efforts are also channeled into other factors conducive to process improvement for internal strength and adaptability to ever-changing digital and automation technologies. The Company's human resources management strategy is as follows.

1. Formulation of clear management structures and lines of responsibility and accountability

The Company seeks to achieve clarity in its lines of management, responsibility, and accountability. In 2021, the Company:

- Reviewed the roles, duties, and responsibilities of different job positions and functions to systematize the chains of command and prevent functional overlapping and redundancy.
- Aligned the organizational structure with the goal, vision, and mission of the organization and each department as well as the PASSION 2025 roadmap.
- Carried out competency development and career path programs for all job families in line with the organizational structure and the varied job positions and functions.

2. Career development

The Company has put in place an individual development plan (IDP) to assist its employees in career and personal development, the achievement of their short- and long-term career goals, and current job performance improvement; a management succession blueprint, especially for positions critical to the Company's operations and growth, to identify and develop new internal leaders to replace existing leaders transitioning out of their current responsibilities in order to ensure business continuity; and a talent management program to attract, motivate, and retain high-performing employees and to develop them, for instance, through case studies and project assignments.

3. Continuous competency development for all job positions at all levels

It is the Company's policy to help employees in all positions and at all levels to continually improve their competencies through tailored training programs aimed at advancing their academic knowledge, leadership skills, and job performance.

Apart from bespoke training, the Company's competency programs also involve on-the-job training, coaching, and hands-on skill development through project assignments, all delivered both remotely and offline to ensure continuity, regularity, and the best possible outcomes.

Performance Management

The Company's performance management focuses on the determination of interconnected goals for the organization, job positions, and individuals, the specification of clear appraisal criteria to ensure fair and transparent performance appraisal and ultimately to boost job performance and organizational efficiency, and continuous monitoring and provision of feedback. During the past year, the Company:

- Set cascading goals aligning the organization, departments, divisions, and individuals to promote employee engagement in the operations and success of the Company.
- Developed appraisal criteria for employees at the operational level that took into consideration all dimensions of performance.
- Created an online performance appraisal platform on which employees could conveniently record their tasks, analyze their past performance, and plan their future contributions.
- Assigned managers/supervisors to continually monitor their subordinates' performance and encouraged regular one-on-one communication between managers/ supervisors and subordinates to follow up progress toward the achievement of goals and provide feedback for performance improvement.
- Conducted performance appraisal in a fair and transparent manner through performance calibration.
- Linked performance appraisal results to relevant areas of human resources management, such as remuneration, competency and career development, talent management, and succession planning.

Market-Competitive Remuneration and Welfare Benefits

To ensure that the Company's remuneration and welfare benefits are competitive compared to those offered by other companies operating similar businesses and the industry standard, reviews are carried out regularly. In addition, remuneration and welfare benefit surveys are periodically conducted in collaboration with leading consulting firms, such as Mercer, Kom Ferry (Hay), Aon Hewitt, and Willis Towers Watson. Also, of particular importance to employee morale is the determination of remuneration, welfare benefits, and other forms of supplemental incentives, such as cash rewards and overtime, commensurate to job value and performance without discrimination.



To ensure that the remuneration and welfare benefit policies of the companies under the Group follow the same direction, intra-organizational coordination is fostered.

Employee Engagement

Employee engagement is a direct outcome of employee experience management. The Company views employee engagement as truly vital to its business success, taking several measures to reinforce an atmosphere of enthusiasm and dedication. In 2021, it carried out an online employee engagement survey through Beverest Life, an application developed by Thai Beverage Public Company Limited capable of quickly yielding analytical results. As many as 99% of the employees responded.

The Company also conducted four employee satisfaction surveys to explore their perceived experience of any events of major significance during each period, with the findings helping to enhance the Company's human resources planning and management. The surveys comprised questions designed to zoom in on two phenomena:

1. The correlation between satisfaction and engagement, covering such issues as career development opportunities, competency development, workflow and resource utilization, remuneration and welfare benefits, safety and well-being, and leadership.
2. The level of engagement and three key behavioral manifestations of engagement:
 Say – the readiness to pass positive comment on the Company;
 Stay – the bond between employees and the Company and their willingness to remain with the Company over the long haul; and
 Strive – employees' commitment to reaching their full potential for the Company.

The findings revealed that The Company achieved an employee engagement rating of as high as 70%, rising to prominence on par with other leading organizations.

Talent Recruitment and Retention

The Company welcomes new talents with a positive attitude to take on the challenge to develop and grow the organization stably and sustainably.

The Company has devised a recruitment and selection plan to acquire highly capable and adaptable individuals with strong business acumen who best fit different vacancies to help the Company gather momentum in this digital era and amid dynamic business trends. To attract new talent, a positive corporate image is built through job advertisements, published via a wide array of communication channels, by incorporating not only content relating to job descriptions, duties and responsibilities, and welfare benefits, but also that which highlights the strengths of the Company as a brand, such as its success stories. To retain them, several talent retention programs are implemented that enable



individuals to adapt to and flourish at the Company, such as orientation, induction, competency and career development, succession, and many more.

Employee Health and Safety

Dealing with the Uncertainties Caused by the COVID-19 Pandemic

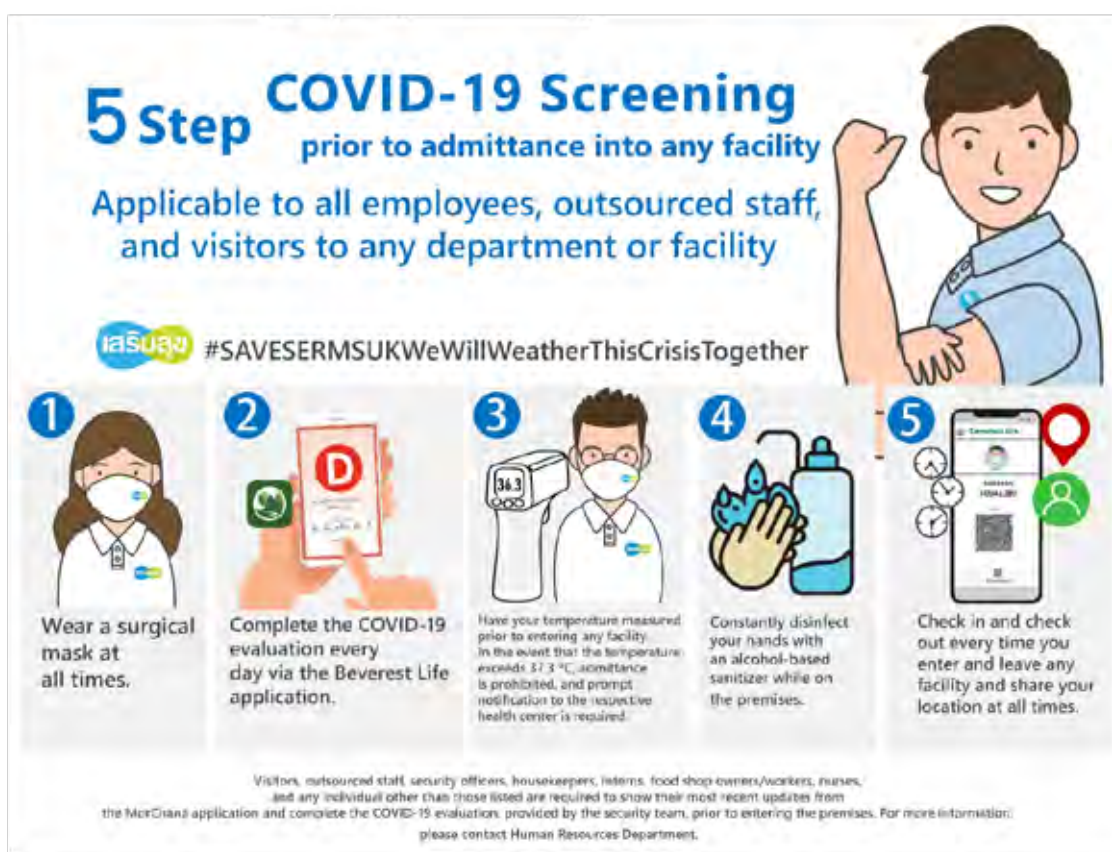
The outbreak of the coronavirus disease has caused a global crisis in terms of public health, way of life, and business operations. To restore confidence in the organization, the Company has implemented a business continuity plan to avert and mitigate its impacts on employees, customers, and all groups of stakeholders. Regarding the employees, health and safety promotion guidelines have also been laid out as follows.

To reduce transmission risks by minimizing the employee density count at any given time, staff are divided into three groups:

- Group 1 those required to continue working on the Company's premises,
- Group 2 those required to perform their duties at a specially arranged location away from the Company's facilities to ensure the completion of critical tasks as scheduled, and
- Group 3 those permitted to work from home without sacrificing output delivery, efficiency, and continuity.

1. To ensure safety in the workplace, employees, facility staff, and/or those involved are required to:
 - Report their health conditions and place of duty on a daily basis via the Check-in/out function of the Beverest Life application.
 - Take their temperature prior to entering any facility of the Company.
 - Constantly disinfect their hands with an alcohol-based sanitizer, also provided on all premises of the Company.
 - Sterilize high-touch surfaces every two hours.
 - Regularly spray a disinfectant to keep designated areas sanitized.
 - Observe the social distancing measure by maintaining a physical distance of at least 1.8 m.
 - Sufficiently and regularly provide protective equipment, including surgical masks and 72 % alcohol-based sanitizers, to all employees.
2. An insurance policy with a COVID-19 coverage is obtained for all employees.
3. Proactive COVID-19 testing is carried out.
4. Employees testing positive for COVID-19 are to be dispatched to a health center in a timely manner and monitored closely.
5. Employees and their family are to be aided in vaccination against COVID-19.





Occupational Safety and Health, Workplace Environment, and Employee Well-Being

As human capital plays a crucial part in the survival and growth of any business, The Company has detailed stringent measures for occupational safety and health (OSH) and workplace environment management to reduce the risks of accidents, injury, loss of life, and illness, and ultimately to better the quality of life and well-being of its employees.

1. OH&S Policy

The Company has formulated an OSH policy in accordance with internationally accepted safety management standards and reinforced a culture of safety based on its “thinking ahead and acting safely to prevent loss” premise through the 10 safety rules, as illustrated below.

SERMSUK 10 Safety Rules
กฎความปลอดภัย เสริมสุข 10 ประการ
กำหนดขึ้นเพื่อป้องกันอันตราย ต้องปฏิบัติตามเพื่อความปลอดภัย เพื่อรักษาชีวิตทุกคน

	เดินในช่องทางเท้าที่กำหนด หรือชิดขวาเท่านั้น Always follow pedestrian walkway or keep right.		ปฏิบัติตามกฎความปลอดภัยรถยก และคนเดินเท้า Strictly follow safety rules for Forklifts and pedestrian.
	สวมใส่อุปกรณ์ป้องกันอันตรายตามที่กำหนดอย่างเคร่งครัด Always use required PPEs		ห้ามสูบบุหรี่ นอกสถานที่อนุญาต No smoking outside designed area.
	มั่นใจว่าได้รับอนุญาตก่อนทำงาน Always ensure a work permit for high hazard tasks.		ห้ามลัดข้ามขั้นตอนการทำงาน Never by-pass interlocks or critical safety features
	สวมหมวกกันน็อกเมื่อขับขี่และซ้อนท้าย Always wear helmet both driver and passenger.		ห้ามใช้โทรศัพท์ขณะขับรถทุกประเภท No mobile phone when driving all types of vehicle
	คาดเข็มขัดนิรภัยทุกครั้งที่นั่งเสมอ Always wear seat belt all seats		ห้ามดื่มแอลกอฮอล์และใช้ยาเสพติด No alcohol and drugs

2. KPI, Target & Result

To minimize loss of life and property among employees, visitors, and those involved, The Company has determined safety targets and key performance indicators (KPIs) for all operational levels against which to measure their achievements, provided the necessary equipment and resources, specified proactive risk identification and assessment measures, and continually carried out inspections of the workplace environment, fully complying with the relevant safety laws, rules, and regulations. The rates of accidents leading to illness requiring a period of recuperation from 2016 to 2021 are displayed in the following figure.



During this period, the overall lost time injury frequency rate (LTIFR) for the production facilities and the Sales Department combined stood at only 4.7 per million hours of operation with the figure following a downward trend. In contrast, the LTIFR and the frequency of occupational diseases for contractors remained at 0.

3. Process Safety & Health Management

The Company has taken a variety of approaches to the promotion of process safety and best health practices.

For instance, its OSH and workplace environment management draws on the hazard identification and risk assessment index in the formulation of measures to prevent, mitigate, and curb risk factors. Also, safety precautions are constantly reviewed and amended.

Furthermore, compliance with the relevant laws, rules, and regulations relating to OSH in business operations, production, and distribution are strictly enforced. Some other important courses of action are as follows:

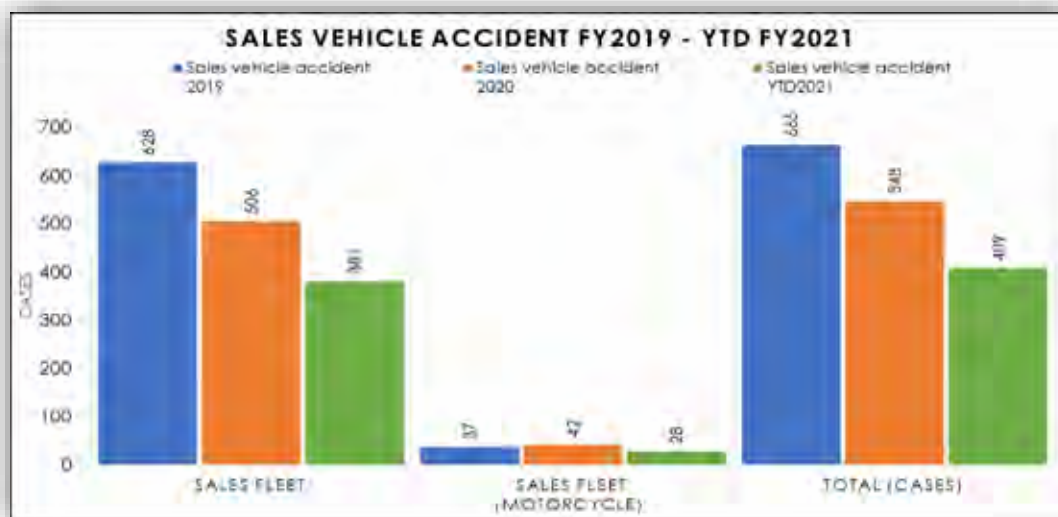
- Issuing the OSH and Work Environment Announcement as well as Policy & Safety Leadership.
- Formulating and enforcing the Safety management Section and Objective target & Master plan.
- Constantly conducting risk assessment and reviewing and amending the procedures.
- Devising a Management of Change (MOC) to guide responses to emerging or unexpected risks arising from changes in locations, processes, and procedures.
- Regularly educating supervisors and staff through Safety Training programs, and Supervisor Monitoring.
- Developing an incident management system to respond to incidents, accidents, and emergencies hampering safety and business continuity and to mitigate their impacts and/or shorten the recovery period, and periodically carrying out emergency drills.
- Putting in place a control system to regulate the admittance of contractors and visitors into the facilities.
- Religiously industrial hygiene monitoring and assessing workplace environment risks utilizing appropriate technology and equipment and taking corrective measures.
- Running yearly physical check-ups for employees to identify, evaluate, and monitor health risk factors potentially contributing to or exacerbating work-related illness.
- Applying the total productive maintenance (TMP) to enhance safety, minimize injury, and promote well-being.



- Obtaining various types of insurance policies to cover as many unforeseeable circumstances as possible.



LTIFRs from 2016 to 2021



Vehicle Accident Frequency Rate from 2019 to 2021

Measures to Protect Employees during the COVID-19 Pandemic

To protect the health and safety of its employees and their family members, The Company has provided alcohol-based sanitizers, surgical masks, and a COVID-19 insurance policy with a coverage of THB100,000. Various preventive measures have also been devised and enforced. As regards employees, they are strictly required to take their temperature prior to entering Company's premises,



observe certain social distancing guidelines, complete the COVID-19 risk evaluation via the Beverest Life application on a daily basis, and follow applicable digital registration and/or QR code scan procedures. Additionally, they are instructed to monitor their, their colleagues', and their visitors' health conditions, and report to an authorized person designated by the Company in the event that there is any potential close contact with a COVID-19 patient or risk of COVID-19 transmission. To further contain transmission, staff are divided into three groups:

- 1) Those required to continue working on the Company's premises
- 2) Those allowed to perform their duties at a specially arranged location away from the Company's facilities and
- 3) Those permitted to work from home.

On the part of the Company, it has prepared an isolation center staffed by nurses for employees having had potential exposure to a person with suspected or confirmed COVID-19. In addition, rapid antigen tests have been provided to the sales staff. Also, mobile units have been dispatched to carry out proactive testing for employees and their family members. Importantly, efforts have been made to ensure that employees and their family members are fully vaccinated.

Effective from September 2021, apart from adhering to the previously-mentioned measures, employees resuming work at the Company's premises are required to present their COVID-19 reverse transcription polymerase chain reaction (RT-PCR) test result and have their temperature measured in order to gain entry and to take an antigen test every Monday.

The Company boosts employees' health to prepare the ground for success

Recognizing the importance of good health and the prevention of sickness, especially non-communicable diseases, suffered by a large number of people, the management of the Nakhon Ratchasima plant continued into the second year the "The Company Disease-Free Workplace for a Healthy Mind in a Healthy Body" project. The objectives of the initiative are to raise awareness of the benefits of proper self-care and nutrition among employees, enable those in vulnerable and high-risk groups to restore healthiness through habit changes and exercise, and ultimately prepare them for business and job challenges lying ahead.

As part of the project, an accumulated run event was organized that lasted during February 1 and March 31, 2021 with the aim of reaching the total distance of 100 km. Among the over 80 employees joining the run, Khun Hong Pinsai-or from the Production Department set the record, achieving a distance of 437 km in total. The ceremony to celebrate the success of the event and present tokens of appreciation to the most prolific runners, held on April 3, 2021, was presided over by Khun Wanchai Saengprae, Deputy Director of the Production Department, and attended by the organizing committee and participating employees.





The Company lends a hand to friends

The massive flooding in southern Thailand inflicted hardships on a countless number of lives there, including The Company's employees. On behalf of The Company, Section 8 Human Resources Department visited the flood-affected staff and their family to deliver aid, including survival kits and Crystal water, and revive their morale, in line with The Company's philosophy: "Fulfilling Happiness".

Consumer Health and Safety

Quality Products for Consumer Health

To support healthy lifestyles and promote good health among consumers, The Company does its utmost to conduct R&D in order to create new products and improve existing ones in accordance with the Company's consumer health and safety policy.

Product innovation. New products must be accredited as healthier choices by the Institute of Nutrition of Mahidol University. In 2021, the first ever soda jelly was launched in lychee and grape-berry flavors. This innovation offers greater health benefits to consumers than traditional refreshing beverages as it is infused with vitamins B6 and B12.



Sugar content reduction. To cater to health-conscious consumers, The Company perseveres with its efforts to reduce sugar content without compromising on the sought-after crisp, sparkling taste. So far, 52% of its refreshing beverage products have been awarded healthier choice certifications.





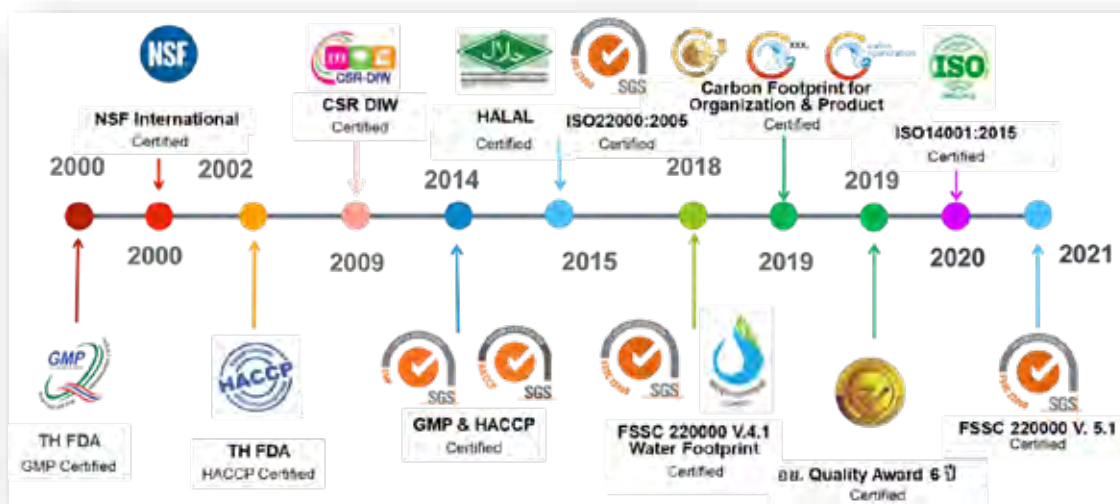
Products Awarded Healthier Choice Certifications

International Product Quality and Food Safety Standards

As customers are our top priority, The Company is relentless in delivering only offerings that meet internationally accepted product quality and food safety standards and in carrying on this practice. Its product quality and food safety policy is stated as follows:

“Commitment to capacity development and improvement for employees at all levels and the planning and implementation of production and delivery processes that meet recognized product quality and food safety standards through sound management to satisfy the needs and expectations of all groups of stakeholders of the Company”

Thanks to this guiding policy, the Company is able to continually develop, improve, and sustain the quality and safety of all its products and to retain all product quality and food safety certifications that it has earned up until now.



Since 2018, the FSSC22000 Scheme for Food Safety Management Systems has been adopted in the operations of all plants. From 2021 onward, the FSSC22000 Version 5.1 and the ISO22000: 2018 Food Safety Management Systems have been enforced at five of The Company's production facilities and at the Company Beverage and the Ranger plants with the standards having been assessed and

approved by SGS Thailand Limited. The FSSC22000 Version 5.1 encompasses such aspects as food safety management and improvement, management responsibility, resource utilization, production planning and operations for product safety, and traceability. The FSSC22000 Version 5.1 builds on the ISO22000: 2018 Food Safety Management Systems, which addresses issues relating to service management, food defense, food fraud, and use of symbols in labeling.

In 2000, The Company, for the first time in history of the Thai beverage industry, earned its Crystal Water the NSF International Certification, which has been renewed up until now.



For six consecutive years from 2014 to 2019, The Company won the FDA Quality Award, granted to enterprises not only excelling in production but also strictly complying with relevant ethical standards through continuous process improvement, quality control, economically, socially and environmentally responsible operations, and organizational and product innovation. Since 2014, Halal certifications have been secured for all plants and over 45 product lines and renewed on a yearly basis, demonstrating The Company's genuine concern for the religious practices of its consumers.

Such long-standing records have proven that The Company is an eminent beverage manufacturer on par with other established producers in Thailand and across the globe. Indeed, the Company takes pride in its product quality and food safety management systems.





Responsibility toward Consumers

Crystal CARE: Sustainability Principle Guiding Crystal Drinking Water

The Crystal CARE principle reflects The Company's determination to conduct its Crystal drinking water operations sustainably and responsibly, minimize environmental impacts, and satisfy the needs of all groups of stakeholders throughout every product development process from material selection to production, delivery, and post-consumption packaging management. The Company has also entered into the spirit of the ThaiBev Group's efforts to become a top sustainable manufacturer of beverage products meeting recognized global standards, such as the Dow Jones Sustainability Indices.

Components of the Crystal CARE Principle

1. **Consumers, Customers and Community:** are at the heart of its success, Crystal strives to operate in the best interests of and provide satisfaction to all groups of stakeholders by delivering fresh, quality products through comprehensive logistics networks spanning the whole country.
2. **Authenticity:** is what Crystal aspires to by maintaining continuity, achieving originality, and building reliability. Thanks to its strenuous and tireless efforts, Crystal's operational procedures, product quality, production technology, and compliance with ethical, environmental, and safety



standards have been recognized and certified by both local and international organizations, such as the NSF International and the Thai FDA.

3. **Responsibility:** Crystal demonstrates its social responsibility by raising the environmental awareness of consumers and taking various measures to conserve the environment and involve them in the process, such as offering a wide variety of packaging choices, including glass bottles, encouraging the use of more eco-friendly reusable or recyclable containers, fostering participation in packaging waste reduction initiatives, and disseminating information on waste separation and recycling processes through such activities as “Upcycling Station”, involving the recycling of plastic waste into plastic fibers that can be used to make garments, and “Crystal Fulfills Happiness”, involving the installation at major shopping malls of reverse vending machines (RVMs) that allow patrons to insert a used or empty glass bottle, plastic bottle, or aluminum can in exchange for privileges at those complexes.
4. **Environment:** Crystal consistently and rigorously applies R&D in its production and natural resource utilization. As a result, the brand has earned a CFP certification, demonstrating its contributions to the alleviation of greenhouse gas emissions, climate change, and global warming problems. It has also won water footprint certification from its efficient utilization of water resources throughout the product lifecycle.



Crystal's CARE Operations in 2021

Crystal's environmental conservation aspirations communicated through the "New Friends" commercial.

As a leading drinking water producer and distributor in Thailand, Crystal takes harmonious coexistence between all forms of life seriously. In late-2020, Crystal launched its phenomenal marketing communication campaign "Art for Life". Featured for the first time at the event was New Friends, a CG commercial starring Crystal's brand ambassador Nine Naphat Siangsomboon and his gang comprising seven friends, such as Gogi Chan, Fluffy Mermaid, and Piggy Penguin. Also showcased were illustrations by the contemporary artist Yuree Kensaku depicting the significance of social responsibility awareness, effective waste management, and environmental sustainability.



Crystal – Serving Refreshment, Delivering Quality... across Thailand



Crystal's RVM (Reverse Vending Machine)

1. Crystal's RVMs showcased at the 2020 Thailand Sustainability Expo

Crystal took part in the 2020 Thailand Sustainability Expo, organized at Samyan Mitrtown during October 1-4, 2020 under the “Sufficiency for Sustainability” concept.

At the event, Crystal stressed the value of social and environmental responsibility, cultivated responsible consumption awareness among consumers, and communicated information relating to effective single-use plastic management through its “Crystal Fulfills Happiness” activity. The participants visiting Crystal’s booth were encouraged and trained to store, separate, and dispose of packaging properly, as well as to develop responsible habits to achieve social and environmental sustainability.

Crystal showcased its reverse vending machine, a waste disposal innovation applying compression technology to recycling, into which patrons could drop Crystal water bottles to win special gifts.

Do you know you can drop an empty Crystal water bottle into one of our reverse vending machines to collect points and redeem fun rewards?



2. Crystal holds 'Care for the Whale' activity with CW Tower

Crystal, in collaboration with CW Tower and the Stock Exchange of Thailand, ran the “Care for the Whale” activity at CW Tower, aiming to promote social and environmental sustainability by raising consumer awareness of the significance of responsible consumption, relaying information on the proper handling of single-use plastic, and instructing consumers in effective waste storage, separation, and disposal management.

Also featured at the event was Crystal's innovative reverse vending machine (RVM) utilizing compression technology to aid in recycling. The RVM was set up on Level G of CW Tower, and passersby were invited to drop Crystal water bottles to collect points that could be redeemed for special gifts from Crystal.



Measures for Consumer Safety

To ensure the safety of customers and supplier and contractors, The Company's employees are required to take a COVID-19 test on a regular basis and to be fully vaccinated. In addition, new normal practices are to be observed, including wearing a surgical mask at all times while on the Company's premises, applying an alcohol-based sanitizer frequently, and maintaining a physical distance as instructed.

Human Rights

Toward Becoming a Role Model for Human Rights Protection

Human rights and human rights protection need to be regulated internally within a business and externally through the parties constituting the supply chain of the organization.

Apart from adhering to the previously-mentioned good governance principle, The Company has also delineated its Code of Ethics to ensure the realization of human rights by creating an environment in which cultural, religious, and ethnic differences are to be respected, equal opportunities are to be promoted, discrimination and unfair treatment are to be barred, personal freedom is to be defended, and harassment, exploitation, and exploitation of any form, including child and forced labor, are not to be tolerated. In addition, the rule of law relating to employment, remuneration and welfare benefits, holidays, leave, and any other applicable provision is to be strictly upheld.

Contributions to Society and Communities

Contributions to Public Health

Since early 2020, the COVID-19 pandemic has plunged the whole world into an economic and humanitarian catastrophe. In 2021, Thailand was struck particularly hard, and suffering pervaded the country. As a responsible business determined to contribute back to society and enhance quality of life in line with its "Fulfilling Happiness" philosophy, The Company provided aid and other forms of relief to affected victims, ran health promotion activities for the communities surrounding its facilities, and dispatched Crystal drinking water to field hospitals in critical areas.

Crystal dispatches Crystal drinking water to field hospitals in hard-hit areas to boost medical personnel's morale

Crystal upholds the Crystal CARE principle to conduct its business in a socially and environmentally responsible manner throughout all product development, process improvement, and quality standardization processes.

In response to the COVID-19 crisis, scouring the whole nation and all sectors and intensifying in severity during 2020 and 2021, Crystal mobilized support through its official page and dispatched



Crystal drinking water to hospitals, frontline medical personnel, and COVID-19 patients in 21 critical areas across the country, to improve their morale and health.

Chonburi Hospital



Phuket City Hospital



Crystal Stands by You.



The Company's Nakhon Sawan plant runs 'safe community' activity

The COVID-19 pandemic has posed formidable challenges to the global community, sweeping through all lives, societies, and sectors.

To respond to the crisis and ease the carnage faced by residents in the surrounding communities, including its employees and their family members and children, the Company's Nakhon Sawan plant joined hands with Jom Kiri Nak Prot Mountain Temple Health Center to organize a "safe community" activity on February 4, 2021. Led by Khun Phanurat Amornpinoykiat, Factory Manager, and run by the CSR team with the support of public health officers from Sawanpracharak Hospital, the initiative aimed to safeguard the community from COVID-19 by providing transmission prevention and health promotion guidelines and distributing alcohol-based sanitizers.

#TheCompanyCaresforCommunityThe CompanyPromotesCommunityHealth



The Company's Nakhon Ratchasima plant organizes 'The Company combats COVID-19 alongside community' activity

The inexorable spread of the coronavirus disease has caused a global crisis in terms of livelihood, public health, and business operations.

Caring about the health conditions and safety of its neighbors, The Company's Nakhon Ratchasima plant partnered up with the Ministry of Public Health, Lak Roi Health Promoting Hospital, and village health volunteers to run a 'The Company combats COVID-19 alongside community' activity for the nearby Viroj Village community on February 15, 2021. The event, led by Ronnachat Krongkrit, Factory Manager, and the CSR team, involved imparting basic knowledge about COVID-19, preventive measures, and the use of protective equipment, providing 250 families residing in the community with a kit comprising five surgical masks and one 100 ml. bottle of alcohol-based sanitizer, and supplying community leaders and Lak Roi Health Promoting Hospital with 20 L. of alcohol-based sanitizer and plenty of surgical masks. The activity was attended by 60 participants, including the medical personnel



of Lak Roi Health Promoting Hospital, community leaders and residents, village health volunteers, and the organizing committee members and staff of the plant.

The initiative underlines The Company's belief that social and community strength constitutes the foundation of national development and its determination to improve the quality of life of surrounding communities and drive society toward sustainability.

#The CompanyCaresforCommunityThe CompanyPromotesCommunityHealth



The Company's Prachin Buri plant delivers aid to Kabinburi Hospital

Due to the alarming rise in confirmed COVID-19 cases in Prachin Buri province, Kabinburi Hospital, The Company's long-standing customer, faced severe drinking water shortages. To support the patients and medical professional at their mobile medical unit, The Company's Prachin Buri plant, together with its employees and their families, combined forces to supply 500 packs of 600 ml. Crystal drinking water. The event took place on July 27, 2021.

Contributions to Education

“Crystal water bottles for the world” activity with School X TBR

To mitigate the impacts of plastic products on the environment and create value systematically, The Company, the manufacturer and distributor of Crystal drinking water, rigorously pursues its policy for environmental sustainability through post-consumption packaging management while actively championing the UN's 12th SDG: Ensuring sustainable consumption and production patterns, particularly for its core packaging materials, through the 3Rs measures (reducing, reusing, and recycling).

Guided by its Crystal CARE principle, The Company rigorously wages campaigns to raise awareness of responsible consumption among all consumer groups, especially adolescents and younger generations, focusing on the dissemination of information regarding single-use plastic through its “Crystal water bottles for the world” activity. Additionally, upcycling stations have been set up at 20 schools to support their waste collection, separation, and management tasks, and the plastic bottles have been repurchased at reasonable prices by Thai Beverage Recycle Company Limited (TBR) to be recycled into ThaiBev blankets and donated to the underprivileged in rural areas.



Brand Image and Art and Culture Conservation

“Crystal Can” Eco-Friendly Packaging

Product packaging contributes greatly to the image of a brand. An appealing packaging design not only captures consumers' attention but also serves as an effective tool through which to communicate with them.

Aspiring to create an image that accentuates its determination to bring consumers happiness and good health with quality products, its social, economic, and environmental responsibility, and, just as importantly, its support to local art and culture, Crystal has taken various vital steps toward brand building and reinforcement.



One fine example is Crystal's revolutionary take on drinking water packaging. Added to its traditional plastic bottle fleets are aluminum cans. Due to its durability, aluminum remains safe despite the number of times it is converted for reuse. Also, the energy required to recycle this material is 95 % lower than that needed to produce competing non-recyclable alternatives. As opting for aluminum enables waste reduction by recovering resources at the end of a product's life cycle and channeling them back into production, it directly supports a circular economy, brings down natural resource utilization, and helps restore balance to nature, making aluminum a packaging material of choice across the globe.

The eco-friendly aluminum cans are available in four themes representative of the regions of Thailand: "Sodchuen" ("fresh", for central Thailand), "Mueanchai" ("happy", for northern Thailand), "Mueanchuen" ("joyful", for northeastern Thailand), and "Roi Raeng" ("tasty", for southern Thailand). Featured on the labels are resplendent Crystal X Yuree characters illustrated by Yuree Kensaku, including the Cool 'Wat Chaeng' Giant, the Stylish "Wat Pho" Giant, the Smart Siberian Husky, the Naughty Kitty, the Piggy Panda, the Loyal Red-Crowned Crane, and Gogi Chan the Fluffy Mermaid.

Crystal Cans in Labels representing Regions of Thailand

Crystal drinking water is now offered in cans wrapped in four delectable labels inspired by the culture of four regions of Thailand: "Sodchuen", representing central Thailand, "Mueanchai", symbolizing northern Thailand, "Mueanchuen", signifying northeastern Thailand, and "Roi Raeng", denoting southern Thailand.



1st Label Design: Central Thailand

On the label representing central Thailand are the Cool "Wat Chaeng" Giant and the Stylish "Wat Pho" Giant with the picturesque Giant Swing in the background and the Smart Siberian Husky, riding a banana-stalk hobby horse, to catch the Naughty Kitty, running on coconut shell stilts, in the foreground. This is all set under a clear blue sky filled with swallow-shaped kites contrasting with the emerald field



underneath. The label design symbolizes Crystal's determination to deliver quality products to consumers.

2nd Label Design: Northern Thailand

On this label, the Piggy Panda is feverishly beating a Lanna drum in front of the City Gate of Chiang Mai province during a sky lantern festival adorned with Lanna flags, Indian cork flowers, and figures of saolas, otherwise known as Asian unicorns, dressed in Lanna costume with Bosang handmade umbrellas in their hands, reflecting the energy and refreshment that Crystal serves to its consumers.

3rd Label Design: Northeastern Thailand

The 3rd label design features the Loyal Red-Crowned Crane playing a harmonica with its his waist wrapped with a loincloth and a bamboo-woven glutinous rice container hung next to it. This signifies the production quality standardization across The Company's 15 production facilities.

4th Label Design: Southern Thailand

Denoted by the 4th label design, in which Gogi Chan the Fluffy Mermaid is avidly watching Turtle the Enthusiastic Swimmer perform a shadow play, is the consumer confidence that Crystal has earned for its brand and product quality.



Community and Environmental Development

The Company collaborates with Ministry of Industry to provide relief to flood victims in southern Thailand

To alleviate the hardships of the great many fellow citizens struck by the devastating floods in southern Thailand, The Company dispatched Crystal drinking water and survival bags to the affected areas through the Ministry of Industry on December 7, 2020.



The Company provides subsidy to TIPMSE

The ThaiBev Group, led by Khun Kosit Suksingha, Managing Director of The Company, and the management of its affiliates, namely Thai Beverage, Thai Beverage Recycle Company Limited, Oishi Trading Company Limited, and The Company, gave a subsidy to the Thailand Institute of Packaging and Recycling Management for Sustainable Environment (TIPMSE). The event took place at level 10 of The Federation of Thai Industries on November 23, 2020.

The Company co-founded the TIPMSE in 2006 and has since assisted the institute in its total management of used packaging under the “Packaging Does Not Equal Waste” concept.





The Company runs fish species conservation program to promote sustainable ecological environment in northern Chao Phraya River basin

The Chao Phraya River is an ecological system of colossal significance to Thailand. Rich in natural and environmental resources, it has given sustenance to and nurtured the Thai people for as long as we have known. Meaningful bonds between the river and all lives along its banks have been formed and forged through trade, fisheries, and agriculture.

Realizing the value of the conservation of the ecological system, The Company released over 3,000 freshwater fish, including silver barb and local species likely to thrive naturally, into the Chao Phraya River from the pier at its Nakhon Sawan plant, aiming to conserve the freshwater fish species, revive the biodiversity and abundance of the northern basin of the river, and sustain food security in the area. The event, held on March 10, 2021, was presided over by Khun Thanee Pornpisutsak, Production Director of the Nakhon Sawan plant, and attended by the management and employees of all production facilities of The Company, while the fish species were supported by the Freshwater Fisheries Research and Development Center of the Department of Fisheries.



Appendix



Sustainability Awards

Despite the suspension of public events to contain the spread of COVID-19, The Company has still received numerous sustainability awards.

- **Five The Company plants win CSR-DIW Award for 13 years in a row**



Five plants of The Company won **the Department of Industrial Works' Corporate Social Responsibility (CSR-DIW) Award** for 13 consecutive years from 2009 to 2021 for their sustainable development achievements encompassing economic, social, and environmental dimensions. The award reflects the Company's success in creating the harmonious coexistence between humanity and nature and garnering the confidence of both stakeholders and the public at large in line with its "Fulfilling Happiness" principle.

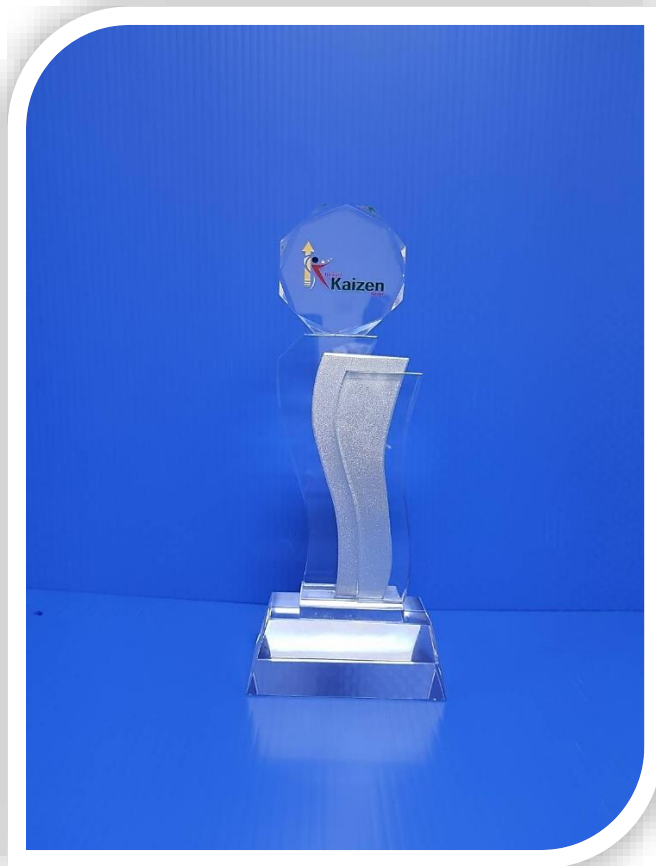
- **The Company scoops Thailand Kaizen Award 2020**

The Chonburi plant of The Company won a silver prize at Thailand Kaizen Award 2020, organized at the Grand Hall of the Bangkok International Trade and Exhibition Center, or BITEC, by Technology Promotion Association (Thailand-Japan).

Representing The Company's Chonburi plant was Khun Prasan Krongthong, the maintenance shift supervisor, who delivered a presentation on a breakdown prevention technique easing the troubleshooting of conveyor belt problems, including mistracking and belt slippage. Not only has his process improvement idea enhanced the production efficiency of The Company, but it can also be adapted by other drinking water manufacturers. This will collectively help to bring the industry a greater competitive advantage – one of the stated goals of Technology Promotion Association (Thailand-Japan).

Kaizen, a Japanese term referring to "Change for the Better", is a Japanese business philosophy that revolves around continuous improvement and the involvement of all employees from top management down to assembly line workers.





- Crystal earns Most Powerful Brands of Thailand Award



Crystal, represented by **Khun Prangnee Chaipidej**, Marketing Director of The Company, recently received the Most Powerful Brands of Thailand Award in the category of drinking water products from **Prof. Dr. Bundhit Eua-arporn**, President of Chulalongkorn University, at the Maha Chulalongkorn building.



Crystal prides itself on winning this prestigious award. One of the key factors to its success as a truly reliable name among Thai consumers is its adherence to the Crystal CARE principle: to conduct its business in a socially and environmentally responsible manner throughout all product development, process improvement, and quality standardization processes. Also of paramount importance is the emotional connection between the brand and consumers: the distinctive brand logo “CRYSTAL” in white on a bright blue label reminds them of nothing less than fresh, quality drinking water.

In addition, **the strengths of Crystal** derive from its meticulous production process standardized across The Company’s 15 facilities nationwide guaranteed by recognized local and international organizations, comprehensive logistics networks and efficient distribution systems, and triumphant marketing campaigns run through both offline and online channels that set it apart from competing brands alongside compelling promotional activities.

The Most Powerful Brands of Thailand Award nominated, shortlisted, and selected winners based on rigorous, valid, and reliable research procedures carried out by the Faculty of Commerce and Accountancy of Chulalongkorn University to assess and compare four aspects vital to brand success, namely usage, preference, awareness, and image, constituting three dimensions, namely market share, mind share, and heart share. The data were collected from consumers aged 18 to 69 in Bangkok and 13 other provinces in the four regions of Thailand.





LR Independent Assurance Statement

Relating to Sermsuk Public Company Limited's data for selected GRI indicators for the fiscal year 2021 (1st October 2020 - 30th September 2021)

This Assurance Statement has been prepared for Sermsuk Public Company Limited in accordance with our contract but is intended for the readers of this Report.

Terms of engagement

Lloyd's Register Quality Assurance Limited (LR) was commissioned by Sermsuk Public Company Limited (Sermsuk), to provide independent assurance on its selected GRI indicators ("the data") against the assurance criteria below to a limited level of assurance and at the materiality of the professional judgement of the verifier using LR's verification procedure. LR's verification procedure is based on current best practice, is in accordance with ISAE 3000⁴ and uses the following principles of - Inclusivity, materiality, responsiveness and reliability of performance data.

Our assurance engagement covered Sermsuk's operations and activities only in Thailand specifically the following requirements:

- Confirming whether the selected environmental and social indicators below were compiled according to GRI's Standard 2016.
- Evaluating the reliability of data and information for only the selected environmental and social indicators listed below:

Environmental

- GRI 302-1 Energy consumption within the organization
- GRI 302-3 Energy intensity
- GRI 303-3 (2018 edition) Water withdrawal
- GRI 303-4 (2018 edition) Water discharge
- GRI 303-5 (2018 edition) Water consumption
- GRI 305-1 Direct (Scope 1) GHG emissions
- GRI 305-2 Energy indirect (Scope 2) GHG emissions
- GRI 305-4 GHG emissions intensity
- GRI 306-3 to 5 (2020 edition) Waste generated, Waste diverted from disposal and Waste directed to disposal

Social

- GRI 403-8 (2018 edition) Workers covered by an occupational health and safety management system
- GRI 403-9 (2018 edition) Work-related injuries
- GRI 403-10 (2018 edition) Work-related ill health
- GRI 404-1 Average hours of training per year per employee
- GRI 404-3 Percentage of employees receiving regular performance and career development reviews
- GRI 413-1 Operations with local community engagement, impact assessments, and development programs

Our assurance engagement excluded the data and information of Sermsuk's suppliers, contractors and any third-parties mentioned in the report.

LR's responsibility is only to Sermsuk. LR disclaims any liability or responsibility to others as explained in the end footnote. Sermsuk's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of Sermsuk.

⁴ GHG quantification is subject to inherent uncertainty.





LR's Opinion

Based on LR's approach nothing has come to our attention that would cause us to believe that Sermsuk has not, in all material respects:

- Met the requirements above
- Disclosed reliable performance data and information as no errors or omissions were detected

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

Note: The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LR's approach

LR's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:

- Auditing Sermsuk's data management systems to confirm that there were no significant errors, omissions or mis-statements in the data. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification. We also spoke with those key people responsible for compiling the data and drafting the report.
- Sampling Sermsuk's performance data for the selected GRI indicators at Nakorn Ratchasima and Nakorn Pathom (Wrangyer) Plants and the consolidated final data at Sermsuk's corporate level.

Observations

Further observations and findings, made during the assurance engagement, are:

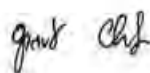
- Reliability: Data management systems are established and centralized for the data and information collection and calculation associated with the selected GRI indicators. However, we believe that Sermsuk should maintain internal verification activities for ensuring data and information quality as well as supporting management business decision further.

LR's standards, competence and independence

LR ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

This verification is the only work undertaken by LR for Sermsuk and as such does not compromise our independence or impartiality.

Dated: 14 November 2021



Opant Charuratana
LR Lead Verifier

On behalf of Lloyd's Register Quality Assurance Ltd
Lloyd's Register International (Thailand) Limited
22nd Floor, Sirinrat Building, 3388/78 Rama IV Road
Klongton, Klongtoey, Bangkok 10110 THAILAND
LR reference: BGK000006850

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GRI STANDARDS Sermsuk Public Company Limited

Universal Standards		
Profile	Reference	Topics
GRI 102 : General Disclosures		
Organizational Profile		
GRI 102-1 Name of the organization	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- General Information : Sermsuk Public Company Limited
GRI 102-2 Activities, brands, products, and services	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Sermsuk Products
GRI 102-3 Location of headquarters	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- General Information: No. 90 CW Tower, 31 st - 32 nd Floor, Ratchadapisek Road, Huai Khwang Sub-District, Huai Khwang District Bangkok
GRI 102-4 Location of operations	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- General Information - Notes to Financial Statements
GRI 102-5 Ownership and legal form	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Business Asset - Capital Structure
GRI 102-6 Markets served	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Overall Business Operations of the Company and its Subsidiaries
GRI 102-7 Scale of the organization	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Sermsuk Group Structure



Profile	Reference	Topics
GRI 102-8 Information on employees and other workers	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Human Capital and Human Capital Training and Development Policy - Corporate Governance
GRI 102-9 Supply chain	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Product and Service Procurement - Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Economic
GRI 102-10 Significant changes to the organization and its supply chain	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Business Assets - Management Structure - Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Economic
GRI 102-11 Precautionary Principle or approach	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Risk Factors - Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance
GRI 102-12 External initiatives	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Organization: Sustainability Strategy and Sustainable Development Goals
GRI 102-13 Membership of associations	The Company is a member of Thai Chamber of Commerce and various other organizations.	
Profile	Reference	Topics
Strategy		

GRI 102-14 Statement from senior decision	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Message from the Chairman
GRI 102-15 Key impacts, risks, and opportunities	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Risk Factors - Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance: Risk Management Criteria
Ethics and Integrity		
GRI 102-16 Values, principles, standards, and norms of behavior	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Organization: Sustainability Strategy and Sustainable Development Goals
GRI 102-17 Mechanisms for advice and concerns about ethics	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Organization: Sustainability Strategy and Sustainable Development Goals
Governance		
GRI 102-18 Governance structure	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Board of Directors and the Executives
		- Management Structure
GRI 102-19 Delegating authority	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Board of Directors and the Executives - Management Structure
Profile	Reference	Topics
GRI 102-20 Executive-level responsibility for economic, environmental, and social topics	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Board of Directors and the Executives - Management Structure



GRI 102-25 Conflicts of interest	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Related Party Transaction - Corporate Governance Report
GRI 102-28 Evaluating the highest governance body's performance	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
GRI 102-29 Identifying and managing economic, environmental, and social impacts	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- SSC Sustainability Materiality
GRI 102-30 Effectiveness of risk management process	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report - Organization: Sustainability Strategy and Sustainable Development Goals
GRI 102-32 Highest governance body's role in sustainability reporting	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Organization: About This Section
Stakeholder Engagement		
GRI 102-40 List of stakeholder groups	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Section
GRI 102-41 Collective bargaining agreements	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Social: Human Resources Management
GRI 102-42 Identifying and selecting stakeholders	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
Profile	Reference	Topics
GRI 102-43 Approach to stakeholder engagement	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Social: Developing Communities and Society

GRI 102-44 Key topics and concerns raised	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
Reporting Practice		
GRI 102-45 Entities included in the consolidated financial statements	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Financial Statements
GRI 102-46 Defining report content and topic Boundaries	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Organization: About This Report
GRI 102-47 List of material topics	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report - SSC Sustainability Materiality
GRI 102-48 Restatements of information	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
GRI 102-49 Changes in reporting	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
GRI 102-50 Reporting period	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	1 October 2020 to 30 September 2021.
Profile	Reference	Topics
GRI 102-51 Date of most recent report	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	1 October 2020 to 30 September 2021.
GRI 102-52 Reporting cycle	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	Annual
GRI 102-53 Contact point for questions regarding the report	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- General Information



GRI 102-54 Claims of reporting in accordance with the GRI Standards	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Organization: About This Report
GRI 102-55 GRI content index	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- GRI Standards Content Index
GRI 102-56 External assurance	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	-Lloyd's Register Assurance Statement
GRI 103 : Management Approach		
GRI 103-1 Explanation of the material topic and its boundary	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report - Product and Service Procurement
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Organization: About This Report
GRI 103-2 The management approach and its components	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Organization: About This Report
Profile	Reference	Topics
GRI 103-3 Evaluation of the management approach	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Organization: Structure of Sustainability Development
GRI 201 Economic Performance		
GRI 201-1 Direct economic value generated and distributed	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	-Financial Report

GRI 201-2 Financial implications and other risks and opportunities due to climate change	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	-Financial Report
GRI 203 Indirect Economic Impacts		
GRI 203-1 Infrastructure investments and services supported	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	-Financial Report
GRI 203-2 Significant indirect economic impacts	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	-Financial Report
GRI 204 : Procurement Practices		
GRI 204-1 Proportion of spending on local suppliers	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Product and Service Procurement - Sustainable Supply Chain
GRI 205 : Anti-Corruption		
GRI 205-2 Communication and training about anti-corruption policies and procedures	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Human Capital and Human Resources Development Policy - Corporate Governance Report
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Organization: Sustainability Strategy and Sustainable Development Goals
Profile	Reference	Topics
GRI 205-3 Confirmed incidents of corruption and actions taken	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
GRI 301 : Materials		
GRI 301-2 Recycled input materials used	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	Packaging and Circular Economy
GRI 301-3 Reclaimed products & their packaging materials	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	Packaging and Circular Economy
GRI 302 : Energy		



GRI 302-1 Energy consumption within the organization	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 302-3 Energy intensity	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 302-4 Reduction of energy consumption	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 302-5 Reductions in energy requirements of products and services	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 303 : Water and Effluents		
GRI 303-1 Interactions with water as a shared resource	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 303-2 Management of water discharge-related impacts	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
Profile	Reference	Topics
GRI 303-3 Water withdrawal	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 303-4 Water discharge	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 303-5 Water consumption	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 305 : Emissions		
GRI 305-1 Direct (Scope 1) GHG emissions	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension

GRI 305-2 Energy indirect (Scope 2) GHG emissions	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 305-3 Other indirect (Scope 3) emissions	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 305-4 GHG emissions intensity	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 305-5 Reduction of GHG emissions	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension
GRI 306 : Effluent and Waste		
GRI 306-2 Waste disposal by type and method	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension - Packaging and Circular Economy
GRI 306-3 Waste generated	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension - Packaging and Circular Economy
Profile	Reference	Topics
GRI 306-4 Waste diverted from disposal	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension - Packaging and Circular Economy
GRI 306-5 Waste directed to disposal	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Environment Sermsuk Green Dimension - Packaging and Circular Economy
GRI 308 : Supplier Environmental Assessment		
GRI 308-1 Proportion of spending on local suppliers	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Sustainable Supply Chain
GRI 403 : Occupational Health and Safety		



GRI 403-2 Hazard identification, risk assessment and incident investigation	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Human Capital and Human Resources Development Policy
GRI 404 : Training and Education		
GRI 404-1 Average hours of training per year per employee	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Human Capital and Human Resources Development Policy
GRI 404-2 Programs for upgrading employee skills and transition assistance programs	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Human Capital and Human Resources Development Policy
GRI 406 : Non-Discrimination		
GRI 406-1 Incidents of discrimination and corrective actions taken	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
Profile	Reference	Topics
GRI 407 : Freedom of Association and Collective Bargaining		
GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Risk Factors
	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
GRI 409: Forced or Compulsory Labor		
GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Product and Service Procurement

	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Corporate Governance Report
GRI 413 : Local Communities		
GRI 413-1 Operations with local community engagement, impact assessments, and development programs	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- SSC Stakeholder engagement
GRI 414 : Supplier Social Assessment		
GRI 414-1 New suppliers that were screened using social criteria	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Sustainable Supply Chain
GRI 416 : Customer Health and Safety		
GRI 416-1 Assessment of the health and safety impacts of product and service categories	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Customer Health and Safety
Profile	Reference	Topics
GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Customer Health and Safety
GRI 417 : Marketing and Labeling		
GRI 417-1 Requirements for product and service information and labelling	Refer to Sermsuk Public Company Limited Annual Report (56-1 One Report Form)	- Social







FULFILL HAPPINESS



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