

The SERMSUK logo is a yellow speech bubble with the word "SERMSUK" in black capital letters inside it.

SERMSUK

**FULFILL HAPPINESS
AT ALL TIME**



ANNUAL REPORT 2022
56-1 ONE REPORT

SERMSUK PUBLIC COMPANY LIMITED



Fulfill Happiness

Sermasuk Public Company Limited

ANNUAL REPORT 2022

56-1 ONE REPORT

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Message from Chairman



Dear Shareholders

Throughout the last fiscal year, the overall economy continued to slow down as a result of internal and external factors under the ongoing situation of the novel coronavirus (Covid-19) epidemic which has been with us for almost 3 years. Nevertheless, when the situation began to unravel, resulting in economic recovery, Sermasuk has rushed forward to tackle with and make the most of this reopened, competitive market. Sermasuk successfully managed the company's sales and marketing expenses as well as production costs to be more efficient and, therefore, was able to perform very well in the market and on track to realize ThaiBev's Vision 2025.

In this regard, Sermasuk continues to build potential by using the strengths of all departments in the organization. With a wide range of brands and products, we have sorted out strategies for each of them to generate sales growth. We are ready to penetrate all channels of distribution, especially in the full-service restaurants (FSRs) and our white spaces and to sell a more diverse range of products to retail stores. We have also adopted the user-friendly, on-all-device "Automated Reporting" system which provides our sales team convenience in sales analysis. In terms of logistics, we have enhanced our delivery system by taking targeted area and product demand into consideration. Regarding production, Sermasuk adheres to the Total Productive Management (TPM) principle of maintenance to minimize losses from the production process as much as possible. Also, we have created a network of production departments of ThaiBev affiliates to serve as a platform for production personnel to constantly exchange experiences and knowledge.

Sermasuk is also committed to "corporate sustainability". We adhere to "ESG principles" which include 1) the **"Environmental"** dimension such as managing and reducing greenhouse gas emissions according to the

assessment principles of "Carbon Footprint of the organization" and efficient use of water throughout the production chain based on assessment principles of "Water Footprint" 2) the **"Social"** dimension such as conserving and restoring the ecosystem with local communities and reinforcing responsible consumption in a concrete manner through Crystal's "Bringing Back Used Bottles" project and 3) the **"Governance"** dimension such as ensuring data security and the privacy of all stakeholders. All of which reflect Sermasuk's sustainable management from upstream to downstream.

In this regard, Sermasuk's commitment has been reflected through winning various awards, including the **"Award of Eco Factory with Social Value"** at the highest level (Gold Plus) granted by the Eco-Industrial Development Division, Department of Industrial Works, as an exemplary of industrial factory with social responsibility and sustainability management and the "CSR - DIW Continuous Award" received from the Ministry of Industry for 14 consecutive years. This demonstrates our high standards of business operations coupled with our determination to play an important part in creating social impact and taking care of the environment.

The preparation in various fields this time resonates our prompt response to the challenges of this era and aspiration to maintain leadership in the non-alcoholic beverage market in a sustainable manner. To this end, I would like to thank the Board of Directors, the management team and all employees for the dedication and cooperation to "fulfill consumers with happiness" as always.

Somchai Bulsook

Chairman of the Board of Directors

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. Chotiphat Bijananda

- Vice Chairman No.2



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. Thapana Sirivadhanabhakdi

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

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



Mr. Sakchai Thanaboonchai

- Director



Mr. Rangsang Thammaneepong

- Director



Mr. Dhitivute Bulsook

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



Mrs. Tongjai Thanachanan

- 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. Sithichai Chaikriangkrai
• 2nd Vice Chairman
of Executive Committee



Mr. Dhitivute Bulsook
• 3rd Vice Chairman
of Executive Committee



Mr. Kosit Suksingha
• Executive Committee Member /
President



Mr. Phromson Ayanaputra
• Executive Committee Member

Executives



Mr. Kosit Suksingha
• President



Mrs. Prangnee Chaipidej
• Marketing Director



Mr. Thepsiri Phengtieng
• Supply Chain Director



Mr. Nitipat Putthong
• Human Capital Director
and Sales Operation Process
Effectiveness Director



Ms. Rewadee Chaihetphon
• Finance Director



Mr. Phongpun Inphiphat
• Acting Group Sales Support Director



Mr. Thanee Pornphisutsak
• Production Director



Mr. Kwanchai Mahapornprachak
• Sales Capability Development
Director



Mr. Pongwit Sumethmethachai
• Special Project Director



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



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

Product Portfolio





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 manufacturer and distributor of carbonated drink 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. And ThaiBev Group provides its full support to promote the “est” trademark regionally and nationwide.

On December 28, 2015, Thai Beverage Logistics Company Limited, major shareholder 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 drink 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” carbonated drink to Thai consumers, including non-carbonated drinks, such as Crystal drinking water, Oishi ready-to-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.

Structure and Business Operations of SSC Group

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 consecutive of three years to which Coronavirus (Covid-19) pandemic has spread, a number of businesses around the world including Thai business has affected by this crisis situation. When this crisis has been better, the Company is ready for the new market competition, enhances strengthen of internal function, its strategy to response the world of technology and drive the business to meet the ThaiBev group's goal "PASSION 2025". The Company emphasizes on the cooperation of employees for the growth, sustainability and enable to manufacture healthy beverage to serve the need of consumers.

Goals

The Company sets the following goals:

- **Sales and Market Share Growth Target⁴**

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.

- **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. Employee shall be developed their skills needed for their jobs, management and other technic to enhance their performance into the learning method 70:20:10. This will focus on the training by their profession supervisor and team working.

Additionally, Learning Management System: LMS of the Company is focus on the enhancement of skills set and potential of employees. This consists of enhancing their specialization, leadership and cooperation skill, knowledge of the Company and the Company's business to plan successor and career path for employees of all internal function.

- **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

Structure and Business Operations of SSC Group

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**

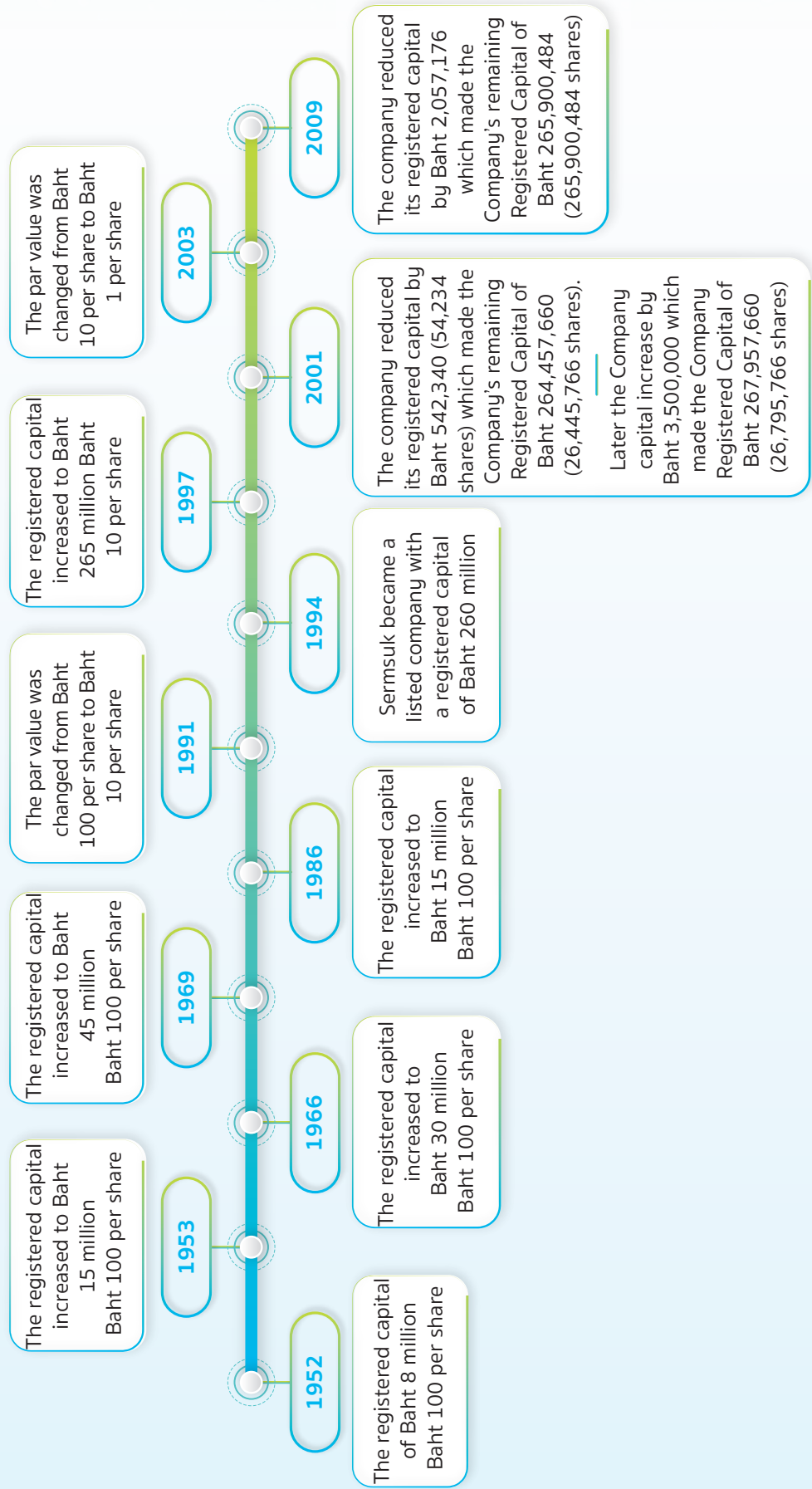
The Company is committed to provide happiness to Thais through a comprehensive range of quality and hygienic beverages that meet international quality standards. Our company has set a goal to enhance our corporate social responsibility along with other operational objectives in a fair and transparent 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.

Structure and Business Operations of SSC Group

1.1.2 Major Corporate Change and Development

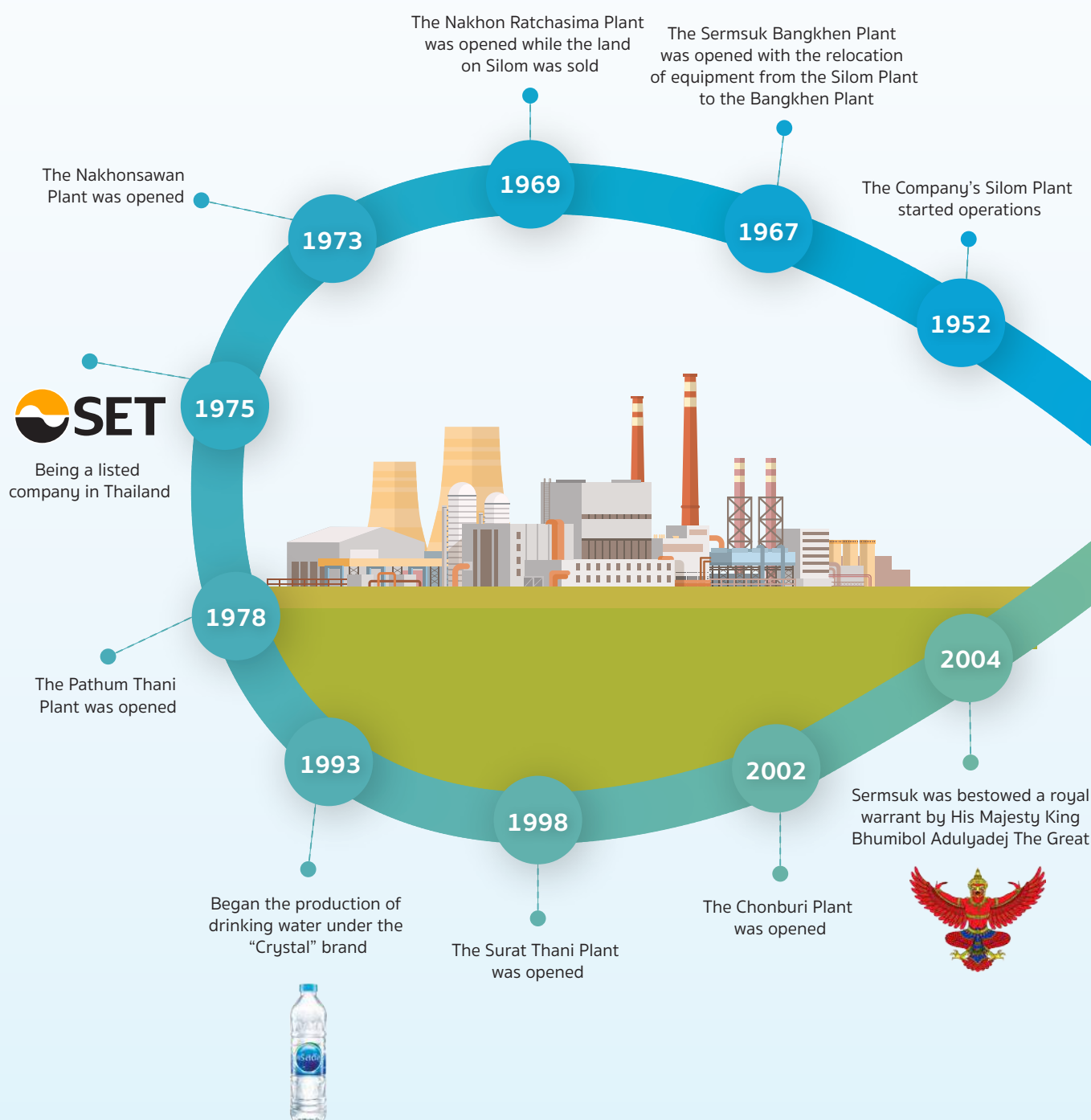
Investment

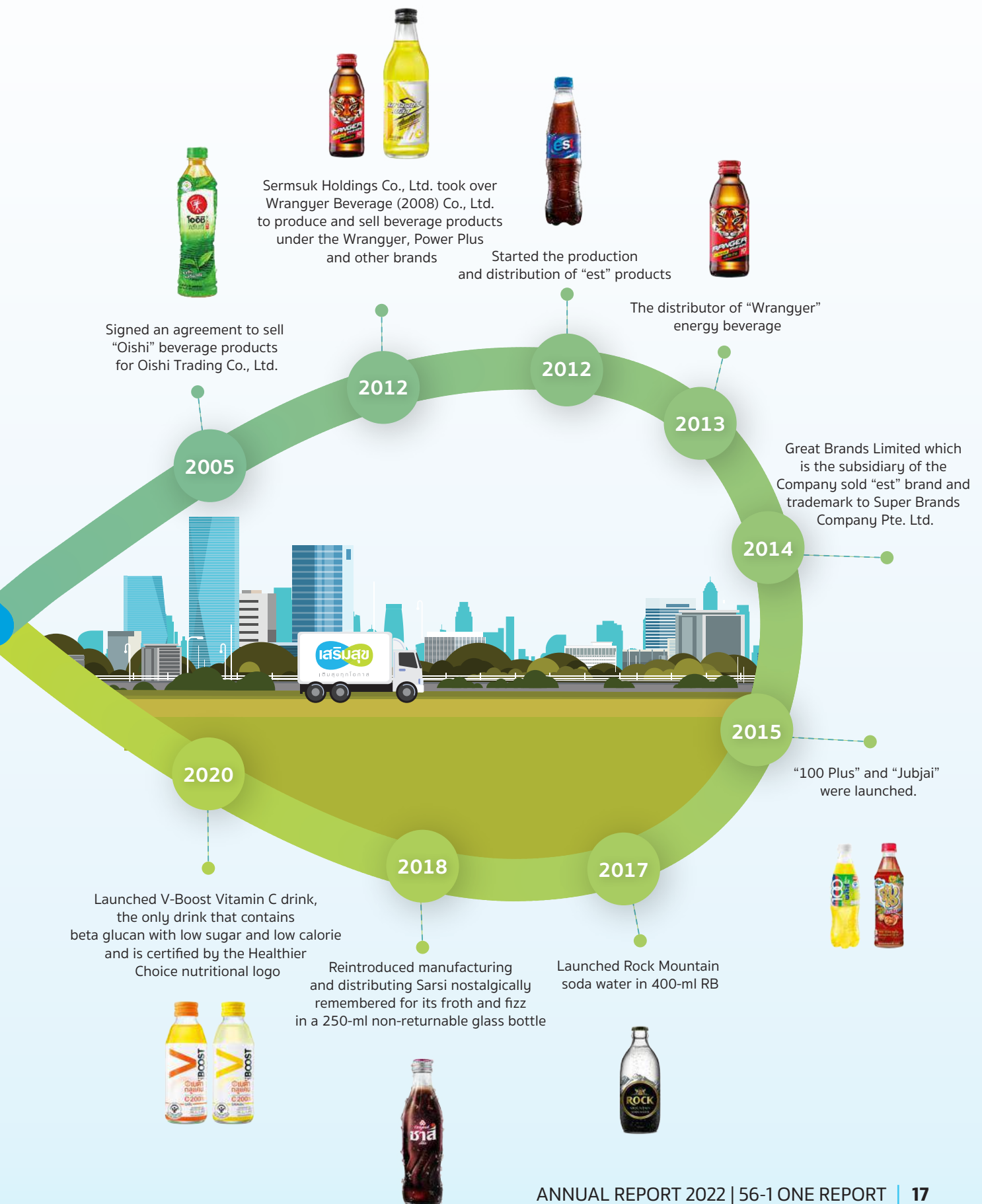
Beginning with the initial start-up capital in 1952, the Company has increased its capital sequentially:



Structure and Business Operations of SSC Group

Business Expansion





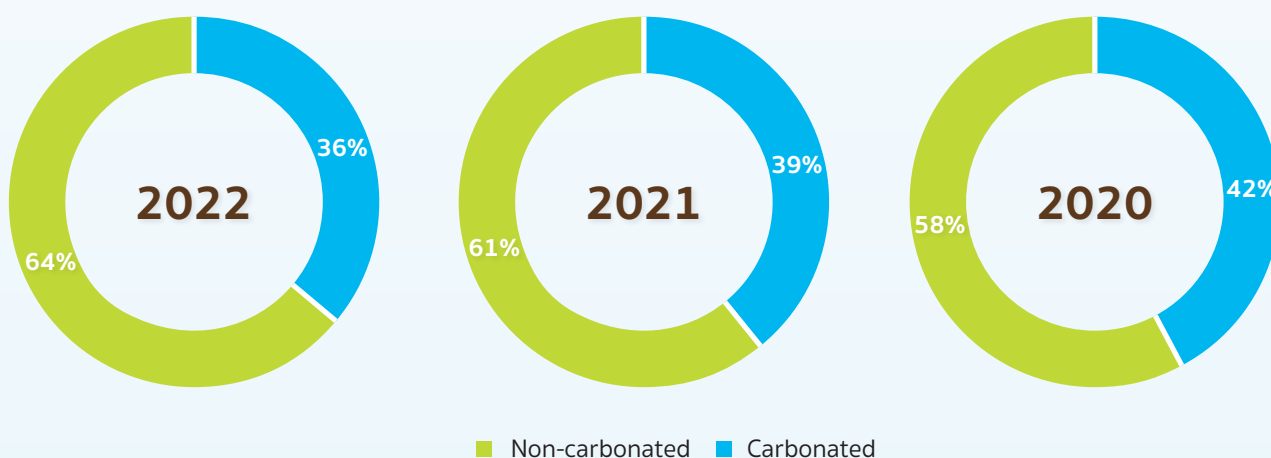
Structure and Business Operations of SSC Group

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 BorMorJor. 412)
Telephone:	0-2783-9000
Fax:	0-2783-9092-3
Website:	www.sermasukplc.com
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	2022		2021		2020	
	Revenue	%	Revenue	%	Revenue	%
Revenue from carbonated soft drinks	3,973	36.43	3,708	38.55	4,615	42.48
Revenue from non-carbonated drinks	6,932	63.57	5,910	61.45	6,250	57.52
Total	10,905	100.00	9,618	100.00	10,865	100.00

Structure and Business Operations of SSC Group

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:

- **Drinking water manufacturing and distribution**
 - Drinking water under "Crystal" trademark
- **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
- **Carbonated drink manufacturing and distribution**
 - Carbonated drink under "Est" trademark
 - Functional carbonated drink under "100 plus" trademark
 - Carbonated drink under "Sarsi" trademark
- **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" trademark
 - Mineral Drinking water "Chang Mineral Water"
 - New Functional drink "Zea Tuna Essence" Tuna Essence

1.2 Innovation

• 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 of 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.

Structure and Business Operations of SSC Group



Pictures of new products

- **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

- **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 2022, 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 for 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

2.1) 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 and new brands that cater to the needs of consumers together with developing efficient sales and distribution channels. And the digital method is applied, allowing 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 analyzing and developing production and distribution system.
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. These includes supporting and developing local economy, employees and corporate culture to be all dimension sustainability.

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.

2.2) Marketing and Competition status

"est" Carbonated Soft Drink

In 2022, carbonated drink "est cola" has its strategic to increase sale volume in summer via "The FizziEst" campaign, focus on fizzy and fresh of est cola, and stimulate consumers to drink "est cola" throughout summer. Presenters of this campaign are "Ohm-Nanon". The Company also presents "est Coolman" the colorful activity, having free est cola to nationwide consumer.

At the year end, the Company provides the new campaign for new generation with campaign "est fizzy fun with Tiny Tan", world popular Tiny TAN character of Korean K-POP, BTS. The campaign is to create the colorful est cola and est play via limited edition packaging. Therefore, nationwide consumer is able to collect these limited packaging, having fun with on ground activities and Tiny Tan character.

Structure and Business Operations of SSC Group

“Crystal” Drinking Water

In 2022, Crystal emphasizes on the market leadership of sustainability of drinking water with the concept “Crystal, quality drinking water, the only one you can be sure of”. And the new advertisement “Original Quality”, raised the diversity dimension of Crystal drinking water’s quality, had been launched. Even if the high competition of drinking water market, Crystal is the first rank market share 18% for accumulate sale volume in the first quarterly of year 2022.

After the Covid-19 pandemic situation is better, Crystal drinking water had fully arranged CRYSTAL x APEC: Welcome Friendship with Quality’ celebrated the organization of APEC 2022 by promoting Thainess to APEC leadership 2022 from 21 Asia-Pacific economic zones via a “Thailand Limited Edition” three packaging design comprise of

- A design based on Thai patterns inspired by traditional woven arts and crafts including various patterns that reflect the identity of Thailand;
- A design based on unique cultural events Loy Krathong and the Lantern Festival that coincided with the APEC meetings and represent welcoming of good things into life; and
- A design based on traditional recreations like Klong Yao (Thai long drum), Khaen (bamboo mouth organ) and the Ferris wheel which reflect merriment

“Oishi” Green Tea

In 2021 and 2022, 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 authentic Japanese Green tea market. In the previous year, the significant events and activities of the product are as follow:

1. Creat innovation for healthy lifestyle with “Oishi Green Tea honey lemon, 0% sugar” new ready to drink green tea with 0% sugar. This creation is in the concept of “Good for health Good tasty without sugar”. The first flavor is “honey lemon”, the best seller’s flavor of Oishi and ready to drink tea market. The product had been launched since April 2022. And the presenter are “Thanearng Kanyawee Songmuang” beauty and healthy actress, the representative of new generation, and KOL group of artist and actor who has healthy lifestyle. The products has been very well response both of healthy and fresh due to the less sweet taste of natural sweetener. Thus, they could drink without any concern of sugar.

The product is manufactured from high quality young and tender tea bud with the numerous nutrition of catechin and aroma of Hyakka Mitsu honey from Japan and top-quality lemon. The catechin 9,641 mg from high-quality tea leaf could provide anti-oxidant, support immunity and delay the physical deterioration.

2. Increase teenager consumer via on-line activities and marketing campaign and cooperation with its partner e.g. popular anime “Demon Slayer”. Characters from Demon Slayer have been designed for Oishi’s packaging.
3. Build the cooperation of the consumer via on-line channel platform and application “Oishi Club”. The communication focuses on extraordinary, prompt response of new trend and build fascinating activities and promotions.

Structure and Business Operations of SSC Group

"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

Ranger, energy drink still moves forward to its marketing strategy and trade marketing all the previous year. The strategy includes stimulating "Ranger" trend together with promotions. Important activities are to provide free drink to the new working generation, who needs extreme life target group in the key area and promotion "Pee suea jak thong ruai pen kue", campaign of free gold for both customers and sale officers. Ranger also has brand recognition and brand loyalty via LINE OA official @rangerpoints for "Ranger point" redemption reward "Friends get Friends program". This brand loyalty program is able to increase Ranger LINE OA's members and increase the highest nationwide Ranger's sale volume.

"V-Boost" Vitamin C Drink

In 2022, V-Boost, healthy drink has response healthy customer's need due to its high vitamin, with 2 times immunity 200% of vitamin C, beta glucan from the United States, which supports function of white blood cell and fight germ and virus. During the Covid-19 pandemic, the consumer concerns on their healthy and favors 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 manufacturer.
- 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 are supplied from local suppliers.

In addition to the concentrates that are supplied by the brand owners, local distributors and the local manufacturers, the Company sources other raw materials and packing materials from 17 suppliers with 100% ratio of local purchasing in order to ensure sufficient of raw materials and packing materials at reasonable prices. Thai Drinks Co., Ltd, related company is the imported agent concentration from overseas for the company. The sale and purchase volume between Thai Drinks Co., Ltd and the Company is over 30% of total sale and purchase volume. To manage any risk incurred, the Company has planned and executed the sale and purchase agreement the demand of concentration in advance.

Structure and Business Operations of SSC Group

The Company operates five manufacturing plants which are:

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

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

- 1) **Sermsuk Beverage Co., Ltd.,**
located in the Amata City Industrial Estate at No. 700/368, Moo 6, Nong Mai Daeng Sub-District, Muang District, Chonburi.
- 2) **Wrangyer Beverage (2008) Co., Ltd.,**
located at No. 63, Moo 3, Phrapratone-Baanpaew Rd., Thanonkhad Sub-District, 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 2022 are summarized as follows:

- **Land**

According to net book value as at 30 September 2022, Group of Company has its proprietary land to be used for business operation in the total value 5,501.37 million baht. The location and areas are as follows:

Structure and Business Operations of SSC Group

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 Square 1 Ngan 3 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 Vibhavadi Rangsit Road, Lat Yao Sub-District, Chatuchak District, Bangkok	owner
U-thong branch office, total area 4 Rai 98 Square Wah No. 229 Moo 6 Jorakhesamphan Sub-District, U-Thong District, Suphan Buri	owner
Pranburi branch office, total area 3 Rai 3 Ngan 34 Square Wah No. 344 Moo 7 Nong Ta Taem Sub-District, Pranburi District, Prachuap Khiri Khan	owner
Ratchaburi branch office, total area 18 Rai 53 Square Wah No. 109 Koh Phlapphla Sub-District, Muang District, Ratchaburi	owner
- Net Book Value of Land is 3,029.44 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 Moo 4 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 919.20 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

Structure and Business Operations of SSC Group

Land	Ownership of property
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 No. 57 Mittraphap Road, Pak Chong Sub-District, Pak Chong District, Nakhon Ratchasima	owner
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 589.09 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 471.43 million baht, without any encumbrance	

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	owner

Structure and Business Operations of SSC Group

Land	Ownership of property
No. 309/1 Takdad Sub-district, Muang District, Chumphon	
Nakhon Si Thammarat branch office total area 15 Rai 3 Ngan 27 5/10 Square Wah	owner
No. 383 Moo 10, Taruea Sub-District, Muang District, Nakhon Si Thammarat	
- Net Book Value of Land is 156.58 million baht, without any encumbrance	

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 88.09 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 247.54 million baht, without any encumbrance	

• 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 2022 is 942.80 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, 12 branches as follows: Pathum Thani branch, Khlong Tan branch, Bangkhen branch, Nonthaburi branch, Rama II branch, Theparak branch, Ratchaburi branch, Uthong branch, Pran buri branch, Nakhon Pathom branch, Kanchanaburi branch, and Phetchaburi branch	379.70	owner
Nakhon Ratchasima Plant and branch offices, 12 branches as follows: 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	126.32	owner

Structure and Business Operations of SSC Group

Buildings, Warehouses and Improvement	Net book value (million baht)	Ownership of property
Nakhon Sawan Plant and branch offices, 12 branches as follows: Lop Buri branch, Phetchabun branch, Sing Buri branch, Wichian Buri branch, Chiang Mai branch, Lampang branch, Phitsanulok branch, Chiang Rai branch, Kamphaeng Phet branch, Uttaradit branch, Saraburi branch, and Autthaya branch	88.76	owner
Surat Thani Plant and branch offices, 5 branches as follows: Chumphon branch, Phuket branch, Nakhon Si Thammarat branch, Koh Samui branch and Krabi branch	117.67	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	124.86	owner
Nakhon Pathom plant	44.11	owner
Wrangyer Beverage (2008) Co.,Ltd. (subsidiary)	43.44	owner
Sermsuk Beverage Co.,Ltd. (subsidiary)	17.94	owner

- **Machinery, equipment and tool**

As at 30 September 2022, group of Company has chain of manufacturing machinery, equipment and tools for business operation in the amount of 1,002.15 million baht, without any encumbrance. Details of chain of manufacturing machine and its accessories for business operation are as follows:

Plant	Chain of manufacturing	Net book value (million baht)
Pathum Thani plant	11	323.67
Nakhon Ratchasima plant	4	103.32
Nakhon Sawan plant	5	124.87
Surat Thani plant	3	136.50
Chon Buri plant	4	171.70
Nakhon phathom plant	1	70.98
Wrangyer Beverage (2008) Co.,Ltd (subsidiary)	4	20.34
Sermsuk Beverage Co.,Ltd (subsidiary)	2	50.77

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

Structure and Business Operations of SSC Group

• Other fixed assets

As at 30 September 2022, other fixed assets, used for business operation is in the amount of 619.81 million baht without any encumbrance. Details of other fixed assets for business operation are as follows:

Fixed asset	Net book value (million baht)
Vehicle	55.06
Furniture and office equipment	35.32
Plastic palate	3.25
Returnable bottle and plastic crate	469.57
Marketing promotion equipment	13.92
Asset under Construction	15.69

• Right of use asset

As at 30 September 2022, the Company has right of use asset for business operation in the amount of 379.01 million baht. Details of Right of use asset are as follows:

Right of use asset	Net Book Value (million baht)
Land, building and warehouse	124.99
Vehicle	272.02

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 agreement has different expiration date and the Company has renewal right when the agreement is expired.

• Significant trademarks

The Company and Subsidiaries are the owner of following trademarks

- “คริสตัล” and “Crystal” Product type: drinking water and soda
- “แอมเอจ” and “แอมเอจ”
and “Wrangler” and “Ranger” Product type: energy drink
- “แบ็คอัพ” and “แบล็คอัพ”
and “Black up” Product type: Ready to drink coffee
- “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

Structure and Business Operations of SSC Group

Foreign countries e.g. Laos, Cambodia, Vietnam, Malaysia, Indonesia, the 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.

- **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 2022 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	600.0	99.99%	600.0	599.9	- None -
Sermsuk Beverage Co., Ltd.	Manufacture and distribution of beverages	689.6	99.99%*	337.9	337.9	- None -
Wrangyer Beverage (2008) Co., Ltd.	Manufacture and distribution of beverages	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	961.9	Indorama Polymers Public Company Limited

Structure and Business Operations of SSC Group

Company's name	Type of Business	Paid-up capital (million baht)	Share ownership percentage (%)	Capital amount (million baht)	Value (million baht)	Other major shareholder
The Pet Co.,Ltd	Plastic and PET bottle manufacturing and distribution	70.0	10.00%	7.0	51.1	Thai Metal Drum Manufacturing Public Company Limited
Bangkok Glass Public Company Limited	Glass packaging manufacturing	3,620.0	0.96%	74.8	93.5	Boonrawd Brewery Co.,Ltd.
Crown Seal Public Company Limited	Manufacture and distribution of maxi cap	528.0	2.03%	31.7	51.0	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.

- 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.

Structure and Business Operations of SSC Group

- **Share ownership percentage of subsidiaries and associated company**

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

- Subsidiary: Sermasuk Holdings Co.,Ltd 4.39 percent
- Subsidiary: Sermasuk Training Co.,Ltd 0.02 percent
- Subsidiary: Great Brands Limited 0.03 percent
- Associate: Petform (Thailand) Co.,Ltd 7.04 percent

- **Revaluation Real Estate for Investment**

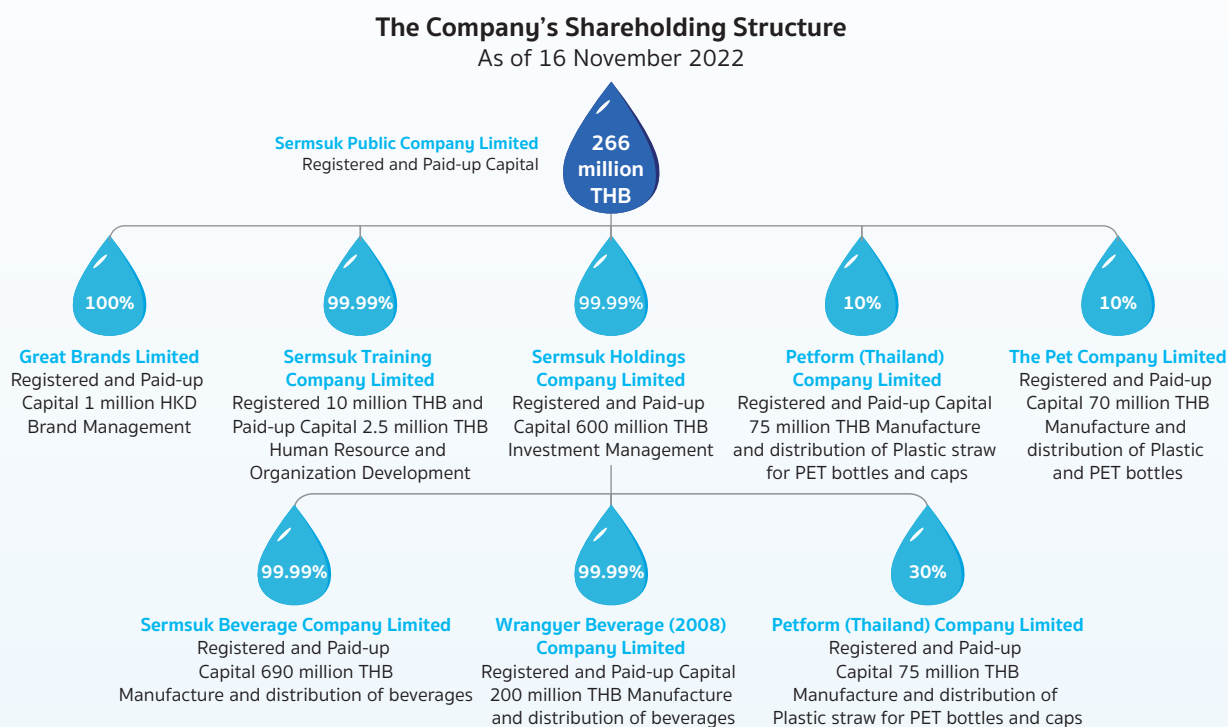
(Unit: million baht)

Transaction	Revaluation value as at 30 September 2022	Revaluation value as at 30 September 2021	Revaluation gain realized in 2022
Real Estate for Investment	344.90	341.44	3.46

Structure and Business Operations of SSC Group

1.3 The Company's Shareholding Structure

1.3.1 The Company's Shareholding Structure



Investments in Subsidiaries and Affiliates

As of November 16, 2022, 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. Sermasuk Holdings Co., Ltd. ("SSH") No. 90 CW Tower, 31 st - 32 nd 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

Structure and Business Operations of SSC Group

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. Sermsuk Training Co., Ltd. ("SST") No. 90 CW Tower, 31 st – 32 nd 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	2,500,000 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 HKD	1,000,000 HKD	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. Sermsuk Beverage Co., Ltd. ("SSB") No. 90 CW Tower, 31 st – 32 nd 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	68,958,614	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. Wranqer Beverage (2008) Co., Ltd. ("WRY") No. 90 CW Tower, 31 st – 32 nd 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	19,999,990	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

Structure and Business Operations of SSC Group

3. Affiliates

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. Petform (Thailand) Co., Ltd. ("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. Somchai Bulsook 4. Mr. Sithichai Chaikriangkrai 5. Mr. Kosit Suksingha 6. Mr. Sukree Kaewcharoen 7. Mrs. Suchitra Lohia 8. Mr. Dhitiyute Bulsook 9. Mr. Sunil Marwah 10. Mr. Pramoad 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
1. The Pet Co., Ltd. ("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 Share	70,000,000 Baht	70,000,000 Baht	700,000	70,000	10.00	1. Mr. Suchin Wanglee 2. Mr. Vivat Charanvas 3. Mr. Nate Charanvas 4. Mr. Somchai Jongsirilert 5. ML. Chintat Jombunud

1.3.2 Related Party is a shareholder in subsidiaries or affiliate more than 10 percent of share having voting rights

- none -

1.3.3 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: Affiliates

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.

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

Structure and Business Operations of SSC Group

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

Main Business: Rental and leasing services

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

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.

4. 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 manufacture 19% of drinking water and purchased 100% of the total annual purchases of CSD concentrate. Additionally, 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 approximately 1 year.

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

Main Business: Manufacturer and distributor of food and beverage

Relationship: The Company has hired Oishi Trading Co., Ltd to manufacture 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 approximately 1 year.

6. Modern Trade 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 finished goods for distribution through modern trade channels.

Structure and Business Operations of SSC Group

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 approximately 1 year.

7. 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 manufacture drinking water products at 13 percent ratio.

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.

8. 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 2 percent ratio.

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 approximately 1 year.

9. 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 for distribution 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.

10. Krittagabun 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.

11. 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 manufacture drinking water product at a 4 percent ratio.

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.

Structure and Business Operations of SSC Group

12. 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.
 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. Cosmos Brewery (Thailand) 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 Cosmos Brewery to manufacture drinking water products at 2 percent ratio.
 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 approximately 1 year.

14. Indara Insurance Public Company Limited: With a stake owned by a subsidiary of TCC owns a stake

Main Business: Insurance services
 Relationship: The Company has entered into insurance policy i.e. property and vehicle insurance policy
 The purchasing approach: The Company has reviewed the price in comparison with several competitive offers. Indara Insurance is considered a service provider, and the bidding will be held annually.

1.3.3 Shareholders

Major Shareholders:

- Highest 10 shareholders

A list of shareholders eligible to attend and to be invited to the 2023 Annual General Meeting of Shareholders will be determined on the Record date, December 2, 2022.

Highest 10 shareholders	Number of Shares	% of Total Shares
1. So water Co.,Ltd	171,954,804	64.67
2. SS National Logistics Co.,Ltd	36,199,807	13.61
3. SS National Logistics Co.,Ltd	17,300,000	6.51
4. DBS BANK LTD. AC DBS NOMINEES-PB CLIENTS	12,500,000	4.70
5. BANK OF SINGAPORE LIMITED – THB SEG AC	10,800,000	4.06
6. UOB KAY HIAN (HONG KONG) LIMITED – Client Account	7,200,000	2.71
7. Prestige 2015 Company Limited	2,775,700	1.04

Structure and Business Operations of SSC Group

Highest 10 shareholders	Number of Shares	% of Total Shares
8. Miss Duangkaew Trakulpipat	576,000	0.22
9. Captain Narong Phatarlaoha	508,000	0.19
10. Miss Nanthana Yaemmanus	274,400	0.10

- 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.	36,199,807	13.61
3. SS National Logistics Co., Ltd.	17,300,000	6.51

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 Consolidated Financial

Risk Management

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	2020	2021	2022 ⁽¹⁾
Dividend Payment (Baht per Share)	0.32	0.34	0.34
Number of shares	265,900,484	265,900,484	265,900,484
Total (Million Baht)	85.09	90.41	90.41
Payment Ratio (%)	50.31	108.62	741.02

Remarks

- (1) The ratio of dividend payment (Baht per Share) for year ended 2022 remains uncertain and is subject to an approval of the 2023 Annual General Meeting of Shareholders.

2. Risk Management

2.1 Risk Management Policy and Plan

With determination to develop sustainable practices and manage risks in accordance with ESG metrics comprising Environment, Social and Governance aspects through cooperation with stakeholders to jointly achieve objectives, the Company has set up and implemented the risk management framework, strategies, resources and plans to manage risks to an acceptable level, to add value to the Company, to respond to stakeholders' expectation as well as to support sustainable business operations in compliance with Good Corporate Governance principles.

2.2 Business Operation Risk Factors

2.2.1 Risks to the Company and the Group of Companies

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

1. Prices and Sufficiency of Raw Materials and Packaging

• Liquid Sugar

This year's liquid sugar price was comparable to that of the previous year. However, since climate change might affect the sufficiency in sugar availability for production, the Company has secured the volume of liquid sugar with its suppliers to ensure the sufficiency of the material for production in order to reach the Company's annual sales target.

• Fructose Syrup

The risen price of tapioca starch, which is a key raw material used for fructose syrup production, in this year led to the increase in Fructose syrup price compared to the previous year. In similarity to liquid sugar, there might be a risk of climate change that would affect the sufficiency in fructose

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syrup availability for production. In response, the Company has secured the volume of fructose syrup with its suppliers to ensure the sufficiency of the material for production in order to reach the Company's annual sales target.

- **PET Bottle**

As a consequence of the growing number of products in non-returnable bottles, the PET bottles have been one of the major costs for the Company. The price of the key raw material for PET bottle production — that is PET resin, fluctuated according to crude oil prices and the circumstances in the global market. However, in this year, the prices of resin had risen. The Company, therefore, closely monitored the movement and procured the sufficient number of resin materials with the fixed price at the appropriate time to meet the demands. Since the cost of PET bottles in this year went up compared to the earlier year, the Company worked along with the PET bottle manufacturer to produce lighter-weight bottles while maintaining good quality in order to reduce resin consumption.

- **Aluminum Can**

For this type of packaging material, the prices were negotiated in advance for the whole year. In the beginning of this year, the price rose up sharply. From the middle of the year, the price declined. In overall, the cost of the bottles was higher compared to the earlier year. The Company, however, in corporation with the PET bottle manufacturer produced lighter-weight bottles while maintaining good quality in order to reduce aluminum consumption.

Apart from liquid sugar, fructose syrup, PET bottle and aluminum can as described above, there are other types of packaging materials, i.e. bottle caps and plastic bottle caps. In a negotiation. The Company enhances the bargaining power to negotiate for these materials by collaborating with firms under group of companies who consume the same materials with an aim to reduce prices.

2. Wage

Wage is still a key factor that the Company makes an effort to manage and keep track of, especially during economic circumstances that have been changing constantly. The Company frequently conducts a pay review to ensure a wage offered by the Company is equal to the industry standard. However, the Company managed to make the wage payment on a regular basis with no reduction of the pay rate although non-alcoholic beverages business had greatly affected by rapid labor market fluctuations, sales situations with highly intense competition and vying for market share, labor shortage in some areas. especially industrial estates or nearby communities remained a critical problem of the Company, including the existing Covid-19 situation. This remained unchanged cost of labors. Thus, to keep costs at bay, the Company was committed to enhancing labor efficiency and using human labor force 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 labor costs.

3. Excise Tax Rate

An excise tax rate is the other major cost since sugar is a key raw material used in the production. With effect from September 2017, the sugary excise tax, with an increase of the applicable tax rate every 2 year until 2023, has been levied on sugary drinks depending on the value of the products and the

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amount of sugar content per liter whereby the applicable. In this year, the Government has postponed the second-phase increase in excise tax on sugary beverages for 1 year due to the recession resulting from the Covid-19 pandemic. Due to that, tax cost remained fixed. However, Sermasuk group of companies clearly set a strategic plan and supportive measures ahead of time to handle with impacts that might occur from the excise tax collection. For example, there is research and development for innovative products, particularly healthy products in order to satisfy consumer demand and market trends. Besides, there is the cost and expense administration plan in an efficient manner to mitigate effects of the excise tax collection to a certain extent.

4. Petrol Price

Fuel is a major cost of product distribution. During this year, the average diesel price has continuously gone up. To constantly reduce fuel consumption, the Company operated as follows:

1. The trucks were modified to better suit sales routes 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 required strength and safety while in motion in compliance with the standards of the Company and the Department of Land Transport in order to reduce fuel consumption.
2. This year's modification of trucks to transport more goods led to higher efficiency in logistic management of the Company and reduction of fuel consumption rate. Due to that, the Company has a policy of increasing the number of trucks with the same configurations at Sermasuk plants in other regions to enhance logistic efficiency and to reduce fuel costs in the following years.

Moreover, fuel consumption in this year was reduced as expected and logistic efficiency went as planned since 10 four-wheel jumbo trucks were developed and in use for operations. As for the following plan in 2023, the aim is to develop approximately 100 six-wheel mini trucks with smaller engine size (depending on the budget) which will replace the normal 6-wheel trucks in operations.

3. Distribution network was increasingly established to enhance capabilities to distribute in the sales routes which were not cost-effective, fuel-efficient, across steep terrains and so-on. The efforts resulted in a decrease in the cost of product distribution compared to the previous year.

However, in the last quarter of the year, Supply Chain Department opened bidding to acquire the product distribution services for the Company in order to assist in transporting the products when there was not a sufficient number of the distribution trucks during the peak period. This expanded distribution network that enabled the Company to distribute the products to areas with high fuel consumption rate. This also helped reduce the fuel cost of the Company.

4. The additional study was conducted to adjust the plastic pallets to one standard size (1 m. x 1.2 m.) as well as wooden pallets that have been currently used to operate by the Company, subsidiaries and business partners. The aim was to enhance its capabilities to load more spaces in each outbound and inbound trips affecting overall fuel consumption by reducing the use of fuel due to the decreased number of trips required.

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5. Resin Price

Recently, the price of global crude oil, a key factor in the production of PET bottles made from resin, has been on an upward trend. This resulted in an increase of monthly resin cost. The Company, therefore, mitigates this risk by entering into resin purchase forward contracts and negotiating with resin suppliers by way of pool purchasing with group of companies to obtain the firmed and most 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. 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.

For Covid-19 pandemic, it has been ongoing for almost 3 years and has still affected Thai economy and people's lives in 2022. The changing behavior of consumers either temporarily or permanently has driven the Company adapting and developing new products as well as developing and manufacturing no added sugar products with a sugar-like taste and texture as well as less sugar products to satisfy consumer demand. These products have been certified by Healthier Choice Nutritional Logo.

In addition, Technology development has been developed to add not only new functions, but also various types of sales promotion and pleasant prizes for outlets aiming to maintain loyalty and build strength of outlets in the distribution channels. Furthermore, "Sermasuk Family", a Line official account of the Company, has been used as a medium to maintain and reinforce relationships with existing outlets with an intention to build loyalty and enhance the opportunities for the non-alcoholic beverages to be sold in response to changes in consumers' behavior and all situations in the future.

7. Climate Change

In relation to climate change affecting business operations such as droughts and flooding, the Company manages and assesses risks that may occur in order to alleviate risks by reserving water for production and protecting areas where floods occur. In the meantime, there are projects reducing greenhouse gas emissions in ecosystems in response to climate change. The Company expanded the Solar Rooftop project run in the Chonburi Plant into other plants with an aim to reduce energy use in the plants to 3% of total consumption in the present.

Risk Management

8. Water Quantity and Quality Change

The Company assesses risks arising from drought which impacts water supply and subsequently affects quality of water used in the production. Such risks are mitigated through control of river water consumption during high levels of salinity by utilizing water from other sources. To recognize importance of water sustainability and impacts of the use of water to surrounding communities, Satellite technology has been a tool to study topography, water flow direction, watershed, drainage, slope pattern and tendency on changes of area usage. Once potential impact and risk assessment results are obtained, the Company sets up a risk mitigation strategy which covers risks that occur and may occur as well as suits the specific 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 in the workplace and the need to protect its employees from work-related diseases. Hence, various tools have been applied to manage those risks.

For occupational health and safety in the workplace, the Company applies "hazard identification & risk assessment" tools to identify risks and prescribe measures which prevent, alleviate and manage the risks. Such measures have been consistently reviewed and updated to protect the employees from being injured and infected with the work-related diseases. Besides, the Company ensures its business has been performed in compliance with laws and regulations related to occupational health and safety involving the Company's business operations in respect of production and distribution.

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

- Having clear policy on occupational health and safety in the workplace, and policy & safety leadership program;
- Setting up Safety Management Section having suitable personnel and budget with clear objective target & master plan;
- Continually Implementing risk assessment, reviewing and updating the assessment process;
- Developing the Management of Change (MOC) system in the event of a change of procedures and location to prevent from, minimize and control new risks;
- Providing safety training to employees and relevant supervisors as well as having supervisors monitor work on a regular basis;
- Implementing the incident management system which manages accidental incidents and emergency circumstances that may lead to safety issues and a business halt in order to mitigate the impacts and/or reduce time to rehabilitate, as well as rehearsing the emergency procedures on a regular basis;
- Implementing the contractor control system to ensure safety of contractors in the workplace;

Risk Management

- Monitoring industrial hygiene to discover environmental risks by monitoring equipment and technologies in a proper manner for an improvement;
- Conducting annual health check-up and special health check-up to discover, assess and be cautious of health issues from work-related illnesses;
- Implementing TPM: Total Productive Maintenance system to better quality of occupational health of employees in terms of safety and no infected diseases and happiness;
- Procuring relevant insurance plan necessary to mitigate damages which may arise from work.

10. Corruption

The Company recognizes the importance of conducting business with honesty, transparency, no bribery involving offering or accepting bribes either directly or indirectly, no corruption in any form, and equal treatment for stakeholders in compliance with Good Corporate Governance principles. To emphasize on corruption issues which cause risks to business operations and act as a barrier to sustainability in business, the Company implements mechanism to manage risks to prevent and monitor operations which might cause corruption or conflict of interest. Besides, all directors, executives and employees are required to comply with the Company's policies.

11. Production

The Company, as the beverage manufacturing leader aiming to fulfill consumers' needs, has always been aware of the significance of water, a main raw material for drinking water production processes. The Company conducts a risk-based assessment to estimate water scarcity conditions and has been continuously operates with the concept of 3R that stands for Reduce, Reuse and Recycle by economically consuming water in the production through experience and advanced technology with the intention to reduce water consumption in an efficient way.

As for energy management, the solar rooftop system was installed in 5 plants of the Company and its branches to increase electricity consumption from a clean source and reduce the use of electricity energy from fossil fuels. This could also reduce indirect Carbon dioxide emissions.

With the commitment to develop and establish internationally accepted quality and safety standard, the Company has been certified with FSSC22000, the Food Safety Management System. Moreover, Crystal drinking water is the first brand certified by NSF America. As evidence of environmentally-friendly production and business sustainability, the Company has repeatedly been provided with ISO14001 certification. Furthermore, the Company participated in the CSR-DIW project run by Department of Industrial Works to support surrounding communities and to preserve directly-affected environment in ecosystems.

12. New Product Launch

Consumer demand has changed all the time, particularly after the Covid-19 pandemic situation. As Consumers have been more health-cautious, there are risks to the launch of new carbonated soft drinks in response to consumer demand. To launch the new products, it requires the Company to undertake R&D, perform production testing, create packaging design, conduct a taste test, launch an advertisement and sales promotion as well as study consumer demand. Those results in high costs of new product development. Besides, some of the new products have not yet achieved the target as planned and the beverage industry has been highly competitive. Thus, prior to launching any new

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products, it is essential for the Company to understand what consumers desire, and to concern product quality, costing and pricing, including sales activities in a proper manner. The Company has also considered risk prevention measures in 4 dimensions, namely employees, machines, raw materials and production control system, and has prepared in an intensive manner in order to ensure the successful new product launch.

13. Management and Administration

1. All of the Directors, executives, employees, and corporate functions are risk owners responsible for assessing, monitoring, and supporting risk management processes efficiently.
2. All corporate functions shall put in place risk management processes as well as systematic and continuous assessment, and monitoring processes, which shall be periodically updated in response to a change in business at least once a year.
3. All involving persons shall incorporate assessment of all risks to the Company by taking into consideration both internal and external risk factors. It is also mandatory that they have appropriate risk management.
4. The Sustainability and Risk Management Committee is responsible for assessing risks and reporting to the Board on the Company.
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 efficient mechanisms in strategic operations resulting from the development of risk management processes.

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, 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 2022, the Company had no short-term or long-term loans. However, interest rate movement may be a risk factor which requires the Company to consider and evaluate before entering into any transactions.

Driving Business for Sustainability

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 2, 2022, So Water Co., Ltd. held 171,954,804 of Company's shares representing 64.67% of paid-up capital. Therefore, So Water Co., Ltd. has 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, and 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.

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 3 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 quite a small number of shares that can be publicly traded (free float, on the Stock Exchange of Thailand)

As of August 19, 2022, the proportion of minor shareholders of the Company accounted for 15.21% 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

The Company realizes the significance of employees' health which has been continually checked and monitored. Even through the situation has been improved, the Company has still implemented social distancing measures, employee screening process through Covid Application, digital check-in and check-out procedures in the workplace in order to mitigate risks of being infected and to decrease a number of employees with the Covid-19 infection in conformity with a number of new Covid-19 cases announced by the Government that has been likely to be more positive in overall. Added to that, the management in corporation with ThaiBev Covid Crisis Center implemented necessary measures depending on circumstances as well as provided support to employees in need of vaccination. All of these exercises could help all employees continue their work and sales activities could be carried out to achieve the growth.

3. Driving Business for Sustainability

Sustainability Report is enclosed 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 2022

(Unit: Million Baht)

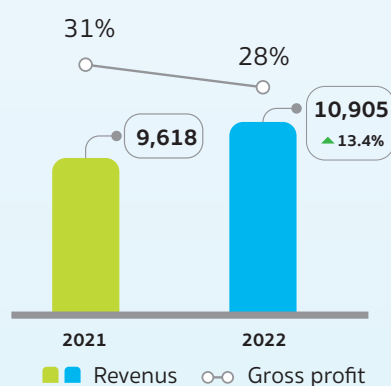
Transactions	2022	2021	Change	%
Revenue from sale and services	10,905	9,618	1,287	13
Cost of sales and services	7,824	6,644	1,180	18
Gross profit	3,081	2,974	107	4
Distribution cost	2,560	2,351	209	9
Administrative expenses	657	736	(79)	(11)
Other and dividends income	154	142	12	8
Income tax expense	(159)	(89)	70	79
Net profit	13	83	(70)	(84)
Earnings per share (in Baht)	0.05	0.31	(0.26)	(84)
Normalized net profit	169	173	(4)	(2)
Normalized earnings per share	0.64	0.65	(0.01)	(2)

Sermsuk Public Company Limited and its subsidiaries ("the Company") clarify Consolidated Operating Result and Financial Position for year ended September 30, 2022 as the following;

Financial Performance for the Fiscal Year 2022

Revenue from sales and services

Revenue from sales and services of the Company was Baht10,905 million, increased by Baht1,287 million or 13.4% from the same period of last year from sales growth resulting from the improvement of domestic consumption and gradual recovery in tourism sector. Moreover, the Company has emphasis on sales channel expansion including developing an extensive and efficient distribution network to capture an increase in consumer demand.



Management Discussion and Analysis: MD&A

Cost of sales and services

Cost of sales and services of the Company was Baht 7,824 million, increased by Baht 1,180 million or 17.8% from the same period of last year, which increased in higher proportion to sales due to the cost of raw materials and packaging increased. Nevertheless, the Company continues to implement cost saving in raw materials and packaging cost including improvement in production efficiency to mitigate those impact.

Distribution costs

Distribution costs of the Company was Baht 2,560 million, increased by Baht 209 million or 8.9% from the same period of last year. The transportation costs increased in line with higher sales growth and impact of higher fuel price. Moreover, the Company continues to launch promotion activities to boost sales and invest in "Crystal" brand building, which enable "Crystal" to reinforced its sustainable leadership of drinking water market.

Administrative expenses

Administrative expenses of the Company were Baht 657 million, decreased by Baht 79 million or 10.7% 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 13 million, which decreased by Baht 70 million or 84.3% from net profit Baht 83 million in the same period of last year. Mainly from an increase in income tax expense related to the utilization of deferred tax assets of Baht 67 million. By excluding income tax expenses as mentioned above, the Company had normalized net profit of Baht 169 million, which slightly decreased by Baht 4 million or 2.3% as compared to normalized net profit of Baht 173 million in the same period of last year. The Company continues to drive sales growth and control operating expenses efficiently to remained profitable amidst the cost push inflation situation.

The Company earnings per share was Baht 0.05, decreased by Baht 0.26 per share compared to earnings per share of Baht 0.31 in the same period of last year. By excluding non-recurring item as mentioned above, the Company had earnings per share of Baht 0.64, slightly decreased by Baht 0.01 per share compared to earnings per share of Baht 0.65 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 2022	As at 30 September 2021	Change	%
Assets				
Current assets	3,507	2,925	582	20
Non-current assets	10,164	9,857	307	3
Total assets	13,671	12,782	889	7
Liabilities				
Current liabilities	2,294	1,922	372	19
Non-current liabilities	2,062	1,859	203	11
Total liabilities	4,356	3,781	575	15
Equity				
Total equity	9,315	9,001	314	4
Total liabilities and equity	13,671	12,782	889	7

Assets

Total assets as of September 30, 2022 was Baht 13,671 million, increased by Baht 889 million or 7.0% compared to total assets at the end of last year as describe below;

Current assets were Baht 3,507 million, increased by Baht 582 million or 19.9% mainly from an increase in cash and cash equivalents from operating activities and an increase in trade accounts receivable due to higher sales.

Non-current assets were Baht 10,164 million, increased by Baht 307 million or 3.1% mainly from an increase in land value from fair value measurement and an increase in investment in an associate from profit share partly offset by a decrease in net value of building and equipment from depreciation.

Liabilities

Total liabilities as of September 30, 2022 was Baht 4,356 million, increased by Baht 575 million or 15.2% compared to total liabilities at the end of last year as describe below;

Current liabilities were Baht 2,294 million, increased by Baht 372 million or 19.4% mainly due to an increase in trade accounts payable from the purchase of raw materials and packaging to serve sales expansion.

Non-current liabilities were Baht 2,062 million, increased by Baht 203 million or 10.9%. Mainly from an increase in deferred tax liabilities related to fair value measurement of land partly offset by a decrease in provisions from employee's retirement benefit from the payment during the year.

Management Discussion and Analysis: MD&A

Equity

Total equity as of September 30, 2022 was Baht 9,315 million, increased by Baht 314 million or 3.5% from September 30, 2021 resulting from additional net profit for the year of Baht 13 million, gain on remeasurements of defined benefit plans of Baht 60 million and an increase in land value from fair value measurement of Baht 332 million partly offset by dividend payment of Baht 90 million.

Cash flows

Cash and cash equivalents as at 30 September 2022 were Baht 1,321 million. The net cash increased from the beginning of the year Baht 254 million was mainly from cash received from operating activities of Baht 567 million, dividend and interest received of Baht 73 million partly offset by cash used for purchase of machinery and equipment of Baht 225 million to increase operation's efficiency, the payment of lease liabilities of Baht 94 million and dividend payment of Baht 90 million. Overall, the Company has a strong financial position with high liquidity and remain no interest-bearing debt.

Financial Ratio Analysis

Liquidity

In the fiscal year 2022, the liquidity ratio was 1.5 times, an insignificant change from fiscal year 2021. 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 current assets higher than current liabilities. In addition, the Company do not have any interest-bearing debt.

Profitability

The Company's net profit margin in the fiscal year 2022 decrease from fiscal year 2021 mainly from higher cost of sales, distribution cost and deferred tax expense related to gain on sale of equity securities. However, the Company lessen the impact of higher raw materials, packaging cost and fuel price by continuing to drive sales growth and control operating expenses efficiently.

Efficiency

In fiscal year 2022, the Company's return on assets ratio was 0.1%, decreased by 0.6% from fiscal year 2021 and return on fixed assets ratio was 0.2% decreased by 0.8% from fiscal year 2021, mainly due to lower net profit.

Financial Structure

The Company's debt to equity ratio as at 30 September 2022 was 0.5 times, an insignificant change from fiscal year 2021 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

Management Discussion and Analysis: MD&A

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.

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, 2022

Consolidated financial statement As at 30 September 2022, 2021 and 2020			
	2022	2021	(in Baht) 2020
Assets			
<i>Current assets</i>			
Cash and cash equivalents	1,321,038,298	1,067,421,700	1,403,498,770
Other current financial assets	654,295,020	651,845,516	-
Trade accounts receivable	584,201,553	411,479,627	549,712,069
Other receivables from related parties	142,068,774	94,906,420	83,541,529
Other receivables	116,389,466	47,756,205	66,806,338
Inventories	663,275,084	617,449,391	587,083,592
Prepaid excise taxes	853,946	314,408	603,536
Other current assets	24,758,562	33,497,553	29,377,654
Total current assets	3,506,880,703	2,924,670,820	2,720,623,488
<i>Non-current assets</i>			
Restricted deposits at financial institution	-	-	524,446
Investment in an associate	961,908,628	863,403,350	802,279,941
Other non-current financial assets	195,711,356	194,837,623	134,422,040
Long-term loan to a related party	-	-	3,000,000
Investment properties	344,901,825	341,443,845	323,650,345
Property, plant and equipment	8,066,129,770	7,902,257,726	8,311,275,107
Right-of-use assets	397,009,009	359,442,326	-
Intangible assets	41,493,514	46,256,086	16,311,083
Deferred tax assets	21,345	21,345	96,965
Other non-current assets	157,087,450	149,358,652	187,724,452
Total non-current assets	10,164,262,897	9,857,020,953	9,779,284,379
Total assets	13,671,143,600	12,781,691,773	12,499,907,867

Management Discussion and Analysis: MD&A

Consolidated financial statement (cont.)			
As at 30 September 2022, 2021 and 2020			
	(in Baht)		
	2022	2021	2020
Current liabilities			
Trade accounts payable	801,988,205	489,099,304	576,406,540
Other payables to related parties	101,256,400	186,188,546	169,169,787
Other payables	727,549,956	602,657,948	692,469,508
Dividends payable	72,563,257	72,545,968	72,517,234
Customers' deposits on bottles and cases	457,680,367	455,630,868	453,579,395
Current portion of lease liabilities	99,007,018	98,150,583	-
Income tax payable	49,087	9,597	-
Other current liabilities	33,624,499	17,162,252	31,306,218
Total current liabilities	2,293,718,789	1,921,445,066	1,995,448,682
Non-current liabilities			
Lease liabilities	300,930,736	258,230,175	-
Deferred tax liabilities	840,448,298	583,714,556	468,349,587
Non-current provisions for employee benefits	920,927,259	1,016,834,129	1,138,751,748
Total non-current liabilities	2,062,306,293	1,858,778,860	1,607,101,335
Total liabilities	4,356,025,082	3,780,223,926	3,602,550,017
Equity			
Share capital			
Authorised 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	1,317,643,920	1,335,513,582	1,281,212,464
Other components of equity	4,077,329,923	3,745,809,590	3,696,000,711
Total equity	9,315,118,518	9,001,467,847	8,897,357,850
Total liabilities and equity	13,671,143,600	12,781,691,773	12,499,907,867

Management Discussion and Analysis: MD&A

Consolidated statement of comprehensive income			
For the year ended 30 September 2022, 2021 and 2020			
	(in Baht)		
	2022	2021	2020
Income			
Revenue from sale of goods and rendering of services	10,904,848,411	9,618,494,964	10,865,142,826
Dividends income	5,458,500	6,846,032	7,329,758
Gains on sale of equity securities	148,505,808	135,481,175	121,353,737
Total income	11,058,812,719	9,760,822,171	10,993,826,321
Expenses			
Cost of sales of goods and rendering of service	7,823,541,043	6,643,944,219	7,599,502,136
Distribution cost	2,559,921,562	2,351,043,953	2,611,988,634
Administrative expenses	657,632,061	736,346,794	811,545,856
Total expenses	11,041,094,666	9,731,334,966	11,023,036,626
Profit from operating activities	17,718,053	29,487,205	(29,210,305)
Finance costs	(13,026,750)	(11,550,345)	-
Share of profit of an associate accounted for using equity method (net of income tax)	167,505,278	154,123,410	187,969,035
Profit before income tax expense	172,196,581	172,060,270	158,758,730
Income tax expense (Expense)	(159,535,042)	(88,824,993)	10,372,637
Profit for the year	12,661,539	83,235,277	169,131,367
Earnings per share (Baht)	0.05	0.31	0.64

Management Discussion and Analysis: MD&A

Consolidated statement of cash flows			
For the year ended 30 September 2022, 2021 and 2020			
	2022	2021	(in Baht) 2020
Cash flows from operating activities			
Profit for the year	12,661,539	83,235,277	169,131,367
<i>Adjustments for reconcile profit to cash receipts (payments)</i>			
Income tax expense (benefit)	159,535,042	88,824,993	(10,372,637)
Finance costs	13,026,750	11,550,345	-
Depreciation and amortisation	560,508,940	624,566,687	588,594,219
Impairment loss recognised in profit or loss	16,569,909	10,226,028	43,755,723
Provisions for employee benefits expense	61,443,737	61,940,943	136,148,468
Unrealised loss on exchange	1,151,512	280,308	690,905
Gains on fair value adjustment in other current financial assets	(4,295,020)	-	-
Gains on fair value adjustment in investment properties	(3,457,980)	(17,793,500)	(665,580)
Share of profit of an associate accounted for using equity method (net of income tax)	(167,505,278)	(154,123,410)	(187,969,035)
Expected credit loss	2,377,357	480,651	3,150,155
(Reversal of) losses on inventories devaluation	5,881,134	(30,002,989)	3,996,608
Expense (Gain) on disposal and write-off of machinery and equipment	(18,541,933)	(591,054)	20,590,357
Dividend income	(5,458,500)	(6,846,032)	(7,329,758)
Interest income	(4,758,943)	(4,735,971)	(6,644,190)
	629,138,266	667,012,276	753,076,602
Changes in operating assets and liabilities			
Trade accounts receivable	(181,537,686)	143,019,568	14,717,172
Other receivables from related parties	(41,162,354)	18,635,109	32,145,233
Other receivables	(62,194,858)	16,431,529	(11,491,989)
Inventories	(51,706,827)	(362,810)	85,406,445
Prepaid excise taxes	(539,538)	289,128	2,390,816
Other current assets	8,738,991	(4,119,899)	(1,591,229)

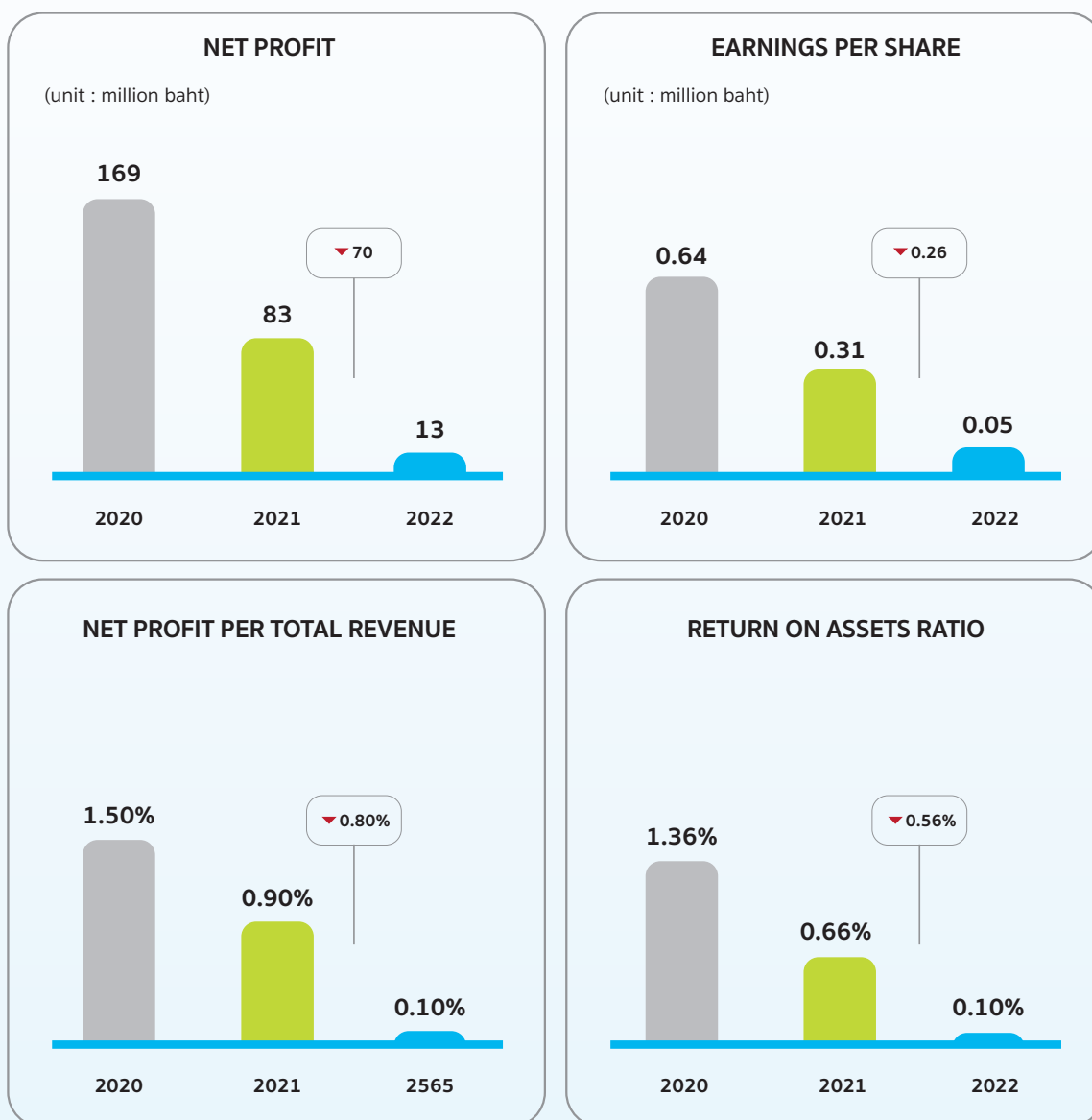
Management Discussion and Analysis: MD&A

Consolidated statement of cash flows (cont.) For the year ended 30 September 2022, 2021 and 2020			
	2022	2021	(in Baht) 2020
<i>Changes in operating assets and liabilities (cont.)</i>			
Other non-current assets	(7,728,798)	29,719,337	(2,213,064)
Trade accounts payable	312,888,901	(87,307,236)	(64,367,029)
Other payables to related parties	(84,932,146)	17,018,759	8,485,068
Other payables	111,023,169	(74,380,224)	20,083,586
Customers' deposits on bottles and cases	2,049,499	2,051,473	10,868,212
Other current liabilities	16,462,247	(14,143,966)	(5,844,677)
Provisions for employee benefits paid	(82,747,935)	(118,800,902)	(108,021,811)
Net cash generated from operations	567,750,931	595,062,142	733,643,335
Income tax paid	(371,306)	-	-
Net cash from operating activities	567,379,625	595,062,142	733,643,335
<i>Cash flows from investing activities</i>			
Proceeds from sale of machinery and equipment	23,941,736	28,928,411	22,899,453
Acquisition of plant, machinery and equipment	(224,909,258)	(213,071,388)	(232,482,437)
Acquisition of intangible assets	(1,398,950)	(2,188,114)	(851,349)
Acquisition of current investment	-	(650,000,000)	-
Interest received	4,758,943	4,735,971	6,644,190
Dividends received	68,458,500	69,846,032	67,329,758
Restricted deposits at financial institution	-	524,446	(4,167)
Net cash from (used in) investing activities	(129,149,029)	(761,224,642)	(136,464,552)
<i>Cash flows from financing activities</i>			
Repayment from short-term loan to related party	-	3,000,000	-
Payment of lease liabilities	(81,200,076)	(76,306,407)	-
Interest paid	(13,026,750)	(11,550,345)	-
Dividend paid to the owners of the Company	(90,387,172)	(85,057,818)	(66,472,988)
Net cash used in financing activities	(184,613,998)	(169,914,570)	(66,472,988)
Net increase (decrease) in cash and cash equivalents	253,616,598	(336,077,070)	530,705,795
Cash and cash equivalents at beginning of the year	1,067,421,700	1,403,498,770	872,792,975
Cash and cash equivalents at end of the year	1,321,038,298	1,067,421,700	1,403,498,770
<i>Non-cash transactions</i>			
Dividend receivable	(36,000,000)	(30,000,000)	-
Payables for acquisition of machinery and equipment	35,868,546	23,151,219	38,862,864
Lease liabilities	399,937,754	356,380,758	-

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		
		2022	2021	2020
Current ratio	(Times)	1.5	1.5	1.4
Quick ratio	(Times)	1.1	1.1	1.0
Operating cash flow	(Times)	0.3	0.3	0.4
Receivable turnover ratio	(Times)	21.9	20.0	19.4
Average collection period	(Times)	16.7	18.3	18.8
Inventory turnover ratio	(Times)	20.8	20.1	20.4
Average inventory period	(Times)	17.5	18.2	17.9
Account payable ratio	(Times)	12.1	12.5	12.5
Average payment period	(Times)	30.2	29.2	29.2
Cash Cycle	(Times)	4.0	7.3	7.5

4.2.3 Profitability Ratio

Ratio		Consolidated		
		2022	2021	2020
Gross profit margin	(%)	28.3	30.9	30.1
Operating profit margin	(%)	(1.2)	(1.2)	(1.5)
Non-operating profit margin	(%)	2.9	3.0	2.9
Net profit margin	(%)	0.1	0.9	1.5
Return on equity	(%)	0.1	0.9	1.9

4.2.4 Efficiency Ratio

Ratio		Consolidated		
		2022	2021	2020
Return on assets	(%)	0.1	0.7	1.4
Return on fixed assets	(%)	0.2	1.0	2.0
Asset turnover	(Times)	0.8	0.8	0.9

Basic Information and Other Important Information

4.2.5 Financial Policy Ratio

Ratio		Consolidated		
		2022	2021	2020
Debt to equity ratio	(Times)	0.5	0.4	0.4

5. Basic Information and other important information

5.1 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
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.sermasukplc.com

Reference Parties

A) Securities Registrar:	Thailand Securities Depository Co., Ltd. 93 Ratchadapisek Road, Din Daeng, Bangkok 10400 Telephone: 0-2009-9000 Fax: 0-2009-9991
B) Debenture Holder Representation:	-None-
C) Auditors:	Miss Nittaya Chetchotiros, Certified Public Accountant No. 4439 Miss Yuvanuch Thepsongvaj, Certified Public Accountant No. 5371 Miss Kanokorn Puripungavanich, Certified Public Accountant No.10512 Miss Nadsasin Wattanapaisai, Certified Public Accountant No. 10767 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 Other Important Information

- None -

Basic Information and Other Important Information

5.3 Legal Disputes

For the fiscal year ending 30 September 2022, there was none of the Company's and its subsidiaries' litigation and claim which:

1. had an adverse impact to Company's or its subsidiaries' assets exceeding 5 % of shareholders' equity;
2. had a material impact to the Company's or its subsidiaries' business operations but could not be measured numerically; or
3. did not arise from a normal business operation of the Company or its subsidiaries.

Corporate Governance Policy

6. Corporate Governance Policy

6.1 Policy & Good Corporate Governance Practice

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 2022 results of good corporate governance are as below:

- The Company has been assessed by Corporate Governance Report of Thai Listed Companies-CGR for 2022 by Thai Institute of Directors Association (IOD) with the results "Excellent"
- The Company has full 100 marks on the quality results of 2022 Annual General Meeting of Shareholders (AGM Checklist) by Thai Institute of Directors Association (IOD).

6.1.1 Policy and practice in relation to the Board of Directors

The Board of Directors has roles and responsibilities to oversee management to achieve the targets and in a manner that delivers optimal benefits to shareholders. At the same time, it takes 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. Persons to be appointed as Directors should be equipped with knowledge, ability, experience, vision, and honesty; and they could manage their schedule to ensure they deliver full performance as required for Director position. They should have independence required for decision making for the best interest of the Company and shareholders. The Board of Directors has put in place committees or sub-committees to study, consider, filter, and support the works of the Board of Directors in order to enhance their performance too ensure clear scope of responsibility and work efficiency of the Board of Directors.

- **Structure and components of the Board of Directors**

The Board of Directors consist of those directors with knowledge, capabilities, experiences, honesty, and other qualification required by the relevant laws. The number of board members is not less than 5 directors in accordance with the Article of Association of the Company.

As of 16 November 2022, the Board of Directors were comprised of 15 directors, in which 5 are Executive Directors, another 5 are non-Executive Directors and the rest are Independent Directors. The Board of Directors is independent from the Management in terms of discussion, opinion exchanging, decision-making on the agendas in the meeting. Apart from that, the Chairman of the Board of Directors takes no position as CEO. Details of the Board of Directors appeared in Section 7. Management Structure.

Corporate Governance Policy

In this regard, Independent Directors and their independence was qualified as per the laws regarding securities and exchanges and other related laws. Details of the independence requirements of Independent Directors were as appeared in Section 8.1.1. Nomination, Development and Assessment of Directors Performance.

In addition, Board Diversity in terms of professional skills, expertise, race, nationality, gender, and age, all of which, is regarded as one of the essential factors. Currently, the Board of Directors consists of 3 women i.e., Prof. Dr. Khunying Suchada Kiranandana and Mrs. Siripen Sitasuwan, an independent director, who contributes accounting opinion based on accountancy expertise, and Mrs. Tongjai Thanachanan director, who gains business expertise in beverage.

In 2022, there were 5 Board of Directors meetings, all convened electronically. In each meeting, the meeting quorum was formed by having directors, not less than half of all Board members, attending the meeting and, while casting vote of each meeting agenda, having two - third of the directors sat in the meeting room.

One non-executive directors meeting was convened to discuss independently on the management of the Company's business direction in absence of the management team. A brief on non - executive directors meeting was updated to all Board members on the following Board of Directors' meeting.

For the Board of Directors Meeting and sub-committee meeting for 2023 have been determined in advance and has notified all directors to acknowledge in the Board of Directors Meeting since last fiscal year (year 2022). The company secretary team is responsible for documentation, venue and relevant cooperative activities for the meeting and each director will be notified of the meeting date, meeting agendas and meeting information to allow beforehand preparation, at least 5 business days prior to the meeting date, on any decisions to be made.

- **The Board of Directors appointed sub-committees**

The Board of Directors appointed sub-committees to support on oversight of the Company's operation. The sub-committees include:

1. The Executive Committee
2. The Audit Committee
3. The Sustainability and Risk Management Committee;
4. The Nomination and Remuneration Committee; and
5. The Corporate Governance Committee

The compositions, qualifications, meeting agendas, scope of duties, and responsibility of each sub-committee are as stipulated in the related charter or appointment directive of each sub-committee.

The sub-committee meeting schedules have been determined in advance and could be amended, as and when necessary. The meeting minutes have been prepared and safely kept.

Apart from the above, the Board of Directors mandated to disclose structure, composition, scope of duties and responsibilities, performance, attendance, remuneration of Board members and sub-committee members along with the authorized signatories, details as set out in Section 7.3 of 2022 One Report (56-1 One Report).

- **Nomination 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

Corporate Governance Policy

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 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.

In addition, the Company's shareholders can nominate candidates by using Professional Search Firm or Director Pool for consideration, according to the regulations publicly disclosed via SET, prior to the Annual General Meeting of Shareholders with the agenda of the Board of Directors appointment.

1. The Company will initially review the proposals and/or the nominees before proposing to the Nomination and Remuneration Committee for consideration as delegated by the Board of Directors.
2. The Nomination and Remuneration Committee will consider the proposals and/or the nominee's qualification. In the case that the proposals and/or the nominee's qualification has been endorsed, the Nomination and Remuneration Committee will propose the qualified candidate to the Board of Directors for further consideration.
3. The proposal matters and/or name of nominee approved by the Board of Directors and the Board of Directors' opinion will be included in the notice of Annual General Meeting of Shareholders as agendas/nominees proposed by the shareholders.
4. For the proposal and/or name of nominee disapproved by the Nomination and Remuneration Committee and/or the Board of Directors, as the case may be, the Company shall inform the shareholder of the disapproval which will be supported by the reason of the Board of Directors' refusal at the AGM Meeting and include in the agenda for acknowledgement.
5. The decision of the Board shall be final and conclusive.

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

- **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

Corporate Governance Policy

rotation may be nominated as candidates for re-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.

- **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.

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.

- **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.

- **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.

- **Board of Directors Assessment**

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

Corporate Governance Policy

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)

Apart from the above, the Company has a policy for the non-executive directors to assess performance of the president on a yearly basis (one time per year at minimum) with purpose for the president to be aware of his assessment score.

In the year 2022, the Board of Directors and all sub-committees have completed both the individual self-assessment /the group assessment. The non-executive directors have also completed the president assessment.

- **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 (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.

- **Company Secretary**

The Board of Directors has appointed the Company Secretary to perform the duties as stipulated by the relevant statutory and the corporate good governance principle with scope of duties and responsibilities, including:

1. Liaise with and sign the documents which will be disclosed to the Stock Exchange of Thailand
2. Along with duties and responsibilities set out the relevant Securities and Exchange Act (SEA), the Capital Market Supervisory Board (CMSB) and other relevant regulators.

- **Governing of Subsidiary and Associate Companies**

The Board of Directors has delegated its authority for the Executive Committee to administer the operation of subsidiary and associated companies to ensure that the business policy, target, operation plan, business strategy, budget and other administrative authorities approved by the Board of Directors have been efficiently complied and that appropriate authorities have been delegated enabling the subsidiaries to carry out the transactions and dealings necessary.

6.1.2 Corporate Governance Policy related to Shareholders and other Stakeholders

- **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 diminish the fundamental rights of

Corporate Governance Policy

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

1. Shareholders' Right Protection

The Board of Directors is 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.

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 the SET's and the Company's websites.

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

Corporate Governance Policy

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. The AGM minutes has been published in the Company's website.

For the agenda of consideration and election of Directors to replace those retired by rotation 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 nominating process, type of nominated Director, record of meeting attendance and day, month, year of which the Director had been firstly appointed were also disclosed to provide adequate information for shareholders to make decision effectively. For the agenda of consideration and Directors' remuneration, the policy, principle of remuneration determination process for each and every position the Directors were also disclosed.

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.

The Company provided adequate company staffs, computer system with technologies to accommodate shareholders and their proxies starting from the shareholders' and proxies' registration processes, vote casting, vote counting, shareholders' questioning, all with

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 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.

Before considering the meeting agenda, the Company has informed the shareholders of rules, procedures on joining the meeting, granting proxies, vote casting, vote counting, question raising by the shareholders. 6) Independent persons i.e., audit firm representatives and free float shareholders were invited to participate in vote casting in the ordinary meeting of shareholders and the matter was disclosed in the minutes of meeting of shareholders. No additional agenda is considered in the meeting and no change has been made to the significant information without prior notification to the shareholders. 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.

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/ the Company's website on the following business day. The Company arranged for the recording and preparation of the minutes of the Annual General Meeting of Shareholders (Thai and English) 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. There is a system which the minutes and records were safely kept and auditable.

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In year 2022, the Annual General Meeting was convened via Electronics Meeting (E-AGM) in accordance with the relevant laws and regulations on Thursday, 27 January 2022 at 9.30 hrs. broadcasting this from Auditorium Room C ASEAN, 90 CW Tower, 10th Floor, Ratchadapisek Road, Huai Khwang Sub-District, Huai Khwang District, Bangkok 10310.

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.
- 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 Company published the invitation letter and its attachments on the Company's website at least 30 days prior to the meeting date.
- 4) The invitation letter containing the agenda, rationale, purposes, opinions of the Board of Directors, and related detailed information of each agenda were submitted to shareholders via post not less than 21 days prior to the meeting date. This was in order to provide adequate information for shareholders to make decision effectively. Announcement was made in daily newspaper for a period as stipulated by the law.
- 5) 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.
- 6) 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).
- 7) 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.
- 8) 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.
- 9) Shareholders were provided with an opportunity to submit any inquiries regarding the agendas in advance via the following channels:

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- 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

2.2 On the meeting of shareholders' date

The Company has clear policy to support and encourage all shareholders to exercise their right to attend and cast vote in the meeting of shareholders. Arrangements are made for convenience while the meeting was organized in a transparent and auditable manner. In addition, no actions are taken to deter or obstruct the right of shareholders institutional investors, who are given a chance to make inquiries and express opinions as deemed appropriate. In addition, the Company made the following arrangements on the 2022 annual general meeting of shareholders:

- 1) The Company engaged Quidlab Co., Ltd, an independent organization to provide control system for an electronics meeting. Quidlab's meeting control system has been certified by the Electronic Transactions Development Agency or EDTA.
- 2) The Company organized the Annual General Shareholders' Meeting for year 2022 via electronic media (E-AGM). The participants can view the meeting from live broadcasting throughout the meeting, including the voting results of each agenda. The demonstration video to use the online system was provided at the beginning of the meeting. The shareholders were informed prior to the meeting regarding the rules, methods of attending, proxy authorization and usage of voting ballot including explanation on criteria and methods of vote casting and counting.
- 3) Shareholders and their proxies enable 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.
- 4) 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.
- 5) Shareholders were given the right to cast vote on a 1 share: 1 vote basis. The Company will count the votes of the shareholders who attend via e-meeting and of the proxy. The votes disapproving, abstaining or voided ballots will be uncounted, remains only the approving one.
- 6) Independent persons i.e., audit firm representatives and free float shareholders were invited to participate in vote casting in the ordinary meeting of shareholders and the matter was disclosed in the minutes of meeting of shareholders.
- 7) The Company conducted the meeting according to the agenda specified in the invitation letter. The details related to each agenda have also been notified to the shareholders individually in the invitation letter.
- 8) The Company has given an opportunity to the shareholders to submit inquiries regarding the agenda of the Annual General Meeting of Shareholders in advance to the Investor Relations and any appropriate inquiries in relation to each agenda prior to voting on each agenda.

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- 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 2022 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.

2.3 Subsequent to the meeting of shareholders

- 1) 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.
- 2) 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.
- 3) Storage system is put in place for the minutes of meeting for audit and reference purposes. The Company received 100/100 AGM Checklist score for its 2022 AGM from the Thai Investors Association.

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 2022, 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.

3. 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

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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.
- 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 delivers the invitation letter to all shareholders via post and publishes the invitation letter to the Annual General Meeting of Shareholders and its attachments on the Company's website and advertises the invitation letter to the Annual General Meeting of Shareholders in daily newspaper in advance prior to the date of the Annual General Meeting of Shareholders, all in compliance with the timing requirements set out under the relevant statutory laws, regulations.
- 5) 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.
- 6) The Company allocate to the shareholders 1 voting right per share.
- 7) 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
- 8) 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 2022 Annual Report.

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- 9) 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 (Abusive self-dealing), 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.
- 10) 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 2022, 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.

- **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 Sermsuk 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

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stakeholders are entitled to sound protection and treatment. The Company recognized the significant of all stakeholders, details of which can be summarized as follows:

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.

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.

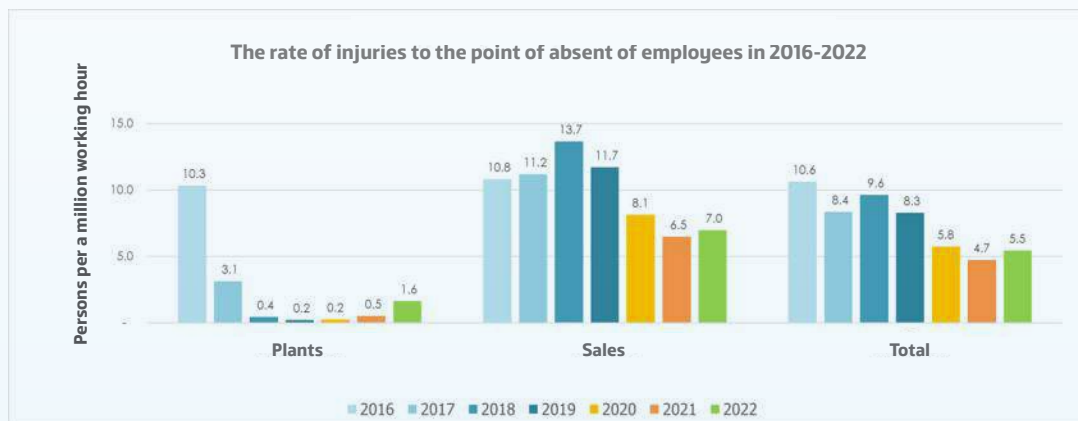
The Company operates its businesses in compliance with the Occupational Health and Safety Policy, which was made in accordance with the international safety management system, and fosters the organizational culture relating to safety with the 10 Safety Rules in order to create guideline and a positive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

SERMSUK 10 Safety Rules กฎความปลอดภัย เสริมสุข 10 ประการ กำหนดขึ้นเพื่อปกป้องอันตราย ต้องปฏิบัติตามเพื่อความปลอดภัย เพื่อรักษาชีวิตทุกคน			
	เดินในช่องทางที่กำหนด 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.		ห้ามลัดขั้นตอนการทำงาน 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
	คาดเข็มขัดนิรภัยทุกครั้งเมื่อเสมอ Always wear seat belt all seats		ห้ามดื่มแอลกอฮอล์และใช้ยาเสพติด No alcohol and drugs

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

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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 the highest level of safety for the life and property of the employees and contractors. In 2022, 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, 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

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channels for the purpose of receiving suggestions directly from the employees including through department meeting, townhall 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. 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.

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.

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.

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6. 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.

7. Society

The Company sees the importance on being part of community development in parallel with being responsible for social, community and environment. These transform into part of our corporate culture, align with vision, mission, strategy and target of the Company which lead the Company to grow sustainably. Thorough the year 2022, the Company had participated in activities which help communities surrounding the factory premises. Those occasions include children day, merit making ceremonies, Covid free community activities (giving out bottles of Crystal Drinking Water for free) to create awareness and to promote good health.

Apart from the above, our staffs participated in 12 August Mother Day (held every year). The Mother Day activities include returning various kinds of fish back to Chao Phraya River with a view to restore the river eco system, mangrove restoration project at Moo 1 Tambol Nong Mai Daeng Amphor Muang Chonburi Province where our staffs and people of the community help to plant trees. The aforementioned activities show that the Company care and being responsible for the communities up to the Department of Industrial Works standard in relation to business operator and community which usually creates bonding and trust between people living in the communities and the Company.

8. 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 for the Company to always remain a Thai company that grows sustainably alongside the environment.

As of 30 September 2022, the Company has not violated any law on labor, employment, trade competition, or the environment.

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9. Others

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:

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.

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.

9.3 Guideline on anti-corruption

Background

Sermasuk Public Company Limited and its subsidiaries (collectively "Sermasuk") conduct its business with fairness, committed to "Sermasuk Business Ethics" which adheres to the best interest of its stakeholders relevant to business activities. The Anti Corruption Policy ("Policy") is the significant tool guiding the decision-making and necessary actions for preventing corruption and strengthening future sustainability.

Scope of the Policy

The Policy applies to all Sermasuk directors ("Directors"), all Sermasuk executive officers (employee ranging from Assistant-Vice President level up to the President and CEO) and employees ("Employees"). The Policy is designed to support Directors and Employees in being acknowledgeable about what to do, or who to turn to, in case of doubt. Directors and Employees are responsible for maintaining the highest standards of business conduct. Any violation to the Policy may be deemed disciplinary misconduct, contractual infringement and criminal offence, which could tarnish the reputation and status of

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Sermsuk. Directors and Employees are required to familiarize themselves and comply with the Policy, including any future updates that may be issued from time to time by Sermsuk.

The Policy sets out clear intentions and guidelines as follows:

1. Corruption means bribery to obtain improper benefits in business transactions or any fraudulent actions.
2. Directors and Employees are prohibited from accepting any type of corruption both directly and indirectly, covering all businesses and all relevant functions in every country operates.
3. Directors and Employees must avoid any course of action that is linked to any corruption.
4. Monitoring and forming of effective system supporting anti-corruption actions are the accountability of President and CEO to report to the Chairman of the Board of Directors and the Audit Committee.
5. Review of the Policy for possible updates to accord with business changes, regulations, standards, and laws are the accountability of President or his designee to report to the Board of Directors.
6. President and executive officers are accountable for promoting the understanding of and compliance with the Policy.
7. Directors and Employees shall be vigilant to any corruption related to Sermsuk. If Director(s) has concerns, Director(s) should consider report to the Chairman of Audit Committee. If Employee(s) has concerns, the Employee(s) has an obligation to notify such act to supervisors or responsible persons.
8. A person committing corruption is subject to a disciplinary action process. Once proven to satisfaction of the responsible committee, the breach will result in strict disciplinary actions consistent with Sermsuk's rules regarding misconduct or violations. Conviction may be applied in case such act violates any applicable laws.
9. All supervisors at all levels shall ensure that the Employees under their responsibilities have appropriate awareness of the Policy and shall monitor the implementation of relevant anti-corruption actions

9.4 Guideline for Whistleblowing

Principle and Rationale

Sermsuk Public Company Limited and its subsidiaries (collectively "Sermsuk") sees the importance of conducting its business with transparency, efficiency in accordance with the principle of corporate good governance. The whistleblowing related measures including complaint handling and grievance procedure for the external and internal stakeholders and Sermsuk employees ("Employees") have been issued and implemented with a view to abide to the relevant laws, rules and regulations to ensure all stakeholders that their rights are treated with due care, fairness and equality.

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Scope of the Policy

The Policy applies to all Sermsuk directors (“**Directors**”), all Sermsuk executive officers (employee ranging from Assistant-Vice President level up to the President and CEO) and employees.

1) Objectives

- 1.1 The policy issued to ensure that complaints related to suspicious wrongdoings within the Group Companies (“**Complaint Handling**”) are handled with due care in a timely manner and the policy applies to all directors and all level of employees.
- 1.2 To enable all employees to raise their concerns of wrongdoing or suspicious misconduct to the Company through provided channels and for the employees to gain confidence that their complaints will be strictly handled with proper internal fact-finding processes, even though such complaint is later found to be lodged with misunderstanding. The Company will take actions necessary to protect employees and a third-party whistleblower from harm, threat caused by lodging the whistle blowing related complaint.

2) Definition of Grievance Procedure

Grievance Procedure means receiving of complaint related to wrongdoings which include fraud and corruption from both inside and outside the Company, suspicious violation of laws, rules, regulations, ethics or policies, unfair treatment or other acts which are harmful to the group companies, defected goods or services, suggestions, claims related to the group companies and the acts detrimental to safety, health of individuals or environment.

3) Compliance with Policy

The whistleblowers are encouraged to lodge their complaints via the designated channels and to provide sufficient information or evidences related to the suspicious misconduct which may violate the Policy. In case of uncertainty, the employee whistleblower may consult his immediate supervisor or send the matter to the set grievance procedure.

4) Whistleblower

Any person, regardless of whether he/she is an injured person or not, may report the misconduct (under the Definition in 2) or suspected wrongdoing of the directors, executives, employees, or any person acting on behalf of the group companies. The whistleblowers are encouraged to self-identify and/or provide sufficient information or evidences related to the misconduct including the contact information to the group companies. In case there are evident supporting that the whistleblower’s claim is not in good faith, the Company has to proceed with the following measure to protect reputation of the alleged person:

- 4.1 If the whistleblower is the Company’s employee, the Company will proceed with the disciplinary investigation in accordance with the Company’s regulation on Human Resource Management.
- 4.2 If the whistleblower is the third party and the group companies is injured by the whistleblower’s report, the Company may consider taking legal action against such person.

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5) Whistleblowing Channels

5.1 The whistleblowers may file their grievance or report of the suspected misconduct to his immediate and chain of command supervisors (of which the supervisors should proceed such claim in a timely and efficient manner) or through one of the following channels:

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

Nonetheless, the Company may appoint other officer (on an ad hoc basis) to enable employees to conveniently follow up the matter. Such appointment will be announced to all employees.

5.2 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.

5.3 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.

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

Nevertheless, designated individuals who are handling the matter will be required to keep the information confidential and being obliged not to disclose such confidential information taking into account safety and injury of whistleblowers and other

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concerned individuals except the case that the disclosure of information is required by grievance procedure under the Policy or by laws or relevant authorities. Failure to obey such rules whether willfully or negligently, disciplinary or legal action, as the case might be, will be taken against those violators.

7) Penalties

An individual who, willfully or negligently, acts as follows:

- 7.1 Give false or fraudulent report or
- 7.2 Disclose the whistleblowing related information (except the case that the disclosure of information is required by grievance procedure under the Policy or by laws) or
- 7.3 Conduct unfair treatment through intimidation, threat the whistleblowers

Disciplinary or legal action, as the case might be, will be taken against those violators.

• Disclosure and Transparency

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 after 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.
- 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

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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 2022 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 2022 Annual General Meeting of Shareholders as the auditor of the Company for the financial statements of the fiscal year ending 30 September, 2022. 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 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 2022 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 2022 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.

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- 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 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 March 2022. 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.

2. Oversight of the use of insider information and conflict of interests

1) Insider Information

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

- 1.1) 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.
- 1.2) 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

Corporate Governance Policy

to the public. Prior announcements are communicated regularly to those directors, executives, and employees.

2) Conflict of Interest

The Board of Directors and the executives of the Company are greatly precautionous 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 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 2022, 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

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.

Corporate Governance Policy

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 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.

As of 30 September 2022, no action regarding violation of Business Ethics was reported.

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

In 2022, the Board of Directors passed the resolutions approving the revised policy, guideline in compliance with Corporate Governance Code as follows:

- Anti-Corruption Policy, Corporate Governance Policy, Personal Data Protection Policy and Whistleblowing Policy were reviewed and approved in the Board of Directors' Meeting no 4/2022 dated 11 May 2022.

Other Matters related to CG Code

The survey result of Thai Institute of Directors Association (IOD) on Corporate Governance Report of Thai Listed Companies 2022 reported that Sermsuk Public Company Limited has been ranked "Excellence". Such survey report based on public disclosure of listed companies in year 2022 and for the Company, the below disclosure has been made:

- Information Disclosure

The Company presented a brief summary on its operation and activities of the previous fiscal year in SET Opportunity Day event organized by the Stock Exchange of Thailand dated 8 March 2022.

- 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 1/2022-2023 dated 16 November 2022 considered and reviewed the Vision, the Mission, and the Strategies of the Company for fiscal year end 2022 (October 2021 – September 2022) and approved such topics for the fiscal year 2023 (October 2022 – September 2023). The Board of Directors' Meeting also acknowledged matters approved by the Executive Committee on a quarterly basis.

- Non-Executive Directors' Meeting was convened on 11 August 2022.

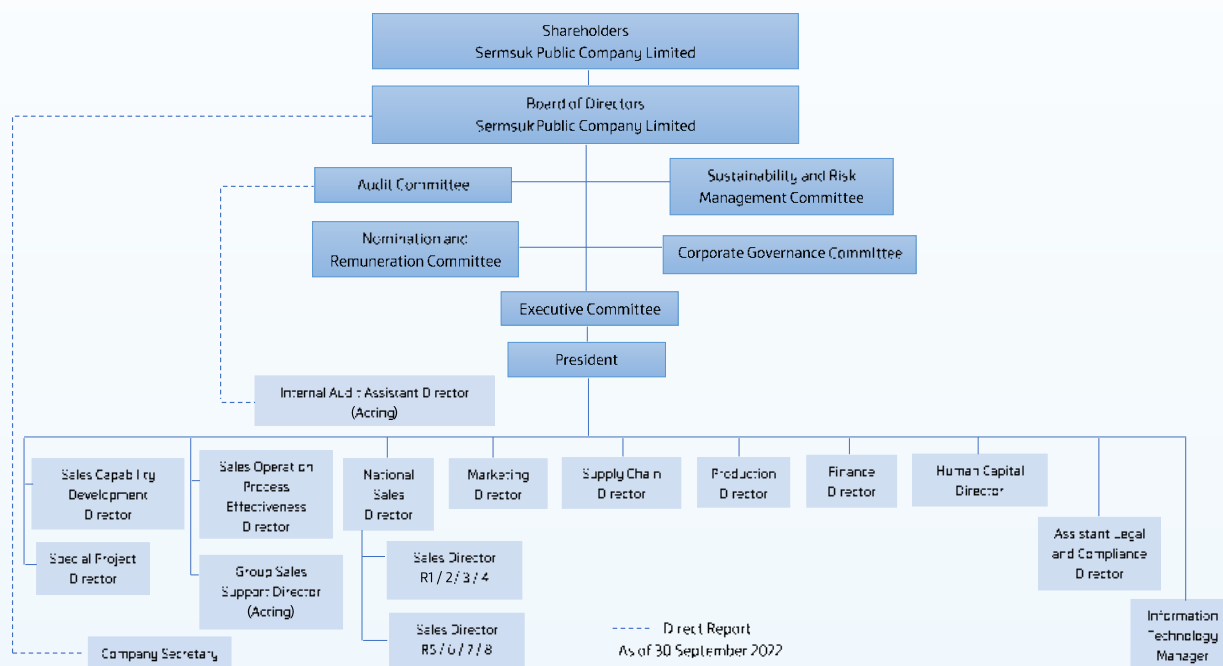
Corporate Governance Policy

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 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.

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



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

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:

7.2.2 The member of the Board of Director

Name ⁽¹⁾	Position
1. Mr. Somchai Bulsook	Chairman Chairman of Corporate Governance Committee
2. Mr. Suchin Wanglee	1 st Vice Chairman Independent Director Chairman of Nomination and Remuneration Committee Member of Audit Committee
3. Mr. Chotiphat Bijananda	2 nd Vice Chairman
4. Mr. Thapana Sirivadhanabhakdi	3 rd Vice Chairman Chairman of Executive Committee Member of Nomination and Remuneration Committee Member of Sustainability and Risk Management Committee
5. Mr. Ueychai Tantha-obhas	4 th Vice Chairman 1 st Vice Chairman of Executive Committee 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
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 2 nd Vice Chairman of Executive Committee Member of Sustainability and Risk Management Committee
11. Mr. Sakchai Thanaboonchai	Director
12. Mr. Rangsan Thammaneeuwong	Director

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

Name ⁽¹⁾	Position
13. Mr. Dhitivute Bulsook	Director 3 rd Vice Chairman of Executive Committee Member of Sustainability and Risk Management Committee
14. Mrs. Tongjai Thanachanan	Director
15. Mr. Kosit Suksingha	Director Member of Sustainability and Risk Management Committee Member of Executive Committee President

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

Names and Number of Authorized Directors (information as on 16 November 2022)

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 Thammanee Wong, 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 Thammanee Wong, 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 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.

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

Board Skill Matrix

	Variation	Board of Director			Sub-Committees				Expertise and Experience													
		Executive Director	Non-Executive Director	Independent Director	Audit Committee	Nomination and Remuneration Committee	Sustainability and Risk Management Committee	Corporate Governance Committee	Beverage Business	Sales and Marketing	Finance and Accounting	International Business	Logistics	Laws	Mergers and Acquisitions	Research	Ethics	Relationship with Government Agencies	Communication and Public Relations	Public Health	Engineering	Business Administration
Board of Director	Terms (Year)																					
	26		✓					Chairman	✓	✓	✓	✓	✓		✓							✓
	11		✓								✓	✓	✓	✓	✓							✓
	11		✓								✓	✓	✓	✓				✓				✓
	11		✓								✓	✓	✓									✓
	5		✓						✓		✓	✓			✓							✓
	12			✓	Member	Chairman				✓	✓		✓								✓	✓
	14			✓	Chairman		Chairman			✓				✓				✓				✓
	11			✓										✓				✓				
	9			✓	Member		Member		✓		✓								✓			✓
	10			✓		Member	Member	Member	✓	✓	✓	✓			✓				✓		✓	✓
	11	✓				Member	Member		✓	✓	✓	✓										✓
	4	✓								✓		✓										✓
	11	✓								✓		✓	✓									✓
	12	✓								✓		✓	✓									✓
14. Mr. Dhitivute Bulsook		✓																				
15. Mr. Kosit Suksingha		✓																				

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

7.2.3 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, 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;

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

- 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 Managing Director, 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 Managing Director as necessary when deemed appropriate and may supervise the work of Managing Director to ensure his/her performance of the duties assigned and that the strategies of the Company is being implemented;
- 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.

Roles, authorities, and responsibilities of the Chairman

Chairman has important roles and responsibilities including the followings:

- 1) Lead the Board of Directors in monitoring and ensuring that the Company's operations meet the ultimate goals.
- 2) Serve as Chairman of the Board of Directors' and Shareholders' Meetings.
- 3) Make decisions when the Board of Directors Meeting has an equal number of votes cast.
- 4) Carry out any other duties mandated by law.

7.3 Sub-Committee

As of November 16, 2022, the Company's director structure consists of 5 committees: Executive Committee, Audit Committee, Sustainability and Risk Management Committee, Nomination and Remuneration Committee, and Corporate Governance Committee. Details are as follows:

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

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 | 1 st Vice Chairman |
| 3. Mr. Sithichai Chaikriangkrai | 2 nd Vice Chairman |
| 4. Mr. Dhitivute Bulsook | 3 rd Vice Chairman |
| 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. To approve in principle the annual budget of the subsidiaries.
In this regard, the power to take any action as specified above shall be in accordance with the following conditions:
 - 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.

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

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 ended 30 September 2022, 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 Member
3. Mrs. Siripen Sitasuwan Member

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. 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 2022, 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:

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

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

The Sustainability and Risk Management Committee also includes 7 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 ended 30 September 2022, there were 4 meetings for the Sustainability and Risk Management Committee.

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	Member
3. Mr. Pramoad Phornprapha	Member

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 ended 30 September 2022, there were 2 meetings for the Nomination and Remuneration Committee.

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 | Member |
| 3. Mr. Pramoad Phornprapha | Member |

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

- To develop and advise the Board of Directors on good corporate governance principles related to the Company by conducting annual audits;
- To ensure that the Company complies with good corporate governance principles and to manage and provide guidance on good corporate governance within the Company;
- To report the meeting outcome to the Board of Directors;
- To submit a performance report annually or upon request of the Board of Directors;
- To perform any other duties as delegated by the Board of Directors from time to time;
- To consult independent experts when necessary. The cost is covered by the Company;
- To review and update the Charter of the Corporate Governance Committee at least once a year and propose the Charter to the Board of Directors for approval;
- Duty to provide policies and guidelines to ensure the analysis of the environment, factors, and risks that may affect relevant stakeholders
 - Shareholders and Investors
 - Partners and Customers
 - Employees
 - Society and Environment
- Duty to provide the anti-corruption policy
 - To establish a framework for overseeing all anti-corruption related actions
 - To prepare, review, provide feedback on, monitor, and evaluate the anti-corruption policy's implementation, and to report to the Board of Directors at least once a year
 - To consider budget proposals and to manage and monitor the use of budgets for the Group's environmental, societal, and corporate governance activities

For the year ended 30 September 2022, there were 4 meetings for the Corporate Governance Committee.

7.4 Management

7.4.1 Name list and positions of the Executives

The following are the Company's 11 Executives (Information as of 16 November 2022):

Name	Position
1. Mr. Kosit Suksingha	President
2. Mrs. Prangnee Chaipidej	Marketing Director

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

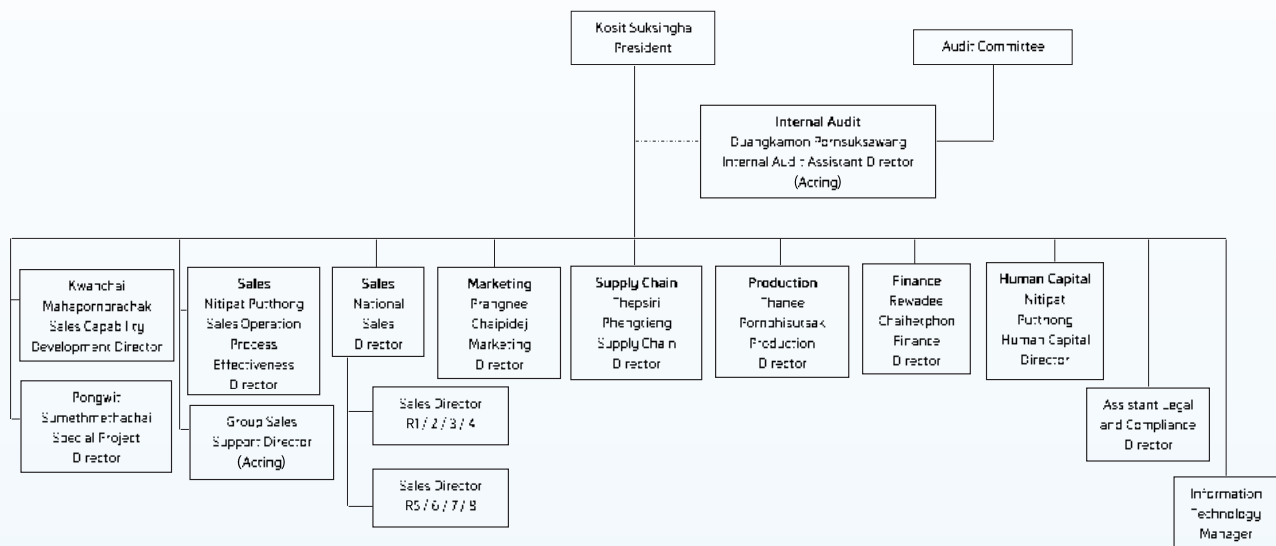
Name	Position
3. Mr. Thepsiri Phengtieng	Supply Chain Director
4. Mr. Thanee Pornphisutsak	Production Director
5. Mr. Kwanchai Mahapornprachak ⁽¹⁾	Sales Capability Development Director
6. Mr. Pongwit Sumethmethachai ⁽²⁾	Special Project Director
7. Mr. Nitipat Putthong ⁽³⁾	Human Capital Director and Sales Operation Process Effectiveness Director
8. Ms. Rewadee Chaihetphon	Finance Director
9. Mr. Phongpun Inphiphat ⁽⁴⁾	Acting Group Sales Support Director
10. Mr. Thosaphol Maneerat ⁽⁵⁾	Sales Director R1 / 2 / 3 / 4
11. Mr. Vinij Thawilpaibul	Sales Director R5 / 6 / 7 / 8

Remark

- (1) On 22 April 2022 Mr. Kwanchai Mahapornprachak was appointed as Sales Capability Director
- (2) On 22 April 2022 Mr. Pongwit Sumethmethachai was appointed as Special Project Director
- (3) On 5 April 2022 Mr. Nitipat Putthong was appointed as Sales Operation Process Effectiveness Director
- (4) On 5 April 2022 Mr. Phongpun Inphiphat was appointed as Acting Group Sales Support Director
- (5) On 1 January 2022 Mr. Thosaphol Maneerat was appointed as Sales Director R1 / 2 / 3 / 4

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

Management Structure of Sermasuk Public Company Limited



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

Roles, authorities, and responsibilities of the President

- 1) Manage the Company's business in accordance with its policies, laws, objectives, articles of association, Shareholders Meeting resolutions, Board of Directors Meeting resolutions, and Executive Committee Meeting resolutions.
- 2) Take any action necessary and appropriate in accordance with the duties that the Company's directors are required by law to perform, in order to complete the operation according to item 1) above.
- 3) Report on performance and other matters deemed necessary and appropriate to shareholders' meetings, Board of Directors meetings, Executive Committee meetings, and other meetings related to the Company.
- 4) Authorize and/or delegate specific tasks to subordinate executives or another suitable person instead.
- 5) Carry out other duties assigned by the shareholders' meeting, the Board of Directors, the Executive Committee, and/or other sub-committees.

7.4.2 Remuneration Policy for Executive Directors and Executives

The Nomination and Remuneration Committee conducted a survey on the remuneration of Company Directors and Sub-Committees for January to December 2022, based on the responsibilities and performance of the Board of Directors and each sub-committee, business expansion, company performance, and comparative information referring to other companies in the same industry with similar size and nature of business, and the survey results of directors' remuneration of the Thai Institute of Directors (IOD).

7.4.3 Directors and Executive's Fees and Remuneration

• 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	Year 2022 (October 2021 – September 2022)		Year 2021 (October 2020 – September 2021)	
	Number of Directors	Total Amount (Baht)	Number of Directors	Total Amount (Baht)
Annual Fee	15	2,160,000	15	2,160,000
Meeting Allowance		1,780,000		2,130,000
Directors' bonus		4,000,000		4,000,000
Total		7,940,000		8,290,000

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

• Remuneration for Executive Directors

Executive Director remuneration consists of annual remuneration, meeting allowances, and bonuses for directors for January to December, as approved by the shareholders' meeting:

Remuneration	Year 2022 (October 2021 – September 2022)		Year 2021 (October 2020 – September 2021)	
	Number of Directors	Total Amount (Baht)	Number of Directors	Total Amount (Baht)
Annual Fee	6	340,000	6	340,000
Meeting Allowance		1,340,000		1,295,000
Directors' bonus		-		-
Total		1,680,000		1,635,000

• Executive Remuneration

Remuneration	Year 2022 (October 2021 – September 2022)		Year 2021 (October 2020 – September 2021)	
	Number of Executives	Total Amount (Baht)	Number of Executives	Total Amount (Baht)
Salary	11	29,663,641.14	10	30,361,326.91
Bonus		4,553,064.93		7,048,832.54
Total		34,216,706.07		37,410,159.45

• Other Compensation

Provident Fund

Remuneration	Year 2022 (October 2021 – September 2022)		Year 2021 (October 2020 – September 2021)	
	Number of Executives	Total Amount (Baht)	Number of Executives	Total Amount (Baht)
Provident Fund	11	510,903.00	10	568,137.60
Total		510,903.00		568,137.60

Remark

- (1) On 22 April 2022 Mr. Kwanchai Mahapornprachak was appointed as Sales Capability Director
- (2) On 22 April 2022 Mr. Pongwit Sumethmethachai was appointed as Special Project Director
- (3) On 5 April 2022 Mr. Nitipat Putthong was appointed as Sales Operation Process Effectiveness Director
- (4) On 5 April 2022 Mr. Phongpun Inphiphat was appointed as Acting Group Sales Support Director
- (5) On 1 January 2022 Mr. Thosaphol Maneerat was appointed as Sales Director R1 / 2 / 3 / 4

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 2022	30 Sep 2021	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 Thanaboonthai	-	-	-
Spouse and minor child	-	-	-
12. Mr. Rangsan Thammaneeuwong	-	-	-
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. Mr. Pongwit Sumethmethachai	-	-	-

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

Name	Ordinary Shares		
	30 Sep 2022	30 Sep 2021	Increase (Decrease)
Spouse and minor child	-	-	-
22. Mr. Nitipat Putthong	-	-	-
Spouse and minor child	-	-	-
23. Ms. Rewadee Chaihetphon	-	-	-
Spouse and minor child	-	-	-
24. Mr. Phongpun Inphiphat	-	-	-
Spouse and minor child	-	-	-
25. Mr. Thosaphol Maneerat	-	-	-
Spouse and minor child	-	-	-
26. Mr. Vinij Thawilpaibul	-	-	-
Spouse and minor child	-	-	-

Remark

- (1) On 22 April 2022 Mr. Kwanchai Mahapornprachak was appointed as Sales Capability Director
- (2) On 22 April 2022 Mr. Pongwit Sumethmethachai was appointed as Special Project Director
- (3) On 5 April 2022 Mr. Nitipat Putthong was appointed as Sales Operation Process Effectiveness Director
- (4) On 5 April 2022 Mr. Phongpun Inphiphat was appointed as Acting Group Sales Support Director
- (5) On 1 January 2022 Mr. Thosaphol Maneerat was appointed as Sales Director R1 / 2 / 3 / 4

7.5 Personnel

For the year ended 30 September 2022, Sermsuk Public Company Limited had a total of 5,766 registered employees. The total employee cost paid by the Company last year was Baht 1,901 million. Numbers of personnel in each function were as follows:

Department	Permanent Employees	Temporary Employees	Total
Production	766	2	768
Corporate Support	342	4	346
Supply Chain	374	3	377
Sales and Group Sales Support	3,765	510	4,275
Total	5,247	519	5,766

The number of employees by gender is as follows:

Gender	Permanent Employees		Temporary Employees		Total Number of Employees	
	Number of Employees	Proportion (%)	Number of Employees	Proportion (%)	Number of Employees	Proportion (%)
Male	4,612	87.90%	516	99.42%	5,128	88.94%
Female	635	12.10%	3	0.58%	638	11.06%
Total	5,247	100.00%	519	100.00%	5,766	100.00%

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

- **Compensation and Benefits Policy**

Realizing that employees are valuable assets that can help propel the Company to grow and achieve the established goals, the Company stresses the importance of the compensation policy welfare of employees by offering an attractive compensation and benefits package to enable the Company to attract, motivate, and retain high-performing and committed 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 work to their fullest capabilities. To motivate employees, the Company offers employees 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 staff in the workplace as follows:

1. Constantly improving the workplace to maintain clean, safe, and pleasant work environments
2. Providing opportunities for employees to learn and receive training as a means to enhance their skills and capabilities to ensure ongoing self-development
3. Offering health benefits that include the reimbursement for outpatient and inpatient healthcare expenses as well as annual health checks
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

- **Safety, Occupational Health, and Working Environment Policy**

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

1. Strictly complying 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 maximum safety for life and property
3. Resolving to achieve 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 maximum efficiency

- **Provident Fund**

In 2022, the Company had a total of 5,247 full-time employees, all participating in the provident fund.

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

7.6 Other significant information

7.6.1 Delegated Personnel

1. Company Secretary

The Board of Directors appointed Mr. Krit Julapanichakum, who is knowledgeable and has completed courses related to the duties of the Company Secretary from the Thai Institute of Directors (IOD), to act as the Company Secretary with the following scope of authority and responsibilities:

- 1) Act as the point of contact and sign in documents pertaining to the Stock Exchange of Thailand.
- 2) Is subject to the duties and responsibilities outlined in the Securities and Exchange Act B.E. 2008 and governed by the Capital Market Supervisory Board.

2. The person responsible for monitoring the accounting related tasks

The person assigned to be directly responsible for overseeing the accounting is Mrs. Panida Suesakulchockchai who meets the qualifications and conditions of being an accountant according to the criteria set forth in the announcement of the Department of Business Development. Additional details are shown in the profile of executives in Attachment 1.

3. Head of Internal Audit

The Company assigned Ms. Duangkamon Pornsuksawang, Acting Internal Audit Assistant Director, to be responsible for auditing internal work systems and conducting audits in accordance with international standards for professional practice of internal audit.

The objective is to make the Company's operations transparent in accordance with good corporate governance principles and good internal control, to make management and important operations accurate and reliable, and to promote a sufficient and appropriate internal control system.

Qualifications of the Company's Head of Internal Audit are shown in Attachment 3.

4. Head of Compliance

The Company assigned Mr. Krit Julapanichakum as a supervisory officer with duties and responsibilities in supervising the operations of various departments within the Company to be in accordance with the relevant regulations and providing advice related to official and Company regulations to employees.

7.6.2 Investor Relations

The person assigned the position of Investor Relations is Ms. Sorada Lipatasuwan, 90 CW Tower, 31st-32nd floor, Ratchadapisek Road, Huai Khwang Subdistrict, Huai Khwang District, Bangkok 10310, Telephone 0-2783-9000, E-mail: InvestorRelations@sermsukplc.com.

7.6.3 The Auditor Remuneration

The Company and its subsidiaries have appointed KPMG Phoomchai Audit Ltd. as auditors for the fiscal year ending September 30, 2022; the auditor's remuneration is detailed in the table below.

Corporate Governance Report

Audit Fee

Number	The Company and its Subsidiaries	Audit Fee
1	Sermsuk Public Company Limited	1,700,000 Baht
2	Sermsuk Beverage Company Limited	704,000 Baht
3	Sermsuk Holdings Company Limited	97,500 Baht
4	Sermsuk 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

Non-audit Fee

- None -

8. Corporate Governance Report

8.1 Summary of the Board of Directors' performance over the last year

8.1.1 Nomination, development, and assessment on the performance of the Board of Directors

In the case that the Directors and Independent Directors reach the end of their term, or their positions become vacant for any other reason, the Nomination and Remuneration Committee shall consider and select those with capability, knowledge, ability, and experience in related work to fulfill such vacancy. Moreover, their age, gender, the diversity of their professions, expertise, skills needed, and the Company's goals or strategies are also the criteria for selection. They must also have the qualifications required by the Public Company Limited Act, the Securities and Exchange Act and the Notification of the Securities and Exchange Commission (SEC), the Notification of the Stock Exchange of Thailand (SET) or any other related law and regulation. The names of the selected candidates shall then be presented to the Board of Directors or the Shareholder's Meeting, depending on the circumstance, for consideration. The appointment by the Shareholder's Meeting shall be in accordance with the following criteria and procedures:

- 1) Each shareholder has one vote per share of the Company they own.
- 2) Each shareholder must use all of his or her right to vote according to 1) for a person or many to be Director(s) but cannot allocate more or less vote to a particular person.
- 3) The person who receives the highest votes will be appointed as Director. The number of Directors appointed must be equal to the number of available vacancies at the time. In the case that there are two or more persons gaining equal votes and the number of persons exceeds the available vacancy, the Chairman shall cast the deciding vote.

- **Criteria for the selection of Independent Directors and the Audit Committee**

The Company's Independent Directors and Audit Committee must possess qualifications and must comply with the independence definition as stipulated by the Securities and Exchange Act, notification of the Securities and Exchange Commission, notification of the Capital Market Supervisory Board and notification of the Stock Exchange of Thailand or other related laws, rules or regulations during their directorship. The details of the definition are as follows:

Corporate Governance Report

- 1) Do not hold more than 1% of the total voting share of the Company, the parent company, any subsidiary company, any associated company the Company's major shareholder or controlling entity including the shares held by related persons of such Independent Director.
- 2) Is not nor used to be a director that takes part in the management, employees, advisors who receive regular salary from or controlling entity of the Company, the parent company, any subsidiary company, any associate company, major shareholder of the Company or its controlling entity, except in the case that he or she remains free from the abovementioned characteristics for a period not less than 2 years prior to the appointment. However, the aforementioned restriction shall not include the case where an Independent Director used to be a government official or an advisor to any government agency which is the Company's major shareholder or controlling entity.
- 3) Do not have nor used to have business relationship with the Company, the parent company, any subsidiary company, any associated company, major shareholder or the Company's controlling entity in such a way which could potentially interfere with his or her discretion. Is not and have never been a significant shareholder or the controlling person of any entities who has a business relationship with the Company, the parent company, any subsidiary company, any associated company, major shareholder or the Company's controlling entity, except in the case that he or she remains free from the abovementioned characteristics for a period not less than 2 years prior to the date of appointment. Such relationship shall include normal trade transactions for business operation, any lease taking or lease out of property, any transaction related to asset or service or grant or receive financial support by providing loan, became such person guarantor, giving asset as debt collateral or any other similar action which would results in the Company's or the other party's obligation to one another that worth up to 3 per cent of the Company's net tangible asset or up to Baht 20 million, whichever is lower. The aforementioned debt obligation calculation of the value of related transaction is in accordance with the notification of the Capital Market Supervisory Board regarding related transaction mutatis mutandis. However, in the process of consideration of the debt obligation, debt obligation of incurred during the period on 1 year before the date of the business relationship with such person.
- 4) Have not been nor used to provide professional service which includes legal or financial advisory service for compensation value over Baht 2 million a year to the Company, the parent company, any subsidiary company, any associated company, major shareholder or the Company's controlling entity and is not a significant shareholder, the controlling person or partner to such service provider, except in the case that he or she remains free from the abovementioned characteristics for a period not less than 2 years prior to the date of appointment.
- 5) Is not nor used to be an auditor of the Company, the parent company, any subsidiary company, associated company, major shareholder or the Company's controlling entity and is not a significant shareholder, the controlling person or partner to such audit firm to which the auditor of the Company, the parent company, any subsidiary company, associated company, major shareholder or the Company's controlling entity belongs to except in the case that he or she remains free from the abovementioned characteristics for a period of not less than 2 years prior to the appointment.
- 6) Is not related by blood or by legal registration as a father, mother, spouse, sibling, and child, including as a spouse of a child, of any other director, management person, major shareholder, any controlling person or the person to be nominated for a director or management position or a controlling person of the Company or any of the Company's subsidiary.

Corporate Governance Report

- 7) Is not a director appointed as a representative of the Company, a major shareholder, or the shareholder who is a related person of a major shareholder of the Company.
- 8) Have not been conducting any business that is similar to and significantly competing with the business of the Company or its subsidiaries nor being a significant partner in a partnership or a director that takes part in the management, an employee, an officer or an advisor who received regular pay from or holding more than 1 percent of total voting share of another company whose business is similar to and significantly competing with the business of the Company or its subsidiaries.
- 9) Not having any other characteristics that prevent the exertion of independent opinion with regard to the Company's business.
- 10) Is not a director of the Company's parent company, its subsidiary company or any subsidiary company of the same level which is a listed company (only in the case where such Independent Director is an Audit Committee member)
- 11) In the case where such person that the Company appointed to the position of Independent Director has or used to have business relationship or has provided professional service with value over the limit stipulated in item 3 or 4 above, the Company shall only be relieved of such restrictions upon having the Board of Director opinion that sufficiently indicate that, after the consideration as per the regulation of the Securities and Exchange Act B.E. 2535 section 89/7, the appointment of such person shall not have any impact on his or her performance as an Independent Director nor does it hinder his or her ability to exert independent opinion as well as disclose any related information, such as the nature of the business relationship or the professional service provided that render such person unqualify as per regulation, the reason and necessity to retain or appoint such person as Independent Director and the Board of Director's opinion regarding the nomination of such individual to the position of Independent Director, in the specific agenda concerning the retention or nomination of such person as Independent Director within the invitation to the Shareholder's Meeting.
- 12) In the case where the Independent Director has been assigned the duty to make decisions regarding the operation of the Company, the parent company, any subsidiary company, any associated company and any subsidiary company of the same level or any legal entity that may have conflict of interest with the Company by making Collective Decision, the Independent Director can do so on the basis that he or she shall not hold the position of an Audit Committee at the time.
- 13) An Independent Director may hold the position of Independent Director of the parent company, any subsidiary company and any subsidiary of the same level but is required to disclose information relating to the holding of the Independent Director position in the aforementioned entities as well as the remuneration received in an annual information disclosure (Form 56-1 One Report)

In 2022, none of the Company's 5 independent directors provided professional services or had a business relationship that violated the rules outlined in the Notification of the Capital Market Supervisory Board concerning Application for and Approval of Offer for Sale of Newly Issued Shares.

• Orientation

The Board of Directors arranges the orientation of all new Directors for them to understand expectation of the Company with regards to roles, duties, and responsibility of directors, policies and guideline on corporate governance of the Company; to learn more about business, products,

Corporate Governance Report

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.

- **Director development**

The Company has policy to encourage and support all Directors of the Company to attend seminars and participate continuously in training courses organized by the Thai Institute of Directors (IOD), SET, and other independent organizations, which will benefit the director performance.

In 2022, the Company's directors attended training courses organized by the IOD with the following details:

Name	Directors Certification Program (DCP)	Directors Accreditation Program (DAP)	Audit Committee Program (ACP)	Others
1. Mrs. Siripen Sitasuwan	-	-	-	Hot Issue for Directors- What Directors Need to Know About Digital Assets Class 2/2022
2. Mr. Rangsan Thammaneeuwong	Directors Certification Program (DCP) Class 325/2022	-	-	-

- **Assessment of the Board of Directors' performance**

The Company has a policy for the Board of Directors and sub-committees to conduct a self-assessment at least once a year for the purpose of developing and improving the performance of the Board of Directors. The evaluation form is made into 3 types, namely:

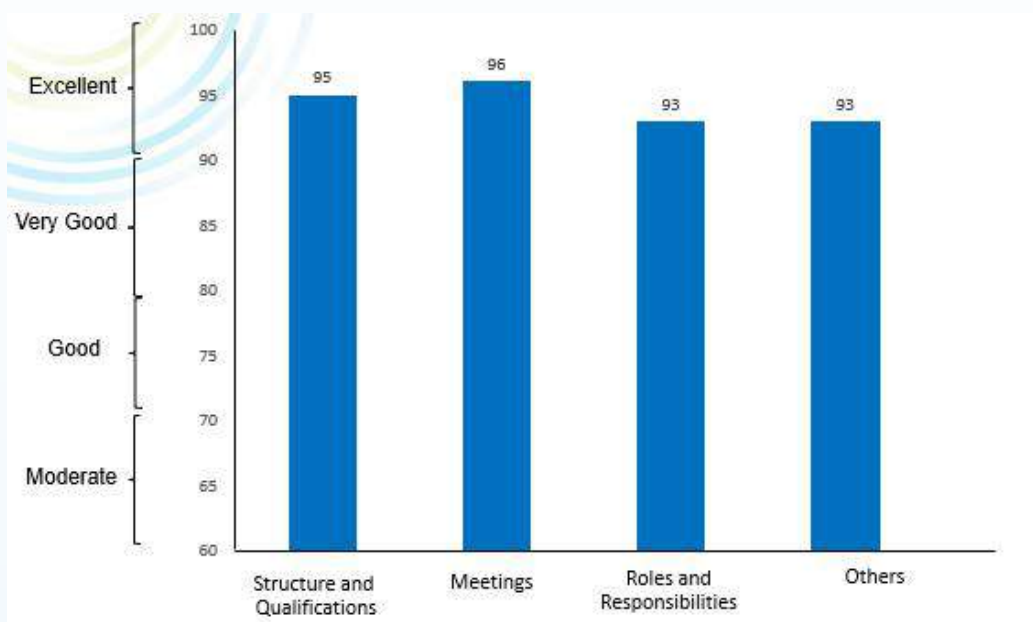
- 1) Self-assessment for the board of directors as a whole
- 2) Self-assessment of the board of directors on an individual basis
- 3) Self-assessment of committee as a whole

In addition, the Company also has a policy for non-executive directors to assess the performance of the President at least once a year so that the President acknowledges the results of his own performance assessment.

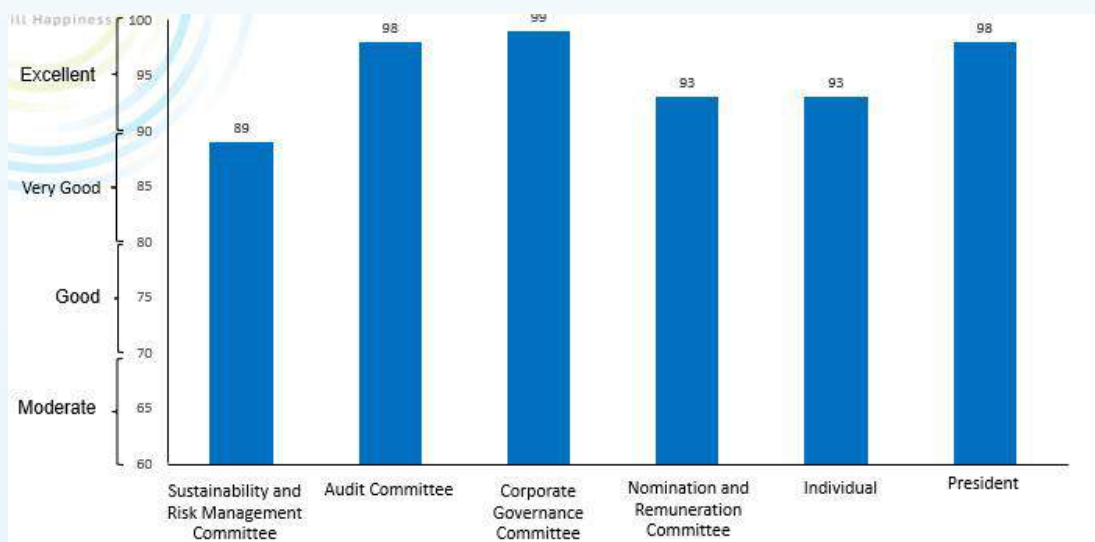
In 2022, the Board of Directors assessed both group and individual performance, the sub-committees assessed their collective performance, and the non-executive directors assessed the President's performance.

Corporate Governance Report

Result of self-assessment of the Board of Directors as a group



Result of self-assessment of sub-committees as a group, individual member of the Board of Directors, and President



Corporate Governance Report

8.1.2 Meeting attendance and remuneration for individual directors

In 2022, the Company organized meetings of the Board of Directors and sub-committees. The number of meetings and details of the directors' attendance at those meetings are shown in the table below.

**Meeting Attendance of Company Directors
attendance / total meetings (times)
(October 2021 - September 2022)**

Names of directors	Board of Directors Meeting	Audit Committee Meetings	Nomination and Remuneration Committee Meetings	Sustainability and Risk Management		Corporate Governance Committee Meetings	Executive Committee Meetings	Annual General Meeting of Shareholders	
				Committee Meetings	Committee Meetings			Shareholders	
1. Mr. Somchai Bulsook	5/5	-	-	-	-	4/4	-	-	1/1
2. Mr. Suchin Wanglee	5/5	5/5	2/2	-	-	-	-	-	1/1
3. Mr. Chotiphat Bijananda	5/5	-	-	-	-	-	-	-	1/1
4. Mr. Thapana Sirivadhanabhakdi	5/5	-	2/2	4/4	-	-	12/12	-	1/1
5. Mr. Ueychai Tantha-Obhas	5/5	-	-	-	-	4/4	12/12	-	1/1
6. Prof. Dr. Khunying Suchada Kiranandana	5/5	5/5	-	4/4	-	-	-	-	1/1
7. Prof. Rawat Chamchalerm	5/5	-	-	-	-	-	-	-	1/1
8. Mrs. Siripen Sitasuwan	5/5	5/5	-	4/4	-	-	-	-	1/1
9. Mr. Pramoad Phornprapha	5/5	-	2/2	4/4	4/4	4/4	-	-	1/1
10. Mr. Sithichai Chaikriangkrai	5/5	-	-	4/4	-	-	12/12	-	1/1
11. Mr. Sakchai Thanaboonchai	5/5	-	-	-	-	-	-	-	1/1
12. Mr. Rangsarn Thammaneeuwong	5/5	-	-	-	-	-	-	-	1/1
13. Mr. Dhitivute Bulsook	5/5	-	-	4/4	-	-	10/12	-	1/1
14. Mrs. Tongjai Thanachanan	4/5	-	-	-	-	-	-	-	0/1
15. Mr. Kosit Suksingha	5/5	-	-	4/4	-	-	12/12	-	1/1

Corporate Governance Report

1) Total monetary remuneration

The total monetary remuneration of the Board of Directors in the form of monthly remuneration, meeting allowance, and bonuses

Name / Position	Year 2022 (October 2021 - September 2022)			
	Remuneration		Director's Bonus (Baht)	Total (Baht)
	Monthly (Baht)	Meeting Allowance (Baht)		
1. Mr. Somchai Bulsook Chairman Chairman of Corporate Governance Committee	320,000	300,000	300,000	920,000
2. Mr. Suchin Wanglee 1 st Vice Chairman and Independent Director Chairman of Nomination and Remuneration Committee Member of Audit Committee	340,000	325,000	279,300	944,300
3. Mr. Chotiphat Bijananda 2 nd Vice Chairman	180,000	150,000	206,900	536,900
4. Mr. Thapana Sirivadhanabhakdi 3 rd Vice Chairman Chairman of Executive Committee Member of Nomination and Remuneration Committee Member of Sustainability and Risk Management Committee	340,000	540,000	334,600	1,214,600
5. Mr. Ueychai Tantha-Obhas 4 th Vice Chairman 1 st Vice Chairman of Executive Committee Member of Corporate Governance Committee	280,000	450,000	306,000	1,036,000
6. Prof. Dr. Khunying Suchada Kiranandana Independent Director Chairman of Audit Committee Chairman of Sustainability and Risk Management Committee	360,000	450,000	300,000	1,110,000
7. Prof. Rawat Chamchalerm Independent Director	120,000	100,000	206,900	426,900
8. Mrs. Siripen Sitasuwan Independent Director Member of Audit Committee Member of Sustainability and Risk Management Committee	240,000	285,000	258,600	783,600
9. Mr. Pramoad Phornprapha Independent Director Member of Corporate Governance Committee Member of Nomination and Remuneration Committee	240,000	250,000	269,000	759,000

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Name / Position	Year 2022 (October 2021 - September 2022)			
	Remuneration		Director's Bonus (Baht)	Total (Baht)
	Monthly (Baht)	Meeting Allowance (Baht)		
Member of Sustainability and Risk Management Committee				
10. Mr. Sithichai Chaikriangkrai Director 2 nd Vice Chairman of Executive Committee Member of Sustainability and Risk Management Committee	220,000	400,000	306,000	926,000
11. Mr. Sakchai Thanaboonchai Director	120,000	100,000	206,900	426,900
12. Mr. Rangsan Thammanee Wong Director	120,000	100,000	206,900	426,900
13. Mr. Dhitivute Bulsook Director 3 rd Vice Chairman of Executive Committee Member of Sustainability and Risk Management Committee	220,000	360,000	306,000	886,000
14. Mrs. Tongjai Thanachanan Director	120,000	80,000	206,900	406,900
15. Mr. Kosit Suksingha Director President Member of Executive Committee Member of Sustainability and Risk Management Committee	200,000	340,000	306,000	846,000
Total	3,420,000	4,230,000	4,000,000	11,650,000

2) Other benefits

– None –

8.1.3 The corporate governance on the subsidiaries and affiliates operations

The Board of Directors has established a mechanism to oversee the policies and operations of subsidiaries and associated companies on a business-by-business basis. The management structure of subsidiaries and associated companies has been established in order to supervise management and take responsibility for their operations with efficiency and effectiveness, including having measures in place to monitor the management of subsidiaries and associated companies for the Company's benefit.

The scope of duties and responsibilities of directors in subsidiaries and associated companies are as follows:

- Have duties and responsibilities as specified in the scope of objectives, regulations, Board of Directors' meeting resolutions, and shareholder meetings of subsidiaries or associated companies' resolutions.

Corporate Governance Report

- Oversee subsidiaries and associated companies to ensure compliance with applicable laws, rules, and regulations, including conducting business in accordance with the Company's business ethics and various policies or in accordance with the Company for the best interests of subsidiaries and associated companies
- Determine policies and business plans in line with the Company's business policies to support the Group to achieve its objectives and goals, and for the benefit of subsidiaries, associated companies, and the Group
- Report the operating results of the subsidiaries to the Executive Committee or the Board of Directors for acknowledgment and consideration in a correct, complete, and timely manner, especially important items that may affect the financial position and operations of the subsidiaries, and any other transactions that are not normal business transactions of the subsidiaries that will have a significant impact on the subsidiaries.
- Strictly comply with the Company's policy on transactions that may cause conflicts of interest with the Group.
- Ensure that there is an effective and adequate internal control and risk management system.

8.1.4 The follow-up on the implementation of corporate governance policies and practices

- **Conflicts of interest**

The Board of Directors and executives of the Company are precautionary about any conflict of interest which may occur in practice and oversee that no Directors, executives, and related parties exploited the insider information for personal gain. In addition, it is determined that Directors and executives of the Company should report their interest as required by the law and Board of Directors.

In the occasion where the intercompany transactions entered into between the Company and other persons which may incur conflict of interest or may incur so in the future, the Board of Directors has determined the guideline for implementation which strictly complies with the related laws and regulations. The Audit Committee was assigned to provide the opinion on the necessity and appropriateness of the above-mentioned transactions. In a case where the Audit Committee lacks of expertise required for consideration on a particular transaction, it may hire an independent expert or auditor of the Company to provide opinion on the transaction so as to provide adequate information for consideration of the Board of Directors or shareholders as the case may be; and to prevent the 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 Directors, executives, and employees are to avoid conducting related transactions with the Company, which may incur conflict of interest.

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 or not engaging in consideration of the agenda. Furthermore, policies and methods were determined to prevent executives and related persons to exploit the insider information for personal gain.

As of 30 September 2022, there had been no instances of regulators taking action against the Company for inaccurate announcements or disclosures of significant events, as well as orders to amend financial statements. The Company had no late submissions of quarterly or annual financial reports and had received no complaints about violations involving the use of inside information by

Corporate Governance Report

directors and executives or improper handling of conflicts of interest. It can be demonstrated that the Board of Directors' policies and guidelines are effective in dealing with such issues.

- **Oversight on the use of insider information**

The Company places a high value on monitoring the use of inside information. The Company has implemented the following measures.

- 1) The Company has determined that directors, executives, and employees of the Company must strictly keep confidential Company information, in particular inside information that has not been disclosed to the public or any information that affects business operations or stock value, and stipulates that directors, executives, and employees of the Company are prohibited from using information gained as a director, executive, or employee of the Company to seek benefits for themselves or others unlawfully. Furthermore, the Company has limited the acknowledgment of important information to only the directors and senior executives involved.
- 2) The Company requires that executives report their ownership in the Company's securities and changes in ownership to the SEC in accordance with Section 59 of the Securities and Exchange Act B.E. 2535, and that executives report any stock trading to the Company Secretary one day prior to the purchase date. Furthermore, the Company has established written policies prohibiting Directors, executives, and employees to whom insider information is disclosed, as well as their spouse/cohabiting couple and minor children, from engaging in sale and purchase transactions of the Company's securities for at least one month prior to the public disclosure of the Company's financial statements. Related announcements and communications are distributed in advance to the Company's Directors, executives, and all employees on a regular basis.

- **Guideline on anti-corruption**

The Company has put in place a clear policy to support actions against frauds, bribery, or corruption of any sort. Moreover, the Company has determined that Directors, executives, and all employees are not to engage in any corruption actions, including bribing or taking bribes from public and private officials, whether directly or indirectly, in order to obtain or maintain the business or competitive advantages, or to exploit any donations and charity works in a manner that supports any frauds and/or corruption. Furthermore, to emphasize the Company's intention and policy on anti-corruption, the Company's has issued a notice regarding the whistle-blowing to remind all employees of the importance of as well as encourage them to adhere to honesty and to be mindful not to be negligence in their duties, which opens up and promotes corruption and, in turn, results in damages to the Company.

The Company implemented anti-corruption measures on a continuous basis, which were reviewed by its Audit Committee and Corporate Governance Committee. Furthermore, the Sustainability and Risk Management Committee has conducted and determined the follow-up and direction toward potential corruption risks that may occur. Every quarter, the report will be presented to the Board of Directors. The following are the specifics of anti-corruption measures: -

- 1) Organizing anti-corruption training for executives and employees
- 2) Using cultivation, communication, and understanding to help all employees and executives follow the Code of Conduct and oppose all forms of corruption
- 3) Immediate action shall be taken once the fraud is detected

Corporate Governance Report

- 4) The Company puts in an intense fraud investigation, including supporting internal audit department
- 5) Communicating with partners to clarify the Company's position in support of anti-corruption efforts

- **Guideline on whistleblowing and complaint 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; flaws in products and services; other advice and complaints relating to the Company; and acts that endanger the safety and health of individuals or the environment. Complaints or clues can be reported through the following channels.

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
Legal and Compliance Department, Human Capital Department, and Internal
Audit Department

SSC-CGC@sermsukplc.com
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

In addition, Sermsuk Group has established guidelines for the protection of complainants or whistleblowers, including those who cooperate in fact-checking. The Company will consider the information of such complaints or clues to be confidential. The name, address, picture or any other information of the complainant or the whistleblower and those who cooperate in the investigation will not be disclosed. Protection measures are in place in the event that that person believes he or she may be in danger or suffer harm. Those who have been harmed will be compensated through appropriate and fair procedures, unless disclosure is required by law and relevant regulatory agencies. Moreover, the Company has a whistleblowing and complaints policy that goes into effect on 11 May 2022. This ensures that complaints about suspected misconduct in the Group's business operations are reported and handled promptly and appropriately. The policy applies to directors and employees at all levels of the organization, including encouraging employees to report reasonable facts about actions suspected of being policy violations. Employees can be confident that the Company will take employee complaints seriously and will conduct an appropriate investigation. The Company will protect employees who file legitimate complaints even if it later turns out that the complaint was a misunderstanding. Furthermore, the Company will take reasonable precautions to protect employees and third parties from harm or harassment as a result of such complaints.

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After the Company receives complaints or clues, data will be collected, followed by processing and investigation of the complaints or clues. If there is truth, the audit results will be presented to the President, Chairman of the Executive Committee, Corporate Governance Committee, Audit Committee, and Board of Directors, as appropriate.

Following consideration, action, correction, or improvement in response to complaints or clues received, the Company will notify the complainant or whistleblower of the outcome of the action in accordance with the procedures and within a reasonable time.

8.2 Report on the performance of the Audit Committee

8.2.1 The number of the meetings of the Audit Committee and attendance of each Audit Committee member

In the fiscal year 2022, the Audit Committee held a total of 5 meetings, 4 of which were normal meetings and 1 special meeting. All 3 members of the Audit Committee attended all meetings.

8.2.2 Performance of the Audit Committee

The tasks performed by the Audit Committee are listed below.

- 1) Supervision of the performance of internal auditors including reviewing the adequacy and appropriateness of the Company's internal control system.
- 2) Supervision of the preparation of the Company's financial reports. This includes questioning management about the use of discretion in financial report preparation.
- 3) Important communications between the Audit Committee and the auditor.
- 4) Disclosure of the Audit Committee's opinion on whether the provision of services other than auditing affects the auditor's independence in performing an audit of the entity's financial statements.
- 5) Performing other duties such as reviewing the Company's compliance with relevant laws, considering transactions that may have conflicts of interest, considering connected transactions, etc., within the scope of the Audit Committee.

8.3 Summary of the performance of other Sub-Committees

1) Report on performance of the Sustainability and Risk Management Committee

The number of meetings of the Sustainability and Risk Management Committee and meeting attendance of individual Sustainability and Risk Management Committee members

In the fiscal year 2022, the Sustainability and Risk Management Committee held a total of 4 meetings. All 14 Sustainability and Risk Management Committee members, comprising 7 directors and 7 executives, attended every meeting.

Performance of the Sustainability and Risk Management Committee

The tasks performed by the Sustainability and Risk Management Committee are listed below.

- 1) Setting guidelines for overall sustainability and risk management framework and criteria for managing sustainability and various risks for continuous efficiency.
- 2) Approval and review of factors and the level of risks both within and outside the organization as well as monitoring the implementation of such risk management plans and adjusting strategies for sustainability in management.

Corporate Governance Report

2) Report on performance of the Nomination and Remuneration Committee

The number of meetings of the Nomination and Remuneration Committee and meeting attendance of individual Nomination and Remuneration Committee members

In the fiscal year 2022, the Nomination and Remuneration Committee held a total of 2 meetings. All 3 members of the Nomination and Remuneration Committee attended all meetings.

Performance of the Nomination and Remuneration Committee

The tasks performed by the Nomination and Remuneration Committee are listed below.

- 1) Consideration of recruiting qualified individuals with relevant experience for the Company's business to be appointed as Executive Director in place of the person who resigned from the position for consideration and appointment by the Board of Directors.
- 2) Consideration of annual remuneration and meeting allowances for the Board of Directors in 2023, including directors' bonuses for 2023 (from 2022 performance)
- 3) Consideration of the employee salary adjustment for 2023 and employee reward for 2022

3) Report on performance of the Corporate Governance Committee

The number of meetings of the Corporate Governance Committee and meeting attendance of individual Corporate Governance Committee members

In the fiscal year 2022, the Corporate Governance Committee held a total of 4 meetings. All 3 members of the Corporate Governance Committee attended all meetings.

Performance of the Corporate Governance Committee

The tasks performed by the Corporate Governance Committee are listed below.

- 1) Reconsideration and endorsement of the Company's good corporate governance practices to be in line with the Good Corporate Governance Principles 2017 of Thai Listed Companies of the Securities and Exchange Commission.
- 2) Acknowledgment of the assessment results of the Thai Investor Association's Annual General Meeting of Shareholders' Quality Assessment Program 2022 and offering recommendation to improve the Company's assessment scores.
- 3) Acknowledgement of the assessment results of the 2022 Corporate Governance Report of Thai Listed Companies by the Thai Institute of Directors and providing advice to improve the Company's assessment scores.
- 4) Endorsement of the Anti-corruption Policy, Corporate Governance Policy, Personal Data Protection Policy, and the policy on reception of complaint and whistleblower, and presenting to the Board of Directors' meeting for approval.

4) Report on performance of the Executive Committee

The number of meetings of the Executive Committee and meeting attendance of individual Executive Committee members

In the fiscal year 2022, the Executive Committee held a total of 12 meetings where all 6 Executive Committee members attended the meetings as follows:

Internal Control System and the Related Parties Transaction

Member	Attendance (times)
1. Mr.Thapana Sirivadhanabhakdi	12/12
2. Mr. Ueychai Tantha-obhas	12/12
3. Mr. Sithichai Chaikriangkrai	12/12
4. Mr. Dhitivute Bulsook	10/12
5. Mr. Kosit Suksingha	12/12
6. Mr. Phromson Ayanaputra	12/12

Performance of the Executive Committee

The tasks performed by the Executive Committee are listed below.

- 1) Control and supervise the Company's and its subsidiaries' business operations in accordance with business policies, goals, operational plans, business strategies, budgets, and other executive powers approved by the Board of Directors in order to be efficient and conducive to business conditions.
- 2) Follow up and oversee the Company's performance, sales and marketing performance, manufacturing and supply chain performance, and considering the status of the Company's lawsuits on a monthly basis.

9. Internal Control System and the Related Parties Transaction

9.1 Internal Control

The Opinion of the Audit Committee on the Internal Control System

The Audit Committee evaluated the adequacy of the internal control system and concluded that the Company's internal control system is adequate and efficient, the Financial Statements are accurate according to general accounting principles, and the disclosure of material events and related party transactions is transparent and sufficient, and the Company's transactions complied with applicable 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 on the Head of Internal Audit

The Head of Internal Audit Department has the necessary educational background, experience, and training to carry out the responsibilities of internal audit.

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 Audit Committee Meeting No. 1/2019-2020, held on November 15, 2019, approved the appointment of Miss Duangkamon Pornsuksawang as Senior Internal Audit Manager, effective November 15, 2019, due to her education, vocational skills, and 18 years of experience in internal auditing in the same industry business. She also completed internal auditing courses such as Certified Professional Internal Auditors of Thailand and the Internal Auditing Certificate Program. Furthermore, she has a thorough understanding of the Company's operations.

The appointment, removal, transfer, or termination of the Head of Internal Audit is approved 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 2022, 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 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	Ultimate 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.
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

Internal Control System and the Related Parties Transaction

Name of entities	Country of incorporation/ nationality	Nature of relationships
		ultimate parent company
Pomcharoen Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Pomthip (2012) 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
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
Karnchanasingkorn 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 relationships
Thai Beverage Training 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
Oishi Ramen Co., Ltd.	Thailand	Indirect subsidiary of the ultimate parent
Oishi Food Service Co., Ltd.	Thailand	Indirect subsidiary of the ultimate parent
Food of Asia Co., Ltd.	Thailand	Indirect subsidiary of the ultimate parent
Havi Logistics (Thailand) Limited	Thailand	Indirect subsidiary of the ultimate parent
Food and Beverage United Co., Ltd.	Thailand	Indirect subsidiary of the ultimate parent
Spice of Asia Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
The QSR of Asia Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Max Asia Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Red Lobster Retail Asia Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Bistro Asia Co., Ltd.	Thailand	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.
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.

Internal Control System and the Related Parties Transaction

Name of entities	Country of incorporation/ nationality	Nature of relationships
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.
N.C.C. Management and Development Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
Indara Insurance Public Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
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
Planteon Trading Co., Ltd.	Thailand	Common controlling equity holder
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) Company Limited	Thailand	Associated Company

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

Transactions	Pricing policies
Income from sales of products and service	Cost plus gross profit margin

Internal Control System and the Related Parties Transaction

Transactions	Pricing policies
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 2022, 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:

Sales transactions with related parties

(in million Baht)

No.	Related Party	Relationship	Sales value as of 30 September 2022	Debtors as of 30 September 2022
1	Thai Beverage Public Co., Ltd.	Ultimate parent company and common director	2.95	0.15
2	Thai Beverage Can Co., Ltd.	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.	0.19	-
3	Big C Supercenter PLC.	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.	0.05	0.01
4	F & B International Co., Ltd.	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.	0.34	0.14

Internal Control System and the Related Parties Transaction

No.	Related Party	Relationship	Sales value as of 30 September 2022	Debtors as of 30 September 2022
5	TCC Hotel Asset Management Co., Ltd.	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.	1.32	0.15
6	N.C.C. Management and Development Co., Ltd.	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.	0.35	-
7	Num Palang Co., Ltd.	Direct subsidiary of the ultimate parent company	0.10	-
8	Cash Van Management Co., Ltd.	Direct subsidiary of the ultimate parent company	489.88	55.97
9	Beer Thip Brewery (1991) Co., Ltd.	Subsidiary of indirect subsidiary of the ultimate parent company	0.03	-
10	Modern Trade Management Co., Ltd.	Direct subsidiary of the ultimate parent company	2,713.10	233.37
11	Thai Drinks Co., Ltd.	Direct subsidiary of the ultimate parent company	76.12	12.34
12	Thai Beverage Recycle Co., Ltd.	Direct subsidiary of the ultimate parent company	0.03	-
13	ThaiBev Marketing Co., Ltd.	Direct subsidiary of the ultimate parent company	0.07	-
14	Dhospaak Co., Ltd.	Direct subsidiary of the ultimate parent company	0.10	-
15	ASM Management Co., Ltd.	Direct subsidiary of the ultimate parent company	0.01	-
16	Horeca Management Co., Ltd.	Direct subsidiary of the ultimate parent company	0.77	0.07
17	Oishi Group PLC.	Direct subsidiary of the ultimate parent company	285.77	39.62
18	Pomcharoen Co., Ltd.	Subsidiary of indirect subsidiary of the ultimate parent company	0.24	-
19	Pomkij Co., Ltd.	Subsidiary of indirect subsidiary of the ultimate parent company	0.03	-
20	Pomthip (2012) Co., Ltd.	Subsidiary of indirect subsidiary of the ultimate parent company	0.09	-
21	Chang International Co., Ltd.	Subsidiary of indirect subsidiary of the	2.22	0.70

Internal Control System and the Related Parties Transaction

No.	Related Party	Relationship	Sales value as of 30 September 2022	Debtors as of 30 September 2022
		ultimate parent company		
22	Spice of Asia Co., Ltd.	Subsidiary of indirect subsidiary of the ultimate parent company	0.17	0.02
23	Bistro Asia Co., Ltd.	Subsidiary of indirect subsidiary of the ultimate parent company	0.13	0.14
24	Red Lobster Retail Asia Co., Ltd.	Subsidiary of indirect subsidiary of the ultimate parent company	0.01	0.01
25	Food of Asia Co., Ltd.	Indirect subsidiary of the ultimate parent company	1.07	0.14
26	Oishi Trading Co., Ltd.	Indirect subsidiary of the ultimate parent company	0.22	-
27	Oishi Ramen Co., Ltd.	Indirect subsidiary of the ultimate parent company	12.14	1.11
28	F&N Beverages Marketing Sdn. Bhd.	Affiliated company in associate of the ultimate parent company	1.64	-
29	F&N Dairies (Thailand) Limited	Affiliated company in associate of the ultimate parent company	0.35	-
Total			3,589.49	343.94

Purchase of goods and services transactions with related parties

(in million Baht)

No.	Related Party	Natures of Transactions	Purchasing value as of 30 September 2022	Creditors as of 30 September 2022
1	Beer Thai (1991) Public Company Limited	Purchase of finished goods	53.80	2.19
2	Beer Thip Brewery (1991) Company Limited	Purchase of finished goods	374.98	12.56
3	Krittayabun Company Limited	Purchase of finished goods	73.84	8.74
4	Thai Drinks Company Limited	Purchase of raw materials and finished goods	1,243.86	142.66
5	Bev Tech Company Limited	Purchase of finished goods	207.41	14.23

Internal Control System and the Related Parties Transaction

No.	Related Party	Natures of Transactions	Purchasing value as of 30 September 2022	Creditors as of 30 September 2022
6	Oishi Group Public Company Limited	Purchase of finished goods	227.33	25.43
7	Oishi Trading Company Limited	Purchase of finished goods	1,043.00	102.76
8	Thai Beverage Can Company Limited	Purchase of raw materials	186.18	48.89
9	Thai Malaya Glass Company Limited	Purchase of raw materials	90.83	16.90
10	Petform (Thailand) Company Limited	Purchase of raw materials	965.81	97.12
11	Crown Seal Public Company Limited	Purchase of raw materials	104.97	22.03
12	The Pet Company Limited	Purchase of raw materials	127.06	29.81
13	BJC Specialties Company Limited	Purchase of raw materials and finished goods	9.44	0.60
14	Cosmos Brewery (Thailand) Company Limited	Purchase of finished goods	74.67	9.41
15	Thai Beverage Energy Co., Ltd.	Electricity	1.33	-
16	Food and Beverage United Co., Ltd.	Purchase of finished goods	2.58	-
17	F&N Dairies (Thailand) Limited	Purchase of raw materials	33.20	3.95
18	Plantheon Trading Co., Ltd.	Purchase of raw materials	2.26	1.59
Total			4,822.55	538.87

Other income and subsidy for marketing expenses

(in million Baht)

No.	Related Party	Natures of Transactions	Other income as of 30 September 2022	Other debtors as of 30 September 2022
1	Thai Beverage Energy Company Limited	Other income	0.06	-
2	Thai Drinks Company Limited	Subsidy for sales expenses	297.73	55.41
3	Thai Beverage Recycle Company Limited	Other income from sales of leftover materials	3.22	4.34

Internal Control System and the Related Parties Transaction

No.	Related Party	Natures of Transactions	Other income as of 30 September 2022	Other debtors as of 30 September 2022
4	Thai Beverage Logistics Company Limited	Product claims	0.08	-
5	Oishi Trading Company Limited	Subsidy for sales expenses	-	32.03
6	Oishi Group Public Company Limited	Subsidy for sales expenses	-	5.40
7	Petform (Thailand) Company Limited	Other income from utilities and raw materials	37.56	0.34
8	The Pet Company Limited	Product claims	0.11	2.22
9	Thai Beverage Can Company Limited	Other income	-	0.20
10	The QSR of Asia Co., Ltd.	Other income from raw materials	0.48	-
11	F&N Beverages Marketing Sdn Bhd	Product claims	0.34	0.34
Total			339.58	100.28

Income from dividend

(in million Baht)

No.	Related Party	Relationship	Dividend as of 30 September 2022	Other debtors as of 30 September 2022
1	Crown Seal Public Company Limited	The Company holds ordinary shares	1.90	-
2	Bangkok Glass PLC.	The Company holds ordinary shares	2.15	-
3	Petform (Thailand) Company Limited	Associated Company	69.00	36.00
4	The Pet Company Limited	The Company holds ordinary shares	1.40	-
Total			74.45	36.00

Internal Control System and the Related Parties Transaction

Distribution Costs

(in million Baht)

No.	Related Party	Natures of Transactions	Costs as of 30 September 2022	Other debtors as of 30 September 2022
1	Modern Trade Management Company Limited	Subsidy for sales	172.87	58.78
2	Dhospaak Company Limited	Advertisement Costs	82.41	3.62
3	Chang International Company Limited	Subsidy for sales	0.20	-
4	Oishi Group Public Company Limited	Subsidy for sales	1.81	-
5	Oishi Ramen Company Limited	Subsidy for sales	1.73	-
6	Thai Beverage Logistics Company Limited	Distribution costs	80.19	18.03
7	The Southeast Insurance Public Company Limited	Insurance premium	29.16	-
8	F & B International Company Limited	Miscellaneous costs	0.01	-
9	Food of Asia Company Limited	Subsidy for sales	0.05	-
10	Cash Van Management Co., Ltd.	Subsidy for sales	3.66	1.72
11	C A C Co., Ltd.	Subsidy for sales	0.70	0.01
Total			372.79	82.16

Administration Expenses

(in million Baht)

No.	Related Party	Natures of Transactions	Expenses as of 30 September 2022	Other debtors as of 30 September 2022
1	Thai Beverage Public Company Limited	IT services fee	2.97	2.40
2	Sura Bangyikhan Company Limited	Rental fee	0.02	-
3	Thai Drinks Company Limited	Administration fee	14.49	2.28
4	ASM Management Company Limited	Rental and services fee	17.16	3.18

Internal Control System and the Related Parties Transaction

No.	Related Party	Natures of Transactions	Expenses as of 30 September 2022	Other debtors as of 30 September 2022
5	Thai Beverage Logistics Company Limited	Pallet and office rental fee	14.48	18.03
6	The Southeast Insurance Public Company Limited	Insurance premium	2.81	-
7	The Southeast Capital Company Limited	Cars rental fee	49.13	4.47
8	Muang Thai Life Assurance Public Company Limited	Insurance premium	0.52	-
9	T.C.C. Technology Company Limited	IT services fee	24.23	3.81
10	Berli Jucker Public Company Limited	Miscellaneous expenses	0.03	-
11	Bev Tech Company Limited	Miscellaneous expenses	6.23	-
12	Spice of Asia Company Limited	Miscellaneous expenses	0.01	-
13	The Southeast Life Insurance Public Company Limited	Insurance premium	0.07	-
14	C.A.I. Company Limited	Miscellaneous expenses	0.61	0.35
15	Beer Thip Brewery (1991) Company Limited	Pallet rental fee	0.04	-
16	Thai Beverage Energy Co., Ltd.	Electricity	3.05	1.23
17	Modern Trade Management Co., Ltd.	Miscellaneous expenses	0.39	-
18	Thai Beverage Recycle Co., Ltd.	Miscellaneous expenses	0.01	-
19	Dhospaak Co., Ltd.	Miscellaneous expenses	0.25	-
20	Food of Asia Co., Ltd.	Miscellaneous expenses	0.04	-
21	Oishi Ramen Co., Ltd.	Miscellaneous expenses	0.03	-
Total			136.57	35.75

Independent Auditor's Report

To the Shareholders of Sermsuk Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Sermsuk Public Company Limited and its subsidiaries (the “Group”) and of Sermsuk Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 30 September 2022, 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 2022 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 3 and 19	
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 application of assumptions used is management's judgment in making the estimate as a result of future plans, market or economic conditions and 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 internally and externally available data such as economic forecasts, 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.

 7.

(Yuwanuch Thepsongvaj)
Certified Public Accountant
Registration No. 5371

KPMG Phoomchai Audit Ltd.
Bangkok
16 November 2022

Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September		30 September	
		2022	2021	2022	2021
(in Baht)					
Current assets					
Cash and cash equivalents	5	1,321,038,298	1,067,421,700	1,276,279,725	1,002,928,686
Other current financial assets	22	654,295,020	651,845,516	654,295,020	651,845,516
Trade accounts receivable	4, 6	584,201,553	411,479,627	579,653,082	408,234,657
Other receivables from related parties	4	142,068,774	94,906,420	130,717,443	94,142,860
Other receivables		116,389,466	47,756,205	115,928,085	47,451,122
Short-term loans to related parties	4	-	-	1,260,000,000	460,000,000
Inventories	7	663,275,084	617,449,391	628,675,319	581,108,058
Prepaid excise taxes		853,946	314,408	539,538	-
Other current assets		24,758,562	33,497,553	23,225,281	32,770,169
Total current assets		3,506,880,703	2,924,670,820	4,669,313,493	3,278,481,068
Non-current assets					
Investment in an associate	8	961,908,628	863,403,350	7,500,000	21,000,000
Investments in subsidiaries	9	-	-	606,634,068	606,634,068
Other non-current financial assets	22	195,711,356	194,837,623	195,711,356	194,837,623
Investment properties	10	344,901,825	341,443,845	344,901,825	341,443,845
Property, plant and equipment	11	8,066,129,770	7,902,257,726	7,576,618,494	7,395,339,885
Right-of-use assets	12	397,009,009	359,442,326	394,418,528	355,711,988
Intangible assets	13	41,493,514	46,256,086	39,416,735	44,045,545
Deferred tax assets	19	21,345	21,345	-	-
Other non-current assets		157,087,450	149,358,652	155,646,273	147,677,070
Total non-current assets		10,164,262,897	9,857,020,953	9,320,847,279	9,106,690,024
Total assets		13,671,143,600	12,781,691,773	13,990,160,772	12,385,171,092

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

Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September		30 September	
		2022	2021	2022	2021
		(in Baht)			
Current liabilities					
Trade accounts payable	4	801,988,205	489,099,304	1,119,274,037	736,729,561
Other payables to related parties	4	101,256,400	186,188,546	103,268,410	187,531,371
Other payables		727,549,956	602,657,948	704,563,900	587,223,041
Dividends payable		72,563,257	72,545,968	72,563,257	72,545,968
Customers' deposits on bottles and cases		457,680,367	455,630,868	457,680,367	455,630,868
Current portion of lease liabilities	14	99,007,018	98,150,583	97,856,459	96,995,527
Income tax payable		49,087	9,597	-	-
Other current liabilities		33,624,499	17,162,252	32,920,715	15,524,903
Total current liabilities		2,293,718,789	1,921,445,066	2,588,127,145	2,152,181,239
Non-current liabilities					
Long-term loans from a related party	4, 14	-	-	30,968,165	30,968,165
Lease liabilities	14	300,930,736	258,230,175	299,429,579	255,610,051
Deferred tax liabilities	19	840,448,298	583,714,556	802,023,226	548,658,194
Non-current provisions for employee benefits	15	920,927,259	1,016,834,129	907,104,581	1,001,191,407
Total non-current liabilities		2,062,306,293	1,858,778,860	2,039,525,551	1,836,427,817
Total liabilities		4,356,025,082	3,780,223,926	4,627,652,696	3,988,609,056
Equity					
Share capital:					
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		1,342,448,425	1,342,448,425	1,342,448,425	1,342,448,425
Retained earnings					
Appropriated					
Legal reserve	16	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		1,317,643,920	1,335,513,582	1,532,717,907	894,847,601
Other components of equity		4,077,329,923	3,745,809,590	3,909,645,494	3,581,569,760
Total equity		9,315,118,518	9,001,467,847	9,362,508,076	8,396,562,036
Total liabilities and equity		13,671,143,600	12,781,691,773	13,990,160,772	12,385,171,092

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

Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		30 September		30 September	
		2022	2021	2022	2021
		(in Baht)			
Income	4, 17				
Revenue from sale of goods and rendering of services		10,904,848,411	9,618,494,964	10,880,938,711	9,566,266,133
Dividends income	8	5,458,500	6,846,032	37,558,500	90,846,032
Gains on sale of equity securities	4, 8	-	-	782,325,000	448,785,000
Other income		148,505,808	135,481,175	170,247,590	143,674,650
Total income		11,058,812,719	9,760,822,171	11,871,069,801	10,249,571,815
Expenses	4, 17				
Cost of sales of goods and rendering of service	7	7,823,541,043	6,643,944,219	7,831,018,438	6,634,802,567
Distribution cost		2,559,921,562	2,351,043,953	2,560,220,129	2,344,126,358
Administrative expenses		657,632,061	736,346,794	638,586,213	706,793,969
Total expenses		11,041,094,666	9,731,334,966	11,029,824,780	9,685,722,894
Profit from operating activities		17,718,053	29,487,205	841,245,021	563,848,921
Finance costs		(13,026,750)	(11,550,345)	(12,950,812)	(11,448,017)
Share of profit of an associate accounted for using equity method for using equity method (net of income tax)	8	167,505,278	154,123,410	-	-
Profit before income tax expense		172,196,581	172,060,270	828,294,209	552,400,904
Income tax expense	8, 19	(159,535,042)	(88,824,993)	(157,080,768)	(87,518,336)
Profit for the year		12,661,539	83,235,277	671,213,441	464,882,568
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Gain (loss) on financial instruments designated at fair value through other comprehensive income		(971,783)	799,395	(971,783)	799,395
Gain from revaluation of land	11	415,372,200	-	411,066,450	-
Gain on remeasurements of defined benefit plans	15	74,602,672	65,057,660	71,326,658	65,408,988
Income tax relating to items that will not be reclassified	19	(97,609,496)	(13,279,368)	(96,284,265)	(13,241,677)
Total items that will not be reclassified to profit or loss		391,393,593	52,577,687	385,137,060	52,966,706
Other comprehensive income for the year,					
net of income tax		391,393,593	52,577,687	385,137,060	52,966,706
Total comprehensive income for the year		404,055,132	135,812,964	1,056,350,501	517,849,274
Earnings per share	20	0.05	0.31	2.52	1.75
Additional information					
Profit before income tax expense		172,196,581	172,060,270	828,294,209	552,400,904
Income tax (expense) benefit excluding taxes on gains on sale of equity securities		(3,070,042)	932,007	(615,768)	2,238,664
		169,126,539	172,992,277	827,678,441	554,639,568
Income tax expense on gains on sale of equity securities	8	(156,465,000)	(89,757,000)	(156,465,000)	(89,757,000)
Profit for the year		12,661,539	83,235,277	671,213,441	464,882,568

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						
	Issued and paid-up share capital	Share premium	Legal reserve	General reserve	Unappropriated reserve	Translation reserve	Fair value reserve	Revaluation reserve	Share premium from business combination under common control	Total other components of equity	Total equity
Note						(in Baht)					
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
Balance at 30 September 2020 - as reported											
Impact of changes in accounting policies											
	-	-	-	-	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	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											
	-	-	-	-	(85,086,552)	-	-	-	-	-	(85,086,552)
21											
	-	-	-	-	(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
	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
Balance at 30 September 2021											

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						
	Issued and paid-up share capital	Share premium	Legal reserve	General reserve	Unappropriated	Translation reserve (in Baht)	Fair value reserve	Revaluation reserve	Share premium from business combination under common control	Total other components of equity	Total equity
Year ended 30 September 2022											
Balance at 1 October 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
Transactions with owners, recorded directly in equity											
<i>Distributions to owners</i>											
Dividends to the owners of the Company	21	-	-	-	(90,404,461)	-	-	-	-	-	(90,404,461)
<i>Total distributions to owners</i>		-	-	-	(90,404,461)	-	-	-	-	-	(90,404,461)
Comprehensive income for the year											
Profit	-	-	-	-	12,661,539	-	-	-	-	-	12,661,539
Other comprehensive income	-	-	-	-	59,873,260	-	(777,426)	332,297,759	-	331,520,333	391,393,593
Total comprehensive income for the year		-	-	-	72,534,799	-	(777,426)	332,297,759	-	331,520,333	404,055,132
Balance at 30 September 2022	265,900,484	1,342,448,425	26,795,766	2,285,000,000	1,317,643,920	31,118,966	65,743,777	4,012,800,095	(32,332,915)	4,077,329,923	9,315,118,518

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

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 <i>(in Baht)</i>	Fair value reserve	Revaluation reserve	Total other components of equity	Total equity
Year ended 30 September 2022									
Balance at 1 October 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
Transactions with owners, recorded directly in equity									
<i>Distributions to owners</i>									
Dividends to the owners of the Company	21	-	-	-	(90,404,461)	-	-	-	(90,404,461)
<i>Total distributions to owners</i>		-	-	-	(90,404,461)	-	-	-	(90,404,461)
Comprehensive income for the year									
Profit	-	-	-	-	671,213,441	-	-	-	671,213,441
Other comprehensive income	-	-	-	-	57,061,326	(777,426)	328,853,160	328,075,734	385,137,060
Total comprehensive income for the year	-	-	-	-	728,274,767	(777,426)	328,853,160	328,075,734	1,056,350,501
Balance at 30 September 2022	265,900,484	1,342,448,425	26,795,766	2,285,000,000	1,532,717,907	65,743,777	3,843,901,717	3,909,645,494	9,362,508,076

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	2022	2021	2022	2021
		(in Baht)			
Cash flows from operating activities					
Profit for the year		12,661,539	83,235,277	671,213,441	464,882,568
<i>Adjustments for reconcile profit</i>					
<i>to cash receipts (payments)</i>					
Income tax expense	19	159,535,042	88,824,993	157,080,768	87,518,336
Finance costs		13,026,750	11,550,345	12,950,812	11,448,017
Depreciation and amortisation		560,508,940	624,566,687	530,131,485	593,861,698
Impairment loss recognised in profit or loss		16,569,909	10,226,028	15,973,923	10,226,028
Provisions for employee benefits expense		61,443,737	61,940,943	59,946,816	60,427,837
Unrealised loss on exchange		1,151,512	280,308	1,151,512	280,308
Gains on fair value adjustment in other current financial assets		(4,295,020)	-	(4,295,020)	-
Gains on fair value adjustment in investment properties	10	(3,457,980)	(17,793,500)	(3,457,980)	(17,793,500)
Share of profit of an associate accounted for using equity method for using equity method (net of income tax)	8	(167,505,278)	(154,123,410)	-	-
Expected credit loss		2,377,357	480,651	2,377,357	480,651
(Reversal of) losses on inventories devaluation		5,881,134	(30,002,989)	4,434,124	(30,147,682)
Gains on sale of equity securities	8	-	-	(782,325,000)	(448,785,000)
Gain on disposal and write-off of machinery and equipment		(18,541,933)	(591,054)	(18,558,183)	(779,701)
Gains on disposal of intangible assets		-	-	-	(999)
Dividend income		(5,458,500)	(6,846,032)	(37,558,500)	(90,846,032)
Interest income		(4,758,943)	(4,735,971)	(16,064,735)	(6,508,241)
		629,138,266	667,012,276	593,000,820	634,264,288
Changes in operating assets and liabilities					
Trade accounts receivable		(181,537,686)	143,019,568	(180,234,185)	137,962,996
Other receivables from related parties		(41,162,354)	18,635,109	(48,574,583)	55,169,122
Other receivables		(62,194,858)	16,431,529	(62,038,560)	16,351,922
Inventories		(51,706,827)	(362,810)	(52,001,385)	(16,413,588)
Prepaid excise taxes		(539,538)	289,128	(539,538)	289,129
Other current assets		8,738,991	(4,119,899)	9,544,888	(4,256,170)
Other non-current assets		(7,728,798)	29,719,337	(7,969,203)	29,493,986
Trade accounts payable		312,888,901	(87,307,236)	382,544,476	(244,392,603)
Other payables to related parties		(84,932,146)	17,018,759	(84,262,961)	14,869,025
Other payables		111,023,169	(74,380,224)	103,211,420	(66,276,193)
Customers' deposits on bottles and cases		2,049,499	2,051,473	2,049,499	2,051,473
Other current liabilities		16,462,247	(14,143,966)	17,395,812	(12,803,855)
Provisions for employee benefits paid		(82,747,935)	(118,800,902)	(82,706,985)	(118,800,902)
Net cash generated from operations		567,750,931	595,062,142	589,419,515	427,508,630
Income tax paid		(371,306)	-	-	-
Net cash from operating activities		567,379,625	595,062,142	589,419,515	427,508,630

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	2022	2021	2022	2021
	(in Baht)			
Cash flows from investing activities				
Proceeds from sale of machinery and equipment	23,941,736	28,928,411	23,940,752	28,679,765
Proceeds from sale of intangible assets	-	-	-	1,000
Acquisition of plant, machinery and equipment	(224,909,258)	(213,071,388)	(216,649,916)	(199,293,877)
Acquisition of intangible assets	(1,398,950)	(2,188,114)	(1,392,950)	(2,182,115)
Acquistion of current investment	-	(650,000,000)	-	(650,000,000)
Proceeds from sale of other equity securities	-	-	795,825,000	457,785,000
Interest received	4,758,943	4,735,971	16,064,735	6,508,241
Dividends received	68,458,500	69,846,032	49,558,500	69,846,032
Restricted deposits at financial institution	-	524,446	-	524,446
Net cash from (used in) investing activities	(129,149,029)	(761,224,642)	667,346,121	(288,131,508)
Cash flows from financing activities				
Short-term loan to related party	-	-	(800,000,000)	(460,000,000)
Repayment from short-term loan to related party	-	3,000,000	-	128,000,000
Payment of lease liabilities	(81,200,076)	(76,306,407)	(80,076,613)	(75,209,336)
Interest paid	(13,026,750)	(11,550,345)	(12,950,812)	(11,448,017)
Dividend paid to the owners of the Company	(90,387,172)	(85,057,818)	(90,387,172)	(85,057,818)
Net cash used in financing activities	(184,613,998)	(169,914,570)	(983,414,597)	(503,715,171)
Net increase (decrease) in cash and cash equivalents	253,616,598	(336,077,070)	273,351,039	(364,338,049)
Cash and cash equivalents at beginning of the year	1,067,421,700	1,403,498,770	1,002,928,686	1,367,266,735
Cash and cash equivalents at end of the year	5 1,321,038,298	1,067,421,700	1,276,279,725	1,002,928,686
Non-cash transactions				
Dividend receivable	(36,000,000)	(30,000,000)	(9,000,000)	(21,000,000)
Payables for acquisition of machinery and equipment	35,868,546	23,151,219	33,849,281	20,871,354
Lease liabilities	399,937,754	356,380,758	397,286,038	352,605,578

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

Notes to the financial statements

For the year ended 30 September 2022

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For the year ended 30 September 2022

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 16 November 2022.

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 2022 and 2021 are given in note 9.

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 financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in the note 3, have been applied consistently to all periods presented in these financial statements.

The Group has initially applied revised TFRS that are effective for annual periods beginning on or after 1 October 2021. These applications have no material effect on the financial statements has not early adopted TFRS which are not yet effective and expects that there will be no material impact on the financial statements in the period of initial application.

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates. 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 that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

(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.

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.

Notes to the financial statements

For the year ended 30 September 2022

When the Group loses control over a subsidiary, it derecognised 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.

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

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. 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.

Business combinations

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 deficit from business combinations under common control in shareholder's equity. The surplus or deficit will be written off 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.

(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. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. 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.

Notes to the financial statements

For the year ended 30 September 2022

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.

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 translation reserve in equity until disposal of the investment.

(d) *Financial instruments*

(d.1) *Classification and measurement*

Financial assets and financial liabilities (except trade accounts receivables (see note 3(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, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs 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 and any gain or loss on derecognition are recognised in profit or loss.

Debt investments measured at FVOCI 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 are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group's right to receive payment is established, 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.

Notes to the financial statements

For the year ended 30 September 2022

(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.

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.

(d.3) Impairment of financial assets other than trade accounts receivables

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, and debt investments measured at FVOCI.

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.

(d.4) 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.

Notes to the financial statements

For the year ended 30 September 2022

(d.5) Interest

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.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

(f) Trade accounts receivable

A trade receivable is recognised when the Group has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

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 includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost 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 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 assets includes capitalised borrowing costs.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss. When investment property that was previously classified as property, plant and equipment measured at revalued amounts is sold (see note 3(i)), the amounts included in the revaluation reserve are transferred to retained earnings.

(i) Property, plant and equipment

Land 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.

Notes to the financial statements

For the year ended 30 September 2022

Plant and equipment are measured at cost less accumulated depreciation, allowance for loss of marketing equipment and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment 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. The Group's policy requires an appraisal to be conducted every three to five years or when there are factors that might materially impact the value of the land, 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, the increase is recognised in profit or loss. 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. 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. 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.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and 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

Notes to the financial statements

For the year ended 30 September 2022

(j) *Intangible assets*

Trademarks that have indefinite useful lives are measured at cost less impairment losses. Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

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

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.

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 lease modification, 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.

Notes to the financial statements

For the year ended 30 September 2022

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 3(d).

(l) 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, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

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.

(m) Employee benefits

Obligations for contributions to the Group's provident funds 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.

Notes to the financial statements

For the year ended 30 September 2022

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.

(n) *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.

(o) *Fair value measurement*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between 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.

Notes to the financial statements

For the year ended 30 September 2022

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.

(p) Revenue from contracts with customers

(1) Revenue recognition

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.

(2) Contract balances

Contract liabilities are the obligation to transfer goods to the customer. The contract liabilities are recognised when the Company receives or has an unconditional right to receive non-refundable consideration from the customer before the Company recognises the related revenue.

(q) 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 2022

(r) *Earnings per share*

Earnings per share (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.

(s) *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.

(t) *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.

4 Related parties

Relationships with associates and subsidiaries described in notes 8 and 9. Other related parties which 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	Ultimate 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.
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
Num Yuk Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
Num Palang Co., Ltd.	Thailand	Direct subsidiary of the ultimate parent company
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

Notes to the financial statements

For the year ended 30 September 2022

Name of entities	Country of incorporation/ nationality	Nature of relationships
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
ASM Management 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
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 the ultimate parent company
Food of Asia Co., Ltd.	Thailand	Indirect subsidiary of the ultimate parent company
Havi Logistics (Thailand) Limited	Thailand	Indirect subsidiary of the ultimate parent company
Food and Beverage United Co., Ltd.	Thailand	Indirect 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
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
Pomkij Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Pomthip (2012) Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Chang International Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Spice of Asia Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
The QSR of Asia Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Max Asia Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Red Lobster Retail Asia Co., Ltd.	Thailand	Subsidiary of indirect subsidiary of the ultimate parent company
Bistro Asia Co., Ltd.	Thailand	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

Notes to the financial statements

For the year ended 30 September 2022

Name of entities	Country of incorporation/ nationality	Nature of relationships
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.
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.
N.C.C. Management and Development Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
Indara Insurance Public Co., Ltd.	Thailand	Directors and controlling equity holder of the ultimate parent company hold substantial shares indirectly.
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
Plantheon Trading Co., Ltd.	Thailand	Common controlling equity holder
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.

Notes to the financial statements

For the year ended 30 September 2022

Significant transactions with related parties		Consolidated financial statements		Separate financial statements	
Year ended 30 September	<i>Note</i>	2022	2021	2022	2021
<i>(in thousand Baht)</i>					
Ultimate parent company					
Sale of goods and rendering of services		2,955	1,366	2,955	1,366
Other income		-	10	-	10
Administrative expenses		2,968	15,527	2,850	15,527
Subsidiaries					
Sale of goods and rendering of services		-	-	78	62
Gains on sale of equity securities	8	-	-	782,325	448,785
Other income		-	-	13,200	7,590
Purchase of finished goods and services		-	-	369,195	353,662
Distribution cost and administrative expenses		-	-	24,106	17,066
Interest income		-	-	11,447	1,885
Associate					
Purchase of raw materials		965,810	754,539	965,810	748,081
Dividend income		69,000	93,000	32,100	84,000
Other income		37,561	19,886	37,559	19,885
Key management personnel					
Key management					
personnel compensation					
Short-term employee benefits		7,880	8,151	7,880	8,151
Post-employment benefits		882	1,744	882	1,744
Other long-term benefits		9	9	9	9
Total key management personnel compensation		8,771	9,904	8,771	9,904
Other related parties					
Sale of goods and rendering of services		3,586,537	3,094,225	3,562,549	3,041,940
Other income		41,144	62,170	38,788	60,720
Dividend income		5,458	6,846	5,458	6,846
Interest income		-	41	-	41
Purchase of finished goods and raw materials		3,779,607	3,089,870	3,673,213	2,970,310
Subsidy for marketing expense		438,459	393,408	438,459	393,408
Distribution cost		301,443	276,931	301,443	276,931
Administrative expenses		133,655	148,854	131,056	147,140

Notes to the financial statements

For the year ended 30 September 2022

<i>Balances with related parties</i> <i>At 30 September</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Trade accounts receivable</i>				
Ultimate parent company	146	391	146	391
Other related parties	343,792	230,316	339,273	227,101
Total	343,938	230,707	339,419	227,492
<i>Other receivables</i>				
Subsidiaries	-	-	16,100	8,552
An associate	36,341	30,276	9,341	21,276
Other related parties	105,728	64,630	105,276	64,315
Total	142,069	94,906	130,717	94,143
<i>Short-term loan to</i>				
Subsidiary	-	-	1,260,000	460,000
<i>Trade accounts payable</i>				
Ultimate parent company	23	-	-	-
Subsidiaries	-	-	364,025	277,475
An associate	97,119	59,114	97,119	57,530
Other related parties	441,895	261,003	420,895	248,756
Total	539,037	320,117	882,039	583,761
<i>Other payables</i>				
Ultimate parent company	2,404	4,498	2,404	4,402
Subsidiaries	-	-	2,474	1,592
Other related parties	98,852	181,691	98,390	181,537
Total	101,256	186,189	103,268	187,531
<i>Lease liabilities</i>				
Other related parties	283,856	260,571	283,439	259,939
<i>Long-term loans from</i>				
Subsidiary	-	-	30,968	30,968

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. The agreement term shall be automatically renewed for a period of 4 years each time if neither party express their objection to the extension to the other party in advance. As at 30 September 2022, the Company had utilised loan facility totalling Baht 30.97 million (30 September 2021: Baht 30.97 million).

Notes to the financial statements

For the year ended 30 September 2022

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. Then, on 31 March 2022, the Company and the Borrower have made an addendum to change the loan interest rate.

On 24 August 2022, the Company entered into a loan agreement with Sermsuk Holdings Company Limited, "Borrower" for a loan facility of Baht 800 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 is effective 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 agreement is effective from 1 March 2022 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 companies in order to appoint to produce drinking water under "Crystal" trademark. The Company is committed to the conditions as stipulated in the agreement. The agreement is 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. The agreement is effective 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.

The Company entered into an agreement with a related company in order to appoint to produce beverages under "Oishi Chakulza" trademark. 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 is effective 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 related companies, appointing its related companies to distribute the products under "Crystal" "Ranger" "Sarsi" "Est" and "Power Plus" trademarks. The agreement is effective from 1 January 2022 to 30 September 2025. 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 "Tea pot" trademark. The agreement is effective from 17 August 2022 to 30 September 2025. 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 2022

The Company entered into an agreement with a related company, appointing the Company to distribute the products under "Oishi Chakulza" trademark. The agreement is effective 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 agreement ended on 30 September 2022. Currently, the parties have entered into a new agreement with the term starting from 1 October 2022 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.

The Company entered into an agreement with a related company to sell and purchase the products under "Crystal" "Ranger" "Sarsi" "Est" and "Power Plus" trademarks. The agreement is effective from 1 January 2022 to 30 September 2025. 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.

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 agreement ended on 30 September 2022. Currently, the parties have entered into a new agreement with the term starting from 1 October 2022 to 30 September 2024.

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. The agreement is effective from 1 November 2021 to 28 February 2022.

Land lease agreement and 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. The agreement is effective from 23 May 2022 to 22 May 2025.

The Company entered into a renewal sublease agreement for office space and warehouse with a related company. The agreement is effective 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.

Notes to the financial statements

For the year ended 30 September 2022

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. Currently, the parties agreed to terminate this agreement on 31 December 2021.

Service and coordinate agreement

The Company entered into a service and coordinate with client agreement with a related company. The agreement ended on 30 September 2022. Currently, the parties have renewed an agreement with the term starting from 1 October 2022 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. Each party is committed to the conditions as stipulated in the agreement.

Service area agreement

The Company and its subsidiary entered into agreements with a related company to utilise some of area to install solar rooftop. The agreement is effective from 1 June 2022 to 31 May 2042. Then, the Company entered into another agreement with the term starting from 1 August 2022 to 31 July 2042.

Electricity sale and purchase agreement

The Company and its subsidiary entered into agreements with a related company to sale and purchase electricity from solar rooftop. The agreement is effective from 1 June 2022 to 31 May 2042. Then, the Company entered into another agreement with the term starting from 1 August 2022 to 31 July 2042.

Rental agreement

The Company and its subsidiaries entered into an agreement with a related company to rent wooden palette. The agreement is effective from 1 October 2021 to 31 December 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.

Sale and purchase agreement

The Company entered into a waste materials sale and purchase agreement with a related company. The agreement ended on 30 September 2022. Currently, the parties have entered into a new agreement with the term starting from 1 October 2022 to 30 September 2023.

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. The agreement ended on 30 September 2022. Currently, the parties have entered into a new agreement with the term starting from 1 October 2022 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.

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. The agreement is effective from 1 September 2020 to 31 August 2023. The Company entered into a software licensing amendment to manage more permission with the term starting from 1 October 2021 to 31 August 2023.

Notes to the financial statements

For the year ended 30 September 2022

Other commitments

As at 30 September 2022, the Group and the Company had commitments for purchase orders for goods with related parties amounting to Baht 991.03 million and Baht 977.39 million, respectively (2021: Baht 61.44 million and Baht 61.44 million, respectively).

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
Cash on hand	4,125	3,703	4,057	3,638
Cash at banks	1,316,913	1,063,719	1,272,223	999,291
Total	1,321,038	1,067,422	1,276,280	1,002,929

6 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
<i>At 30 September</i>				
Within credit terms	547,306	375,717	542,786	372,502
Overdue:				
Less than 3 months	35,999	25,549	35,999	25,549
3 - 6 months	531	4,487	531	4,487
Over 6 months	24,590	21,135	24,561	21,105
Total	608,426	426,888	603,877	423,643
Less allowance for expected credit loss	(24,224)	(15,408)	(24,224)	(15,408)
Net	584,202	411,480	579,653	408,235

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
<i>Allowance for expected credit loss</i>				
At 1 October	15,408	15,238	15,408	15,238
Addition	8,816	170	8,816	170
At 30 September	24,224	15,408	24,224	15,408

Information of credit risk is disclosed in note 22 (b.1).

Notes to the financial statements

For the year ended 30 September 2022

7 Inventories

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Finished goods	429,421	321,816	422,836	316,093
Work in progress	2,891	-	2,891	-
Raw materials and supplies	217,797	269,797	191,018	242,248
Spare parts	82,032	89,668	79,205	86,455
Other supplies	-	1,017	-	1,017
Goods in transit	1,864	-	1,864	-
	734,005	682,298	697,814	645,813
Less allowance for decline in value	(70,730)	(64,849)	(69,139)	(64,705)
Net	663,275	617,449	628,675	581,108
Inventories recognised in ‘cost of sales of goods’				
- Cost	7,816,287	6,672,680	7,826,584	6,664,951
- Write-down to net realisable value	8,294	8,747	6,557	8,747
- Reversal of write-down	(2,413)	(38,750)	(2,123)	(38,895)
Net	7,822,168	6,642,677	7,831,018	6,643,803

Notes to the financial statements

For the year ended 30 September 2022

8 Investment in an associate

Consolidated financial statements						
	Ownership interest		Paid-up capital		Cost	
	2022	2021	2022	2021	2022	2021
	(%)				(in thousand Baht)	
Petform (Thailand) Limited	40	40	75,000	75,000	30,000	863,403
					30,000	93,000
						69,000
						2022
						2021
						Dividend income for the year
						2022
						2021
						93,000
						84,000
						21,000
						7,500
						32,100
						84,000
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Notes to the financial statements

For the year ended 30 September 2022

Material movement Year ended 30 September	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Associate				
Disposal of investment in				
Petform (Thailand) Limited	-	-	795,825	457,785

In August 2022, the Company sold 18% of its 28% interest in the issued and paid up capital of Petform (Thailand) Limited to its subsidiary for a consideration of Baht 795.83 million. The Company recognised a gain on disposal of those shares of Baht 782.33 million and income tax expense on gain on disposal of those shares of Baht 156.47 million.

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 those shares of Baht 448.79 million and a income tax expense on gain on disposal of those shares of Baht 89.76 million.

Associate

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	
	2022	2021
	<i>(in thousand Baht)</i>	
Revenue	4,168,290	3,042,289
Profit from continuing operations	418,881	387,239
Other comprehensive income	(73)	(4,076)
Total comprehensive income (100%)	418,808	383,163
Attributable to NCI	251,303	233,116
Group's share of total comprehensive income	167,505	154,123
Current assets	1,233,358	855,135
Non-current assets	1,606,637	1,669,180
Current liabilities	(339,984)	(265,834)
Non-current liabilities	(84,033)	(88,811)
Net assets (100%)	2,415,978	2,169,670
Attributable to NCI	1,449,587	1,301,802
Carrying amount of interest in associate	966,391	867,868

Notes to the financial statements

For the year ended 30 September 2022

9 Investments in subsidiaries

Separate financial statements									
Type of business	Ownership interest	Paid-up capital		Cost		Dividend income for the year			
		2022	2021	2022	2021	2022	2021		
(in thousand Baht)									
Direct subsidiaries									
Sermsuk Holdings Co., Ltd.	Manage Investment	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	-	-
Sermsuk 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	-	-
Indirect subsidiaries									
Serm Suk Beverage Co., Ltd.	Produce and distribute drinks	99.99	99.99	689,586	689,586	-	-	-	-
Wrangyer Beverage (2008) Co., Ltd.	Produce and distribute drinks	99.99	99.99	200,000	200,000	-	-	-	-
All subsidiaries were incorporated in Thailand, except Great Brands Limited which was incorporated in Hong Kong.									

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 2022

10 Investment properties

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
At 1 October	341,444	323,650	341,444	323,650
Gain on fair value adjustments	3,458	17,794	3,458	17,794
At 30 September	344,902	341,444	344,902	341,444

	Consolidated financial statements		Separate financial statements	
<i>Year ended 30 September</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Rental income	976	971	976	971

Lease agreement

The lease of investment properties comprises an office space that are leased to a third party which classified as operating lease. The lease contains a period of 3 years. Subsequent renewals are negotiated with the lessee. For all investment property leases, the rental income is fixed under the contracts.

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 2022

11 Property, plant and equipment

	Land		Buildings, warehouses and improvement	Machinery, equipment and tools	Consolidated financial statements <i>(in thousand Baht)</i>					Assets under construction and installation	Marketing promotion equipments	Container	Total
	Historical cost	Surplus on revaluation			Vehicles	Furniture and office equipment	Plastic pallets						
Cost/revaluation													
At 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 and 1 October 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
Additions	-	415,372	35,638	64,428	15,522	30,275	-	9,902	5,952	75,909			652,998
Transfers	-	-	7,793	119,834	-	(351)	-	-	-	(127,276)			-
Disposals	-	-	(800)	(49,100)	(6,903)	(24,282)	(14,378)	(93,521)	(430,102)	-			(619,086)
At 30 September 2022	485,366	5,016,000	2,854,089	7,111,867	1,565,425	354,875	281,355	1,038,169	3,172,682	15,685			21,895,513

Notes to the financial statements

For the year ended 30 September 2022

	Consolidated financial statements							
	Land	Buildings, warehouses and improvement	Machinery, equipment and tools	Vehicles	Furniture and office equipment	Plastic pallets	Container	Marketing promotion equipment
	Historical cost	Surplus on revaluation			(in thousand Baht)			
Depreciation								
At 1 October 2020	-	-	5,665,951	1,527,178	315,447	322,843	466,548	3,593,062
Depreciation charge for the year	-	-	247,999	20,256	20,066	3,281	114,888	21,602
Transfer	-	-	(3,480)	-	3,460	-	-	-
Disposals	-	-	(8,749)	(40,581)	(13,081)	(36,573)	(104,062)	(35,655)
At 30 September 2021 and 1 October 2021	-	-	5,901,721	1,506,853	325,892	289,551	477,374	3,579,009
Depreciation charge for the year	-	-	257,023	10,396	17,943	2,928	81,972	9,824
Transfer	-	-	41	-	(23)	-	-	-
Disposals	-	-	(49,070)	(6,884)	(24,261)	(14,373)	(55,329)	(430,069)
At 30 September 2022	-	-	6,109,715	1,510,365	319,551	278,106	504,017	3,158,764
Impairment losses								
At 1 October 2020	-	-	-	-	-	-	43,756	5,330
Impairment losses	-	-	-	-	-	-	23,413	-
Disposals	-	-	-	-	-	-	(13,187)	(5,330)
At 30 September 2021 and 1 October 2021	-	-	-	-	-	-	53,982	-
Impairment losses	-	-	-	-	-	-	16,570	-
Disposals	-	-	-	-	-	-	(32,972)	-
At 30 September 2022	-	-	-	-	-	-	37,580	-
Net book value								
At 30 September 2021	485,366	4,600,628	1,074,984	49,953	23,341	6,182	590,432	17,823
At 30 September 2022	485,366	5,016,000	1,002,152	55,060	35,324	3,249	496,572	13,918
							67,052	7,902,258
							15,685	8,066,130

Notes to the financial statements

For the year ended 30 September 2022

	Separate financial statements										
	Land		Buildings, warehouses and improvement	Machinery, equipment and tools	Vehicles	Furniture and office equipment	Plastic pallets	Container	Marketing promotion equipment	Assets under construction and installation	Total
	Historical cost	Surplus on revaluation									
<i>Cost/revaluation</i>											
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											
At 1 October 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
Additions	-	411,067	33,979	61,570	15,522	28,862	-	9,902	5,952	73,841	640,695
Transfers	-	-	7,148	118,378	-	(319)	-	-	-	(125,207)	-
Disposals	-	-	(800)	(49,100)	(6,903)	(24,282)	(14,378)	(93,492)	(430,101)	-	(619,056)
At 30 September 2022	360,863	4,804,878	2,523,264	6,427,907	1,560,875	334,498	257,497	1,165,963	3,172,682	15,685	20,624,112

Notes to the financial statements

For the year ended 30 September 2022

	Separate financial statements									
	Land	Buildings, warehouses and improvement	Machinery, equipment and tools	Vehicles	Furniture and office equipment	Plastic pallets	Container	Marketing promotion equipment	Assets under construction and installation	Total
	Historical cost	Surplus on revaluation								
Depreciation										
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 and 1 October 2021	-	-	1,568,441	5,306,863	1,525,721	301,783	266,001	605,333	3,579,009	13,153,151
Depreciation charge for the year	-	-	78,153	239,031	10,353	16,767	2,928	81,004	9,824	438,060
Transfer	-	-	(18)	18	-	-	-	-	-	-
Disposals	-	-	(729)	(49,070)	(6,884)	(24,260)	(14,373)	(55,316)	(430,069)	(580,701)
At 30 September 2022	-	-	1,645,847	5,496,842	1,529,190	294,290	254,556	631,021	3,158,764	13,010,510
Impairment losses										
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 and 1 October 2021	-	-	-	-	-	-	-	53,982	-	53,982
Impairment losses	-	-	-	-	-	-	-	15,974	-	15,974
Disposals	-	-	-	-	-	-	-	(32,972)	-	(32,972)
At 30 September 2022	-	-	-	-	-	-	-	36,984	-	36,984
Net book value										
At 30 September 2021	360,863	4,393,811	914,496	990,196	26,535	28,454	5,874	590,238	17,822	7,395,340
At 30 September 2022	360,863	4,904,878	877,417	931,065	31,685	40,208	2,941	497,958	13,918	7,576,618

Notes to the financial statements

For the year ended 30 September 2022

Information relating to leases are disclosed in note 12.

In September 2022, the Group's and the Company's land were remeasured by independent professional valuers, at open market values on an existing use basis. The fair value has been categorised as a Level 3 fair value. The Group and the Company recognised a revaluation reserve amounting to Baht 415.37 million and Baht 411.07 million, respectively, in other comprehensive income. At 30 September 2022, the fair value of the Group's and the Company's land would have been amounting to Baht 5,501.37 million and Baht 5,165.74 million, respectively (2021: Baht 5,085.99 million and Baht 4,754.67 million, respectively).

Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<ul style="list-style-type: none"> Asking price of comparable property 	<p>The estimated fair value increase (decrease) if:</p> <ul style="list-style-type: none"> Asking price of comparable property were higher (lower)

12 Leases

	Consolidated financial statements		Separate financial statements	
<i>Right-of-use assets</i>	2022	2021	2022	2021
<i>At 30 September</i>	<i>(in thousand Baht)</i>			
Land	98,538	75,544	98,538	75,544
Buildings	26,456	8,287	26,456	8,287
Vehicles	272,015	275,611	269,425	271,881
Total	397,009	359,442	394,419	355,712

In 2022, additions to the right-of-use assets of the Group and the Company were Baht 125 million and Baht 125 million, respectively (2021: 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</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Amounts recognised in profit or loss				
Depreciation of right-of-use assets:				
- Land	16,685	15,271	16,685	15,271
- Buildings	11,570	14,562	11,570	14,562
- Vehicles	58,936	54,677	57,794	53,535
Interest on lease liabilities	13,027	11,550	12,951	11,448

In 2022, total cash outflow for leases of the Group and the Company were Baht 81 million and Baht 80 million, respectively (2021: Baht 76 million and Baht 75 million, respectively).

Notes to the financial statements

For the year ended 30 September 2022

13 Intangible assets

	Consolidated financial statements		
	Trademark	Software licenses	Total
	<i>(in thousand Baht)</i>		
Cost			
At 1 October 2020	2,000	64,412	66,412
Additions	-	2,189	2,189
Transfers	-	30,527	30,527
Disposals	-	(466)	(466)
At 30 September 2021 and 1 October 2021	2,000	96,662	98,662
Additions	-	1,399	1,399
At 30 September 2022	2,000	98,061	100,061
Amortisation			
At 1 October 2020	-	50,101	50,101
Amortisation for the year	-	2,771	2,771
Disposals	-	(466)	(466)
At 30 September 2021 and 1 October 2021	-	52,406	52,406
Amortisation for the year	-	6,161	6,161
At 30 September 2022	-	58,567	58,567
Net book value			
At 30 September 2021	2,000	44,256	46,256
At 30 September 2022	2,000	39,494	41,494

Notes to the financial statements

For the year ended 30 September 2022

	Separate financial statements Software licenses (in thousand Baht)
Cost	
At 1 October 2020	59,869
Additions	2,183
Transfers	30,527
Disposals	(466)
At 30 September 2021 and 1 October 2021	92,113
Additions	1,393
At 30 September 2022	93,506
Amortisation	
At 1 October 2020	45,752
Amortisation for the year	2,781
Disposals	(466)
At 30 September 2021 and 1 October 2021	48,067
Amortisation for the year	6,022
At 30 September 2022	54,089
Net book value	
At 30 September 2021	44,046
At 30 September 2022	39,417

14 Interest-bearing liabilities

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
		(in thousand Baht)			
Unsecured					
Long-term loans from related parties	4	-	-	30,968	30,968
Lease liabilities		399,938	356,381	397,286	352,606
Total interest-bearing liabilities		399,938	356,381	428,254	383,574

As at 30 September 2022, the Group and the Company had unutilised credit facilities totalling Baht 3,104 million and Baht 3,102 million, respectively (2021: Baht 3,104 million and Baht 3,102 million, respectively).

Notes to the financial statements

For the year ended 30 September 2022

15 Non-current provisions for employee benefits

<i>At 30 September</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Post-employment benefit				
- retirement benefit	862,117	945,928	848,394	930,416
Other long-term employee benefit				
- long service award	58,810	70,906	58,711	70,775
Total	920,927	1,016,834	907,105	1,001,191

Employee benefit - Retirement benefit

The Group and the Company operate a retirement 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	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
At the beginning of the year	945,928	1,047,800	930,416	1,034,084
Recognised in profit or loss:				
Current service costs	50,239	54,274	48,970	52,912
Interest on obligation	13,243	13,621	13,026	13,443
Recognised in other comprehensive income:				
Actuarial (gains) losses				
- Demographic assumptions	9,109	(67,700)	9,071	(68,195)
- Financial assumptions	(78,947)	1,011	(77,040)	1,011
- Experience adjustment	(4,764)	1,632	(3,358)	1,775
Others				
Benefit paid	(70,961)	(104,474)	(70,961)	(104,474)
Transfer out to the related company	(1,730)	(236)	(1,730)	(140)
At the end of the year	862,117	945,928	848,394	930,416

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(%)</i>			
Discount rate	2.70	1.40	2.70	1.40
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.

At 30 September 2022, the weighted-average duration of the defined benefit obligation was 7 years (2021: 7 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.

Notes to the financial statements

For the year ended 30 September 2022

	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	<i>(in thousand Baht)</i>			
<i>Effect to the defined benefit obligation</i>				
<i>At 30 September 2022</i>				
Discount rate (0.5% movement)	(26,947)	28,481	(26,311)	27,794
Future salary growth (1% movement)	65,387	(50,421)	64,209	(49,412)
<i>Effect to the defined benefit obligation</i>				
<i>At 30 September 2021</i>				
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)

16 Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, 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.

17 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 2022 or 2021.

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 2022

<i>For the year ended 30 September</i>	Consolidated financial statements					
	Carbonated soft drink		Non-Carbonated soft drink		Total reportable segments	
	2022	2021	2022	2021	2022	2021
	<i>(in million Baht)</i>					
Information about reportable segments						
External revenue	3,973	3,708	6,932	5,910	10,905	9,618
Total revenue	3,973	3,708	6,932	5,910	10,905	9,618
Segment profit before income tax	796	624	2,285	2,350	3,081	2,974
Depreciation and amortisation recorded in distribution cost and administrative expenses	67	84	116	132	183	216
Distribution cost	890	873	1,553	1,394	2,443	2,267

- (a) *Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items*

	Consolidated financial statements	
	2022	2021
	<i>(in million Baht)</i>	
Profit for reportable segments	3,081	2,974
Depreciation and amortisation recorded in distribution cost and administrative expenses	(183)	(216)
Distribution cost	(2,443)	(2,267)
	455	491
Unallocated revenue and expenses		
- Other income	154	143
- Administrative expenses	(592)	(604)
- Finance costs	(13)	(12)
- Share of profit of investment in an associate	168	154
Total	172	172

- (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 2,783.98 million (2021: Baht 2,687.47 million) of the Group's total revenue.

Notes to the financial statements

For the year ended 30 September 2022

18 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Changes in inventories of finished goods and work in progress	2,865,049	1,676,763	3,211,858	2,008,528
Raw materials and consumables used	4,016,798	3,940,505	3,770,639	3,687,238
Employee benefit expenses	1,901,231	1,852,372	1,850,438	1,805,785
Depreciation and amortisation	497,481	580,957	471,103	551,506
Marketing expenses	287,731	293,012	287,731	291,720
Distribution	489,879	402,836	488,007	400,743
Fuel	260,055	179,273	259,690	179,019
Lease-related expenses	29,828	32,598	28,520	30,671
Maintenance expenses	102,802	95,400	102,610	95,062
Others	590,241	677,619	559,229	635,451
Total cost of sales of goods, distribution costs and administrative expenses	11,041,095	9,731,335	11,029,825	9,685,723

During 2022, the Group and Company has contributed provident funds for its employees amounting to Baht 65.52 million and Baht 63.74 million, respectively (2021: Baht 80.15 million and Baht 77.20 million, respectively), which is included in employee benefit expenses.

19 Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	411	10	-	-
Deferred tax expense				
Movements in temporary differences	159,124	88,815	157,081	87,518
Total income tax	159,535	88,825	157,081	87,518

	Consolidated financial statements					
	2022			2021		
	Before tax	Tax benefit (expense)	Net of tax	Before tax	Tax expense	Net of tax
	<i>(in thousand Baht)</i>					
Income tax						
Recognised in other comprehensive income						
Financial assets at FVOCI	(972)	194	(778)	799	(160)	639
Defined benefit plan actuarial gains	74,602	(14,729)	59,873	65,058	(13,119)	51,939
Revaluation of property, plant and equipment	415,372	(83,074)	332,298	-	-	-
Total	489,002	(97,609)	391,393	65,857	(13,279)	52,578

Notes to the financial statements

For the year ended 30 September 2022

	Separate financial statements			2021		
	2022			2021		
	Before tax	Tax benefit (expense)	Net of tax (in thousand Baht)	Before tax	Tax expense	Net of tax
Income tax						
Recognised in other comprehensive income						
Financial assets at FVOCI	(972)	194	(778)	799	(160)	639
Defined benefit plan						
actuarial gains	71,327	(14,265)	57,062	65,409	(13,082)	52,327
Revaluation of property, plant and equipment	411,066	(82,213)	328,853	-	-	-
Total	481,421	(96,284)	385,137	66,208	(13,242)	52,966

Reconciliation of effective tax rate

	Consolidated financial statements		2021	
	2022		2021	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		172,197		172,060
Income tax using the Thai corporation tax rate	20.00	34,439	20.00	34,412
Income not subject to tax		(29,854)		(30,274)
Expenses not deductible for tax purposes		4,370		1,515
Expenses for tax incentives		(5,885)		(6,585)
Utilized deferred tax assets		156,465		89,757
Total	92.65	159,535	51.62	88,825

Reconciliation of effective tax rate

	Separate financial statements		2021	
	2022		2021	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		828,294		552,401
Income tax using the Thai corporation tax rate	20.00	165,659	20.00	110,480
Income not subject to tax		(7,512)		(18,169)
Expenses not deductible for tax purposes		4,376		1,343
Expenses for tax incentives		(5,442)		(6,136)
Total	18.96	157,081	15.84	87,518

	Consolidated financial statements			
	Assets		Liabilities	
Deferred tax	2022	2021	2022	2021
At 30 September		(in thousand Baht)		
Total	293,177	473,132	(1,133,604)	(1,056,826)
Set off of tax	(293,156)	(473,111)	293,156	473,111
Net deferred tax assets (liabilities)	21	21	(840,448)	(583,715)

	Separate financial statements			
	Assets		Liabilities	
Deferred tax	2022	2021	2022	2021
At 30 September		(in thousand Baht)		
Total	289,354	466,802	(1,019,377)	(1,015,460)
Set off of tax	(289,354)	(466,802)	289,354	466,802
Net deferred tax liabilities	-	-	(802,023)	(548,658)

Notes to the financial statements

For the year ended 30 September 2022

	At beginning of year	Consolidated financial statements (Charged) / Credited to:		At end of year
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax				
2022				
Deferred tax assets				
Property, plant and equipment	10,796	(3,280)	-	7,516
Inventories	13,169	1,176	-	14,345
Employee benefit obligations	200,935	(3,947)	(14,729)	182,259
Loss carry forward	237,137	(161,029)	-	76,108
Others	11,095	1,854	-	12,949
Total	473,132	(165,226)	(14,729)	293,177
Deferred tax liabilities				
Property, plant and equipment	(920,125)	-	(83,074)	(1,003,199)
Investment properties	(30,902)	(692)	-	(31,594)
Long-term investments	(16,631)	(859)	194	(17,296)
Others	(89,168)	7,653	-	(81,515)
Total	(1,056,826)	6,102	(82,880)	(1,133,604)
Net	(583,694)	(159,124)	(97,609)	(840,427)
2021				
Deferred tax assets				
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
Deferred tax liabilities				
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)

Notes to the financial statements

For the year ended 30 September 2022

	At beginning of year	Separate financial statements (Charged) / Credited to:		At end of year
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax				
2022				
Deferred tax assets				
Property, plant and equipment	10,796	(3,400)	-	7,396
Inventories	13,141	887	-	14,028
Employee benefit obligations	201,838	(4,206)	(14,265)	183,367
Loss carry forward	229,938	(158,314)	-	71,624
Others	11,089	1,850	-	12,939
Total	466,802	(163,183)	(14,265)	289,354
Deferred tax liabilities				
Property, plant and equipment	(878,762)	-	(82,213)	(960,975)
Investment properties	(30,902)	(692)	-	(31,594)
Long-term investments	(16,631)	(859)	194	(17,296)
Others	(89,165)	7,653	-	(81,512)
Total	(1,015,460)	6,102	(82,019)	(1,091,377)
Net	(548,658)	(157,081)	(96,284)	(802,023)
2021				
Deferred tax assets				
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
Deferred tax liabilities				
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)

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 2023 to 2025.

Notes to the financial statements

For the year ended 30 September 2022

20 Earnings per share

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht/thousand shares)</i>			
<i>Profit attributable to ordinary shareholders</i>				
Profit attributable to ordinary shareholders of the Company	12,662	83,235	673,213	464,883
Number of ordinary shares outstanding	265,900	265,900	265,900	265,900
Earnings per share (in Baht)	0.05	0.31	2.52	1.75

21 Dividends

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
2022				
2021 Annual dividend	27 January 2022	February 2022	0.34	90,404
2021				
2020 Annual dividend	28 January 2021	February 2021	0.32	85,087

22 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, but 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 2022	Consolidated / Separate financial statements				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
		<i>(in thousand Baht)</i>			
Financial assets					
Other financial assets measured at FVTPL					
Investment in unit trust	654,295	-	654,295	-	654,295
Other financial assets measured at FVOCI					
Investment in equity instruments	195,711	51,036	-	144,675	195,711
Total other financial assets	850,006				850,006
At 30 September 2021					
Financial assets					
Other financial assets measured at FVOCI					
Investment in equity instruments	194,837	51,300	-	143,537	194,837
Investment in unit trust	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 2022

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 list 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 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.

(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 reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(b.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.

Notes to the financial statements

For the year ended 30 September 2022

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.

Information relevant to trade accounts receivables is disclosed in note 6.

(b.1.2) Investment in debt securities

The Group considers that all debt investments measured at amortised cost and FVTPL 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.

(b.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.

(b.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 shows 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.

Consolidated financial statements					
At 30 September	Carrying amount	Contractual cash flows			Total
		1 year or less	More than		
			1 years		
			but less		
			than 5 years	More than 5 years	
(in thousand Baht)					
2022					
Non-derivative financial liabilities					
Trade payables	801,988	801,988	-	-	801,988
Lease liabilities	399,938	99,007	300,931	-	399,938
	1,201,926	900,995	300,931	-	1,201,926
2021					
Non-derivative financial liabilities					
Trade payables	489,099	489,099	-	-	489,099
Lease liabilities	356,381	98,151	258,230	-	356,381
	845,480	587,250	258,230	-	845,480

Notes to the financial statements

For the year ended 30 September 2022

Separate financial statements					
		Contractual cash flows			
			More than		
			1 years		
			but less	More	
	Carrying	1 year	than 5	than 5	
	amount	or less	years	years	Total
<i>At 30 September</i>			<i>(in thousand Baht)</i>		
2022					
<i>Non-derivative financial liabilities</i>					
Trade payables	1,119,274	1,119,274	-	-	1,119,274
Lease liabilities	397,286	97,856	299,430	-	397,286
	1,516,560	1,217,130	299,430	-	1,516,560
2021					
<i>Non-derivative financial liabilities</i>					
Trade payables	736,730	736,730	-	-	736,730
Lease liabilities	352,606	96,996	255,610	-	352,606
	1,089,336	833,726	255,610	-	1,089,336

(b.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:

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales 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.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
(in thousand Baht)				
United States Dollars				
Financial liabilities	(7,818)	(5,660)	(7,768)	(5,615)
Gross statement of financial position exposure	(7,818)	(5,660)	(7,768)	(5,615)
Euro				
Financial liabilities	(4,819)	(2,523)	(4,819)	(2,523)
Gross statement of financial position exposure	(4,819)	(2,523)	(4,819)	(2,523)

Notes to the financial statements

For the year ended 30 September 2022

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Hong Kong Dollars</i>				
Financial assets	1,918	2,020	-	-
Financial liabilities	(412)	(371)	-	-
Gross statement of financial position exposure	1,506	1,649	-	-
<i>Pound Sterling</i>				
Financial liabilities	(17)	(18)	-	-
Gross statement of financial position exposure	(17)	(18)	-	-

(b.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. So the Group has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of the Group.

23 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor, 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.

24 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Capital commitments</i>				
Buildings, warehouses and improvement	7,061	2,069	7,061	2,069
Machinery, equipment and office equipment	17,162	7,797	17,162	7,797
Total	24,223	9,866	24,223	9,866
<i>Other commitments</i>				
Purchase orders for goods and supplies	282,623	57,391	269,400	57,391
Bank guarantees	28,776	29,075	25,404	25,845
Total	311,399	86,466	294,804	83,236

Notes to the financial statements

For the year ended 30 September 2022

25 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 2022.
- (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 1.45 million. The Court of First Instance directed the Company to reimburse the plaintiff with amount approximately Baht 0.10 million. Currently, the case is under consideration of the Court of Appeal. The Company has set aside a provision for these contingent liabilities in the financial statements.
- (c) The 2 employees who were laid off by the Company have lodged lawsuit against the Company for unfair termination. The total claim amount is approximately of Baht 1.14 million, respectively. Currently, the case is under consideration of the Court of First Instance. Hence, there is no provision has been made at 30 September 2022.

26 Events after the reporting period

At the Board of Directors' meeting of the Company held on 16 November 2022, 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

Age 79

Positions

- Chairman
- Chairman of Corporate Governance Committee

Date Appointed 3 January 1996

Educational Credentials and Training Experience

- Bachelor of Science Degree in Business Administration, Menlo College
- Certificate of Senior Executive Program in Energy Literacy, Class 7/2015, Thailand Energy 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 Chief Executive, Class 15/2012, Capital Market Academy
- Director Certification Program (DCP), Class 37/2003, Thai Institute of Directors Association (IOD)

Share Holding

- None -

Relation to the Executive

Relative of 3rd Vice Chairman of Executive Committee

Work experience within the 5 preceding years

Positions in other Thai 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
- 2013 - 2015 Independent Chairman
Kasikornbank PCL
- 1993 - 2015 Director
Kasikornbank PCL

Positions in foreign listed companies

- None -

Positions in other unlisted companies

- 2017 - Present Director
Porganic Life Science Co., Ltd.
- 2016 - Present Director
P. Chemitech Co., Ltd.
- 2016 - Present Director
Thai Herbicide Co., Ltd.
- 2014 - Present 1st Vice Chairman
Thai Drinks Co., Ltd.
- 2013 - Present Chairman
Wrangyer Beverage (2008) Co., Ltd.
- 2006 - Present Chairman
Sermsuk Holdings Co., Ltd.
- 2002 - Present Chairman
Petform (Thailand) Co., Ltd.
- 1997 - Present Chairman
Sermsuk 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
Sheraton Royal Orchid 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

Age 85

Positions

- 1st Vice Chairman
- Chairman of Nomination and Remuneration Committee
- Member of Audit Committee

Date Appointed 20 April 2010

Educational Credentials and Training Experience

- B.S. Electrical Engineering, Northrop Institute of Technology, USA
- Director Accreditation Program (DAP) 2013, Thai Institute of Directors
- Advance Insurance Program (QIC 2) 2012, Office of Insurance Commission
- Senior Executive Program in Urban Development Administration, "Mahanakorn" Institute of Metropolitan Development 2011
- Senior Executive Program in Trade and Commerce, Commerce Academy 2010
- Senior Executive Program (CMA 9) 2009, Capital Market Academy
- Directors Certification Program (DCP) 2002, Thai Institute of Directors
- Role of the Chairman Program (RCP) 2001, Thai Institute of Directors

Share Holding

- None -

Relation to the Executive

- None -

Work experience within the 5 preceding years

Positions in other Thai listed companies

- **2021 - Present**
 - Chairman of the Nomination and Remuneration Committee (2021 - Present)
 - Nomination and Remuneration Committee Member (2010 - Present)
 - Audit Committee Member (2010 - Present)
 - Independent Director (2010 - Present)
 - BTS Group Holdings Public Company Limited
- **2018 - Present**
 - Chairman (2018 - Present)
 - Vice Chairman (2010 - 2018)

- Chairman of Compensation and Nominating Committee (2009 - 2018)

Thai Metal Drum MFG. Public Co., Ltd.

- **2001 - Present** Chairman
The Navakij Insurance Public Company Limited
- **1999 - Present** Chairman
Thaire Life Assurance Public Company Limited
- **1994 - 2019** Independent Director
Varopakorn Public Company Limited
- **1978 - 2016**
Chairman and Independent Director
- Thai Reinsurance Public Company Limited
- **1969 - 2013** Independent Director
Thai-German Ceramic Industry Plc.

Positions in foreign listed companies

- None -

Positions in other unlisted companies

- **2022 - Present**
 - Chairman (2022 - Present)
 - Director (1988 - Present)
 - The Pet Co., Ltd.
- **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.
- **2006 - Present** Director
Wanglee Pattana Co., Ltd.
- **2005 - Present** Director
Rajadamri Hotel Public Company Limited
- **1991 - Present** Chairman
Rangsit Plaza Co., Ltd.
- **1982 - Present** Chairman
Sathorn Thani Co., Ltd.
- **1968 - Present** Director
Wanglee Co., Ltd.
- **2007 - 2014** Chairman
Falcon Insurance Plc.

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mr. Chotiphat Bijananda
Age 59

Positions

- 2nd Vice Chairman

Date Appointed 14 September 2011

Educational Credentials and Training Experience

- MBA in Finance and Banking, University of Missouri, USA
- Bachelor Degree of Laws, Thammasat University
- Director Certification Program (DCP), Class 155/2012, Thai Institute of Directors

Share Holding

- None -

Relation to the Executive

- None -

Work experience within the 5 preceding years

Positions in other Thai listed companies

- **2022 - Present**
 - Member of Risk Management Committee (2022 - Present)
 - Director, Corporate Transformation Committee (2021 - Present)
 - Member of the Nomination and Remuneration Committee (2019 - Present)
 - Chairman of Executive Board (2018 - Present)
 - Director (2018 - Present)
- Thai Group Holdings Public Company Limited
- **2021 - Present**
 - Director
 - Chairman of Executive Committee
- Siam Food Products Public Company Limited
- **2020 - Present**
 - Director (2020 - Present)
 - Chairman of Risk Management Committee (2020 - Present)
 - Member of Nomination Committee (2017 - 2020)
- Fraser's Property (Thailand) Public Company Limited

Positions in foreign listed companies

- **2017 - Present** Director
Fraser's Property Company Limited
- **2013 - Present** Director
Fraser's Centerpoint Limited

- **2013 - Present** Director
Fraser's and Neave Limited
- **Present** Director
Fraser's Property (Australia) Company Limited

Positions in other unlisted companies

- **2022 - Present**
 - Member of Risk Management Committee (2022 - Present)
 - Vice Chairman / Chairman of the Investment Committee / Acting of Chief Executive Officer (2007 - Present)
 - Chairman of the Risk Management Committee (2007 - October 2022)
- Southeast Life Insurance Public Company Limited
- **2022 - Present**
 - Chairman (2022 - Present)
 - Acting of Chief Executive Officer (2021 - Present)
 - Chairman of Risk Management Committee (2007 - Present)
 - Vice Chairman (2007 - October 2022)
- Southeast Capital Company Limited
- **2022 - Present** Acting Managing Director
Thai Group Services Company Limited
(Formerly named S Sofin Co., Ltd.)
- **2021 - Present** Chairman
Sentrics Consulting Company Limited
- **2021 - Present** Chairman
ME Innovation Service Company Limited
- **2021 - Present** Chairman
Siam Food (2513) Company Limited
- **2021 - Present** Chairman
Thai Wellness Living Company Limited
- **2021 - Present** Chairman
Rod Dee Det Auto Company Limited
- **2020 - Present** Chairman
Southeast Money Company Limited
- **2020 - Present** Chairman
Southeast Money Retail Company Limited
- **2019 - Present** Chairman
Southeast Property Company Limited
- **2018 - Present** Director
TCC Assets (Thailand) Company Limited
- **2016 - Present** Chairman
Southeast Advisory Company Limited
- **2016 - Present** Chairman
OHCHO Company Limited

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- 2015 - Present Chairman
Suansilp Pattana 1 Co., Ltd.
- 2015 - Present Chairman
DL Engineering Solutions Co., Ltd.
- 2015 - Present Chairman
Southeast Academic Center Company Limited
- 2015 - Present Chairman
Permsub Siri 5 Co., Ltd.
- 2015 - Present Chairman
Permsub Siri 3 Co., Ltd.
- 2014 - Present Chairman
Southeast Joint Venture Co., Ltd.
- 2014 - Present Chairman
TCC Privilege Card Co., Ltd.
- 2014 - Present Chairman
Concept Land 5 Co., Ltd.
- 2013 - Present Chairman
Pattana Bovornkij 4 Co., Ltd.
- 2013 - Present Chairman
Asiatic House Co., Ltd.
- 2012 - Present Chairman
Dhamma Land Property Company Limited
- 2003 - Present Director
Charm Corp Circle Co., Ltd.
- 1994 - Present Chairman
Pro Garage Company Limited
- 1993 - Present Director
Tep Nimitr Thanakorn (2001) Co., Ltd.

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mr. Thapana
Sirivadhanabhakdi

Age 47

Positions

- 3rd Vice Chairman
- 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

- Doctor of Business Administration (Business Innovation Management) from Silpakorn University
- Honorary Doctor of Arts in Art and Design from Bangkok University
- Honorary Doctorate Degree in Business Administration (Management) from Rajamangala University of Technology Isan
- 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 Association (IOD)

Share Holding

- None -

Relation to the Executive

- None -

Work experience within the 5 preceding years

Positions in other Thai listed companies

- **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**
 - Chairman of the Executive Committee (October 2020 - Present)
 - Vice Chairman of the Board (July 2007 - Present)
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

Positions in foreign listed companies

- **October 2003 - Present**
 - President and CEO (January 2008 - Present)
 - Executive Committee Member (February 2004 - Present)
 - Director (October 2003 - Present)
Thai Beverage Public Company Limited
- **February 2013 - Present** Director
Fraser and Neave, Limited
- **October 2016 - August 2022** Chief Center of Excellence
Thai Beverage Public Company Limited

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- **October 2018 – September 2020**
Chief Beer Product Group
Thai Beverage Public Company Limited
- **October 2003 – January 2008**
- Director
- Executive Vice President
Thai Beverage Public Company Limited

Positions in other unlisted companies

- **July 2022 – Present** Chairman
VietBev Company Limited
- **April 2022 – Present** Director
Super Food Brands Company Pte. Ltd.
- **October 2021 – Present** Chairman
Bistro Asia Co., Ltd.
- **August 2021 – Present** Independent Director
SCG Chemicals Public Company Limited
(formerly name, 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
- Asia Breweries Limited
- Siam Breweries Limited
- **October 2020 – Present** Director
- 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
- **March 2018 – Present** Director
Tspace Digital Company Limited
- **April 2016 – Present** Director
Pracharath Rak Samakkee Social Enterprise (Thailand) Co., Ltd.
- **March 2013 – Present** Vice Chairman
Times Publishing Limited
- **November 2012 – Present** Director
InterBev Investment Limited
- **September 2011 – Present** Director
Plantheon Co., Ltd.
- **July 2007 – Present** Director
Adelfos Co., Ltd.
- **April 2004 – Present**
- Chairman (January 2022 – Present)
- Executive Chairman (February 2018 – Present)
- Director (April 2004 – Present)
Beer Thai (1991) Public Company Limited
- **September 2003 – Present** President
International Beverage Holdings Limited
- **Present** Director
TCC Group of Companies
- **January 2008 – September 2022**
Vice Chairman
Southeast Life Insurance Public Company Limited
- **January 2008 – September 2022**
Vice Chairman
Southeast Capital Co., Ltd.
- **February 2018 – January 2022**
Vice Chairman
Beer Thai (1991) Public Company Limited
- **January 2008 – January 2022**
Vice Chairman
Southeast Insurance Public Company Limited
- **December 2017 – November 2020**
- Chairman (2019-2020)
- Director (December 2017 – November 2020)
- Executive Chairman (2017-2019)
GMM Channel Holding Co., Ltd.
- **May 2015 – February 2020** Director
TCC Holding (2519) 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** Executive Vice Chairman
Beer Thai (1991) Public Company Limited

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

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
- 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 and 2013
 - Asian Excellence Recognition Awards: Asia's Best CEO (Investor Relations) from the Corporate Governance Asia Magazine in 2011-2014
 - 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 73

Positions

- 4th Vice Chairman
- 1st Vice Chairman of Executive Committee
- Member of Corporate Governance Committee

Date Appointed 16 November 2018

Educational Credentials and Training Experience

- 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 Association (IOD)

Share Holding

- None -

Relation to the Executive

- None -

Work experience within the 5 preceding years

Positions in other Thai listed companies

- **February 2020 - Present**
 - Vice Chairman
 - Executive Chairman
- **January 2006 - Present** Director
- **January 2006 - Present** Director
- **January 2006 - Present** Director

Positions in foreign listed companies

- **July 2005 - Present**
 - Director and Senior Executive Vice President, Chief Operating Officer - Thailand (October 2018 - Present)
 - Director (July 2005 - Present)
- **July 2005 - September 2018**
 - Director and Senior Executive Vice President, Chief Route-to-Market (October 2016 - September 2018)
 - Director and Executive Vice President (May 2010 - September 2016)

- Director and Senior Vice President
(July 2005 - May 2010)
Thai Beverage Public Company Limited

Positions in other unlisted companies

- **July 2022 - Present** Director
- **July 2022 - Present** Director
- **June 2022 - Present** Chairman
- **October 2021 - Present** 1st Vice Chairman
- **October 2021 - Present** Chairman
- **August 2021 - Present** Director
- **June 2021 - Present** Director
- **May 2021 - Present** Director
- **October 2020 - Present** Director
- **April 2020 - Present** Vice Chairman
- **February 2020 - Present** Chairman
- **September 2019 - Present** Vice Chairman
- **June 2019 - Present** Vice Chairman
- **March 2019 - Present** Director
- **January 2019 - Present** 1st Vice Chairman

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- **November 2018 - Present**
Executive Chairman
- Thai Drinks Co., Ltd.
Director
- Wrangyer Beverage (2008) Co., Ltd.
- **May 2018 - Present**
- Vice Chairman
- Executive Chairman
Cash Van Management Co., Ltd.
- **October 2017 - Present**
Director and Co-Chairman
- Grand Royal Group International Company Limited
- Myanmar Supply Chain and Marketing Services Company Limited
- **June 2017 - Present** Director
Traditional Trade Management Co., Ltd.
- **May 2017 - Present** 1st Vice Chairman
BevTech Co., Ltd.
- **July 2015 - Present** Vice Chairman
Red Bull Distillery Group of Companies
- **December 2014 - Present**
- Vice Chairman
- Executive Chairman
Horeca Management Co., Ltd.
- **March 2014 - Present** 2nd Vice Chairman
Thai Drinks Co., Ltd.
- **2014 - Present** Director
Oishi Food Service Co., Ltd.
- **November 2013 - Present** Director
International Beverage Holdings Limited
- **December 2012 - Present**
- Vice Chairman
- Executive Chairman
Modern Trade Management Co., Ltd.
- **January 2010 - Present** Director
Thai Beverage Training Co., Ltd.
- **January 2006 - Present** Director
- Oishi Trading Co., Ltd.
- Oishi Ramen Co., Ltd.
- **2014 - February 2020** Vice Chairman
- Oishi Food Service Co., Ltd.
- **2006 - February 2020** Vice Chairman
- Oishi Trading Co., Ltd.
- Oishi Ramen Co., Ltd.
- **May 2014 - January 2020** 1st Vice Chairman
Thai Beverage Marketing Co., Ltd.
- **August 2015 - January 2019** 2nd Vice Chairman
Thai Beverage Logistics Co., Ltd.

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Prof. Dr. Khunying Suchada Kiranandana	Positions in foreign listed companies - None -
Age	76	Positions in other unlisted companies
Positions	<ul style="list-style-type: none"> Independent Director Chairman of Audit Committee Chairman of Sustainability and Risk Management Committee 	<ul style="list-style-type: none"> October 2015 - Present Chairman of Human Resource Committee The Thai Red Cross Society September 2015 - Present Director and Treasurer The Information Technology Foundation under the Initiative of Her Royal Highness Princess Maha Chakri Sirindhorn 2006 - Present Director and Audit Committee Member The Thai Red Cross Society August 2001 - Present Chairman of Operations Committee Phufa February 2012 - February 2018 Chairman of University Council Chulalongkorn University
Date Appointed	5 February 2008	
Educational Credentials and Training Experience	<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 (AACCP) 2564 Director Certification Program (DCP), Class 37/2003, Thai Institute of Directors Association 	
Share Holding	- None -	
Relation to the Executive	- None -	
Work experience within the 5 preceding years		
Positions in other Thai listed companies		
<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 May 2019 - Present - Chairman of Nomination Committee / Remuneration and Corporate Governance Committee Dusit Thani Public Company Limited March 2017 - Present Independent Director Dusit Thani Public Company Limited April 2015 - March 2018 - Vice Chairman - Chairman of Independent Director - Chairman of Human Resource and Compensation Committee Kasikornbank 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"> • 2004 - Present Professor Faculty of Law, Mahidol University • 2004 - Present Lecturer of Justice Affairs Ministry of Justice • 2004 - Present Lecturer of Institute Ministry of Interior of Administration and Development • 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 • 1999 - Present Lecturer of Department Department of Special Investigation of Special Investigation • 1999 - Present Asset Management Committee The Thai Red Cross • 1999 - Present Director Organ Donation Center The Thai Red Cross • 1999 - Present Chairman Legal Director, Organ Donation Center The Thai Red Cross • 1998 - Present Professor Faculty of Law, Mae Fah Luang University • 1997 - Present Professor The Thai Bar under The Royal Patronage • 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) • 1994 - Present Guest Lecturer of Office Office of the Attorney-General, Attorney-General • 1985 - Present Professor Faculty of Law, Chulalongkorn University
Age	78	
Positions		
• Independent Director		
Date Appointed	29 April 2011	
Educational Credentials and Training Experience		
• 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 (DAP), Class 26/2004, Thai Institute of Directors Association		
Share Holding		
- None -		
Relation to the Executive		
- None -		
Work experience within the 5 preceding years		
<u>Positions in other Thai listed companies</u>		
• August 2019 - Present Director Siam Makro PLC		
• September 2017 - Present Director Loxley PLC		
• 2010 - Present Chairman Sino-Thai Engineering & Construction PLC.		
• 2004 - Present - Vice Chairman - Chairman of Executive Committee Don Muang Tollway PLC.		
• Present Advisor True Corporation PLC.		
• 2008 - October 2021 Director True Corporation PLC.		
• 2010 - March 2021 Advisor Bangkok Airways PLC.		
<u>Positions in foreign listed companies</u>		
- None -		
<u>Positions in other unlisted companies</u>		
• 2019 - Present Chairman the Amendment Criminal Procedure Code Committee		

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- **Present** Chairman
The Scrutiny Committee for Bills Presented to the Cabinet
- **2004 - 2017** Director
Committee of Agriculture Commodity and Food Standard

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mrs. Siripen Sitasuwan

Age 74

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 Art (Commerce), Chulalongkorn University
- Hot Issue for Directors – What Directors Need to Know About Digital Assets ? Class 2/2022, Thai Institute of Directors Association (IOD)
- 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 Association (IOD)
- Role of the Compensation Committee (RCC) Class 4/2007, Thai Institute of Directors Association (IOD)
- Directors Certification Program (DCP) Class 33/2003, Thai Institute of Directors Association (IOD)

Share Holding

- None -

Relation to the Executive

- None -

Work experience within 5 preceding years

Positions in other Thai listed companies

- **2014 – Present**
 - Nomination, Remuneration and Corporate Governance Committee (2014 – Present)
 - Chairperson of Audit Committee (2009 – Present)
 - Independent Director (2000 – Present) Thanachart Capital Public Company Limited
- **August 2013 - February 2021**
 - Independent Director
 - Chairperson of Audit Committee Thai Solar Energy Public Company Limited

Positions in foreign listed companies

- **October 2022 – Present**
 - Independent Director
 - Member of Audit Committee
 - Member of Information Technology & Cybersecurity Committee Frasers Property Limited - Singapore
- **January 2014 – May 2022**
 - Independent Director (January 2014 – May 2022)
 - Chairperson of Audit Committee (January 2014 – May 2022)
 - Member of Remuneration Committee (June 2013 – May 2022)
 - Member of Nominating Committee (June 2013 – May 2022) Fraser and Neave, Limited (Singapore)

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	Positions in foreign listed companies
Age	56	<ul style="list-style-type: none"> • October 2022 – Present <ul style="list-style-type: none"> - Non-Executive Director - Independent Director
Positions	<ul style="list-style-type: none"> • Independent Director • Member of Corporate Governance Committee • Member of Nomination and Remuneration Committee • Member of Sustainability and Risk Management Committee 	<ul style="list-style-type: none"> • 2018 – Present <ul style="list-style-type: none"> - Independent Director - Chairman of Audit Committee
Date Appointed	19 April 2012	Saigon beer-Alcohol and - Beverage Corporation
Educational Credentials and Training Experience	<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 • Senior Executive Program (CMA 10), Capital Market Academy • Advance Audit Committee Program Class 41/2021, Thai Institute of Directors (IOD) • Directors Certificate Program Class 55/2005, Thai Institute of Directors (IOD) 	Positions in other unlisted companies
Share Holding	- None -	<ul style="list-style-type: none"> • 2020 – Present Independent Director
Relation to the Executive	- None -	Food and Beverage United Company Limited
Work experience within 5 preceding years		<ul style="list-style-type: none"> • 2019 – Present Director
Positions in other Thai listed companies		Claris EA Co., Ltd.
<ul style="list-style-type: none"> • 2017 – Present <ul style="list-style-type: none"> - Independent Director - Member of Audit Committee 		<ul style="list-style-type: none"> • 2016 – Present Director
Univanich Palm Oil Public Company Limited		Conservatory Co., Ltd.
<ul style="list-style-type: none"> • 2017 – Present <ul style="list-style-type: none"> - Independent Director - Chairman of Nomination and Remuneration Committee - Member of Corporate Governance Committee 		<ul style="list-style-type: none"> • 2015 – Present Chairman
Amarin Printing and Publishing PCL.		Talaypu Natural Products Co., Ltd.
		<ul style="list-style-type: none"> • 2011 – Present Managing Director
		My DNA Co., Ltd.
		<ul style="list-style-type: none"> • 2008 – Present Director
		Eco Future Co., Ltd.
		<ul style="list-style-type: none"> • 2004 – Present Managing Partner and Director
		Claris Co., Ltd.
		<ul style="list-style-type: none"> • 2002 – Present Director
		Pornmit Co., Ltd.
		<ul style="list-style-type: none"> • 2002 – Present Managing Director
		Wanwarin & Associate Co., Ltd.
		<ul style="list-style-type: none"> • 2000 – Present Director
		Danpundao Co., Ltd.
		(Former name as "P Garden Co., Ltd.")
		<ul style="list-style-type: none"> • 1997 – Present Director
		P Landscape Co., Ltd.
		<ul style="list-style-type: none"> • 1992 – Present Director
		Plim 369 Co., Ltd.
		<ul style="list-style-type: none"> • 1989 – Present Director
		Plimboonluck Co., Ltd.

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mr. Sithichai Chaikriangkrai
Age 68
Positions Director / 2nd Vice Chairman of Executive Committee / 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 Association (IOD)

Share Holding

- None -

Relation to the Executive

- None -

Work experience within 5 preceding years

Positions in other listed companies

- **March 2022 - Present** Director
Thai Group Holdings Public Company Limited
- **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 2003 - Present**
- Director and Senior Executive Vice President, Chief Investment Officer (August 2022 - Present)
- Director (October 2003 - Present)
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
- 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.)
- **October 2003 - September 2022**
- Director and Senior Executive Vice President, Group CFO (October 2016 - September 2022)
- Director and Executive Vice President (May 2010 - September 2016)
- Director and Senior Vice President (October 2003 - May 2010)
Thai Beverage Public Company Limited

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- **December 2012 - November 2020** Director
Golden Land Property Development Public Company Limited
- **March 2016 - January 2018** Director
Big C Supercenter Public Company Limited

Others

- Over 30 years of experiences in accounting and finance, with many international recognition awards
 - 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)

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mr. Sakchai Thanaboonchai
Age 66
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

Share Holding

- None -

Relation to the Executive

- None -

Work experience within 5 preceding years

Positions in other Thai listed companies

- **Present**
Vice Chairman of Executive Committee
Sikarin PLC.

Positions in foreign listed companies

- None -

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

- **2006 - Present** Secretary
Association of the Senate Registrar 49-51

- **1996 - Present** Secretary - General
Association of the Senate 39-43
- **Present**
- Senator
- Commissioner
Commission Labor Commission
- Commissioner
Mass Communication, Science, Technology and Information
- Vice Chairman
Thailand - Vietnam Parliamentary Friendship
- Executive Committee
Thailand - China Parliamentary Friendship
- **2017 - 2019** Vice Chairman
Thailand - China Parliamentary Friendship
- **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
- **2006 - 2008** Member
National Legislative Assembly
- 1996 - 2000** Senator

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Rangsak Thamaneewong	structure and are delivered in a format that is useful to managers by clearly defining individual
Age	61	
Positions	Director	Share Holding - None -
Date Appointed	29 April 2011	Relation to the Executive - None -
Educational Credentials and Training Experience	<ul style="list-style-type: none"> 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 2022 Director Certification Program (DCP) Class 325/2565 2017 Director Accreditation Program (DAP) Thai Institute of Directors Association Blue Ocean Strategic Initiative Center, London (2012) Confirmed understanding to practice concepts, tools, and frameworks Adizes Institute Worldwide Certification 	Work experience within 5 preceding years Positions in other Thai listed companies <ul style="list-style-type: none"> 2014 - Present Director Patkol PLC. Positions in foreign listed companies - None - Positions in other unlisted companies <ul style="list-style-type: none"> 2004 - Present Founder Chartered, Society of Advancement for Consulting, USA 2000 - Present Director Prudent Capital Limited 1998 - Present Chairman Prudent Advisory Limited Lecturer <ul style="list-style-type: none"> 2020 - Present Co-speakers The Adizes 44th Global Convention Bangkok Thailand หัวข้อ "ผู้นำ Democratship" 2020 - Present Lecturer Prudent Advisory Seminar Topic : "Mastering Change" 2020 - Present Lecturer Webinar with Hubba Thailand Topic "Organization Transformation" 2020 - Present Lecturer Webinar of Project "The Founders Square" by Hubba Thailand 2017 - Present Lecturer FEFCConnection Topic "From Good to Great CEO"
Certified in	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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 	

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mr. Dhitivute Bulsook

Age 54

Positions

- Director
- 3rd Vice Chairman of Executive Committee
- Member of Sustainability and Risk Management Committee

Date Appointed 20 April 2010

Educational Credentials and Training Experience

- MBA, Babson College, USA
- Certificate of Directors Certification Program (DCP) Class 78/2006
Thai Institute of Directors Association (IOD)

Share Holding

- None -

Relation to the Executive

Relative of Chairman

Work experience within 5 preceding years

Positions in other listed companies

- Director
Crown Seal Public Company Limited

Positions in foreign listed companies

- None -

Positions in other unlisted companies

- 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.

Work experience within 5 preceding years

- **June 2012 - July 2020** Director
Sermasuk Training Co., Ltd.
- **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
Age 54
Positions Director
Date Appointed 23 January 2017

Educational Credentials and Training Experience

- Masters of Management (MBA) in Finance and International Business from Kellogg Graduate School of Management at Northwestern University, U.S.A.
- Bachelor of Arts (Magna Cum Laude) in Economics and East Asian Studies from Princeton, U.S.A.
- Bursa Malaysia Mandatory Accreditation Programme (MAP)
Institute of Corporate Directors Malaysia (ICDM)
- Director Certification Program (DCP) 2014
Thai Institute of Directors Association (IOD)

Share Holding

- None -

Relation to the Executive

- None -

Work experience within the 5 preceding years

Positions in other Thai listed companies

- None -

Positions in foreign listed companies

- **August 2022 – Present**
Executive Vice President,
Chief Sustainability and Strategy
Thai Beverage Public Company Limited
- **June 2022 – Present**
Alternate Director to Mr. Kosit Suksingha
- Fraser and Neave Holdings Bhd.
(Listed on the Bursa Malaysia)
- **October 2020 – August 2022**
Senior Vice President,
Chief Sustainable Business Development
Thai Beverage Public Company Limited

Positions in other unlisted companies

- **August 2022 – Present** Director
- Open Innovation Co., Ltd.
- Must Be Company Limited

- **June 2022 – Present**
Director
- Money Mine Company Limited
- **January 2019 – Present**
- Director
- Executive Director
C.A.I. Co., Ltd.
- **2016 – Present** Managing Director
Pracharath Rak Samakkee Social Enterprise
(Thailand) Co., Ltd.
- **Present**
Secretary
- Foundation for the Institute of Social Enterprise
Development
Director
- Siam Able Innovation (Social Enterprise) Company
Limited
- **2016 – 2021**
Advisor to Risk Management Committee Member
The Thai Red Cross Society
- **2016 – 2021**
Advisor to Executive Committee
Mae Fah Luang Foundation Under Royal Patronage
- **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
Age 56
Positions

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

Date Appointed 11 August 2020
Educational Credentials and Training Experience

- 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) Listed Entity Director (LED) Program (Module 1, 2, 4 - Environmental, Social and Governance Essentials (ESG)) Singapore Institute of Directors (SID)
- Supercharge ESG Ambitions with Technology KPMG and the Malaysian Institute of Certified Public Accountants (MICPA)
- Bursa Malaysia Mandatory Accreditation Programme (MAP) Institute of Corporate Directors Malaysia (ICDM)

Share Holding
 - None -
Relation to the Executive
 - None -
Work experience within the 5 preceding years
Positions in other Thai listed companies

- **2011 - 2012**
Senior Vice President - Technical Supply Chain

Berli Jucker Public Company Limited
Positions in foreign listed companies

- **October 2020 - Present**
- Executive Vice President, Chief Non-Alcoholic Beverages Product Group and Chief Digital and Technology (August 2022 - Present)
- Executive Vice President, Chief Non-Alcoholic Beverage Business - Thailand (October 2020 - Present)
Thai Beverage Public Company Limited
- **June 2022 - Present** Director
- Fraser and Neave Holdings Bhd. (Listed on the Bursa Malaysia)
- **February 2013 - August 2022**
- Executive Vice President, Chief Route-to-Market (October 2020 - August 2022)
- Executive Vice President, Center of Excellence and Chief Supply Chain Management (October 2016 - August 2022)
- Vice President
Center of Excellence (February 2013 - August 2022)
- Executive Vice President, Chief Beer Business - Thailand (October 2018 - September 2020)
- Senior Vice President
Related Business (November 2013 - September 2016)
Thai Beverage Public Company Limited

Positions in other unlisted companies

- **August 2022 - Present** Director
- Open Innovation Co., Ltd.
- Must Be Company Limited
- Sirivadhanabhakdi Co., Ltd.
- **July 2022 - Present** Director
- Home and Office Delivery Co., Ltd.
- VietBev Company Limited
- **June 2022 - Present** Director
- Money Mine Company Limited
- **April 2022 - Present** Director
Certu System, Inc.

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

- **October 2021 - Present** Director
Vietnam Logistics and Supply Chain Company Limited
- **September 2021 - Present** Director
Argento Tech Co., Ltd.
- **August 2021 - Present** Director
Mee Chai Mee Chok Co., Ltd.
- **June 2021 - Present** Director
South East Asia Logistics Pte. Ltd.
- **November 2020 - Present**
Alternate Director to
Mr. Thapana Sirivadhanabhakdi
BeerCo Limited (Incorporated in Singapore)
- **October 2020 - Present** Director
 - Sermsuk Holdings Co., Ltd.
 - Sermsuk Beverage Co., Ltd.
 - Sermsuk Training Co., Ltd.
 - Wrangyer Beverage (2008) Co., Ltd.
 - Great Brands Limited
 - Chang Beer Company Limited
- **May 2020 - Present** Director
D2C Services Co., Ltd.
- **January 2020 - Present** Director
Chang Holding Co., Ltd.
- **June 2019 - Present**
 - Vice Chairman
(December 2020 - Present)
 - Director (June 2019 - Present)
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**
 - 4th Vice Chairman (March 2020 - Present)
 - Director (October 2018 - Present)
Chang International Co., Ltd.
- **February 2018 - Present**
 - 1st Vice Chairman (April 2018 - Present)
 - Director (February 2018 - Present)
Havi Logistics (Thailand) Limited
 - 1st Vice Chairman (April 2018 - Present)
- Director (February 2018 - Present)
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**
 - Vice Chairman / Executive Vice Chairman
(March 2020 - Present)
 - Director (February 2015 - Present)
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.
- **April 2014 - Present**
 - 1st Executive Vice Chairman
(May 2022 - Present)
 - CEO of Non-Alcoholic Beverage Business Thailand
(October 2020 - Present)
 - Director (April 2014 - Present)
Thai Drinks Co., Ltd.
- **March 2014 - Present** Director
Times Publishing Limited
- **December 2013 - Present** Director
Shinasab Co., Ltd.
- **November 2013 - Present**
Director and Managing Director
Thai Beverage Logistics Co., Ltd.
- **August 2013 - Present** Director
Modern Trade Management Co., Ltd.
- **August 2001 - Present** Director
T.C.C. Technology Co., Ltd.
- **Present** Director
 - TSpace Digital Co., Ltd.
 - Tarad Dot Com Group Co., Ltd.
- **February 2020 - May 2021** Director
Super Beer Brands Limited
- **April 2020 - January 2021** Director
BeerCo Training Co., Ltd.
- **May 2013 - August 2019** Director
C A C Co., Ltd.

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
Age 54
Positions Member of Executive Committee
Date Appointed 8 July 2019

Educational Credentials and Training

Experience

University of Sheffield, UK M.SC Engineering Management / MBA

Share Holding

- None -

Relation to the Executive

- None -

Work experience within the 5 preceding years

- **July 2019 - Present**
Senior Vice President RTM
Non-Alcohol Beverage Business Thailand
Thai Drinks Company Limited
- **July 2019 - Present**
Member of Executive Committee
Sermasuk Public Company Limited

- **May 2018 - July 2019**
National Sales Director and Sales Director (R7, R8) (Acting)
Sermasuk Public Company Limited
- **March 2018 - May 2018**
Senior Sales Director
Sermasuk Public Company Limited
- **February 2017 - February 2018**
Sales Operations Director
Sermasuk Public Company Limited
- **March 2016 - February 2017**
Business Development Director & Project Director
Sermasuk Public Company Limited
- **May 2015 - March 2016**
Business Development
Sermasuk Public Company Limited
- **August 2011 - January 2015**
Sales Director
Thai Asia Pacific Brewery Co., Ltd.

Name - Surname Mrs. Prangnee Chaipidej
Age 62
Positions Marketing Director
Date Appointed 1 October 2018

Educational Credentials and Training Experience

Bachelor of Arts (Communication Arts),
Chulalongkorn University

Share Holding

- None -

Relation to the Executive

- None -

Work experience within the 5 preceding years

- **October 2018 - Present**
Marketing Director
Sermasuk Public Company Limited
- **October 2012 - September 2018**
Assistant Marketing Director
Sermasuk Public Company Limited

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Thepsiri Phengtieng	Work experience within the 5 preceding years
Age	50	<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 -	

Name - Surname	Mr. Thanee Pornphisutsak	Work experience within the 5 preceding years
Age	53	<ul style="list-style-type: none"> • February 2020 - Present Production Director Sermasuk Public Company Limited • May 2016 - Present Vice President - Production Oishi Trading Company Limited • May 2011 - May 2016 General Manager Oishi Trading Company Limited
Positions	Production Director	
Date Appointed	20 February 2020	
Educational Credentials and Training Experience	Food Science & Technology, Kasetsart University	
Shareholding	- 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. Kwanchai Mahapornprachak	<ul style="list-style-type: none"> • July 2019 - Present National Sales Director Sermsuk Public Company Limited • May 2018 - July 2019 Sales Director (R2, R3, R4) Sermsuk Public Company Limited • May 2018 - May 2018 General Sales Manager (R2, R3, R4) Sermsuk Public Company Limited • February 2017 - April 2018 General Manager - Sales (Northeastern) Sermsuk Public Company Limited • January 2009 - February 2017 General Manager - Nakhornratchasima Sermsuk Public Company Limited
Age	63	
Positions	Sales Capability Development Director	
Date Appointed	22 April 2022	
Educational Credentials and Training Experience	BA in Marketing, Assumption Business Administration College	
Share Holding	- None -	
Relation to the Executive	- None -	
Work experience within the 5 preceding years	<ul style="list-style-type: none"> • April 2022 - Present Sales Capability Development Director Sermsuk Public Company Limited 	

Name - Surname	Mr. Pongwit Sumethmethachai	<ul style="list-style-type: none"> • April 2015 - February 2017 General Manager Nakornsawan Sermsuk Public Company Limited • 2011 - 2015 General Sales Manager Friesland Campina (Thailand) Co., Ltd.
Age	58	
Positions	Special Project Director	
Date Appointed	22 April 2022	
Educational Credentials and Training Experience	Mini MBA, Mahidol University	
Share Holding	- None -	
Relation to the Executive	- None -	
Work experience within the 5 preceding years	<ul style="list-style-type: none"> • April 2022 - Present Special Project Director Sermsuk Public Company Limited • July 2020 - Present Group Commercial Support Director Sermsuk Public Company Limited • May 2018 - July 2020 Sales Director (R5, R6) Sermsuk Public Company Limited • May 2018 - May 2018 General Manager (R5, R6) Sermsuk Public Company Limited • February 2017 - April 2018 General Manager - Sales (Nakornsawan) Sermsuk Public Company Limited 	

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname Mr. Nitipat Putthong

Age 47

Positions

- Human Capital Director
- Sales Operation Process Effectiveness 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

- **April 2022 - Present**
Sales Operation Process Effectiveness Director
Serm Suk Public Company Limited
- **January 2017 - Present**
Human Capital Director
Serm Suk 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

Name - Surname Ms. Rewadee Chaihetphon

Age 45

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
Serm Suk Public Company Limited

- **October 2020 - Present**
AVP - Finance
Thai Drinks Company Limited
- **February 2020 - September 2020**
Acting Finance Director
Serm Suk 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

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Phongpun Inphiphat	Relation to the Executive
Age	45	- None -
Positions	Acting Group Sales Support Director	Work experience within the 5 preceding years
Date Appointed	5 April 2022	<ul style="list-style-type: none"> • April 2022 - Present Acting Group Sales Support Director Sermasuk Public Company Limited
Educational Credentials and Training Experience		
General Administration, Suan Sunandha Rajabhat University		
Share Holding		
- None -		

Name - Surname	Mr. Thosaphol Maneerat	Relation to the Executive
Age	46	- None -
Positions	Sales Director R1 / R2 / R3 / R4	Work experience within the 5 preceding years
Date Appointed	1 January 2022	<ul style="list-style-type: none"> • January 2022 - Present Sales Director R1 / R2 / R3 / R4 Sermasuk Public Company Limited • July 2020 - Present Acting Sales Director R1 / R2 / R3 / R4 Sermasuk Public Company Limited • July 2018 - July 2020 Regional Sales Manager R2 Sermasuk Public Company Limited • February 2015 - June 2018 Sales Manager Sermasuk Public Company Limited
Educational Credentials and Training Experience		
Bachelor of Economics, The University of the Thai Chamber of Commerce		
Master of Political Science, Bangkokthonburi University		
Training		
The 7 Habits of highly effective people		
Share Holding		
- None -		

Attachment 1 Information of the Company's Directors, Executives, Controlling Parties (if applicable) and Company Secretary

Name - Surname	Mr. Vinij Thawilpaibul	Work experience within the 5 preceding years
Age	48	<ul style="list-style-type: none"> • July 2020 - Present Sales Director R5 / R6 / R7 / R8 Sermasuk Public Company Limited
Positions	Sales Director R5 / R6 / R7 / R8	<ul style="list-style-type: none"> • July 2019 - July 2020 Senior Regional Sales Manager R1 & R7 Sermasuk Public Company Limited
Date Appointed	3 July 2020	<ul style="list-style-type: none"> • 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 -	
Relation to the Executive	- None -	

Accounting Supervise Person

Name - Surname	Mrs. Panida Suesakulchockchai	Share Holding
Age	56	- 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) 	- None -
		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

Company Secretary

Name-surname	Mr. Krit Julapanichakum	Relation to Executive
Age	47	- None -
Position(s)	Assistant Vice President, Office of Legal Affairs, Compliance and Company Secretary	Work experience within 5 preceding years
Educational Credentials and Training Experience	<ul style="list-style-type: none"> • 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) 2020 	<ul style="list-style-type: none"> • 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
Share Holding	- None -	

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

- 1) The Board of Directors has appointed the Head of Internal Audit as follows:
Ms. Duangkamon Pornsuksawang Acting Internal Audit Assistant Director
- 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
 - Sermsuk 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
 - Sermsuk Public Company Limited
 - 2018 - Present Assistant Vice President, Office of Legal Affairs & Compliance
 - Sermsuk Public Company Limited
 - October 2017 - Present Assistant Vice President, Office of Legal Affairs
 - Thai Beverage Public Company Limited

Attachment 4 Assets used in Business Operation and Information on Asset Appraisal

Asset Appraisal for Investment

Company	Book Value (as appraised on 30 September 2022) (Million Baht)	Book Value (as appraised on 30 September 2021) (Million Baht)	Value Variance (Million Baht)
Sermsuk Public Company Limited	344.90	341.44	3.46

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: 1, 2, 5, 6, 7, 9, 11, 12, 16, 19 and 21 September 2022

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

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 2022, had been prepared and disclosed accurately, as deemed fully complaint to the financial reporting standard.

Attachment 7 Report of Audit Committee

Dear Shareholder
Sermsuk 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 2022, 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 2022 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

Dear Shareholder
Sermasuk Public Company Limited

The Sustainability and Risk Management Committee appointed by the Board of Directors Meeting Resolution consists of 14 committee members, including 7 committee members and 7 Executive members.

The Sustainability and Risk Management Committee performed the duties assigned by the Company's Board of Directors. In 2022, 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 2022, 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

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. Sujin 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 proposing to the Board of Directors and/or Shareholders, as the case may be.

In 2022, the Nomination and 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 expertise appropriate to the Company's business needs, for the Board of Directors consideration and appointment in replacement of the Executive committee member who resigned from position.
2. Consideration to contemplate the director remuneration establishment, committee meeting including the director bonus for 2023.
3. Consideration to contemplate the salary adjustment for 2023 and Employee Reward for 2022

The Nomination 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 the Nomination and Remuneration Committee

Attachment 10 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 2022, 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 2022 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

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 2022, 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 Executive Committee

Sustainability Report

Sermsuk, Being with Thai Society



Sermsuk aspires to conduct its business under its guiding philosophies of **“Fulfilling Happiness”** and **“Growing Sustainably, Rising Towards a Digital Future”** by offering quality products and services that delight and refresh Thai consumers for years to come.

About This Report

Sermsuk Public Company Limited (**“Sermsuk”** or the **“Company”**) commits itself to promoting sustainable development. 2022 was the second year the Company published a sustainability report to communicate to stakeholders this aspect of its operations from October 1, 2021 to September 30, 2022. The report was prepared in accordance with **the Global Reporting Initiative (GRI) Standards** for Sustainability Reporting and the Stock Exchange of Thailand’s (SET) **Sustainability Reporting Guidelines** for Listed Companies.

About Sermsuk

Vision

Be a leading manufacturer and distributor of high-quality beverages that not only render unsurpassed services to consumers but also sustainably deliver tangible gains to stakeholders.

Mission

The Company is determined to **“Fulfill Happiness”** by manufacturing high-quality beverages for consumers and customers in Thailand to achieve the ultimate goal of stable and sustainable growth.

Products and Services

The Company’s products and services can be mainly classified according to lines of operations as follows: the production and distribution of drinking water and carbonated and non-carbonated beverages and of green tea beverages, soda water, and cooling herbal beverages.

Sermsuk's Sustainable Development Strategy

To Be In Line With ThaiBev Group's Primary Goals

[ENABLING SUSTAINABLE GROWTH]

Environmental Dimension

- Climate Management
- Water Resource Conservation and revival
- Biological diversity development

Social Dimension

- Encouraging employee participation
- Promoting good health and well-being among consumers
- Fostering community strength

Governance Dimension

- Establishing good corporate governance
- Ensuring responsible procurement
- Forming business alliances



Organizational Strategy

Sermsuk embraces its **“Growing Sustainably, Rising Towards Digital Future”** concept by applying digital technology in its operations and management while modernizing its business practices to improve its operational efficiency as follows:



- The Company ascribes importance to its value chain management and development from the material procurement process up until post-consumption packaging management to benefit stakeholders in their environmental, natural resource, social, and community management. The Company also presses ahead with developing and strengthening the grassroots economy as well as promoting human resources development and building sustainable culture in all dimensions.



- The Company is determined to develop new products and brands that are responsive to consumer needs as well as to expand into effective sales and distribution channels by adopting digital technology in its operations to ensure the timely delivery of products to consumers.



- The Company strengthens the linkage between its production base and ThaiBev’s large logistics networks while integrating artificial intelligence (AI) into its analysis and development of the production and distribution systems.

Sermsuk's Sustainable Development Guidelines



Of paramount importance to Sermsuk is sustainable business management in accordance with its sustainability policy. To this end, the Company constantly assesses its operations and business ethics encompassing environmental, social, and corporate governance and economic dimensions. It also joins forces with stakeholders from all sectors and adheres to the 17 Sustainable Development Goals (SDGs) of the United Nations. Thanks to its determined and continued efforts, the Company successfully met the environmental and occupational health and safety standards of Lloyd's Register International (Thailand) Limited, thereby winning the trust of stakeholders from all sectors in its sustainable business operations under its **"Fulfilling Happiness"** concept.

Sermsuk's Value Chain



Organizational Strategy



Stakeholder Participation

Realizing the importance of stakeholder participation, Sermsuk promotes communication through various channels to ensure that the Company listens to and incorporates the needs, voices, and suggestions of stakeholders into its decision-making processes, strategy formulations, and operational planning specifications to achieve sustainable development and growth, mitigate risk to the Company's image, prevent business disruption, and ultimately maximize benefits for stakeholders from all sectors.



Eight Groups of Stakeholders

Stakeholder Groups	Engagement Approaches	Stakeholders' Expectations	Significant Operations
 <p>Employees</p>	<ul style="list-style-type: none"> Organize quarterly town hall meetings to provide employees with important updates from the management. Carry out 360° performance appraisal. Conduct an employee engagement survey on a quarterly basis (under the responsibility of the Human Resources Department). Hold focus group interviews with the employees and management as well as convene meetings with the employee welfare committee to listen to employees' problems communicated through their representatives. Develop an action plan and run activities for each department to solve engagement problems and promote employee engagement in the long run. Run engagement promotion activities and improve the work environment to ensure a pleasant employee experience. Update important information relating to the Company and employees through various communication channels, such as e-mails, HC Connect, E-news, SSC line groups, and the Beverest Life application. 	<ul style="list-style-type: none"> Employees' occupational health and safety Remuneration and welfare benefits Activities to enhance the relationships between the employees and the Company, between the employees and the Company's subsidiaries, and between the employees and communities Career development plans and opportunities for employees responsive to business changes The organization's operational direction and adaptation approach Human rights compliance 	<ul style="list-style-type: none"> Motivation and retention of talent Diversification of the modalities of capacity development and learning for employees Promotion of occupational health and safety Communication pertaining to the organization's goal, moves, and operational direction

Stakeholder Groups	Engagement Approaches	Stakeholders' Expectations	Significant Operations
 <p>Trade Partners</p>	<ul style="list-style-type: none"> • Undertake a business continuity risk analysis and manage risk to prevent supply shortage problems as suggested by trade partners. • Organize meetings with trade partners. • Collectively devise eco-friendly packaging development and material procurement processes to reduce the use of resources and promote sustainable business operations. • Maintain quality, delivery, and service standards in the organization's business operations. • Build trade partners' awareness of the organization's stance on sustainability pertinent to environmental, social, and corporate governance and economic dimensions 	<ul style="list-style-type: none"> • Mitigation of supply shortage risk • Management of trade partners' quality • Promotion of innovations • Creation of collaborative and sustainable business opportunities taking into account environmental, social, and corporate governance and economic dimensions 	<ul style="list-style-type: none"> • Evaluating and selecting trade partners whose policy and operations are in line with the organization's sustainable development policy • Collectively promoting sustainable resource utilization innovations • Auditing trade partners' facilities on an annual basis to collectively determine a higher facility standard • Signing the environmental conservation agreement to express adherence to the ISO14001 Environmental Management System • Purchasing supplies from trade partners successfully meeting manufacturing standards, such as liquid sugar conforming to the Bonsucro Production Standard
 <p>Customers</p>	<ul style="list-style-type: none"> • Conduct customer satisfaction surveys and receive complaints from stores through questionnaires distributed by district heads. • Create interaction with customers while providing sales services. • Run marketing and promotional activities in both offline and online formats. • Create and maintain digital and social networking channels to enhance communication with stores, such as Facebook accounts, websites, and the Sermsuk Family Official Account. • Develop channels for receiving complaints from and communicating with customers, such as websites and Customer Care Center. 	<ul style="list-style-type: none"> • Clarity of the Company's business management policy • The Company's business operations transparency • The Company's accountability to customers • Flexible trade practices responsive to market needs • Consumers' health and safety • Product and service quality • Healthy and nutritious products • Fair and reasonable pricing 	<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 "Sermsuk Family" and "Sermsuk Camp"

Stakeholder Groups	Engagement Approaches	Stakeholders' Expectations	Significant Operations
 Consumers	<ul style="list-style-type: none"> • Create and maintain digital and social networking channels to enhance communication with consumers, such as Facebook accounts and websites. • Run marketing and promotional activities in both offline and online formats. • Develop channels for receiving complaints from and communicating with consumers, such as websites and Customer Care Center. 	<ul style="list-style-type: none"> • The Company's accountability to consumers • Flexible trade practices responsive to market needs • Consumers' health and safety • Product and service quality • Healthy and nutritious products 	<ul style="list-style-type: none"> • Developing digital marketing innovations via online channels in tandem with the Company's subsidiaries, especially those involving home delivery services, such as www.shopteenee.com
 Society/ Communities	<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 contribute to the growth and 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 promotion and 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 • Establishing community relations through various projects • Running projects to promote good hygiene for the surrounding communities • Creating educational opportunities for the surrounding communities
 Investors	<ul style="list-style-type: none"> • Hold annual shareholders' meetings. • Run activities in which the management communicates the Company's strategy and business direction with investors. • Announce the Company's business performance together with the management's analysis and comments on the SET's website on a quarterly basis. • Publicize the Company's sustainability report and business performance together with the management's analysis 	<ul style="list-style-type: none"> • The Company's business performance • The Company's business information and news • The Company's goal and vision • The Company's operational direction and business growth • The Company's disclosure of information and transparency • The Company's risk management and response measures 	<ul style="list-style-type: none"> • Holding annual shareholders' meetings • Attending the Opportunity Day, held by the SET • Preparing annual reports and sustainability reports

Stakeholder Groups	Engagement Approaches	Stakeholders' Expectations	Significant Operations
 Regulatory Agencies	<p>and comments on the Company's website on an annual basis.</p> <ul style="list-style-type: none"> Devise investor relation channels for responding to queries and receiving suggestions, such as telephone numbers and e-mails. 		
	<ul style="list-style-type: none"> Operate and manage the Company in compliance with the relevant laws, standards, rules and regulations, and business ethics. Continually participate in projects and activities run by public agencies and private enterprises. Prepare policies, announcements, and operational guidelines in accordance with the law. 	<ul style="list-style-type: none"> Labor welfare and safety Human rights protection and compliance with laws Transparent tax administration and management Sustainable social and environmental management Ethical and transparent business operations for sustainable growth 	<ul style="list-style-type: none"> Overseeing compliance with the relevant laws, rules and regulations, and good governance principles Formulating and announcing a policy in accordance with the Personal Data Protection Act (PDPA) Devising an anti-corruption policy and guidelines for receiving complaints Updating the charters for sub-committees, except those applicable to the management committee
 Media and NGOs	<ul style="list-style-type: none"> Attend the Company's press conferences. Participate in online and offline meetings. Develop channels for communication with the media, such as online platforms, telephone numbers, and e-mails. 	<ul style="list-style-type: none"> Updates on the Company's business performance In-depth interviews with the top management following announcements of important matters The Company's transparent disclosure of information The Company's sustainable operations Human rights compliance 	<ul style="list-style-type: none"> Establishing constant communication with the media Inviting media representatives to attend important events organized by the Company Offering media sponsorship

Materiality Topics

Sermsuk recognizes the importance of the transparent disclosure of information pertinent to the environmental, social, and corporate governance and economic dimensions as well as of sustainable business operations and long-term value creation for stakeholders. One of the forces driving the Company towards the achievement of its sustainability goals in 2022 was the determination of the sustainability reporting scope encompassing 17 topics divided into environmental, social, and corporate governance and economic dimensions in accordance with the SET's Sustainability Reporting Guidelines for Listed Companies. Another key success factor was the Company's ability to gain the trust of stakeholders from all sectors in its sustainable business operations and growth.



Environmental Dimension (4 Issues)

- Water management and water resource conservation
- Energy management
- Climate change strategy
- Waste, packaging, and circular economy management

Social Dimension (9 Issues)

- Accountability to the Company's consumer
- Consumers' health and safety
- Healthy and nutritious products
- Customer relationship management
- Human resources development
- Human rights protection
- Employees' well-being
- Motivation and retention of talent
- Community development and collaboration

Governance Dimension (4 Issues)

- Corporate governance and business ethics
- Cyber security and privacy protection
- Sustainable supply chain management
- Corporate innovations

Process for the Evaluation of Materiality Topics

1

Identification of Key Sustainability Issues

The Company begins the process by identifying key sustainability issues in line with its business operations encompassing environmental, social, and corporate governance and economic dimensions by assessing the trends and direction of changes in both external and internal circumstances, such as its own sustainability goal and strategy, opportunities and threats posed by external factors, and stakeholders' expectations. In 2022, a total of 17 key sustainability issues were indicated.

2

Prioritization of Key Sustainability Issues

The Company then goes on to prioritize the key sustainability issues identified earlier by taking into consideration the opportunities and threats they pose on its business operations and stakeholders in terms of environmental, social, and corporate governance and economic impacts through the application of a materiality matrix.

3

Verification of Key Sustainability Issues

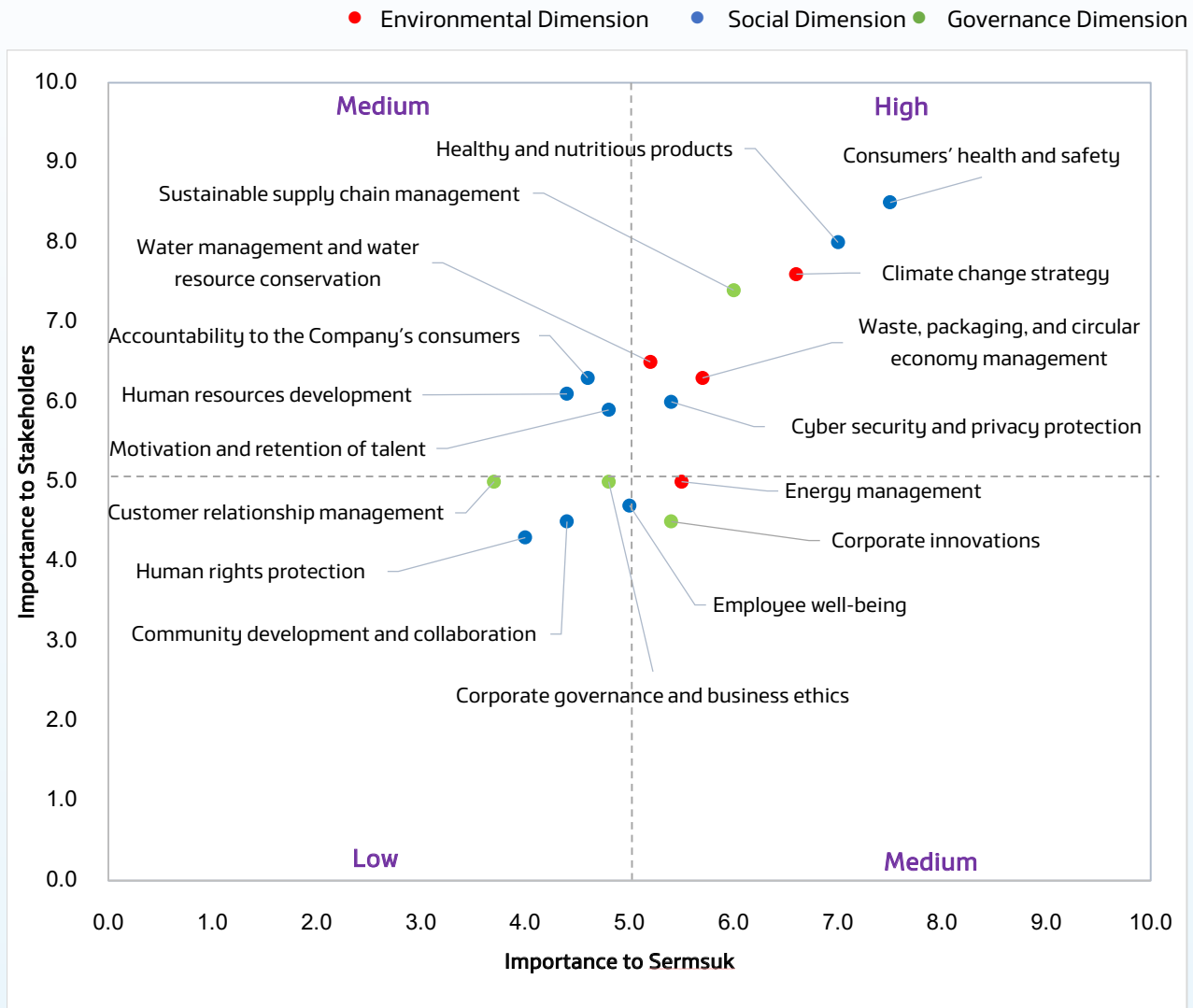
After that, the sustainability working group verifies the key sustainability issue prioritization and presents the findings to the management, the Sustainability and Risk Management Committee, and the Board of Directors for consideration.

4

Sustainable Development

Finally, the Company discloses a summary of the key sustainability issues in accordance with the SET's Sustainability Reporting Guidelines for Listed Companies, the GRI Standards, the Dow Jones Sustainability Indices (DJSI), and the UN's SDGs for Sustainability Reporting.

Results of the Evaluation of Materiality Topics



Results of the Evaluation of Materiality Topics

In 2022, the key sustainability issues for the Company's stakeholders in terms of the utmost importance were as follows:

- Consumer health and safety
- Healthy and nutritious products
- Climate change strategy



Summary of Materiality Topics

Organizational Issues									
Materiality Topics	Scopes of Impacts								
	Internal		External						
	Company	Employees	Trade Partners	Customers	Consumers	Communities	Investors	Regulatory Agencies	Media/ NGOs
Environmental Dimension									
Water management and water resource	😊	😊	😊			😊		😊	😊
Energy management	😊	😊	😊			😊		😊	😊
Climate change strategy	😊	😊	😊			😊		😊	😊
Waste, packaging, and circular economy management	😊	😊	😊	😊	😊	😊		😊	😊
Social Dimension									
Accountability to the Company's consumers	😊	😊	😊	😊	😊			😊	😊
Consumer health and safety	😊	😊	😊	😊	😊			😊	😊
Healthy and nutritious products	😊	😊	😊	😊	😊				
Customer relationship management	😊	😊	😊	😊	😊	😊		😊	😊
Human resources development	😊	😊							
Human rights protection	😊	😊	😊	😊	😊	😊	😊	😊	😊

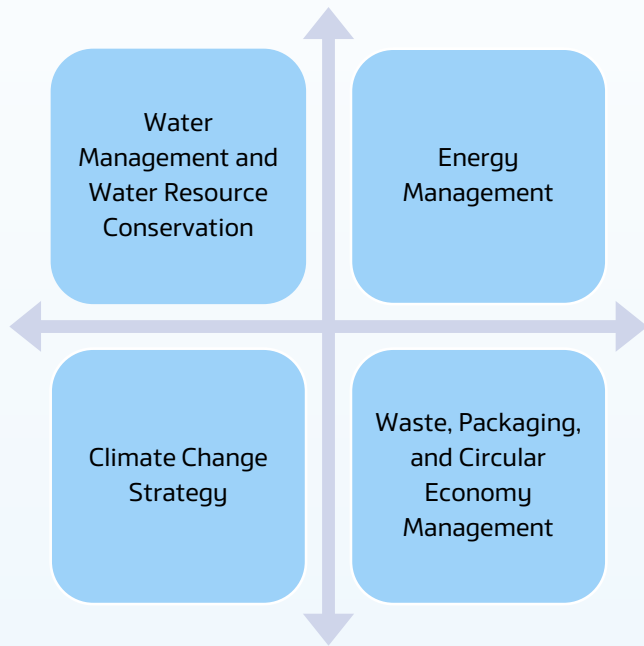


Summary of Materiality Topics

Organizational Issues									
Materiality Topics	Scopes of Impacts								
	Internal		External						
	Company	Employees	Trade Partners	Customers	Consumers	Communities	Investors	Regulatory Agencies	Media/ NGOs
Employee well-being	😊	😊							
Motivation and retention of talents	😊	😊							
Community development and collaboration	😊	😊				😊			
Governance Dimension									
Corporate governance and business ethics	😊	😊	😊	😊	😊	😊	😊	😊	😊
Cyber security and privacy protection	😊	😊	😊	😊	😊				
Sustainable supply chain management	😊	😊	😊			😊		😊	😊
Corporate innovations	😊	😊	😊	😊	😊	😊			



Environmental Dimension



Environmental Conservation

Valuing the importance of environmental conservation in line with Thai Beverage Public Company Limited's and customers' green mission as well as in accordance with the relevant laws, rules, and regulations, the Company has formulated an environmental policy to guide the various dimensions of its operations to sustainably prevent, curb, and mitigate environmental impacts throughout its production processes and value chains, such as regular environmental audits. Thanks to such a recognizable effort, the Company has earned the ISO14001: 2015 Environmental Management System Standard and the status as an exemplary organization for raising environmental awareness in Thai society and carrying on sustainable environmental conservation.

The Company has established the goal for the environmental dimension of its sustainable development goals through **the Sermsuk Green Dimensions**, which constitute five areas of operations: water, energy, greenhouse gas emissions, packaging, and human capital.

Water Management and Water Resource Conservation

1st Dimension: Water

Water is a natural resource of the utmost importance to Sermsuk as it is not only the main ingredient in the Company's business operations but also a vital element sustaining all known forms of life, including human beings. Over the years, prevailing water crises have been aggravated by old and new far-reaching factors, including pollution, drought, and climate change, calling for timely and comprehensive implementation of water management and water resource conservation measures.

Water Use



- Water Use Reduction Target: 3%
- Water Use Reduction Achieved: 9.59%

FY2020	FY2021	FY2022
3.39	3.27	2.96

Unit : m³/ m³.Product

In 2022, the Company ran various projects for water use reduction, optimum water use, and wastewater treatment before discharge into the environment. To this end, it has determined clear objectives and indicators to ensure tangible outcomes keeping pace with the ThaiBev Group's achievement of sustainable development goals.

"Water Footprint Principle"

In 2022, the Company applied the water footprint principle at all its seven plants to examine, analyze, and evaluate, in accordance with internationally recognized standards, the total volume of freshwater consumed, evaporated, and polluted to manufacture products, the impacts of water use, as well as the quality of effluent discharged into natural bodies of water. Sermsuk also set the objective of winning water footprint certifications for its primary packaging – 600 ml, 1L, and 1.5L polyethylene terephthalate (PET) bottles and 500 ml glass bottles – by the end of 2023.

"Water Sustainability Assessment (WSA)"

Between 2020 and 2021, the Company, in collaboration with the ThaiBev Group, conducted water sustainability assessment (WSA) for four of its plants, namely Pathum Thani, Nakhon Ratchasima, Chonburi, and Sermsuk Beverage. Later in 2022, the two parties pressed ahead with the effort, successfully extending the implementation of WSA to all its remaining three plants, namely Nakhon Sawan, Surat Thani, and Ranger Beverage. A tool primarily employed to investigate risk relating to water in four dimensions: water adequacy, water quality, rules and regulations pertinent to water resource utilization, and the attitudes of stakeholders in the surrounding communities, WSA has several other applications, including the formulation of short- and long-term guidelines for water management as well as strategies for industrial water use risk and impact reduction.

"The Shallow Groundwater Restoration by Industrial Sector Project"

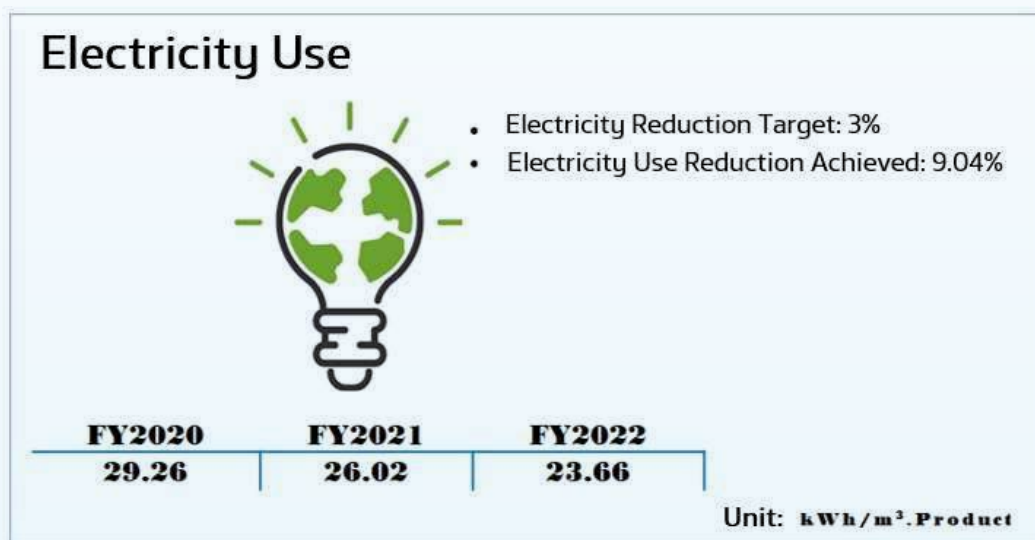
In 2022, the Company co-organized the Shallow Groundwater Restoration by Industrial Sector project with the Water and Environment Institute for Sustainability (WEIS) of the Federation of Thai Industries (FTI) and the Department of Groundwater Resources, turning five of its facilities in Pathum Thani, Nakhon Ratchasima, Nakhon Sawan, Surat Thani, and Chonburi, into model plants alongside 45 others across Thailand constructing a reservoir in an empty factory space to collect water for the restoration of shallow groundwater (under 15 m deep). This project enhanced the efficiency of natural freshwater storage and the moisture level of soil around the premises. More importantly, it played a significant part in the Company's environmental conservation and CSR efforts, returning an impressive amount of 2,800 m³ of freshwater to the ecological systems surrounding the plants.

Energy Management

2nd Dimension: Energy

Sermsuk realizes the importance of efficient energy use since energy is the lifeblood of business operations and human beings in the modern world. However, ongoing energy crises, especially the depletion of fossil fuels, are hindering large and small organizations alike in terms of the availability and variety of energy resources and production costs.

As a result, the Company has devised a policy to promote the use of renewable, circular energy in all its facilities to bring down greenhouse gas emissions. In 2022, it joined hands with Thai Beverage Energy Co., Ltd. to apply groundbreaking energy management technology and install solar rooftops at its Pathum Thani, Nakhon Ratchasima, Nakhon Sawan, Surat Thani, and Wrangyer Beverage plants, successfully lowering its energy use by 9.04%.



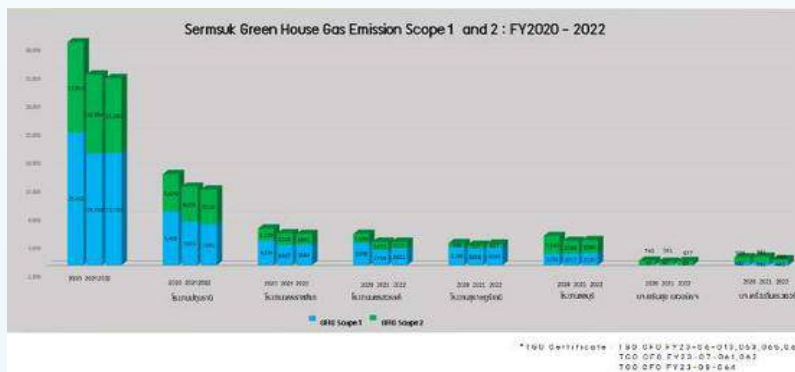
At present, the electricity generation capacity of the solar rooftops at all the plants combined equals 4.40 MW, or as much as 25% of their electricity use. Over their 20-year lifetime, these rooftops are expected to cut down greenhouse gas emissions by up to 67,888 tons of carbon dioxide equivalent (tCO₂e) – an amount that would require over 751 acres of forest for absorption.

Climate Change Strategy

3rd Dimension: Greenhouse Gas Emissions

Climate change is a global emergency that both directly and indirectly impacts all nations environmentally, socially, and economically. To respond to this dire phenomenon, governments and business organizations alike need to implement measures to deal with the root cause – greenhouse gas emissions.

As an organization at the forefront of greenhouse gas emissions reduction in Thailand, Sermsuk builds, maintains, and updates databases of organizational carbon footprints, product carbon footprints, and global warming reduction labels in accordance with the criteria stipulated by Thailand Greenhouse Gas Management Organization (Public Organization). Thanks to such an effort, the Company is able to measure and regulate the overall greenhouse gas emitted from its business operations and the manufacture of its products throughout their life cycles and ultimately to achieve energy management and environmental conservation efficiency.



In 2022, the Company earned CFO Certification for all its seven facilities, CFP Certification for all its 65 products, and CFR Certification for 41 of all its products. These achievements reflect its awareness of and determination to help solve global warming issues in line with the ThaiBev Group's goal to achieve 'net zero emissions' by the year 2040.

Greenhouse Gas (GHG) Emissions



- GHG Emissions Reduction Target: 3%
- GHG Emissions Reduction Achieved: 9.32%

	FY2020	FY2021	FY2022
GHG Scope 1	23,452	19,730	19,781
GHG Scope 2	15,925	13,954	13,262
TonCO₂e/Ton-Product	0.0421	0.0387	0.0351

GHG Scopes 1 and 2 Unit: TonCO₂e

Carbon Footprint for Organization : CFO	Carbon Footprint for Product : CFP	Carbon Footprint Reduction: CFR
7 Plants	65 Products	41 Products
Awarded CFO Certification	Awarded CFP Certification	Awarded CFR Certification

Waste, Packaging, and Circular Economy Management

4th Dimension: Packaging

To achieve sustainable unused material management, Sermasuk pays meticulous attention to every single stage of waste management from upstream raw material selection to downstream effluent discharge in accordance with the circular economy principle by taking measures both internally for organizational efficiency and externally for the common good. It has also established a goal to minimize unnecessary packaging and use of resources by applying the **3Rs** principle as follows.

①

REDUCING – The Company has established R&D collaboration with trade partners to constantly come up with packaging innovations to reduce and optimize the use of plastic material. For instance, it has successfully trimmed PET bottles for Crystal drinking water by 15% and PET bottles for carbonated beverages by 12%.

②

REUSING – The Company promotes reusing by encouraging trade partners and customers to opt for glass bottles as they are 100% 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 in line with the Company's social and environmental goals as well as the circular economy principle.

Externally, Sermasuk has collaborated with leading companies and major industrial associations to establish the **Thailand Institute of Packaging and Recycling Management for Sustainable Environment (TIPMSE)** under the supervision of the FTI to promote sustainable management of unused packaging and materials in order to minimize their impacts on the environment.

Packaging and Circular Economy Management

Appreciating the value of the environment, Sermasuk has set out a policy to preserve natural resources, minimize unnecessary packaging, and opt for environment-friendly packaging material.



In 2022, the Company partnered up with several internal and external business organizations involved in environmental conservation, such as Thai Beverage Recycle Co., Ltd., Thai Beverage Can Limited, Anglo Asia Trading Co., Ltd., and UACJ (Thailand) Co., Ltd., to run the Aluminum Loop project. The project features attaching the Aluminum Loop symbol on the labels of products, such as est Cola and est Play carbonated beverages to promote public awareness of the importance of recycling and the recyclability of packaging.

The Company also commits to reducing and reusing PET bottles. For instance, it has joined hands with its significant trade partners, such as The Pet Co., Ltd., Petform (Thailand) Co., Ltd., and Indorama Ventures Public Company Limited, to reduce the plastic content in 1L est Cola and est Play carbonated beverage bottles and change the material in the packaging of all sizes from colored to transparent plastic. Additionally, the Company is paving the way for several other initiatives, including the PET bottle reuse (rPET) project and the plan to substitute existing packaging materials with more environment-friendly ones, such as the use of non-PVC plastic films to seal crown corks of both returnable glass bottles and non-returnable glass bottles. All this demonstrates the Company's strong determination to conserve the environment through effective and efficient waste, packaging, and circular economy management.

5th Dimension: Human Capital

Human capital is one of the most significant vital driving forces toward sustainable environmental conservation. Thus, the Company unwaveringly instils a sense of environmental awareness among its employees through several measures, such as establishing a working group at each plant to take the lead in its environmental management.

Furthermore, the Company also gives direct attention to human capital development, inviting well-versed representatives from within the organization or external agencies to run training programs for its employees to ensure that they have the necessary knowledge and skills, such as Requirements and Internal Audit for the ISO14001: 2015 Environmental Management System, Aspect Assessment, and Water Footprint Assessment.

Sermsuk's Environmental Projects and Activities

Crystal CARE: Guiding Sustainability Principle

The Crystal CARE principle reflects Sermsuk's and Crystal's determination to conduct their operations sustainably and responsibly, minimize environmental impacts, and meet the needs of all groups of stakeholders throughout all production processes and phases from material selection to production, delivery, and post-consumption packaging management. Sermsuk has also entered into the spirit of the ThaiBev Group's efforts to maintain its status as a leading and sustainable manufacturer of beverage products meeting recognized global standards, such as the Dow Jones Sustainability Indices (DJSI).

Components of the Crystal CARE Principle

1. Consumers, Customers and Community

As consumers, customers, and communities are at the heart of its success, Crystal strives to operate in the best interests of all groups of stakeholders and fulfill all their needs by delivering fresh, quality products through comprehensive logistics networks spanning the whole country.

2. Authenticity

Crystal has achieved brand authenticity from its tireless efforts to meet internationally recognized standards relating to product quality and production, safety, and business ethics and social responsibility. As a result, it has been certified by both local and international organizations, such as the U.S. National Sanitation Foundation (NSF) International and the Thai Food and Drug Administration (FDA), strengthening its standing as a truly reliable brand among consumers across Thailand.

3. Responsibility

Crystal demonstrates its emphasis on social responsibility by raising the environmental awareness of consumers and taking various measures to conserve the environment and involve them in the process. To illustrate, Crystal offers a broad array of packaging options, including glass bottles, encourages the use of more environment-friendly reusable or recyclable containers, and fosters participation in packaging waste reduction. Crystal also disseminates information on waste separation and recycling processes through such projects as Upcycling Station, involving the recycling of PET bottles into plastic fibers that can be used to make blankets to be donated to those suffering from the extreme cold in northern Thailand.

4. Environment

Crystal rigorously applies R&D in its production and natural resource utilization. Because of its contributions to the alleviation of greenhouse gas emissions, climate change, and global warming problems, the brand has earned CFR Certification. It has also won Water Footprint Certification from its efficient utilization of water throughout the product life cycle.

Crystal's CARE Operations in 2022

The Crystal Collects Bottles Project

Sermsuk, the producer and distributor of Crystal drinking water, commits to operating its business in a socially and environmentally responsible manner under the Crystal CARE guiding principle and in accordance with the UN's 12th SDG: Responsible Consumption and Production. To minimize the impacts of plastic materials on the environment, the Company carries on its post-consumption packaging management using environment-friendly methods as well as its waste management through reducing, reusing, and recycling initiatives.

Realizing the importance of the engagement of consumers, employees, and the public at large, Crystal has run projects to cultivate awareness of responsible consumption, communicate information relating to appropriate management and recycling of single-use plastic, such as PET bottles predominantly used in Crystal drinking water packaging, and ultimately to effect a change toward more socially and environmentally responsible behavior.



Crystal Collects Bottles: This project aims to facilitate the separation of used plastic bottles into their component parts, namely bottles, caps, and labels, in order to ease further value-added recycling processes. In 2016, upcycling stations for waste separation were delivered to 64 schools nationwide. In 2018, 2019, and 2021, they were dispatched to 61, 10, and 20 more schools, respectively. Currently, the project is up and running in those 155 schools, educating young students about socially and environmentally responsible consumption, while the purchase of separated bottles from the schools is being supported by Thai Beverage Recycle Company Limited.

Crystal Collects Bottles X Bring Back-Recycle: Begun in 2022 in partnership with Thai Beverage Recycle Company Limited, ASM Management Limited, and the ThaiBev Group's Internal Communication Department, this project seeks to raise environmental awareness among Sermsuk's employees and involve them in its sustainable development and environmental conservation endeavors. It has thus far installed eight upcycling stations at various offices of the ThaiBev Group. The bottles collected will be recycled into plastic fibers which will then be woven into 200,000 blankets to be sent to cold weather victims in northern and northeastern Thailand as part of the ThaiBev Group's Green Blanket project.





Perks from Trash: The Company has allied with CW Tower, the SET, the Siam Cement Public Company Limited, and Thai Beverage Recycle Company Limited to undertake this project to encourage building tenants to get involved in their waste management efforts. To this end, a reverse vending machine (RVM)* has been installed on Level G of CW Tower into which passersby can drop empty water bottles in exchange for points redeemable into special gifts from Crystal.

*The RVM is a recycling innovation drawing on compression technology.

ThaiBev's Sustainability Expo 2022 and 27th National Book Fair: At these events, the **Crystal Collects Bottles** project ran activities to raise the awareness of socially and environmentally responsible consumption among consumers and employees and disseminate information relating to appropriate single-use plastic management and recycling. It also featured an RVM to allow participants to return empty plastic drinking water

The Company will continue to carry out projects to raise awareness of the importance of socially and environmentally responsible consumption and waste separation among consumers, employees, and the public. It will also keep on garnering collaboration from various sectors in order that it can successfully achieve its sustainability goals and retain Crystal's status as a sustainable drinking water brand trusted by Thai consumers across the country.

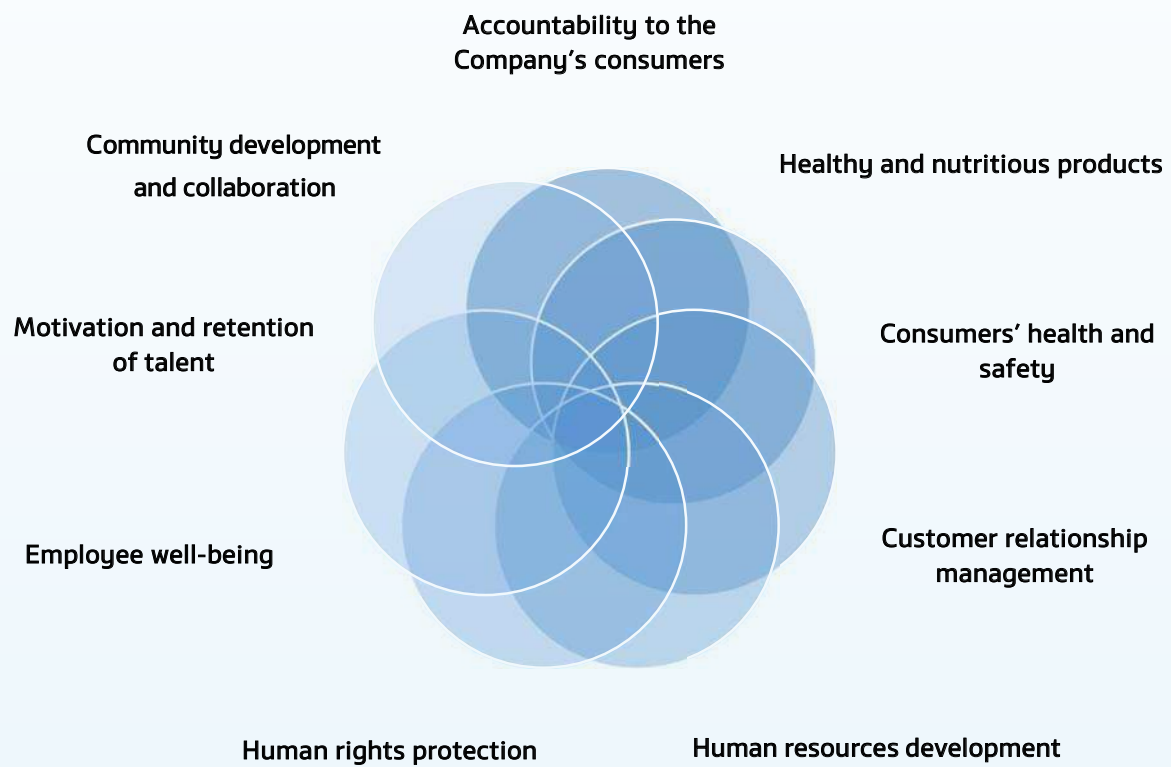
The Save the Earth with "Glass Bottles" Project

Glass bottles can be recycled by being crushed, separated, conditioned, and melted again. The percentage of glass remaining after the recycling process reaches up to 50-70%, obviating environment-unfriendly energy expenditure and material combustion in the process of packaging manufacture. Thus, the Company has resumed the use of glass bottles in some of its product ranges, including est Cola carbonated beverages, Crystal drinking water, and Oishi green tea drinks, and raised consumer engagement in its glass bottle promotion initiative through the slogan 'Drinking from Glass Bottles to Sustain the Earth'.





Social Dimension



Accountability to the Company's Consumers



Sermsuk is determined to deliver quality products that maximize the benefits for consumers and guarantee their satisfaction through efficient production and service provision meeting internationally recognized standards in accordance with the following guidelines:

- Press ahead with developing innovations that lead to quality products responsive to consumer needs.
- Refrain from committing acts that could possibly trick or mislead consumers into developing false beliefs about the Company's products and services; disclose its product, service, and label information on its website (<http://www.sermsuk.com>) that enables consumers to make informed purchase decisions; and build their trust in its products and services by earning accredited certifications from the relevant safety agencies.
- Put in place channels for receiving suggestions and complaints and providing advice to consumers/customers, including customer relationship management systems (e.g. Sermsuk Call Center) and e-mail correspondence (e.g. SSC-ComSec@sermsukplc.com) to constantly improve the Company's products and services, maximize benefits for consumers, and guarantee their satisfaction while implementing measures to prevent unauthorized use of the information and protect data privacy.

Healthy and Nutritious Products



Product Winning Healthier Choice Awards

New, Healthier Products

Sermsuk commits to offering consumers healthy, nutritious, and safe products in line with the ThaiBev Group's 2030 social development goal, with several of its brands winning Mahidol University's Healthier Choice awards.

In 2021, the Company launched two new carbonated drink flavors, namely est Play Salty Lychee and est Play Grape-berry Plus, both infused with vitamins B6 and B12 to not only refresh consumers but also bring them another level of health benefits.

Reduction of Products' Sugar Content

The Company perseveres with its efforts to reduce sugar content in carbonated drink product ranges to cater to increasingly health-conscious consumers without compromising on the sought-after crisp, sparkling taste that they also long for.

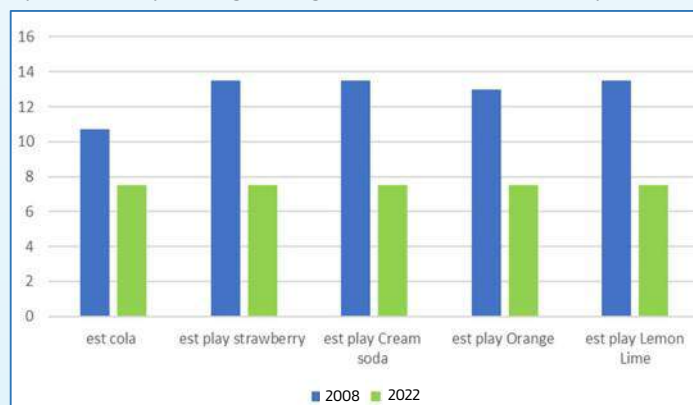
Since 2018, it has successfully made healthier the following product ranges:

- est Cola, with the sugar content brought down by 30%
- est Play, with the sugar content slashed by up to 40-45%

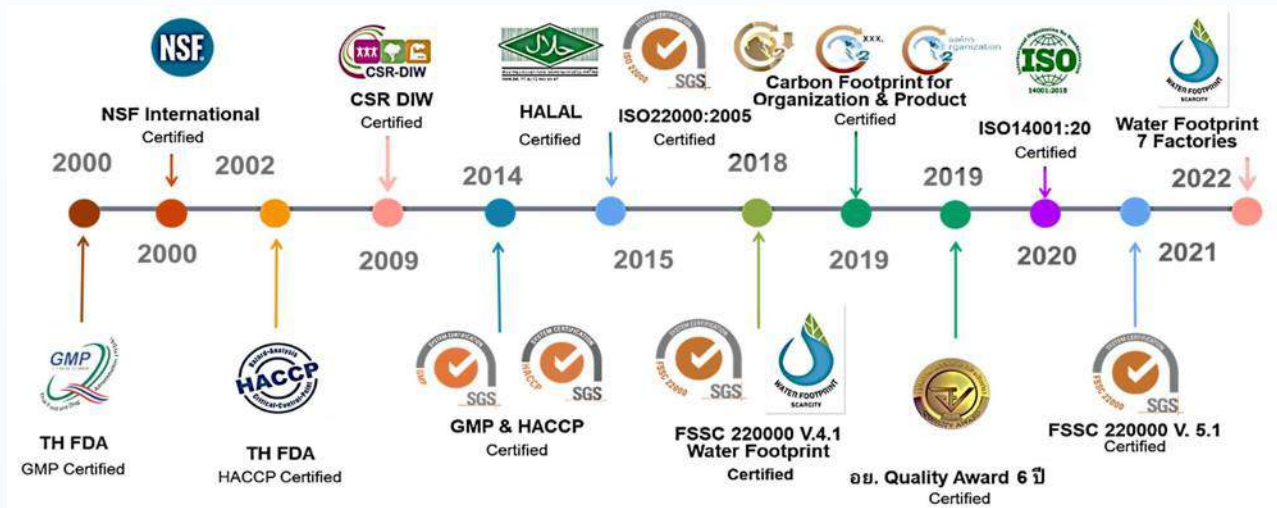


"40% of the product ranges with a lower sugar content were awarded a healthier choice label (by packaging types)"

Comparison of the percentages of sugar content in carbonated drink product ranges



Consumer Health and Safety



International Product Quality and Food Safety Standards

Regarding customer health and safety as its top priorities, Sermasuk has adopted the Food Safety System Certificate (FSSC) 22000 Scheme for Food Safety Management Systems in the operations of all plants since 2018. In 2022, six facilities were awarded FSSC22000 Version 5.1, and seven others won the ISO22000: 2018 Food Safety Management Systems. Additionally, the Company fulfilled the requirements for Good Hygiene Practices (GHPs) and Hazard Analysis Critical Control Points (HACCP) – fundamental food production facility standards reviewed and approved by SGS (Thailand) Limited.

Sermasuk, As the quality beverages manufacturer and distributor, is aware that **“customers are important”**. To ensure customer satisfaction, the Company relentlessly delivers only products that meet internationally recognized food quality and safety standards by having the following intention.



“Not only determining to build and develop qualification of personnel and workforce to operate in the production and distribution in a standardized manner in respect of quality and safety, but also complying with laws by implementing the good management system in order to meet stakeholders’ desires and expectation toward products and services of the Company”



With these measures:

- Train and develop its human resources at all levels to be knowledgeable about and capable of complying with its operational guidelines.
- Ensure its operational efficiency by incorporating hygiene management systems that meet the Codex Alimentarius – a collection of internationally recognized standards, codes of practice, guidelines, and other recommendations relating to food, food production, food labeling, and food safety stipulated by the Food and Agriculture Organization (FAO) of the UN, as well as the requirements set forth by the World Health Organization (WHO).
- Prepare adequate tools, equipment, and resources for its hygiene and environmental management.
- Constantly devise, inspect, and follow up on its food quality and safety system and environmental management system to maximize the effectiveness and efficiency of the said systems.
- Mitigate adverse environmental impacts by regulating its production processes and production-related activities in accordance with internationally recognized standards.
- Strictly comply with laws, rules, and regulations pertinent to food quality and safety and environmental management.

In 2000, Sermasuk earned the National Sanitation Foundation (NSF) International Certification for the first time in the history of the Thai beverage industry. The Company has won this prestigious award for 22 consecutive years by continually elevating Thailand's drinking water on par with global standards. Additionally, every year since 2014 the Company has been awarded Halal certifications for all plants and over 50 product lines, including drinking water, beverages, and bottled carbonated drinks, demonstrating its genuine concern for the religious practices of its consumers.

Apart from food quality and safety management, the Company also establishes priorities for the manufacture of environment-friendly products with seven of its facilities being awarded the ISO14001 Environmental Management System Standards.



Customer Relationship Management

Sermsuk Family – Reaching stores more efficiently by fulfilling digital

“Sermsuk Family”, a business-to-business (B2B) communication channel between the Company and its store customers on the Line OA platform, has continued into the third year with the membership rising by as much as 25% to the current figure of 64,370 from 51,577 during the initial phase of its launch.

Through Sermsuk Family, the Company carries out its customer relationship management by running the trade loyalty program and announcing promotional activities, such as point collection for award redemption, to promote the retention of store customers and repeat purchases.

In the year of 2022, Sermsuk Family has been adapted to festive season celebrations in Thailand and novel marketing activities run by the Company. For instance, it ran a monthly discount coupon campaign to boost sales, appealing to over 40% of store customers. Among these, general stores were attracted by ‘trendy’ premiums, wholesale stores favored near-cash premiums, and stores located in schools preferred sports equipment.

What’s more, Sermsuk Family serves as a channel for restaurant customers to participate in the Company’s special promotional activity in 2022 entitled ‘Reach the Sales Target to Get Lucky’ to celebrate the full-scale reopening of restaurants following the waning COVID-19 pandemic. It is also the platform on which Sermsuk stages its annual promotional event ‘Lucky Draw, Lucky Surprise’.



Sermsuk Camp – Enhancing sales efficiency with digital technology

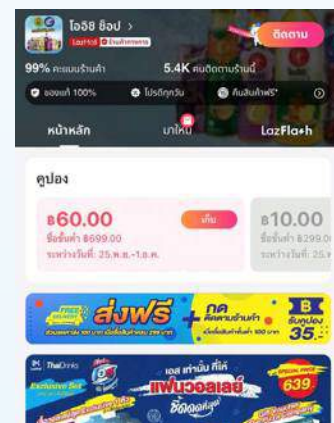


Sermsuk Camp has met with remarkable success and continued into yet another year. Since its inauguration in 2021, this Line OA for fostering the engagement of sales teams has been revamped to be more modern and user-friendly with more features added to facilitate sales, such as the ‘performance tracking dashboard’ that enables salespeople to keep track of their sales volumes per day or by brands and sales teams to monitor their performance.

To also ensure continual engagement in sales efforts, Sermsuk Camp serves as a space for running monthly activities to raise the morale of sales teams, such as granting the ‘**Sermsuk Hero Award**’ to high performers.

Sermsuk extending product distribution channels to marketplace platforms

In 2022, the Company laid considerable emphasis on online marketing, extending its product distribution channels to such marketplace platforms as Lazada, Shopee, and Shopteenee to boost sales through 24-hour service provision. Not only has this move made Sermsuk’s product distribution more efficient and faster, but it has also helped the Company respond better to the purchasing behavior of younger consumers.



Channels for Queries and Complaints



The Company perceives the importance of building a lasting relationship with existing customers, broadening a new customer base, rendering quality products through efficient services, bolstering confidence in its products and services, meeting customer needs, and ultimately maximizing customer satisfaction, managing all this through its website and **the Sermsuk Call Center**.

The Sermsuk Call Center is a primary channel for receiving queries, advice, and complaints from customers and passing on such information to the relevant district agent(s) in order that the matters can be investigated, analyzed, and/or solved in a timely manner. This will help shorten issue processing time, ensure customer satisfaction, and increase sales opportunities.

Human Resources Management

Fast-paced technological advancement and the COVID-19 pandemic situations after early-2020 have brought about radical transformations affecting the Company in various aspects, including organizational adaptation in terms of human resources management and development and operational processes to become a 'future-ready' business and a 'high-performing' organization.

In line with the ThaiBev Group's PASSION 2025 roadmap toward becoming a leading total food and beverage producers in ASEAN in a stable and sustainable manner, Sermasuk stresses the importance of three aspects: business operations, human resources management, and technological development. The Company aims to achieve the status of a high-performing organization with its stepping-stones to success being the right people, the right structure, and the right processes in conjunction with human resources development through such breakthroughs as transformation profiles and digital models and strategies.

Human Resources Management Framework

Right People

The Company recognizes importance on developing quality of workforce and concerns that employees who has quality, efforts, skills and engagement with the Company will drive the Company toward the achievement of goals involving with vision and mission

For the whole time, the Company aims to knowledge-based society to build leadership and develop professional skills of employees in all levels. Moreover, employees are motivated to express their creative ideas in order to have newly different experience as well as to develop innovation through continuous improvements. There are activities organized for employees to share their ideas and new work, such as TPM, Kaizen, Lean 6sigma and WOW awards, for more efficient work performance.

Right Structure and Role

The Company realizes that it is essential to review the structure and assign employees to suit their job as well as to review clarity of job description of every employee. In this year, the Company proceeded as follows:

- Reviewed the organizational structure and chain of command to create an career opportunity for employees aligning with the Company's mission and vision
- Reconsidered all employees' job description to avoid overlapping tasks and to ensure greater clarity
- Enhanced competency and career path for several job families to be in line with the designed structure as well as diverse job responsibilities, and to prepare for Smart Factory 4.0 in 2025.

Right Process

The Company not only encourages each work division to consider and review their work processes, but also implement advanced technologies to support work in a digital platform easily used and accessed by every employee such as e-claim system, e-recruitment system and e-learning system. This helps fasten work speed and ensure efficiently accuracy. Furthermore, the concepts of TPM and Kaizen, and the LEAN 6Sigma method have been used to improve work processes in a more efficient way leading to minimization of loss from work and benefits in terms of cost benefits, which can establish the Company's credibility.

Recruitment and Retention of Talent

Recruitment and selection are integral to Sermasuk's acquisition of new employees. To overcome the challenges posed by the ThaiBev Group's PASSION 2025 vision toward becoming a leading total food and beverage producers in ASEAN in a stable and sustainable manner, Sermasuk relentlessly devises, reviews, and improves its recruitment and selection processes with the aim of acquiring highly capable individuals with strong business acumen who best fit the different vacancies to help it develop and grow in a stable and sustainable manner.

The Company has developed a recruitment and selection plan in line with its ever-changing business needs, placing great emphasis on its equal employment opportunities policy, i.e. seeking the best matches for openings comprising diverse groups of individuals without any discrimination on sexual, racial, religious, or cultural grounds. To attract new talent, Sermasuk publicizes job advertisements via a wide array of communication channels to reach targets in all areas and at all levels while going a step further than the traditional recruitment and selection approach by building a positive corporate image through employer branding and recruitment marketing strategies to highlight the vision, concepts, strengths, and success stories of the Company and its management and employees.

Moreover, Sermasuk has put in place an orientation and handover program to help new employees at all levels thoroughly understand the Company's business operations, quickly adapt to its culture, and better grasp their roles, duties, and responsibilities.

Equal Employment Opportunities and Non -Discriminatory Treatment of Employees

Support for Person with Disabilities

The Company appreciates the significance of developing the quality of life of persons with disabilities and ensuring that they earn a decent living to cover their expenses.

In 2022, Sermasuk took a monumental step toward abiding by the Empowerment of Persons with Disabilities Act B.E. 2550 by contracting or sub-contracting out service work with a project value of THB5,940,470.00 to 52 persons with disabilities or their caregivers. Among these, 32 were hired from 12 Northeastern provinces through Internal Security Operations Command Region 2 and 20 through the Social Innovation Foundation in collaboration with sub-district health promoting hospitals in Southern Thailand.

Human Resources Development

Career Development

To move the organization forward, Sermasuk sets priorities for the development of and implements a performance management system that integrates a goal formulation process linking the Company at organizational, departmental, and personal levels while accounting for the power of collaboration, value creation, and care for stakeholders. As a result of this, employees company-wide have been able to work efficiently not only in line with the direction of Sermasuk but also in tandem with one another. In the previous year, Sermasuk began to place special emphasis on career development for its employees under the ThaiBev Group's guiding principle of 'Limitless Opportunities', first introduced in 2015. To this end, the Company has devised an individual development plan (IDP) to assist its employees at all levels in planning career development and growth, building skill and capacity, and enhancing strengths and overcoming weaknesses, to name but a few.

Sermasuk has the policy to support and encourage constant human resources development for employees in all positions and at all levels, including tailored training programs to advance their academic knowledge, leadership skills, and job performance as well as on-the-job training in conjunction with coaching, all delivered both remotely and face to face to ensure continuity, regularity, and the best possible outcomes.

Performance Management

The Company realizes importance of performance management system which has been implemented to develop and drive itself through the objectives linked in an organizational, divisional and individual level. In addition, collaboration, creating values and caring for stakeholders are behaviors that are significantly concerned about in order to employees in all divisions are able to efficiently perform in the same direction toward organizational objectives. In this year, the focus was on the following matters.



- Set cascading performance management goals aligning organizational objectives with departmental, divisional, and individual ones to maximize employee engagement toward the success of the Company.
- Develop performance appraisal systems taking into account all dimensions of performance measurement for employees at all levels.
- Put in place an online performance appraisal platform on which employees can conveniently record their tasks, process their information, and analyze their performance.

- Assign supervisors to continually monitor their subordinates' performance and encourage regular one-on-one communication between supervisors and subordinates in order that they can follow up progress toward goal achievement and exchange feedback for performance improvement all year round.
- Carry out performance appraisal in a fair and transparent manner through performance calibration across the organization.
- Link performance appraisal results to the relevant areas of human resources management, such as remuneration, learning and development, career advancement, talent management, and succession planning.

Training

Throughout the year, Sermsuk focused its efforts on the development of the necessary knowledge, skills, and potential for employees in all positions and all departments through in-house and public training programs in line with the 3C Global Value to ensure the ultimate success of the Company.



However, the Company's human resources development plan from 2021 up until the first half of 2022 was still constrained by the COVID-19 situation. Owing to the prevailing social distancing guidelines and the consequent limits to face-to-face interaction, all training programs needed to be run online through a learning management system (LMS) developed to comprise skill and capacity building courses covering all dimensions of content, including technical ability, leadership development, business and business operations basics, operational efficiency improvement for employees at all levels, and succession planning in line with career development paths.

It is worth noting that Sermsuk centers its human resources development around the cultivation of hands-on skills through coaching and mentoring by line supervisors, team project assignments, and recently action-based learning, particularly for salespeople development.

To maximize benefits, the Company formulates its human resources development plan in line with its goals, policies, and strategies, and works out the details based on the results of training need surveys carried out by the different departments. Its training courses can be classified into four main strands as follows.

Sales and Service Provision Courses

1. Sales Opportunities (Focus on SKUs)
2. Sales Techniques (Focus on SKUs)
3. Eight Steps of Store Visits and Factors that Boost Sales
4. New DM/TDM Development Program
5. Field Coaching
6. Product Quality Management

Product Quality Standard System Courses

1. FSSC22000 Version 5.1
2. GHP, HACCP, FSSC22000 Version 5.1 Quality Standards (for Plant Operators)
3. Halal Food and Practical Guidelines for Industries

Plant Efficiency and Productivity Enhancement Courses

1. Sustainable Energy-Saving Techniques Based on Engineering Principles

General Management Courses

1. Effective Meetings
2. ISO14001: 2015 Requirements for Central Management System and Internal EMS Audit
3. Guidelines for Operational Safety Supervisors
4. Guidelines for Confined Space Regulators, Controllers, Workers, and Assistants
5. Safety Review for Confined Space Operations
6. Welfare Benefits under Section 39 of the Social Security Act and Health Care

Summary of the Outcomes of Training Programs For the Fiscal Year 2022 (from October 2021 to July 2022)

60%
or a total of
3,358 employees
attended the
training programs



4.10%
hour per person
or **23,198** hours
attended the
training programs



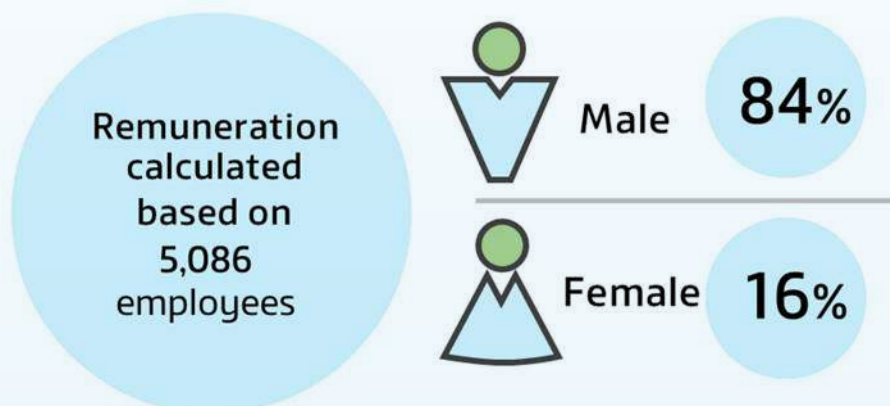
(From the average monthly workforce of 5,661 employees)

Remuneration and Welfare Benefits

The Company regularly conducts a review of its remuneration and welfare benefits to ensure that they are competitive and on par with those offered by other similar businesses in the industry. Additionally, it carries out remuneration and welfare benefit surveys in collaboration with leading consulting firms on an annual basis.

Apart from the aforementioned processes, Sermsuk has also pursued a fair remuneration policy to boost its employees' morale and motivation by paying them a salary, cash reward, overtime, and/or other forms of remuneration commensurate to their merits and performance, offering welfare benefits in accordance with the relevant labor laws, and collaboratively determining the direction of remuneration policy with its subsidiaries.

Male-to-Female Remuneration Ratio



Human Rights Protection

Sermsuk and its subsidiaries lend undue weight to the protection of human rights and compliance with international labor treatment practices as stipulated in the Universal Declaration of Human Rights (UDHR) and the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO).

The human rights protection policy of the Company and its subsidiaries is as follows:

- **Zero Tolerance of Unfair Discrimination and Sexual Harassment**

The Company cherishes employees' cultural, religious, and ethnic differences, offers current workforce and job candidates equal employment opportunities, and respects individuals' personal freedom. Thus, it goes the full distance to bar any form of favor, prejudice, or bias for or against an individual on an illegitimate ground, or any form of sexual harassment, oppression, or exploitation, to ensure that its employees enjoy good quality of life and career advancement and success.

- **Prohibition of the Use of Forced and Child Labor**

The Company prohibits any form of forced, involuntary, or compulsory labor. Thus, an employee who tenders a letter of resignation to Sermsuk in advance according to its policy and regulations and whose resignation is approved will be free to leave its workforce.

The Company forbids child labor and discourages any other form of labor involving child exploitation.

- **Freedom of Association**

The Company accords employees respect for their decision to or not to be affiliated with any labor union or association at their discretion.

- **Working Hours**

The Company strictly complies with the relevant laws relating to working hours, overtime, rest periods, weekends, days off, and vacation to ensure that its employees will be able to strike a healthy balance between work, personal, and family matters.

- **Occupational Health and Safety (OHS)**

The Company has delineated a policy to promote occupational health and safety (OHS) and environmental conservation and strictly comply with the relevant laws, rules, and regulations relating to OHS and environmental conservation.

Labor Union

The Company values its employees' right to and freedom of association insofar as it is intended for non-malignant purposes and the common good.

The Company has a labor union and an employee committee the members of which represent employees in making demands for or discussing with Sermsuk regarding better employment conditions, including remuneration and welfare benefits, in accordance with the Labor Relations Act B.E. 2518.

Employee Well-being

OHS, Work Environment, and Employee Well-being

Efficient management of OHS and work environment is integral to the safety of employees, contractors, and other related stakeholders. Thus, Sermasuk continually strives to manage and regulate OHS risks to prevent major incidents and accidents by stipulating '**Sermasuk's 10 Safety Rules**', which apply internationally recognized engineering principles as well as the relevant laws, rules, and regulations for the assessment and mitigation of hazards, the design, storage, maintenance, inspection, and testing of equipment, the delivery and transportation of goods, and the handling and regulation of toxic chemicals. All this contributes to the trust of stakeholders in the Company's OHS management and accountability and the creation of its safety culture in a sustainable manner.

OH&S Policy

The Company has formulated an OSH and workplace environment policy in accordance with internationally accepted safety management standards and its management's guidelines.

“ It is the Company's intention to press ahead with efficient and sustainable OSH and workplace environment management in its pursuit of employee well-being and organizational excellence. ”

To shape the direction for and ensure the sustainability of safety operations and management, the Company has devised the following policy.

- Strictly comply with the relevant laws, rules, and regulations relating to OHS and work environment.
- Hold related employees, contractors, and attendants accountable for OHS and work environment management to ensure safety and minimize loss of life and property.
- Press for the achievement of OHS and work environment management goals.
- Prepare adequate tools, equipment, and resources for efficient OHS and work environment management.
- Constantly devise, inspect, and follow up on its OHS and work environment management systems to maximize the effectiveness and efficiency of the said systems.

In addition to the aforementioned policy, the Company has also set out and strictly enforced ‘Sermasuk’s 10 Safety Rules’ to reinforce a safety culture based on its ‘thinking ahead and acting safely to prevent loss’ premise to ensure safety for all involved as follows.



Key Performance Indicators (KPIs), Targets, and Results

To reduce and control accident frequency as well as minimize the loss of life and property among employees, visitors, and those involved, the Company has determined safety key performance indicators (KPIs) and targets for employees at all levels against which to measure their achievements. Over the year 2022, the overall lost time injury frequency rate (LTIFR) on the part of Sermasuk’s employees equaled 5.5 per one million hours of operations (ppm) – or an increase of as much as 17.02% from 4.7 ppm in the previous year. Also, their road accident rate was on the rise with the figure increasing by 14.7%. In contrast, the LTIFR and occupational disease rate (ODR) reported for Sermasuk’s contractors remained at **ZERO**. To protect the life of its employees in a sustainable manner in accordance with the ThaiBev Group’s social goals, the Company has set out to minimize the LTIFR, setting the target at zero (i.e. zero lost-time accidents) for every following year.

LTIFRs (Frequency per one million hours of operations (ppm))



Process Safety & Health Management

The Company has taken a variety of approaches to promote process safety and best hygiene practices. For instance, the Company manages OHS and workplace environment by applying the 'hazard identification and risk assessment' index to formulate measures to prevent, mitigate, and curb risk factors. Also, it constantly reviews and amends such measures. Finally, it strictly complies with the relevant OHS laws, rules, and regulations in its business operations, production, and distribution.

Some other important courses of action to ensure stability and safety in the production process are as

- Devise a clear OHS and work environment policy and require leaderships to act as role models for all levels of employees.
- Establish an OHS working group, and set a clear objective, outline a master plan, and allocate appropriate financial and human resources to the OHS working group.
- Constantly conduct risk assessment, and regularly review and amend the procedures.
- Devise a management of change (MOC) system to guide responses to emerging or unexpected risks arising from changes in locations, processes, and procedures.
- Regularly educate supervisors and employees through safety training programs, coaching, and mentoring.
- Operate in accordance with the total productive maintenance (TPM) system to enhance the quality of life of employees, increase safety, prevent injury and disease spread, and promote well-being.
- Develop an incident management system to respond to incidents, accidents, and emergencies potentially jeopardizing safety and/or hindering business continuity and to mitigate their impacts and/or shorten the recovery period, and periodically carry out emergency drills.
- Put in place a control system to regulate the admittance of contractors and visitors into facilities.
- Religiously monitor and assess workplace environment risks with appropriate technology and equipment (industrial hygiene monitoring) as well as take corrective measures.
- Run annual physical check-ups and physical check-ups according to health risk factors for employees to identify, evaluate, and monitor factors potentially contributing to or exacerbating work-related illness.

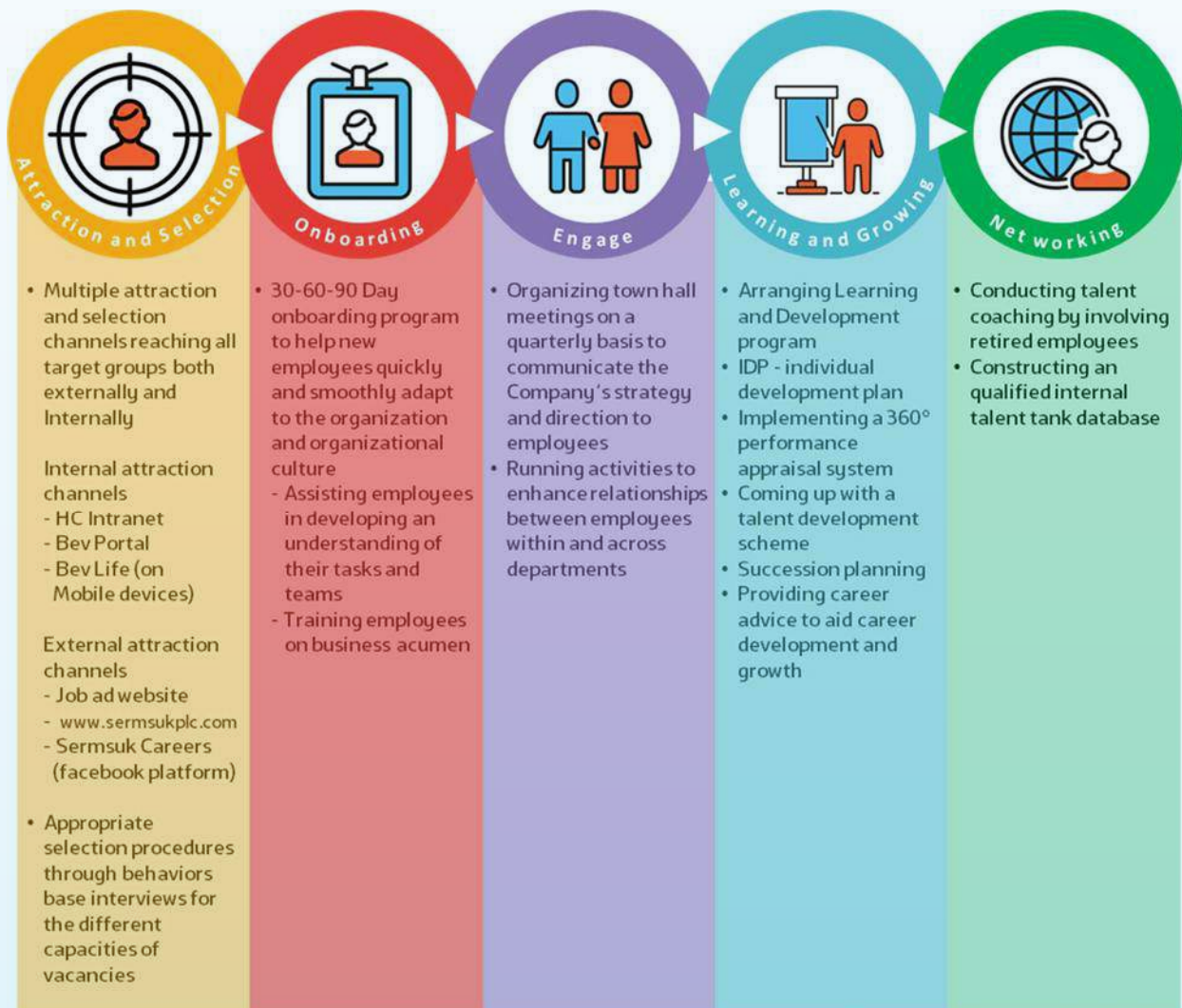
Motivation and Retention of Talent

EMPLOYEE ENGAGEMENT

Under Sermsuk's 'Delivering Happiness to All... Employees, Trade Partners, Consumers, and Society' Philosophy

As '**employees**' are at the heart of organizational success, Sermsuk makes a strenuous effort to build employee engagement through experience management throughout the employee life cycle with the ultimate aim of becoming a high-performing organization in all dimensions.

Sermsuk's Employee Life Cycle



Over the past two years, the Company has carried out employee engagement surveys on a quarterly basis instead of annually to ensure that Sermsuk more rigorously explores their perceived experience in all dimensions. The tool for the surveys is Beverest Life, an application developed by Thai Beverage Public Company Limited enabling both descriptive and predictive analysis to efficiently and effectively aid in the formulation of policy and guidelines for human resources management and development. As many as 99% of the employees participated in the surveys.

The surveys comprised questions designed to investigate two phenomena:

1. The correlation between job satisfaction and employee engagement, encompassing such factors as annual performance appraisal, remuneration and welfare benefits, career development opportunities, competency development, workflow and resource utilization, safety and well-being, and leadership
2. The level of employee engagement and three key behavioral manifestations of employee engagement:

Say

Speak positively about the organization to co-workers, potential employees and customers.

Stay

Feel an intense sense of belonging and a desire to be part of their organization.

Strive

Motivated to exert effort for the success of their jobs and the organization.



2022 Employee Engagement Rating

70%

#NextNormal Health and Safety Promotion Guidelines for Employees

99% of Sermasuk's employees receive at least one dose of a COVID-19 vaccine.



100% of Sermasuk's employees in high-risk areas are to be aided in taking a RT-PCR or ATK test for COVID-19 infection on a regular basis.



100% of Sermasuk's full-time and contracted employees **> 5,860** are to be insured against COVID-19.



The promotion of the health and well-being of employees is vital.

In 2021, the Company has continued to lay down and enforce preventive measures to contain the spread of COVID-19. Also, it has closely monitored the safety of all premises and workplace areas and implemented onsite and work from home protocols as appropriate. Furthermore, it has proactively conducted rapid antigen tests for employees on a regular basis as well as provided aid to those testing positive and their families.

Last but not least, the Company has aided employees and their families in vaccination against COVID-19 in order that they can **'remain healthy and safe amid the ongoing pandemic'** during the transition to the 'next normal' post-COVID-19 era. Additional health and safety promotion guidelines have also been laid out as follows.

1. To ensure safety in the workplace, employees and those involved are encouraged/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, 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.

2. The Company obtains an insurance policy with a COVID-19 coverage for all employees.

3. The Company carries out proactive COVID-19 testing for all employees.

4. The Company helps admit employees testing positive for COVID-19 to a health center in a timely manner and monitors their treatment and condition closely.

5. The Company aids employees and their family in vaccination against COVID-19.

Sermasuk believes that the aforementioned measures will help ensure business continuity and timely delivery of products to consumers.

Community Development and Collaboration

Holding a firm belief that a business organization will grow sustainably only when it gives back to society, the Company is determined to strengthen communities from within and enhance their quality of life in all dimensions, especially in terms of economic stability, by building positive relationships and long-term collaboration with community members and parties involved.

Sermsuk's Nakhon Sawan plant joins forces with local communities to run northern Chao Phraya River basin fish species conservation program.

Aware of the importance of the promotion of sustainable ecological environment in northern Chao Phraya River basin, Sermsuk's management and employees, together with members of the Nak Prot community living around its Nakhon Sawan plant and the Freshwater Fisheries Research and Development Center of the Department of Fisheries, released over 5,000 freshwater fish into the Chao Phraya River from the pier at its Nakhon Sawan plant, aiming to conserve freshwater fish species in the northern basin.



The event sought to revive the biodiversity and abundance of the northern basin of the Chao Phraya River, conserve freshwater fish species, and sustain food security in the area. The fish let free – local barbs able to thrive naturally – were supported by the Department of Fisheries Nakhon Sawan Office.

Sermasuk's Social Projects and Activities

est Cola stands shoulder to shoulder with Thai volleyball

Over the past 30 years, Sermasuk has channeled support for the Thailand Volleyball Association, with the 'est Cola' brand taking the lead in providing sponsorships to its development of generation after generation Thai athletes from the '7-Star' team, which pioneered the country's participation on the global stage, to the current national team, which made history by reaching the quarter-final in the 2022 Volleyball Women's Nations League and securing the 13th place out of a total of 24 teams in the 2022 Volleyball Women's World Championship.



Annually, est Cola channels over THB 25 million into development activities undertaken by the Thailand Volleyball Association, such as volleyball training for teens in the three Southern Border Provinces led by national athletes and youth volleyball championships, to help Thai teenagers reach their full potential and pursue their dreams of sports success.

Sermsuk's Social Projects and Activities

Sermsuk continues 'Healthy Mind in a Healthy Body' project into 3rd year



Recognizing the importance of good health and disease prevention, the management of Sermsuk's Nakhon Ratchasima plant continued the **'Healthy Mind in a Healthy Body'** project into the third year. The initiative features an accumulated run event with the aim of reaching the total distance of 100 km. In 2022, over 80 employees participated in the activity.

Sermsuk lends hand to disaster victims



Tropical Storm Dianmu raged across northern, northeastern, and central Thailand, battering the residences of 16 employees: 5 at the Nakhon Ratchasima plant, 4 at the Chaigaphum plant, 6 at the Nakhon Sawan plant, and 1 at the Lopburi plant. On behalf of the Company, representatives from the Human Resources Department reached out to the flood-affected staff and their family to deliver aid and survival kits. They also supplied Crystal drinking water to the other flood victims in Nakhon Sawan province through the Marine Department Nakhon Sawan Office.



Governance Dimension



Corporate Governance and Business Ethics

Sermsuk prepares a good corporate governance policy and guideline to communicate the concepts to its employees, promoting their understanding and encouraging practical application into their operations. This policy is also meant as a framework for lawful conduct and ethics in business operations of the Company, whereby employees are obligated to strictly follow the Code of Conduct in order to contribute to the Company's purposes.

14 Clauses of our Code of Conduct

1. Obligations of Sermsuk Public Co., Ltd.
2. Employee treatment
3. Relationship between customers, service providers and competitors
4. Gifts and business financial support
5. Security and environmental conservation
6. Political activities and contributions
7. Conflicts of interest
8. Trading of shares using inside information and disclosure of company information influencing the trading of shares
9. Disclosure of information
10. Accounting and recording
11. External consultants
12. Use of e-mail and the internet
13. Disclosure of employee status information
14. Code of Conduct violation report

Employees' Roles in Code of Conduct at Work

- **Learn** and understand the various practices stipulated in the Code of Conduct, especially the subjects applicable to you and must be followed.
- **Consult** with supervisors to ensure that what you do is in accordance with the Code of Conduct.
- **Report** when a suspicious cause is found or there is a reason to believe that the Code of Conduct has been violated. Please notify your supervisor or Human Resources Department.

Integrated Review of the Code of Conduct

The Company performs annual review of the Code of Conduct to allow its employees to learn and review the practices. In 2022, the Company arranged for a communication channel on the Code of Conduct for all of its employees through the application "Beverest Life", ensuring that its employees understand the Code of Conduct as set forth by the Company. In case of any uncertainty about an action, the Company suggests that the employees raise a few questions and assess the situation at their own discretion as follows:

- Is such action legal?
- Is such action consistent with the regulations of the Company?
- Do you "**feel**" that such action is justified? Can you explain the reasons to your fellow employees, your supervisors, or the Company's inspector and convince them to accept your action?
- Would you be able to justify or defend your action to the public if your action were featured in a newspaper?
- How does failure to comply with the Company's Code of Conduct result?
- Failure to comply with established principles and guidelines in the Company's Code of Conduct may result in a disciplinary or legal on a case-by-case basis; and may be subject to penalties.
- In addition to violation of the Company's Code of Conduct mentioned above, encouraging others to violate the Code of Conduct, ignoring when witnessing violation, hindering the fact investigation process, and unfair treatment against the fact giver are considered violations of the Code of Conduct as well.

Practices Against All Forms of Corruption

Sermsuk conducts business with transparency, adhering to the correctness, by establishing a policy against corruption, including supporting activities that encourage executives and employees to comply with relevant laws, rules and regulations. The Company insists on not using any fraudulent tactics to gain benefits and does not encourage achieving success by untransparent or dishonest means. The Company has guidelines for anti-corruption practices as follows:

- Manages and assesses the risk from corruption by identifying the risk and cause of corruption to prevent, correct and find solutions by devising corrective actions and setting time frames, including monitoring the risk of corruption.
- Defines guidelines for monitoring and evaluating performance according to the anti-corruption policy.
- Builds trust by demonstrating corporate leadership in exemplifying anti-corruption practices, including supporting and supervising to ensure that the Company's anti-corruption practices are strictly followed.
- Takes action against corruption by supporting or partnering with other related parties.
- Regularly promotes education, organizes training on anti-corruption, as well as fostering awareness, values, and attitudes for employees towards honesty.
- Establishes and maintains an effective anti-corruption system. Carries out inspection and balances the exercise of power appropriately. Provides channels for whistleblowers and complainants, as well as precautions and guidelines for the protection of whistleblowers and complainants without disclosing the name, last name, address, photo, or other information of the whistleblower and complaint, including any process for fair investigation against the reports received in order to build confidence among the stakeholders that they are protected from bullying or inappropriate treatment.
- Provides opportunities for employees, partners, and all stakeholders to report violations of laws and unfair treatment through the Company's whistle-blowing channel as follows:

Office of Legal Affairs, Sermsuk Public Company Limited

Address: 90 CW Tower, 31st - 32nd Floor

Ratchadapisek Road, Huai Khwang Subdistrict, Huai Khwang District, Bangkok 10310

Telephone number: 02-783-9000

Email: SSC-whistleblowing@sermsukplc.com

In this regard, any whistle-blowing report submitted to the Office of Legal Affairs will be reported to the Audit Committee on a quarter basis to proceed further.

Complaints in 2022

In this year, the Company's Office of Legal Affairs received complaints from third parties through the Company's reporting whistle-blowing and complaint reporting channels. The complaints received were related to vehicle driving and road safety, such as obstructing parking or driving behaviors that were dangerous to other road users. However, the Company has taken action to develop and improve its employees' operations by training and admonishing related employees, including communicating with the whistleblowers to ensure they acknowledge the Company's actions in this regard. The company has measures to protect whistleblowers and complainants, not disclosing the information of the whistleblower or complainants to anyone.

Terms of Operation

1. The Company's Anti-Corruption Policy applies to the entire procedures of human resource management, starting from the recruitment, personnel promotion, training, employee performance appraisal, and compensation by assigning supervisors to communicate with their subordinates in order to perform tasks assigned and to supervise to ensure efficiency in work.
2. Implementation of the anti-corruption policy or guidelines set forth in the Company's Code of Conduct Manual.
3. Matters with high risk of corruption, which requires employees at all levels of the Company to operate with caution, include:
 - **Offering gifts, tokens, and business financial support, and entertainment**
Employees must avoid giving or offering anything of value to customers or government officials, either directly or indirectly, to induce or reward for any wrongdoing. They must also avoid giving anything for the benefit of the business which may damage the Company's reputation. However, employees may entertain or offer gifts to customers or prospective customers as appropriate in some cases and occasions, which must be reasonable and not against the law.
 - **Receiving gifts, tokens and entertainment**
The Company has set forth a policy for all employees not to accept gifts, tokens or gift baskets from business partners, including a policy that prevents all employees from accepting entertainment from customers. However, if it is necessary to participate in a meal for the purpose of business negotiation, the Company must be the co-host of such dining.
 - **Charitable donations or financial sponsorships**
Donations or sponsorships must be transparent and legitimate. Such donations or sponsorships must not be intended for bribery.

Sustainability Risk Management

Being aware of the importance and responsibility of developing sustainability and overseeing the risks that may arise, the Company has established the Sustainability and Risk Management Committee formed with highly knowledgeable and experienced members. To ensure efficiency and effectiveness of management and the coverage to all significant risks, maintaining risks at an acceptable level, the Company performs monitoring, evaluating, and managing uncertainties that may cause significant business risks. This opens doors for the Company to new opportunities to constantly and sustainably grow, being able to respond to challenges, mitigating impacts, as well as taking advantage of any incident to achieve its goal to be a total beverage producer and distributor par excellence in Thailand and to “**Fulfill Happiness**” for consumers.

Sustainability and Risk Management

Structure

The Company's Sustainability and Risk Management Committee consists of 14 members, which include members of the Board of Directors and high-ranking executives appointed by the Board of Directors. The Company's directors who are independent directors and high-ranking executives appointed as directors or a higher position serve as members of the Sustainability and Risk Management Committee.

Authority and Responsibilities

- 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.

Enterprise Risk Management Framework

Sermsuk Group is committed to sustainable development by sustainably conducting its business according to the ESG approach, which stands for Environmental, Social, and Governance. Sustainability management strategy under good governance and risk management under uncertain situations are in line with the needs of stakeholders under the Company's framework of risk management in accordance with the COSO Enterprise Risk Management Framework, comprising the following 5 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 impacts 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 as stakeholders to encourage their engagement in the Company's efforts.

Risk Management Process



Sernsuk Group has devised responsive risk management measures through its scrupulous consideration of the three core values of sustainable development, the ESG: Environmental, Social, and Governance. Such values 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:

- Extreme (E)
- High (H)
- Moderate (M)
- Low (L)

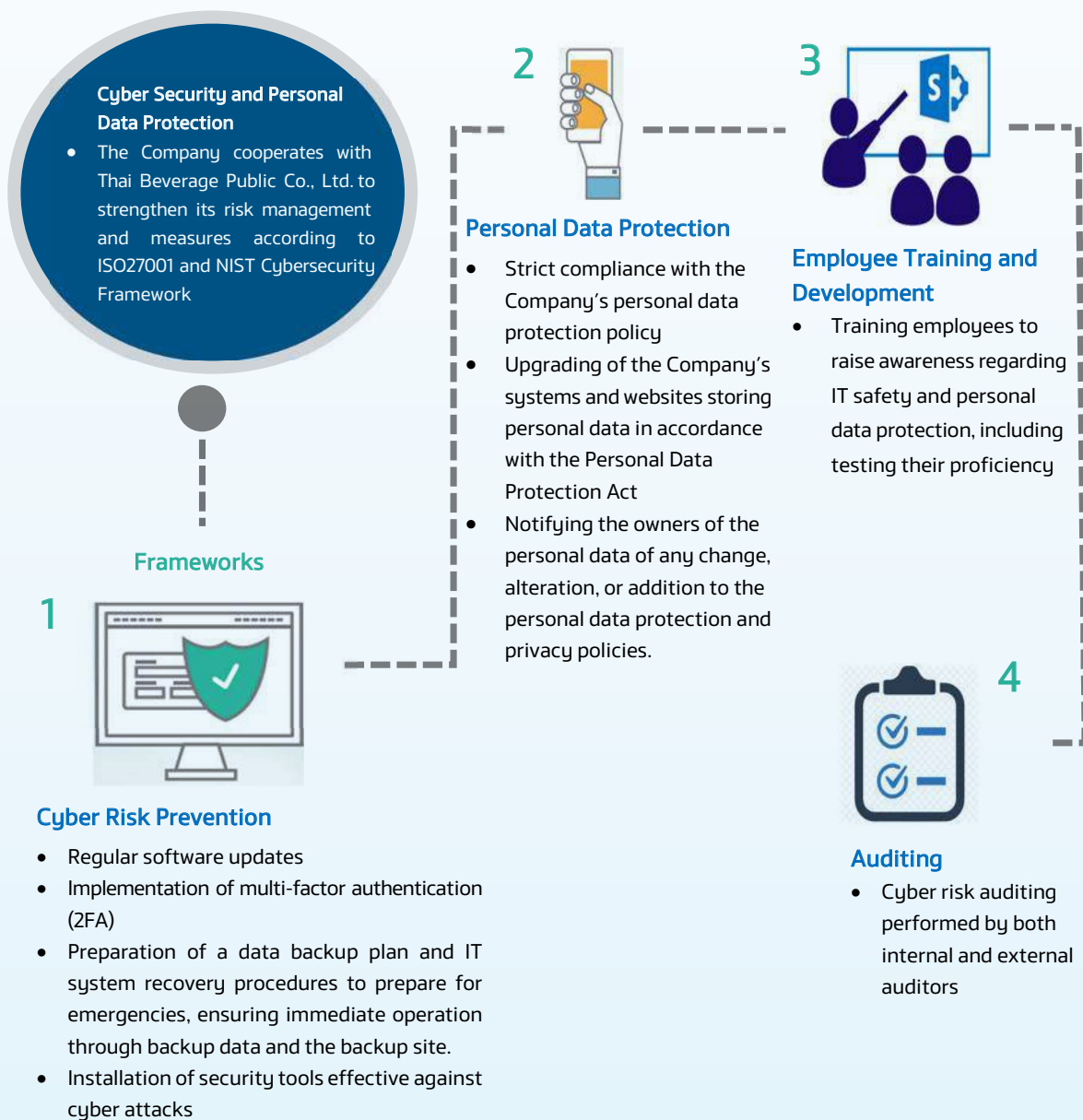
The countermeasures together with the person(s) in charge are stipulated as follows:

Sernsuk's Risk Charts

Impact Level	Risk Likelihood/Frequency					Risk Countermeasure(s)	
	1 Very Low	2 Low	3 Moderate	4 Fairly High	5 High	Risk level	Measure(s)
5 Extreme	M5	H10	H15	E20	E25	Extreme (E)	Immediate action to mitigate risk
4 High	M4	H8	H12	E16	E20	High (H)	High-ranking executives' attention required
3 Moderate	L3	M6	H9	H12	E15	Moderate (M)	Having responsibilities assigned to management, director level
2 Low	L2	L4	M6	H8	H10	Low (L)	Managed within regular workflow
1 No Effects	L1	L2	L3	M4	M5		

Cyber Security and Personal Data Protection

In 2022, Sermsuk had high internet activities, consisting of communication (46.89%), online transactions (28.32%), information search (12.63%), and entertainment (12.16%). Lacking effective cyber security could lead to cyber threats, loss of data, and may put personal data at risk. The Company, therefore, constantly attaches importance and focuses on cyber security and protection of personal data, preparing measures to prevent potential risks and mitigate the impact on its credibility in business operations, as well as stipulating relevant operational frameworks in order to establish standards for operations and cyber security and personal data protection practices in accordance with the advancement of modern technology.

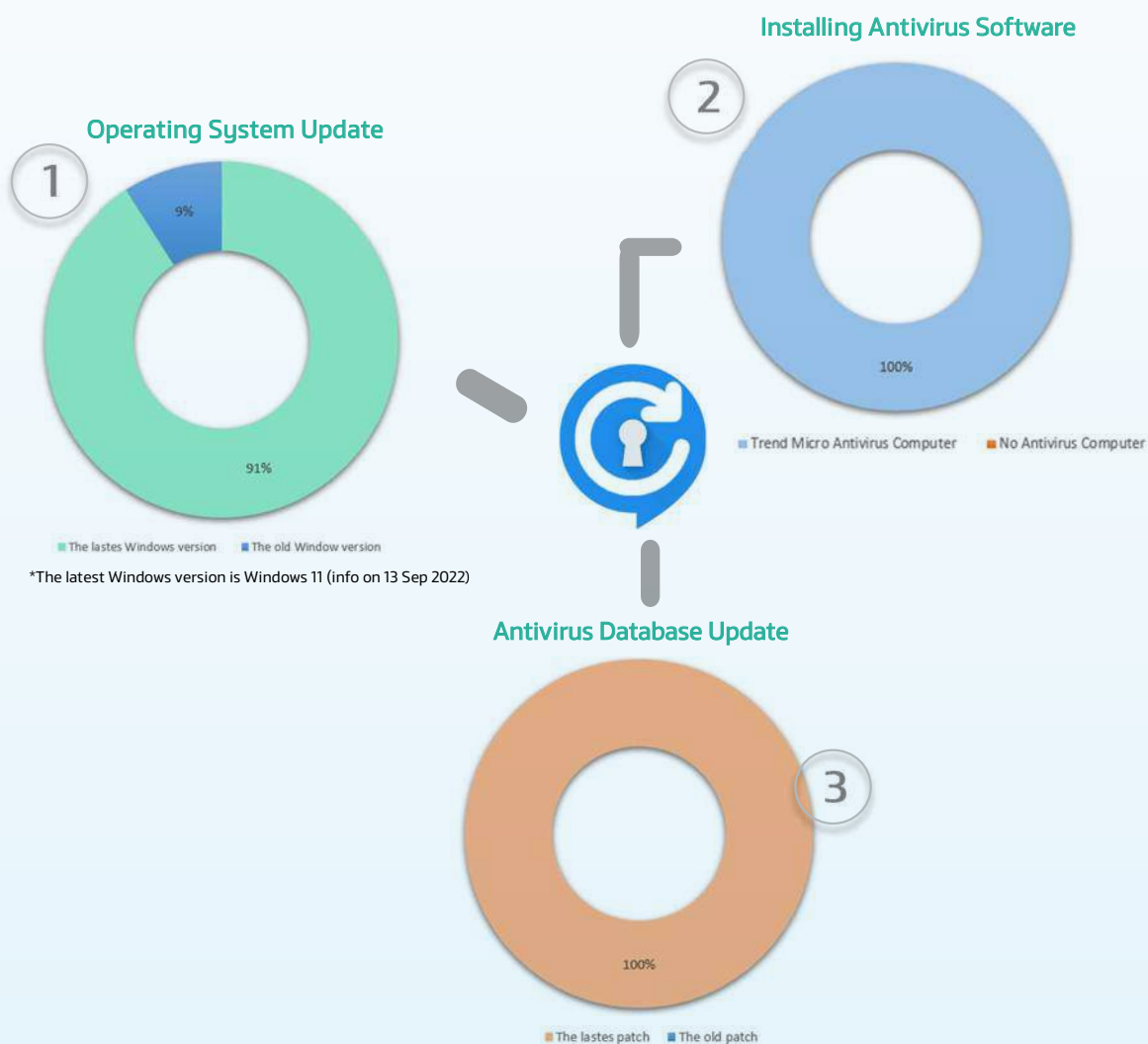


Cyber Risk Prevention

Regular software updates

Nowadays, cyber-attacks come in many forms. One of the attacks that causes severe consequences is ransomware commonly encountered around the world. This kind of attack is usually made possible by vulnerabilities in the system and outdated software.

The Company constantly updates the software and makes sure it is running on the most current version (depending on the specifications of computers). Programs are updated on a weekly basis to avoid security vulnerabilities while improving the performance.



Implementation of multi-factor authentication (2FA)

The Company implemented two-step authentication (2FA) to protect credentials and personal data of personnel, requiring users to re-verify their identity after entering their username and password. The

system will prompt the users to verify their identity via their mobile phone to ensure that access to the systems or data is limited to individuals with permission.

Preparation of a data backup plan and IT recovery procedures

At present, all departments are using more and more information technology to manage internally and to support operations. The advancement of information technology offers ease of use. It is easier to create IT databases and other databases useful for organization development planning, management, and operations of personnel.

With the constant increase in the number of IT data, the databases must be managed, monitored,

stored, and maintained to ensure security and allow for accessibility, accuracy, and integrity of the data. At the same time, IT systems can be damaged by a computer virus attack, by personnel, or from various internal and external factors that may cause damage to the IT systems, affecting the operations of the Company. It is necessary to have a backup plan and data recovery testing in order to prevent and troubleshoot potential abnormalities

Data backup

Order	Type of Data	Backup Frequency
1	Operating system and server computers (Full System Backup)	On a daily basis and every time, the configurations are changed.
2	Priority IT system (VSMS, SAP HANA)	On a daily basis and every time, the data is changed.
3	IT systems	On a weekly basis and every time, the data is changed.
4	Database of IT systems	On a daily or weekly basis.

IT system recovery procedures

System recovery procedure in case of malware threats

1. When the server is infected with malware, it must be immediately disconnected from all networks.
2. Check and remove malware.
 - If the malware can be removed, perform a new setup and reconnect the server to the networks
 - If the malware cannot be removed, install a new system, recover data and reconnect the server to the networks.
3. Record and report the results to supervisors.

System recovery procedure in case of hardware

1. Diagnose the damage or malfunction of computer equipment.
2. Immediately check.
 - If it can be fixed, bring the machine back online as soon as possible.
 - If the damage is severe, quickly provide users with temporary systems and retrieve the damaged parts to inspect and fix later.
3. Record the history of repairs and corrections and report the results to the relevant

System recovery procedure in case of software damage

1. Check the initial abnormalities of the software system
2. Quickly perform an inspection
 - If it can be fixed, bring the software back online as soon as possible.
 - If it cannot be fixed, perform a data backup, uninstall and reinstall the software and perform setup to make it ready for use.
3. Record the corrections and report the results to the relevant person(s).

Installation of security tools effective against cyber attacks

The Company is aware of the threat of cyber attacks detrimental to its business operations and needs to protect its IT systems to ensure it is always operational, deploying necessary basic security tools to maintain cyber security for the entire organization as follows:

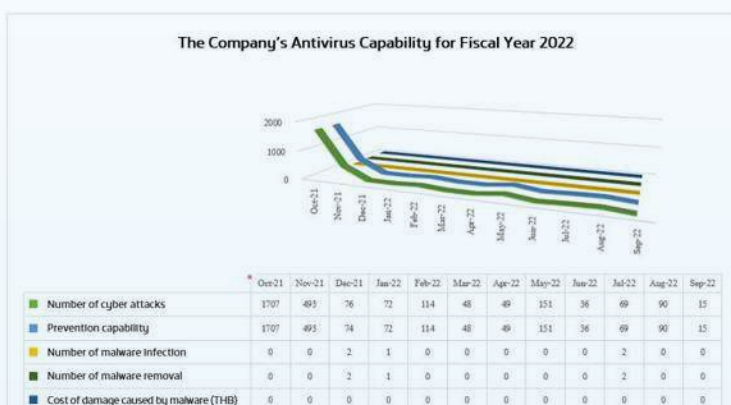
✓ Email Security

The security installed is capable of searching and stopping the attacks, using attribute analysis from multiple items such as message header data, sender's IP address, and message body, etc., with various rules set to determine whether the message is a threat or not, automatically blocking suspicious emails.

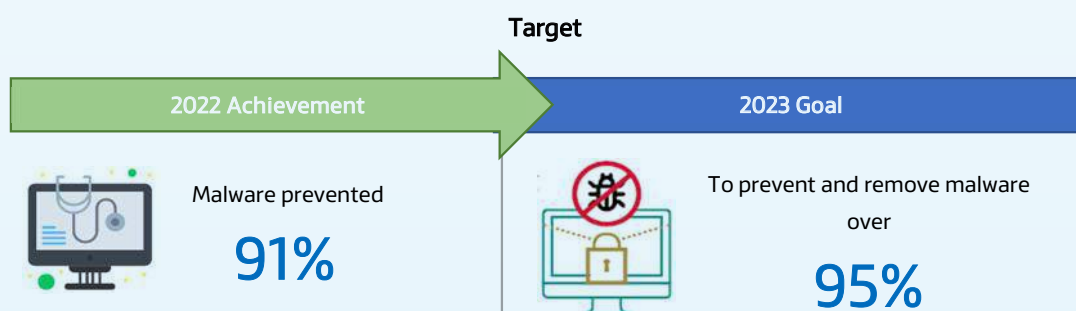
✓ Network Monitoring

Monitors and analyzes events in real time. Follows up and records safety data for compliance objectives or inspection for unusual activities which may indicate attack that poses a threat to the systems.

Cyber risk prevention performance



*Due to the Company's measures to prevent cyber risks, as well as constant monitoring, the average number of cyber attacks significantly reduced by 91% as of October 2021.



Personal Data Protection Practice

Strict compliance with the Sermsuk Personal Data Protection Policy

The Company complies with the requirements of the law to protect personal data in the system from internal breach and external threat, systematizing the process of using personal data to allow for convenient maintenance and management in compliance with the standards regarding the security of personal data as stipulated in the Personal Data Protection Act 2019 and Cybersecurity Act 2019. The Company also communicates within the organization the principles of personal data security as a guideline for employees to understand what they should strictly follow.

Upgrading systems and websites of Sermsuk storing personal data in accordance with the Personal Data Protection Act

The Company has cooperated with those involved within the organization since 2021 until the present to prepare the Consent Form and Cookie Consent Prompt on the websites and various systems of the organization in accordance with the PDPA for permission to collect and process personal data. The content of the consent request is clear, unambiguous, and can be rejected. Users can review details of consent.

Notifying data subjects of changes, amendments, or additions to the personal data protection policy and the privacy policy

For communications regarding personal data collection and protection Information security, the Company makes sure that its customers acknowledge the regulations, exceptions, and scope of data collection before they can choose to respond. This is to ensure that the Company complies with the Personal Data Protection Act B.E. The Company implemented this practice in April 2021 until now (as of September 2022).

Performance



Created awareness of regulations, exceptions, and scope of data collection among customers, receiving a total of **380,893 acceptances** or more than **95.86%**

Target

2023 Goals



To create awareness of regulations, exceptions, and scope of data collection among customers and receive **100% acceptances**



To monitor and implement preventive measures against customer information abuse

Auditing


Cybersecurity Training and Testing

Security awareness training helps the organization to be ready and able to adapt to changes, also reducing the chance of being prey to various forms of cyber attacks

Due to the rapidly-changing situation regarding cyber security, it can be a challenge for those who are at the forefront and in charge of the corporate cybersecurity and staying abreast of the latest threats. This is also a challenge for employees who are not directly involved in the cyber security, who need to be more vigilant against potential cyber threats such as ransomware, phishing, and data breaches.

In this regard, the Company cooperated with Thai Beverage Public Company Limited to organize training and testing on cyber security twice between 31 January 2022 and 25 February 2022 to raise awareness among employees of level 4 or more in how to safely use information technology and avoid cyber threats. Tests are also conducted.

Performance


 100% of the employees participated in the training and passed the Cyber Security Testing

Training and testing on personal data protection principles

PDPA awareness training made all employees realize the importance of personal data and understand the risks associated with personal data that the Company processes, stores, or transfers within the organization. They are also aware of how to maintain the security of personal data according to their assigned duties and cooperate to comply with the PDPA.

In this regard, the company cooperated with Thai Beverage Public Company Limited to organize training and testing on PDPA awareness to create knowledge and understanding for employees of level 4 or more on PDPA awareness. Tests are also conducted.

Performance

 100% of the employees participated in the training and passed the PDPA awareness

Auditing of Cyber Risks to Computer Systems by Internal and External Agencies

The company cooperates with Thai Beverage Public Company Limited to arrange for an audit of cyber risks and system risks by external agencies as follows:

- ✓ Conducted a pentest (Pentest) on the system or service provided for online ordering.
- ✓ Performed a Vulnerability Assessment (VA Scan), which checked for system vulnerabilities, ranging from vulnerabilities in the operation processes of the server and the network to the security devices to make known vulnerabilities within the organization's system and lead to proper corrections, thereby reducing the risk from potential threats.

Performance



Improvements to prevent cyber risks as suggested by the VA Scan have been completed about 50% and are being constantly worked on.

Target

2023 Goals



Improvements to prevent cyber risks as suggested by the VA Scan must be 100% completed.



To monitor every dimension and constantly upgrade cyber security.

Sustainable Supply Chain Management

The Company has set forth 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, business partners are constantly involved in its environmental conservation programs, such as its 'reduce, reuse, and recycle' activities to ensure minimal impact to the environment and encourage sustainable growth altogether.

Sustainable Supplier and Contractor Management

The Company realizes the importance of sustainable supply chain management and takes into account the impact on the environment and society along with good corporate governance in the process of recruitment, procurement of raw materials, production, transportation, and delivery of goods to customers. Therefore, the Company encourages its partners to operate with strong potential, complying 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 to establish long term relationships with partners are as follows:

Suppliers screening: Suppliers 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 environmentally, socially, and economically responsible operations, along with capability to sustainably manage the environment, society, and corporate governance
- Exhibiting competitive advantage, especially in terms of the ability to provide a constant supply of raw materials
- Thinking creatively and applying innovations to add business value

Purchasing decisions: Purchasing decisions are made based in part on suppliers' 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: 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 suppliers that strictly comply with legal requirements and ethical standards, especially those compliance with intellectual property rights and human rights.

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 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 sustainable conservation of natural resources and environment, the Company promotes eco-friendly practices in carrying out its procurement, for instance, through the selection of environmentally responsible suppliers and contractors that seek to reduce dependence on natural resources in order to cushion the environmental impacts of their business, while encouraging environmental responsibilities among them. 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 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 3 R principle (Reduce, Reuse, Recycle) 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.

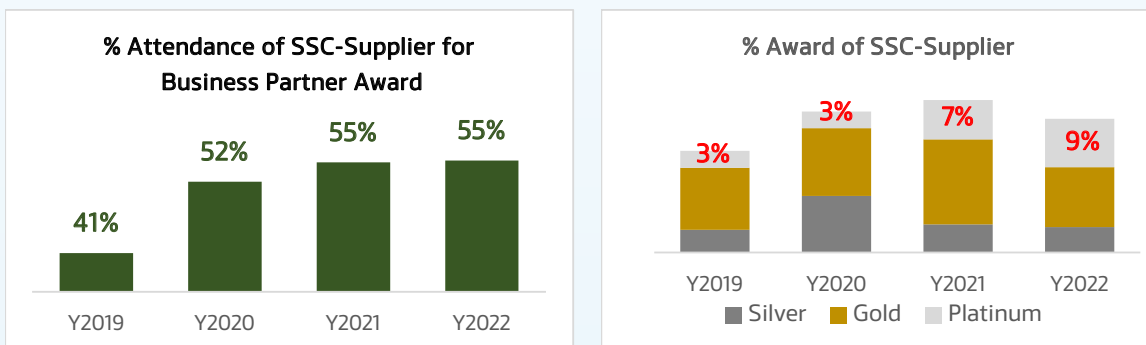


Capacity Development for Business Partners



Sustainable Business Partner Development

The Company sets forth a quality control policy for the production process of raw material and packaging suppliers, including quality assessment for delivery and the production process which is performed annually. In 2022, the Company devised a strategic plan to develop business partners, raw materials, and packaging by analyzing the cause, troubleshooting, and preventing problems that have occurred for mutual, sustainable development.



In addition, the Company has encouraged and supported its business partners to become sustainable partners through the Business Partner Award program, which has been continued since 2019 according to the policy of Thai Beverage Group for sustainable development. The project committee resolved to adjust score criteria to be more intense to raise quality and award consideration for partners (Platinum, Gold, and Silver levels) in terms of quality, service, transportation, price, innovation, and sustainability.

Business Partner 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 80 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.

Performance and Target



In 2022, the Company's new suppliers of raw material, chemicals, and packaging that have passed the screening according to the procurement criteria, all signed a letter of commitment in compliance with the environmental management system according to ISO 14001 requirements. A total of **100%** achieved.



2023 Goals

- Establishing Sustainability Performance Assessment and proceeding to assess all current business partners.
- Developing Suppliers Sustainable Code of Conduct and making sure all business partners sign their agreement to follow the set guidelines, which cover environmental, social and good governance including business ethics to achieve the Company's business partner management goals under the principle of corporate governance of Thai Beverage Group.

Corporate Innovation

Policies and Guidelines for Enterprise Innovation^(C)

Sermsuk operates its business with social and environmental responsibilities, employing an efficient post-consumption packaging management system. In addition to investing in a system for retrieving glass bottles from the market to clean and reuse, the Company also proceeds to continuously reduce the amount of plastic used every year. The Company also changed the use of colored plastic bottles to transparent plastic bottles for soft drinks, collaborating with packaging manufacturers and partners to conserve the environment by collecting used packages into an efficient management system.

Expenses for research and development of Activities/ Innovation Projects^(C)

This year, the company has set its research and development budget for use in the preparation of activities and innovation projects on packaging development, both primary and secondary dimensions, a total approximately Baht 3 million per year.

Process of developing and promoting innovation culture within the organization

The Company has been developing and promoting innovation within the organization every year through projects from departments which have carried out activities that aim to promote the development process and foster innovation culture within the organization such as Engineering, Production Development and Improvement, Packaging Engineering, etc.

This year, the Company organizes packaging innovation development projects in various dimensions, such as the Primary Packaging Project which implemented plastic use reduction in producing plastic bottles by lowering the weight of PET bottles for soft drinks and has implemented a change in the use of colored PET plastic bottles for soft drinks to clear plastic instead. This movement is a positive change in the development of packaging innovation, reducing the production cost while supporting and promoting the recycling of plastic.

Innovation Development Projects ^(R)

In 2022, the company implemented several packaging innovation development projects for sustainability as follows:

- Plastic use reduction in 1L. PET soft drink bottles. This project can help reduce the cost of production by approximately Baht 10 million per year, lowering the use of plastic by approximately 42 tons, and mitigate the greenhouse gas emissions.
- The change from colored plastic to clear plastic for the production of PET soft drink bottles size 360ml., 1L., and 1.6L. This can help reduce the cost of production by approximately 700,000 baht per year. The use of clear plastic allows for convenient recycling thus lowering the gas emissions.



The Company is committed to developing packaging innovation continuously according to the sustainable development policy of the ThaiBev Group, setting its goals for implementing innovation projects in 2023 as follows:

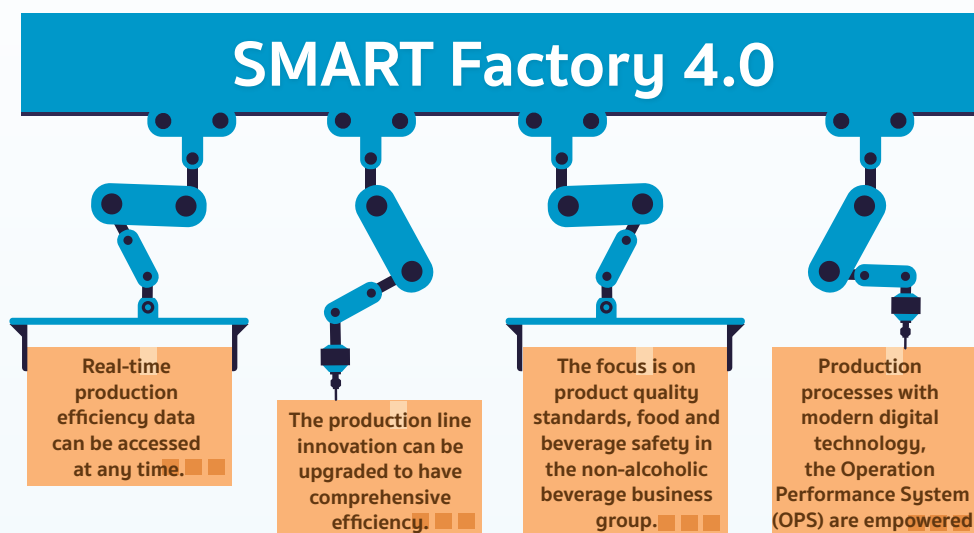
- Reducing plastic use in PET drinking water bottles: size 350ml. and 600ml.
- Reducing plastic use in PET soft drink bottles: size 490ml. and 515ml.
- Reducing the use of PE plastic in soft drink bottle caps for all sizes of bottles.
- Reducing the use of PE packing plastic wraps for drinking water and soft drink products

Product 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 respond to the health-conscious trend, the Company launches sugar-free soft drinks that are certified 'Healthier Choice'. In this year, however, with the COVID-19 situation still going on, the Company had to focus on marketing its 2021 product, est PLAY Salty Lychee Plus B and est PLAY Grape Berry Plus B with added vitamins B6 and B12, the two soft drinks were also awarded a 'Healthier Choice' label.

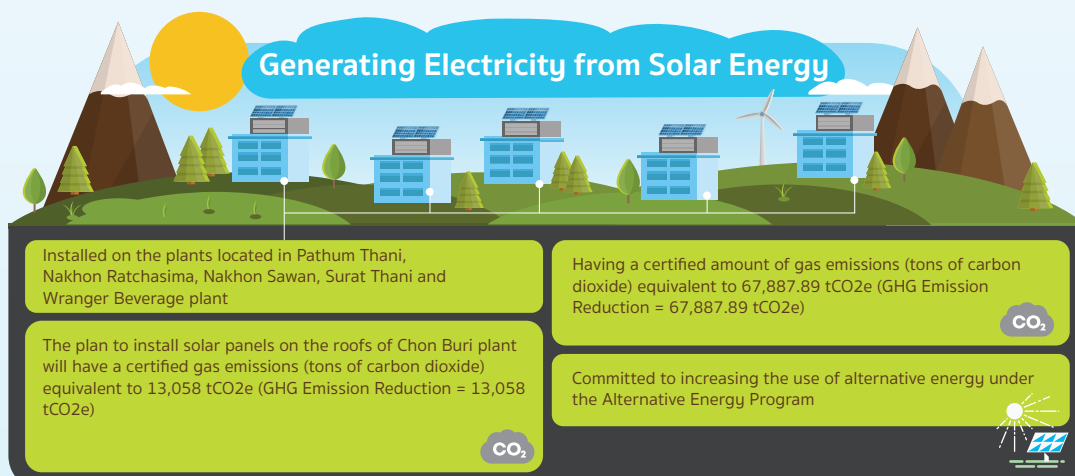
In addition, the Company also uses innovation to develop products with lower sugar content while preserving as close to the original taste as possible. The Company has entered into a Memorandum of Understanding (MOU) with partners who have expertise and technology in regarding alternative sweeteners to help develop low-sugar products that offer sweetness and texture similar to conventional sugar-sweetened drinks to be accepted by consumers.



Sermsuk has created new products and production processes by upgrading the production line innovation to have comprehensive efficiency, focusing on product quality standards, food and beverage safety in the non-alcoholic beverage business group. The Company empowers its production processes with modern digital technology, the Operation Performance System (OPS) to increase the efficiency in self-designed and self-developed products. This also includes analyzing and identifying pain points that need to be improved. Real-time production efficiency data can be accessed at any time, in line with operational guidelines under the SMART Factory 4.0 concept that improves production efficiency with the continuously decreasing cost per unit.

In 2022, the Company initiated the installation of PET inline blowing machines for Crystal drinking water at Surat Thani plant to achieve sustainable growth while minimizing the environmental impact of production and transportation. At the same time, the Company planned to proceed and install PET inline blowing machines for Crystal drinking water at Chon Buri plant in the upcoming 2023.

In addition, the Company has installed solar energy panels on the roofs of the Company's 5 plants: Pathum Thani plant, Nakhon Ratchasima plant, Nakhon Sawan plant, Surat Thani plant and Wranger Beverage plant, which have a certified amount of gas emissions (tons of carbon dioxide) equivalent to 67,887.89 tCO₂e (GHG Emission Reduction = 67,887.89 tCO₂e). With the plan to install solar energy panels on the roof at Chon Buri plant in 2023, the certified gas emissions (tons of carbon dioxide) will be equivalent to 13,058 tCO₂e (GHG Emission Reduction = 13,058 tCO₂e). However, the Company is committed to increasing the use of alternative energy under the Alternative Energy Program as it can sustainably reduce the environmental impact from carbon dioxide emissions.



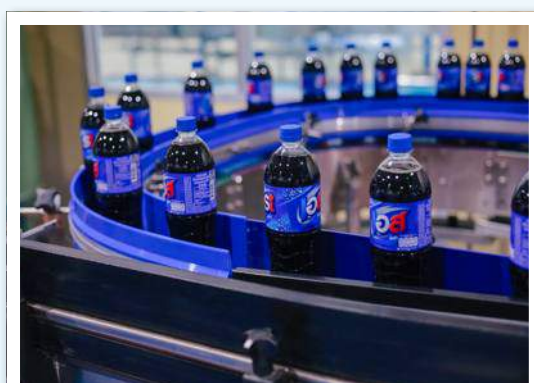
Sermsuk's Governance Projects and Activities

Opening an "est Soft Drinks" beverage production line at Surat Thani plant

Due to the increasingly fierce competition in the carbonated soft drink market, the Company decided to study to find a solution to reduce production costs in order to ultimately increase its competitiveness, especially in southern Thailand. The lack of production line for carbonated drinks in PET plastic bottles at Surat Thani plant meant that the Company had to transport the products from the central distribution center to southern Thailand.



The Company, together with BevTech Co., Ltd., has studied and installed a production line for soft drinks in PET plastic bottles at Surat Thani plant to reduce transportation costs and increase its competitiveness and efficiency in cost management by relocating unused machinery from Nakhon Sawan plant to assemble and installed with the existing production line 2 machinery at Surat Thani plant, to set up a production line for soft drinks in PET plastic bottles, capable of producing est carbonated beverages in 3 sizes: 360ml., 1000 ml., and 1600 ml.



However, during the implementation of the project, the Company was facing a great challenge from the lockdown measures imposed by the government in response to the COVID-19 situation. The Company had to adapt and change its operational plans in order to ensure the completion of the project, relying on communicating technology to work with the machinery distributor through the Remote Engineering System until the production line for est beverages in PET plastic bottles became operational in November 2021.

Sernsuk's Governance Projects and Activities



Opening a “Crystal Drinking Water” production line at Surat Thani plant

In order to increase its competitiveness in the drinking water market, the Company worked with BevTech Co., Ltd. to install the Company's first PET inline blowing machine for Crystal Drinking Water at Surat Thani plant in April 2022, which will help reduce the cost of sourcing PET plastic bottles for Crystal Drinking Water. This inline blowing machine for PET plastic bottles is capable of producing drinking water bottle containers for Crystal Drinking Water in 4 sizes: 350ml., 600ml., 1L., and 1.5L. This project is another milestone in modernizing the Company's machinery and helps reduce production costs.

Sermsuk's Governance Projects and Activities



Sermsuk-ThaiBev Production Network Strengthening

Sermsuk's Production Department focuses on the Total Productive Maintenance (TPM) where every employee is involved, focusing on proactive and reactive machine maintenance for continuity in production and good quality of products, including work safety and minimizing losses arising from the work process which will contribute to the goals of the organization.

In this regard, the Production Department realizes the importance of strengthening the TPM operations for production employees taking into account the importance of building a production network between ThaiBev Group companies and business partners who supply raw materials for production. These TPM operations have been implemented in the Company, its beer and spirit breweries and Oishi company.

In addition, the TPM Open House 2022 program was initiated to exchange TPM operations to connect a production network with a main goal to develop knowledge and competency among employees and establish the equivalent machinery standards, preparing to become a smart factory. The Production organized such programs for every Sermsuk plant in each region, which included Nakhon Ratchasima plant, Chon Buri plant, Pathum Thani plant, Surat Thani plant, and Nakhon Sawan plant.

Sustainability Awards

2022 CSR – DIW Continuous Award

5 Sermasuk plants were awarded the CSR – DIW Continuous Award for the 14th consecutive year.

Sermasuk plants passed the CSR-DIW standards from the program that encourages sustainable responsibilities towards society and community and received the CSR – DIW Continuous Award from the Department of Industrial Works, Ministry of Industry for the 14th consecutive year.

The Company has participated in the program organized by the Department of Industrial Works since 2009. It is a program that certifies socially responsible operations of a factory, which cover 7 key dimensions as follows:



Corporate Governance, Human Rights, Labor, Environment, Fair Operations, Consumers, and Contribution in Community Development, all of which align with the Company's Sustainable Development values in all 3 dimensions: environmentally, socially, and economically, in order to earn trust and recognition from the public sector and all groups of stakeholders and to coexist sustainably in line with the principle: **"Fulfilling Happiness"**.

Surat Thani plant was awarded the outstanding model enterprise.

Surat Thani plant received the award as an outstanding model enterprise in terms of occupational safety, health, and working environment from the Ministry of Labor in September 2022.

This Outstanding Model Enterprise Award aims to elevate the quality of occupational health, safety, and working environment management of the workplace, encouraging systematic operations in par with international standards and promoting engagement of employers and employees. In addition, it helps all parties realize the importance of work safety in order to prevent work-related accidents and losses, as well as illness caused by work.

Thailand Quality Prize 2022

The Sermsuk Production Team won a national award.

The Company won 2 awards from the national competitions: the “Silver Awards” in the category of “Junior Manufacturing” from the Thailand Quality Prize 2022 event hosted by the Technology Promotion Association (Thai-Japanese) and the Excellent Quality Group Award from the 35th Thailand QC Expo hosted by the Ministry of Industry, awarded for minor stoppage solution using the De-palletizer Line 5 at Pathum Thani plant and Consumable Cost Optimization at Surat Thani plant.



This success of the Production Team is due to the cooperation from the employees under the non-stop and ever-developing policy and strategy, deploying the Total Productive Maintenance (TPM) system that includes all employees in the management to reduce losses in the production processes while developing the capabilities of personnel. This approach results in cost reduction and has become a core value of the Production Department. It can be said that the development of the team's potential and the ability of personnel is at the heart of the Company.

Thailand Kaizen Award 2022

Sermsuk won 3 awards from Thailand Kaizen Award 2022

Chon Buri plant, Nakhon Sawan plant, and Surat Thani plant were granted the Thailand Kaizen Award 2022 by the Technology Promotion Association (Thai-Japanese), which is an honorary award for those who constantly improve the work process and strive for maximum efficiency with a focus on employee engagement to seek new methods to always improve the workflow and working environment according to the Kaizen concept.



The 3 Awards from Thailand Kaizen Award 2022 included:



Silver Award
Kaizen Suggestion System Category
Granted to
“Roller hole wear measurement tool ”
Created by Mr. Prasarn Kongthong
Maintenance Department, Chon Buri plant



Bronze Award
Kaizen Suggestion System Category
Granted to
**“Zero Defect for CSD 330ml. substandard caps
(tight caps/loose caps)”**
Created by Mr. Saksin Jeennoon
Quality Control Department, Surat Thani plant



Certificate
Kaizen Suggestion System Category
Granted to
“Standards in place, bottle cap issues gone”
Created by Mr. Niwat Buasai
Production Department, Nakhon Sawan plant

Eco Factory plus Social Value

Going beyond production with social responsibility and sustainability.

Production Department of Surat Thani plant received the award **"Eco Factory plus Social Value"** (Eco Factory + SV) from Eco-Industrial Development Division, Department of Industrial Works for its Eco-Industrial Upgrade and Development Project with Social Value which aims to develop factories in an industrial city area as a model for operation with social responsibility and sustainability, creating value for the community and society, as well as other factories in the target province.



Surat Thani plant passed the assessment at the Gold Plus level. The total number of factories awarded with the Eco Factory + SV in 2022 at all levels was 63 factories as follows:

Gold Plus level:	15 factories
Gold level:	13 factories
Silver level:	21 factories
Bronze level:	14 factories

Being awarded with such significant awards reflects the company's commitment to elevate its business operations, aiming for efficient production while being conscious to the environment and society, according to its principles of social responsibility and sustainability. The Company is truly determined to pass on such value to the communities and the society.



LRQA Independent Assurance Statement

Relating to Sermsuk Public Company Limited's Sustainability Report for the fiscal year 2022 (1st October 2021 – 30th September 2022)

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

LRQA (Thailand) Limited was commissioned by Sermsuk Company Limited (Sermsuk), to provide independent assurance on its Sustainability Report ("the report") against the assurance criteria below to a limited level of assurance and at the materiality of the professional judgement of the verifier using LRQA's verification procedure. LRQA's verification procedure is based on current best practice, is in accordance with ISAE 3000¹ and uses the following principles of - inclusivity, materiality, responsiveness and reliability of performance data.

Our assurance engagement covered Sermsuk's operations and activities in Thailand, specifically the following requirements:

- Confirming that the report is reference to GRI Standards 2021
- 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 (2020 edition) Waste generated, GRI 306-4 (2020 edition) Waste diverted from disposal and GRI 306-5 (2020 edition) Waste directed to disposal included food loss and food waste.
 - *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 assessment, and development programs.

Our assurance engagement excluded the data and information of Sermsuk's suppliers, contractors and any third-parties mentioned in the report.

LRQA's responsibility is only to Sermsuk. LRQA 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.

LRQA's Opinion

Based on LRQA'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.

LRQA's approach

LRQA'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.
- Confirming the reliability of the selected specific standards' data by sampling evidence at Sermsuk Public Company Limited, Surathani and Pathumthani Provinces, Thailand

¹ GHG quantification is subject to inherent uncertainty.



Note:

LRQA did not verify the data back to its original sources, nor did it assess the accuracy and completeness of the data reported by individual locations.

Observations

Further observations and findings, made during the assurance engagement, are:

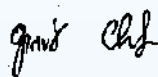
- **Reliability**
Data management systems are established and centralized for the data and information collection and calculation associated with the selected GRI indicators. However, we believe that the periodic internal verification will help improving the quality and reliability of data reported in the future, typically for reporting of water and waste management performance.

LRQA's standards, competence and independence

LRQA 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 LRQA for Sermsuk and as such does not compromise our independence or impartiality.

Dated: 15 December 2022



Opart Charuratana
LRQA Lead Verifier
On behalf of LRQA (Thailand) Limited
No.9, G Tower Grand Rama 9, FL. 30, Room H14,
Rama 9 Rd., HuayKwang, Bangkok, 10310, THAILAND

LRQA reference: BGK00000809/D

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The English version of this Assurance statement is the only valid version. LRQA Group limited assumes no responsibility for versions translated into other languages.

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GRI STANDARDS

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102-18 Governance Structure	<ul style="list-style-type: none"> - Sustainability and Risk Management 	<ul style="list-style-type: none"> - Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information
102-19 Delegating Authority	<ul style="list-style-type: none"> - Sustainability and Risk Management 	<ul style="list-style-type: none"> - Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information
102-20 Executive-level Responsibility for Economic, Environmental, and Social Topics	<ul style="list-style-type: none"> - Sustainability and Risk Management 	<ul style="list-style-type: none"> - Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information
102-21 Consulting Stakeholders on Economic, Environmental, and Social Topics	<ul style="list-style-type: none"> - Stakeholder Engagement 	
102-22 Composition of the Highest Governance Body and Its Committees		<ul style="list-style-type: none"> - Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information
102-23 Chair of the Highest Governance Body		<ul style="list-style-type: none"> - Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information
102-24 Nominating and Selecting the Highest Governance Body		<ul style="list-style-type: none"> - Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information
102-25 Conflicts of Interest		<ul style="list-style-type: none"> - Conflict of interest - Internal Control System
102-26 Role of Highest Governance Body in Setting Purpose, Values, and Strategy	<ul style="list-style-type: none"> - Sustainability and Risk Management 	<ul style="list-style-type: none"> - Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information

GRI Disclosure	Sustainability Report	56-1 One Report
102-29 Identifying and Managing Economic, Environmental, and Social Impacts	- Materiality Topics - Stakeholder Engagement	
102-30 Effectiveness of Risk Management Processes	- Sustainability and Risk Management	- Governance Organization Structure and Significant Information of Board of Director, Sub-Committee,
102-32 Highest Governance Body's Role in Sustainability Reporting	- Sustainability and Risk Management	
102-35 Remuneration Policies		- Executive Committee and Executives Remuneration policy - Directors and Executive's Fees and Remuneration - Compensation and Benefits Policy
102-36 Process for Determining Remuneration		- Executive Committee and Executives Remuneration policy - Compensation and Benefits Policy
Stakeholder Engagement		
GRI Disclosure	Sustainability Report	56-1 One Report
102-40 List of Stakeholder Groups	- Stakeholder Engagement	
102-44 Key Topics and Concerns Raised	- Customer Relationship Management	
Reporting Practice		
GRI Disclosure	Sustainability Report	56-1 One Report
102-45 Entities Included in the Consolidated Financial Statements	- About This Report	
102-46 Defining Report Content and Topic Boundaries	- Materiality Topics	
102-47 List of Material Topics	- Materiality Topics	
102-49 Changes in Reporting	- No Significant Changes to the Key Sustainability Issues	
102-50 Reporting Period	- About This Report	
102-51 Date of Most Recent Report	- About This Report	
102-52 Reporting Cycle	- About This Report	
102-53 Contact Point for Questions Regarding the Report		- Governance Organization Structure and Significant Information of Board of Director, Sub-Committee, Executives, Employees and Other Information (Investor Relations)
102-54 Claims of Reporting in Accordance with the GRI Standards	- About This Report	
102-55 GRI Content Index	- GRI Standards	
GRI 103: Management Approach		
GRI Disclosure	Sustainability Report	56-1 One Report
103-1 Explanation of the Material Topic and Its Boundary	- Summary of Materiality Topics	

GRI Disclosure	Sustainability Report	56-1 One Report
103-2 The Management Approach and Its Components	- About This Report - Sermsuk's Sustainability Development Structure	
103-3 Evaluation of the Management Approach	- Sustainability and Risk Management	
GRI 201: Economic Performance		
GRI Disclosure	Sustainability Report	56-1 One Report
201-1 Direct Economic Value Generated and Distributed		- Management Discussion and Analysis: MD&A
201-2 Financial Implications and Other Risks and Opportunities Due to Climate Change	- Climate Change Strategy	- Climate Change
201-3 Defined Benefit Plan Obligations and Other Retirement Plans		- Notes to the financial statements (Non-current provisions for employee benefits)
GRI 204: Procurement Practices		
GRI Disclosure	Sustainability Report	56-1 One Report
204-1 Proportion of Spending on Local Suppliers	- Sustainable Supply Chain Management	
GRI 205: Anti-corruption		
GRI Disclosure	Sustainability Report	56-1 One Report
205-1 Operations Assessed for Risks Related to Corruption		- Corporate Governance Policy
205-2 Communication and Training about Anti-corruption Policies and Procedures	- Corporate Governance and Business Ethics	- Corporate Governance Policy
GRI 207: Tax		
GRI Disclosure	Sustainability Report	56-1 One Report
207-1 Approach to Tax		- Risk Management
207-2 Tax Governance, Control, and Risk Management		- Risk Management
207-3 Stakeholder Engagement and Management of Concerns Related to Tax		- Independent Auditor's Report - Notes to the financial statements
207-4 Country-by-country Reporting		- Part 3 Financial Statements - Notes to the financial statements
GRI 302: Energy		
GRI Disclosure	Sustainability Report	56-1 One Report
302-1 Energy Consumption within the Organization	- Energy Management	
302-2 Energy Consumption Outside of the Organization	- Energy Management	
302-3 Energy Intensity	- Energy Management	
302-4 Reduction of Energy Consumption	- Energy Management	

GRI Disclosure	Sustainability Report	56-1 One Report
302-5 Reduction in Energy Requirements of Products and Services	- Energy Management	
GRI 303: Water and Effluents		
GRI Disclosure	Sustainability Report	56-1 One Report
303-1 Interactions with Water as a Shared Resource	- Water Management and Water Resource Conservation	
303-2 Management of Water Discharge-related Impacts	- Water Management and Water Resource Conservation	
303-3 Water Withdrawal	- Water Management and Water Resource Conservation	
303-4 Water Discharge	- Water Management and Water Resource Conservation	
303-5 Water Consumption	- Water Management and Water Resource Conservation	
GRI 305: Emissions		
GRI Disclosure	Sustainability Report	56-1 One Report
305-1 Direct (Scope 1) GHG Emissions	- Climate Change Strategy	
305-2 Energy Indirect (Scope 2) GHG Emissions	- Climate Change Strategy	
305-4 GHG Emissions Intensity	- Climate Change Strategy	
305-5 Emissions of Ozone-depleting Substances (ODS)	- Climate Change Strategy	
305-6 Reduction of GHG Emissions	- Climate Change Strategy	
GRI 306: Effluents and Waste		
GRI Disclosure	Sustainability Report	56-1 One Report
306-1 Water Discharge by Quality and Destination	- Waste, Packaging, and Circular Economy Management	
306-2 Waste by Type and Disposal Method	- Waste, Packaging, and Circular Economy Management	
306-3 Significant Spills	- Waste, Packaging, and Circular Economy Management	
306-4 Transport of Hazardous Waste	- Waste, Packaging, and Circular Economy Management	
306-5 Water Bodies Affected by Water Discharges and/or Runoff	- Waste, Packaging, and Circular Economy Management	
GRI 308: Supplier Environmental Assessment		
GRI Disclosure	Sustainability Report	56-1 One Report
308-1 New Suppliers That were Screened Using Environmental Criteria	- Sustainable Trade Partner Management	
308-2 Negative Environmental Impacts in the Supply Chain and Actions Taken	- Sustainable Supply Chain Management	

GRI 401: Employment		
GRI Disclosure	Sustainability Report	56-1 One Report
401-1 New Employee Hires and Employee Turnover	- Recruitment and Retention of Talent	
GRI Disclosure	Sustainability Report	56-1 One Report
401-2 Benefits Provided to Full-time Employees That are Not Provided to Temporary or Part-time Employees	- Remuneration and Welfare Benefits	- Compensation and Benefits Policy
GRI 403: Occupational Health and Safety		
GRI Disclosure	Sustainability Report	56-1 One Report
403-1 Occupational Health and Safety Management System	- Occupational Safety and Health, Workplace Environment, and Employee Well-Being	- Safety, Occupational Health, and Working Environment Policy
403-2 Hazard identification, Risk Assessment, and Incident Investigation	- Occupational Safety and Health, Workplace Environment, and Employee Well-Being	- Risk Management
403-3 Occupational health services	- Occupational Safety and Health, Workplace Environment, and Employee Well-Being	
403-4 Worker Participation, Consultation, and Communication on Occupational Health and Safety	- Occupational Safety and Health, Workplace Environment, and Employee Well-Being	
403-5 Worker Training on Occupational Health and Safety	- Occupational Safety and Health, Workplace Environment, and Employee Well-Being	
403-6 Promotion of Worker Health	- Occupational Safety and Health, Workplace Environment, and Employee Well-Being	
403-7 Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	- Occupational Safety and Health, Workplace Environment, and Employee Well-Being	- Corporate Governance Policy (Employees)
403-8 Workers Covered by an Occupational Health and Safety Management System	- Occupational Safety and Health, Workplace Environment, and Employee Well-Being	
403-9 Work-related Injuries	- Occupational Safety and Health, Workplace Environment, and Employee Well-Being	- Corporate Governance Policy (Employees)
403-10 Work-related ill Health	- Occupational Safety and Health, Workplace Environment, and Employee Well-Being	

GRI 404: Training and Education		
GRI Disclosure	Sustainability Report	56-1 One Report
404-1 Average Hours of Training per Year per Employee	- Personnel Development	
404-2 Programs for Upgrading Employee Skills and Transition Assistance Programs	- Personnel Development	
GRI 413: Local Communities		
GRI Disclosure	Sustainability Report	56-1 One Report
413-1 Operations with Local Community Engagement, Impact Assessments, and Development Programs	- Social Development and Collaboration	- Corporate Governance Policy (Communities)
GRI 414: Supplier Social Assessment		
GRI Disclosure	Sustainability Report	56-1 One Report
414-1 New Suppliers That were Screened Using Social Criteria	- Sustainable Supply Chain Management	
GRI 416: Customer Health and Safety		
GRI Disclosure	Sustainability Report	56-1 One Report
416-1 Assessment of the health and safety impacts of product and service categories	- Healthy and Nutritious Products	





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